



MEFMI

Macroeconomic and Financial Management
Institute of Eastern and Southern Africa

HIGHLIGHTS OF THE 2026 MEFMI Governors' Forum

THEME

Artificial Intelligence and Data Analytics for
Macroeconomic and Financial Policy

20 AUGUST 2026

YOUR TRUSTED CAPACITY BUILDING PARTNER

MEMBER COUNTRIES



RAPPORTEUR

Mr. Senei Molapo, Programme Manager,
Macroeconomic Management Programme

REVIEWER

Dr. Austin Chiumia, Director,
Macroeconomic Management Programme

APPROVED BY

Dr. Louis Kasekende, Executive Director

EDITORS

Ms. Zinhle Mkhari, Public Relations Manager
Dr. Casius Chuma, Programme Manager
Mrs. Glory Kasasi, Programme Manager
Ms. Josephine Tito, Programme Manager

Editorial comments should be addressed to:

The Public Relations Manager
MEFMI
9 Earls Road
Alexandra Park
Harare
Zimbabwe

Tel: +263-242-745988/91

Email: capacity@mefmi.org

Web: www.mefmi.org

Twitter: @mefmiorg

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Introduction



 Dr. Louis Kasekende, MEFMI Executive Director

Globally, Artificial Intelligence (AI) and advanced data analytics are increasingly transforming the way central banks and other financial institutions analyse information, assess risks, formulate policy, and conduct their operations.

MEFMI convened the 2026 Governors' Forum virtually on Thursday, 20 August 2026, from 09:00 to 13:00 Central African Time (CAT). Held under the theme "AI and Data Analytics for Macroeconomic and Financial Policy," this half-day event supported the core objectives of MEFMI's Executive Fora by creating a collaborative space for Governors to engage on the rapidly evolving technological landscape in economic and financial management.

Globally, Artificial Intelligence (AI) and advanced data analytics are increasingly transforming the way central banks and other financial institutions analyse information, assess risks, formulate policy, and conduct their operations. These technologies offer significant opportunities to improve macroeconomic forecasting, financial sector surveillance, reserves management, risk assessment, policy analysis, and operational efficiency.

Consequently, the policy debate has increasingly shifted from whether institutions should adopt AI to how they can apply it effectively and responsibly in support of their mandates. Effective use of AI, however, depends on strong institutional and data foundations. Data quality, accessibility, and governance



are critical to producing reliable outputs, while appropriate frameworks are required to address accountability, transparency, cybersecurity, model limitations, and the risks associated with excessive reliance on automated systems.

Within the region, MEFMI member countries are at different stages of digital transformation. Some institutions are already actively exploring AI applications, while others continue to focus on strengthening their foundational data systems, technological infrastructure, skills, and governance arrangements.

Against this background, the Forum provided a vital platform for Governors, senior policymakers, and experts to exchange practical experiences and perspectives on the application of AI and data analytics in macroeconomic and financial policy.

To provide a comprehensive overview, the Forum examined AI and data analytics from

three complementary perspectives. The first presentation focused on AI in Reserves Management and Business Efficiency; the second considered AI and Data Analytics for Policy Design and Risk Management; while the third examined the changing architecture of digital money, payments, and tokenised assets, alongside their implications for macroeconomic and monetary policy.

Grounded in these perspectives, the discussions covered practical applications of AI in forecasting and nowcasting, stress testing, early-warning systems, anomaly detection, financial stability surveillance, reserves and portfolio management, and policy communication. Participants also considered in depth central bank digital currencies (CBDCs), stablecoins, tokenised assets, cross-border payments, and the broader implications of digital financial innovation for monetary sovereignty and financial stability.

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Remarks

2.1 Opening Moderation

Ms. Zinhle Mkhari, MEFMI Public Relations Manager and Event Director, welcomed Governors, presenters, partners and delegates to the 2026 MEFMI Governors' Forum and guided the opening proceedings.

She highlighted MEFMI's role in supporting its 14 member countries through capacity development, peer learning and partnerships that connect international best practice with regional realities. She also drew attention to the Institute's programme of activities across its three core areas of Macroeconomic Management, Sovereign Debt Management and Financial Sector Management, noting the increasing integration of emerging issues such as AI and data analytics into MEFMI's capacity-building agenda.

