



Equatorial Guinea

Priority Areas



Country Profile

2023

**Blockchain and Digital
Transformation in Africa.**

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Note: The information presented here highlights crucial focus areas for the country, especially in the context of the emerging industries of Fintech, DeFi (Decentralized Finance), NFTs (Non-Fungible Tokens), and cryptocurrencies. The information presented sheds light on several developments and pioneering enterprises that are fueling the country's digital progress in the blockchain domain. However, it is important to note that this is not an exhaustive list; rather, it provides a glimpse into the country's direction and ability to achieve key milestones in the blockchain sector.

Fintech

Digital Banking	<p>BGFI Bank Guinea Equatorial: It offers mobile banking through Banca Movil BGFI. Through a mobile app, clients can verify balances, transfer funds, pay bills, and more. Equatorial Guineans can use its digital banking services, even if it is not blockchain-based.</p> <p>Orange Money: Orange offers mobile money by allowing customers to deposit, withdraw, transfer, and pay bills using their phones. Orange Money serves Equatorial Guinea and other African nations.</p> <p>Ecobank Mobile App: Ecobank: It is a renowned pan-African bank and offers a mobile banking app that lets consumers check their accounts, transfer payments, pay bills, and more. Ecobank's mobile app provides digital banking in Equatorial Guinea.</p> <p>Banco Nacional de Guinea Ecuatorial (BANGE) is Equatorial Guinea's state-owned bank is digitizing its financial services to make them more convenient and accessible.</p>
Payment Solutions	<p>Orange Money: Orange Cameroon launched mobile money transfers in CEMAC countries like Gabon and Equatorial Guinea. Orange Money users can transfer money within CEMAC using the service. Orange Cameroon and Central African Interbank Electronic Banking Group (Gimac) cooperated to develop this money transfer system. Airtel Gabon and CCEI Bank Equatorial Guinea, a subsidiary of Afriland First Bank, handled transfers initially. The service aimed to progressively spread to CEMAC countries. This effort followed the Bank of Central African States (Beac) announcement to enable electronic payments between mobile money operators.</p> <p>MTN Mobile Money: MTN, a major African telecoms firm, offers mobile banking services. It enables users securely transfer, receive, and keep money on their phones. MTN Mobile Money in Equatorial Guinea supports bill payments, airtime purchases, person-to-person transfers, and merchant payments. Thus, mobile wallet users deposit and withdraw cash at authorized MTN Mobile Money agents.</p>
Remittance Services	<p>The projected transaction value in the Digital Remittances market is US\$11.23 million by 2023, with a 5.87% annual growth rate between 2023 and 2027. By 2027, transactions</p>

	<p>will be worth US\$14.11 million due to this development. Besides, the Digital Remittances market will have 2.82 thousand users by 2027. In 2023, the average transaction value per user in the Digital Remittances market will be US\$6.41 thousand.¹</p>
<p>Financial Remittance Programs</p>	<p>Africa Digital Financial Inclusion Facility: The African Development Bank and donors inaugurated the Africa Digital Financial Inclusion Facility (ADFI) in June 2019 at the Bank's Annual Meetings in Malabo, Equatorial Guinea. ADFI aspires to promote digital financial inclusion in Africa by bringing 332 million Africans, particularly women, into the formal economy.² Digital financial services can promote financial inclusion, gender equality, and inclusive economic growth. Mobile payment systems will help low- and middle-income people improve their economic stability. The Malabo launch event presented ADFI's goals, organization, and emphasis areas and discussed digital financial inclusion issues and potential. The event included donors like the Bill & Melinda Gates Foundation, the Government of Luxembourg, and Agence Française de Développement, as well as regional member countries, multilateral organizations, the private sector, and digital finance inclusion experts.</p>
<p>Blockchain Technology</p>	<p>Equatorial Guinea is taking advantage of the digital revolution to boost its economy. The nation has invested much in technology infrastructure and services to support digitalization. Digital payment methods in Equatorial Guinea allow mobile transactions and improve financial access, especially in distant locations. For instance, its digital identity system streamlines government processes and reduces corruption. To improve education, the country gives students and teachers digital devices. Equatorial Guinea's fiber optic networks connect major cities and communities, providing businesses and individuals with high-speed internet. International recognition has enhanced business environments and attracted foreign investment. Hence, Equatorial Guinea's dedication to digitalization creates a strong foundation for blockchain technology's adoption.</p>

¹ Statista, "Digital Remittances - Equatorial Guinea | Market Forecast," Statista, 2023, <https://www.statista.com/outlook/dmo/fintech/digital-payments/digital-remittances/equatorial-guinea>.