She further noted that the Forum was taking

place at an important stage in MEFMI's strategic journey as the Institute concludes Phase VI and transitions to Phase VII, before inviting Dr. Louis Kasekende, MEFMI Executive Director, to deliver the official welcome remarks.

2.2 Official Welcome Remarks

Dr. Louis Kasekende noted that AI and advanced data analytics are increasingly reshaping the global economic and financial landscape, including how information is generated and interpreted, risks are managed, and policy decisions are formulated. For central banks, these technologies provide opportunities to strengthen economic forecasting and surveillance, improve reserves management and financial sector supervision, identify emerging vulnerabilities and enhance operational efficiency.

He nevertheless emphasised that AI adoption



Ms. Zinhle Mkhari, MEFMI Public Relations Manager and Event Director

raises important issues relating to data quality and security, governance, accountability, transparency, skills, infrastructure and appropriate regulatory frameworks. These considerations are particularly important in the MEFMI region, where member countries are at different stages of digital transformation.

While some institutions are already exploring AI and advanced analytics, others continue to strengthen the foundational data systems, digital infrastructure, institutional capacity and governance frameworks required for effective adoption. The objective should therefore not be to simply introduce new technologies, but to ensure that innovation strengthens the quality, credibility and effectiveness of institutions.

Dr. Kasekende also highlighted the importance of effectively organising, securing and analysing the significant volumes of economic, financial and supervisory data held by central banks

to improve policy intelligence and support economic stability.

The Executive Director acknowledged the presenters and noted that their contributions would provide practical perspectives on the application of AI and data analytics in reserves management, business efficiency, policy design, risk management and macroeconomic policymaking.

He further emphasised regional cooperation and peer learning, noting that many of the opportunities and challenges associated with technological change are shared across member countries. He reaffirmed MEFMI's commitment to adapting its capacity-building programmes to equip officials with the skills required to work effectively with emerging technologies while maintaining sound judgement, governance and policy discipline.



 Dr. Louis Kasekende, MEFMI Executive Director and Event Speaker

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Forum Presentations and Discussions

SESSION 1: AI IN RESERVES MANAGEMENT AND BUSINESS EFFICIENCY

Presenter	Mr. Roberts Grava, Chief Executive Officer, Crown Agents Investment Management
Moderator	Mr. Ebson Uanguta, Governor, Bank of Namibia

3.1. Introduction

The moderator, Mr. Ebson Uanguta, introduced Mr. Roberts Grava as an experienced investment-management professional with more than 25 years of global institutional asset-management experience, particularly in sovereign investment institutions and official-sector investment strategies.

His professional experience includes senior roles at J.P. Morgan Asset Management, the World Bank's Reserves Advisory and Management Program and Latvijas Banka.

The presentation, titled "AI in Reserves Management and Business Efficiency," examined the opportunities and limitations associated with the application of AI in investment and reserves management.

The presentation began with a comparison of investment recommendations generated by five AI chatbots. The significantly different recommendations regarding market positioning, duration and yield-curve strategies illustrated the risks of relying on Generative AI as an autonomous portfolio manager.

The presentation subsequently examined different types of AI, their applications in investment management and institutional efficiency, and the governance arrangements required for responsible adoption.

3.2. Summary of the Key Issues Presented

Application of AI in Reserves Management

AI, particularly Machine Learning, can enhance reserves management by analysing large and complex datasets to identify patterns and relationships that may not be apparent through traditional analytical techniques.

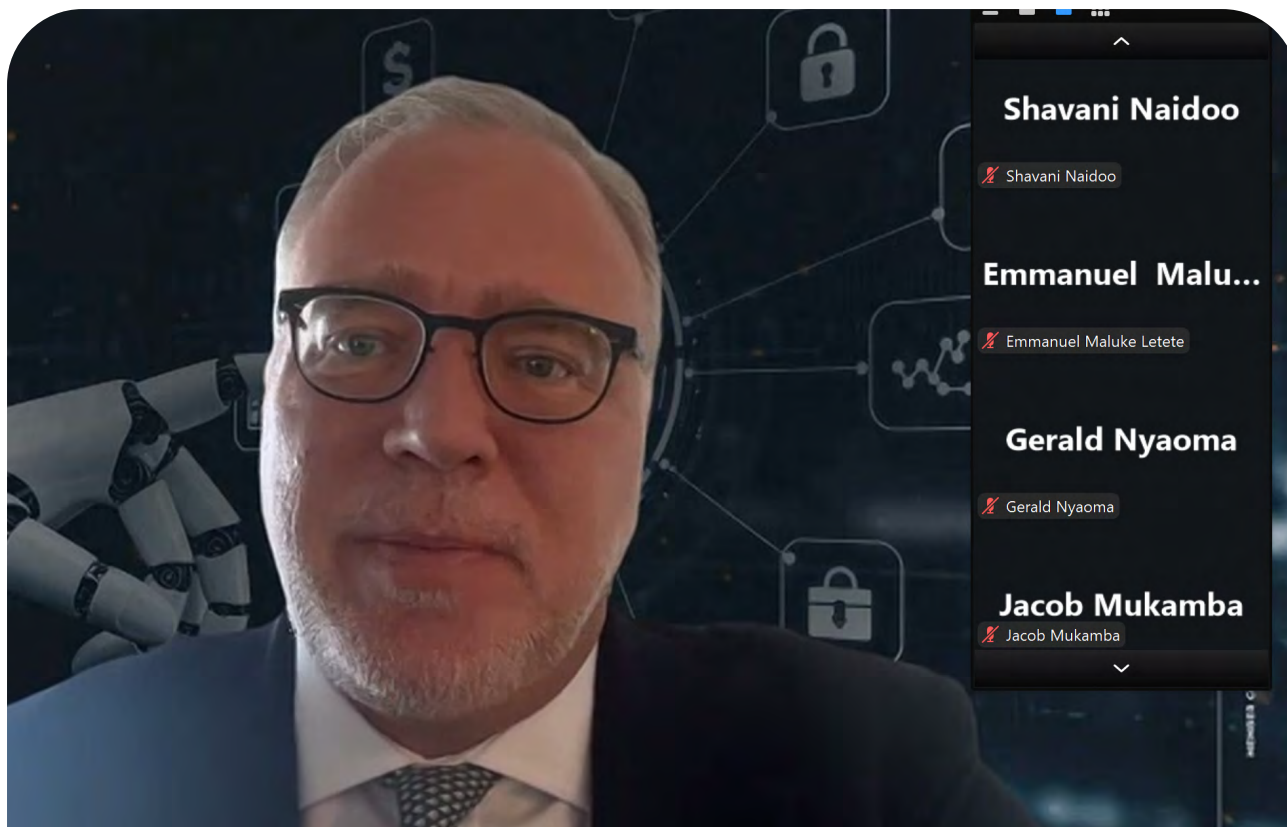
AI can strengthen the assessment of credit and market risks, improve estimates of default probabilities and support more proactive portfolio-management decisions. Machine-learning optimisation techniques can also support portfolio construction and strategic asset allocation by testing alternative market scenarios and balancing risk and return.

Other applications include algorithmic trading, automated credit scoring, real-time market monitoring, portfolio rebalancing, factor-investing analysis and improved performance and risk reporting.

Types of AI

Several forms of AI were identified, including Analytical AI, Generative AI, Agentic AI, Perceptual AI, Interactive AI and Autonomous AI. Of these, Analytical, Generative and Agentic AI were considered particularly relevant to investment management.

» Analytical AI supports forecasting, optimisation, diagnostics, risk assessment,



 *Mr. Roberts Grava, Chief Executive Officer, Crown Agents Investment Management and Event Presenter*

credit scoring, default prediction, sentiment analysis and portfolio optimisation.

- » Generative AI can produce investment reports, market summaries, scenario simulations and trading code, and support conversational interaction with financial databases.
- » Agentic AI can perform tasks autonomously within predefined parameters, including portfolio rebalancing, compliance monitoring and identification of investment opportunities.