² African Development Bank, "Launch of the Africa Digital Financial Inclusion Facility," African Development Bank Group - Making a Difference, June 18, 2019, <https://www.afdb.org/en/news-and-events/launch-of-the-africa-digital-financial-inclusion-facility-19333>.

DeFi

Building DeFi Infrastructure	<p>The African Development Bank (AfDB) accepted the Equatorial Guinea Public Finance Modernization Support Project (PAMFP) to lend EUR 26.5436 million to the country³. Within an IMF-supported economic and financial reform program, the project seeks to improve governance and public finance management. PAMFP strives to improve non-oil income mobilization, public expenditure effectiveness and control, and project management. The project aims to update the regulatory framework, computerize, and connect Ministry of financial, Economy, and Planning agencies, and develop public financial management capabilities. The initiative will improve resource mobilization, transparency, efficiency, and quality of life for the entire population by benefiting government agencies and officials involved in public finance management. This project lays the premise for DeFi expansion in the future.</p>
Educating the Public About DeFi and its Benefits	<p>Equatorial Guinea's EFF-supported initiative addresses macroeconomic imbalances, social protection, financial sector vulnerabilities, economic diversification, and governance and transparency to combat corruption. Previous steps involved joining the Extractive Industries Transparency Initiative (EITI), creating a system to track and regulate government expenditures, and creating a governance diagnostic report and anti-corruption action plan⁴. The initiative promotes hydrocarbon sector transparency, governance and anti-corruption, rule of law, and anti-money laundering. To support fiscal consolidation and sustained economic growth, it aims to reduce low-efficiency expenditures, enhance non-hydrocarbon income, clear domestic and external arrears, recapitalize institutions, and reform structurally.</p>
Providing access to DeFi services for the unbanked population	<p>Equatorial Guinea's BANGE bank chairman, Martin Cristanto, emphasized the private sector's role in financial consolidation and economic growth. He supported structural reforms to enhance the financial</p>

³ African Development Bank Group, "Equatorial Guinea - Public Finance Modernization Support Project (PAMPF)," projectsportal.afdb.org, 2023, <https://projectsportal.afdb.org/dataportal/VProject/show/P-GQ-K00-008>.

⁴ IMF, "REPUBLIC of EQUATORIAL GUINEA REQUEST for an EXTENDED ARRANGEMENT under the EXTENDED FUND FACILITY and SECOND REVIEW under the STAFF-MONITORED PROGRAM-PRESS RELEASE, STAFF REPORT, and STATEMENT by the EXECUTIVE DIRECTOR Letter of Intent Sent to the IMF by the Authorities of the Republic of Equatorial Guinea* Memorandum of Economic and Financial Policies by the Authorities of the Republic of Equatorial Guinea* Technical Memorandum of Understanding* *Also Included in Staff Report," 2019, <https://www.imf.org/-/media/Files/Publications/CR/2019/1GNQEA2019001.ashx>.

	<p>system and increase financial inclusion. Banking helps finance the economy and support non-oil sectors, creating jobs and growth. BANGE strives to help small businesses diversify by providing individualized services, finance, and guidance⁵. The bank wants to establish branches and launch new services including mobile banking nationwide and in CEMAC. Strong balance sheets, regulatory compliance, and multi-channel banking have earned BANGE many "Bank of the Year" awards in Equatorial Guinea. Foreign investors can profit in fishing, agriculture, mining, tourism, and banking in Equatorial Guinea. The government has improved business conditions, simplified procedures, protected investments, and created appealing legal frameworks.</p>
<p>Creating Regulatory Framework for DeFi</p>	<p>Bank of Central African States (BEAC) and Central African Banking Commission (COBAC) policies for electronic money issuance and supervision in Equatorial Guinea affect DeFi growth. DeFi initiatives must follow BEAC and COBAC e-money issuance laws to ensure compliance, security, and bank participation. The regulatory framework fosters financial inclusion and electronic payment systems. As DeFi evolves, regulators should adjust existing rules to suit decentralized financial systems.</p>
<p>Encouraging partnerships between local businesses and DeFi projects.</p>	<p>Apex Industries and Duscaff Organization's scaffolding product partnership shows Equatorial Guinea's local services companies' potential to attract international partnerships and boost capacity and industry growth. This relationship does not directly relevant to DeFi, but it shows Equatorial Guinea's favorable environment for collaboration and investment. As the country builds collaborations with multinational corporations, it creates opportunity to develop and integrate novel financial technology, including DeFi solutions. Thus, DeFi will support Equatorial Guinea's oil and gas and other sectors' financial infrastructure and services.</p>

⁵ The Worldfolio, "High-Speed Stamping Press Machines for the Future and Happiness," Theworldfolio, 2019, <https://www.theworldfolio.com/interviews/banking-on-equatoria/4636/>.

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