The distinction is that Analytical AI primarily supports understanding and assessment, Generative AI supports creation and simulation, while Agentic AI can undertake actions and manage processes.

AI in Asset Allocation and Market Analysis

AI can support asset allocation by assessing the relevance and predictive value of information across different investment horizons. Historical market information, macroeconomic indicators and company fundamentals tend to provide useful medium- and longer-term signals, while

news and market sentiment may be more relevant over shorter horizons.

Machine-learning techniques can also classify historical information into different market environments and identify which previous conditions most closely resemble current circumstances. Regime-based models can distinguish periods characterised by different returns, volatility, drawdowns and asset-class behaviour.

Day-to-Day Institutional Applications

AI adoption does not need to begin with sophisticated investment applications. Institutions can realise immediate efficiency gains through applications such as research summarisation, market commentary, information searches, IT troubleshooting, email and file management, and coding assistance.

Such applications provide practical entry points through which institutions can build familiarity, digital literacy and confidence before progressing towards more complex AI use cases.

Digital Transformation and AI Adoption

Digital transformation should begin with digital literacy. Institutions need to expose staff to emerging technologies, encourage experimentation and promote continuous learning.

AI adoption can progress from exploration and experimentation, through partner selection and support for existing processes, towards model development and eventual integration into core institutional functions.

Enterprise-wide transformation also requires coordination across AI, cloud infrastructure, data and Machine Learning platforms, cybersecurity, agile development and operational systems. Centres of Excellence and Communities of Practice can support coordination and institutional learning.

Analytical AI Governance and Data Practices

Effective use of Analytical AI requires disciplined data architecture, rigorous model development, formal validation and structured governance.

Data should be treated as institutional infrastructure, supported by clear ownership, version control, formal ingestion processes, documented transformations and automated monitoring.

Data lineage should enable institutions to trace variables to their original source, transformation process, approval and latest update. AI can also strengthen institutional memory by preserving historical research, previous investment assumptions, earlier model versions and parameter settings, and risk assessments.

Model Development, Validation and Explainability

AI-supported analytical work should begin with a clearly defined hypothesis and appropriate economic rationale. Data limitations should

be documented, while models should undergo out-of-sample testing, robustness testing and controls against overfitting.

Institutions should continuously monitor model performance, feature importance, signal deterioration and changes in underlying data. Model-risk management should incorporate transparency, scenario analysis, stress testing and independent validation.

Human Judgement and Decision-Making

Human judgement should remain central to AI-supported decision-making. Governance frameworks need to determine how AI outputs enter institutional decisions, the level of confidence required before action is taken and the circumstances under which human judgement should override model recommendations.

Institutions should also establish procedures for resolving disagreements between model outputs and professional judgement and maintain clear accountability for final decisions.

Governance Across the AI Lifecycle

AI governance should extend across the entire model lifecycle and include model-review committees, regular validation, bias-detection procedures, documentation, cybersecurity and data protection.

Institutions can progress from isolated experimentation towards operational use, institutional integration and ultimately adaptive systems capable of responding to changing conditions.

Overall, the presentation emphasised that sustainable institutional value from AI does not arise from technology alone. It depends on integrating high-quality data, information, analytical insight, human judgement and strong governance, while applying the appropriate AI tool to the appropriate institutional problem.

SESSION 2: AI AND DATA ANALYTICS FOR POLICY DESIGN AND RISK MANAGEMENT

Presenter	Ms. Shavani Naidoo, South African Reserve Bank
Moderator	Mr. Ebson Uanguta, Governor, Bank of Namibia

3.3. Introduction

The moderator introduced Ms. Shavani Naidoo, Divisional Head of Financial Stability Data, Analytics and Insights at the South African Reserve Bank. He highlighted her role in leading enterprise-wide data and AI transformation initiatives supporting financial stability surveillance and policy decision-making.

Her presentation, titled “AI and Data Analytics for Policy Design and Risk Management,” examined how central banks can use AI and advanced data analytics to strengthen policy formulation, financial stability surveillance and risk management.

The presentation covered practical applications of AI including AI-augmented stress testing, early-warning systems, anomaly detection, network and graph analytics, nowcasting, and monitoring emerging cyber and climate-related risks. It also considered risks arising from machine over-reliance, vendor dependence, limited explainability, data constraints and cyber and operational vulnerabilities.

3.4. Summary of the Key Issues Presented

AI as a General-Purpose Technology

AI was described as a general-purpose technology that is increasingly reshaping economies, societies and public institutions. Its diffusion is occurring more rapidly than earlier general-purpose technologies, requiring

institutions to respond with urgency while ensuring responsible adoption.

AI applications should be adapted to local circumstances, available data and institutional requirements rather than applied uniformly. Governments and public institutions have important roles as users, enablers and regulators of AI.

Key AI Capabilities for Central Banks

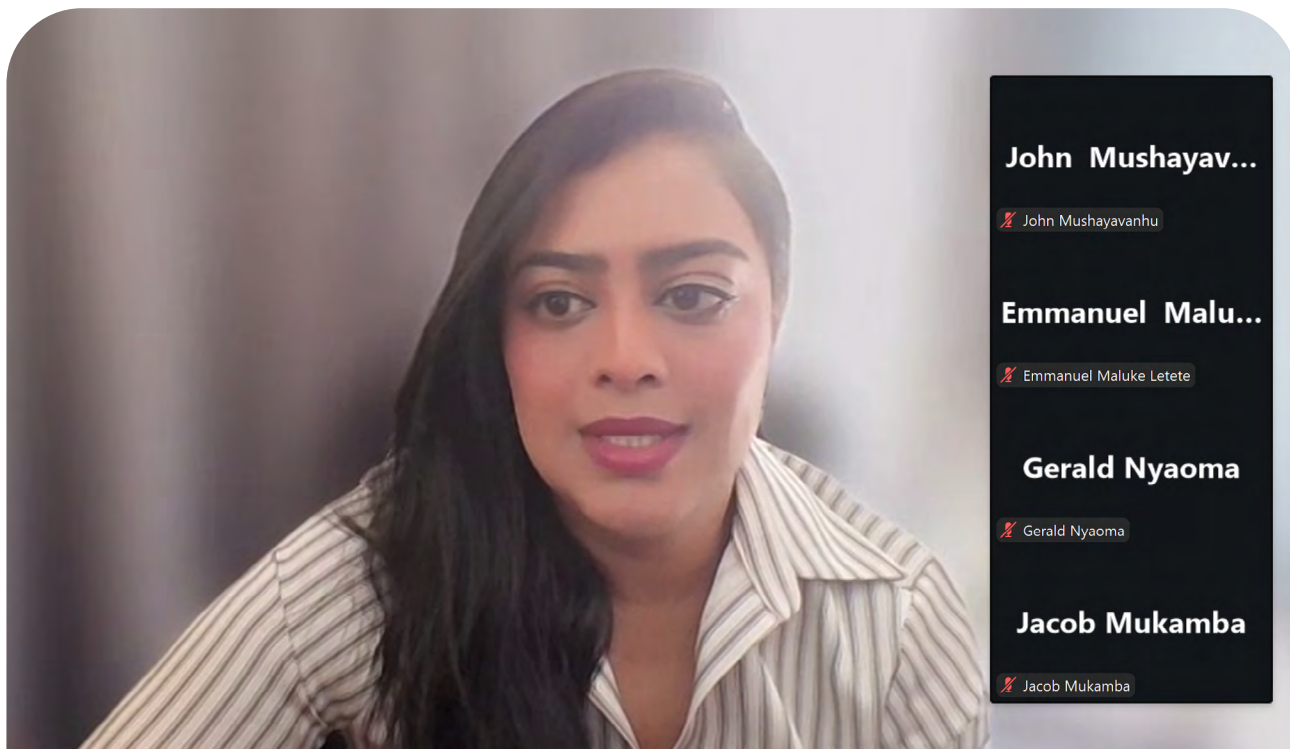
AI can strengthen central-bank analytical capabilities through improved pattern detection, peer comparison and identification of outliers. Natural Language Processing can extract useful information from large volumes of reports, regulatory submissions and communications.

Anomaly detection can identify unusual financial patterns that may indicate emerging risks or compliance concerns, while network analysis can reveal institutional linkages, concentration risks and potential channels of contagion.

AI-Augmented Stress Testing

AI can expand traditional stress-testing frameworks beyond a limited number of predetermined scenarios. Machine Learning and Generative AI can generate a broader range of plausible adverse scenarios based on historical information and complex relationships among financial and macroeconomic variables.

These approaches can support more granular



 **Ms. Shavani Naidoo, Divisional Head - Data Management and Analytics, Financial Stability Department, SARB, and Event Presenter**

assessment of bank capital and liquidity resilience under changes in GDP, interest rates, exchange rates and other macroeconomic conditions.

Early-Warning Systems

AI and Machine Learning can improve central banks' capacity to identify financial vulnerabilities before they fully materialise.

Early-warning systems can combine large numbers of high-frequency financial and macroeconomic indicators to detect emerging stress. Machine-learning techniques can also assist in predicting corporate-sector distress using firm-level and macro-financial information.

Anomaly Detection

Anomaly detection was highlighted as a practical application for supervisory and financial stability purposes. It can identify unusual patterns, inconsistencies and shifts within large volumes of regulatory, payment and transactional data.

Applications include identifying liquidity pressures, operational disruptions, fraud and complex money-laundering activities. Payments and settlement data are particularly useful because they can provide more timely and

granular information than conventional official statistics.

Network and Graph Analytics

Network and graph analytics can improve understanding of interconnectedness within the financial system by identifying systemically important institutions, concentration risks and potential contagion channels.

These techniques can also map complex ownership structures and relationships among institutions. Cross-border payment information can be analysed to identify financial-crime patterns and systemic vulnerabilities that may not be visible when institutions are assessed individually.

Nowcasting and Alternative Data

Traditional indicators such as GDP, employment and household expenditure are often available with significant time lags. AI can supplement these data through more timely alternative sources such as financial news, payment transactions, credit-card spending, web-scraped prices and mobility information.

These sources can provide earlier indications of

Successful AI adoption requires appropriate skills and talent, cross-functional teams, effective change management and strong leadership support.

changing economic conditions and support more timely policy responses.

Monitoring Emerging Risks

AI can support monitoring of emerging risks, including cybersecurity and climate-related financial risks.

Natural Language Processing can analyse cybersecurity submissions and extract information relating to institutional preparedness and operational resilience. Large Language Models can similarly extract climate-related indicators from corporate publications, including information on emissions, green-bond issuance and net-zero commitments.

AI and Digital Bank Runs

Increasing digitalisation can accelerate the transmission of financial stress, as large volumes of deposits can now be withdrawn within very short periods.

AI can assist authorities in modelling how information, rumours and market sentiment spread through social media and how depositors may respond during periods of financial stress. Such capabilities are becoming more important as digital transactions allow financial behaviour to change almost instantaneously.

Risks Associated with AI

AI adoption introduces risks associated with machine over-reliance, vendor dependence, limited explainability, model bias, data limitations, cybersecurity and operational resilience.

Governance and risk-management safeguards should therefore be built into AI initiatives from the outset rather than introduced after deployment.

Human Accountability and Decision-Making

AI should support rather than replace human decision-making. Human experts should review,

challenge and interpret AI-generated outputs before they are incorporated into policy, supervisory or operational decisions.

Accountability for final decisions should remain clearly assigned to responsible officials.

Building Blocks for Successful AI Adoption

Successful AI adoption requires appropriate skills and talent, cross-functional teams, effective change management and strong leadership support.

AI initiatives should be aligned with institutional mandates and demonstrate a clear policy or operational value proposition. Strong data foundations and modern technological infrastructure are equally important.

Institutions should also establish mechanisms for measuring value and embed governance, oversight and risk-management controls throughout implementation.

From Concept to Implementation

Central banks should prioritise high-value and scalable applications rather than beginning with unnecessarily complex solutions.

Data quality, metadata and validation arrangements should be strengthened before advanced AI applications are introduced. Institutions should also develop internal technical expertise while using external support where necessary.

Regional cooperation can accelerate implementation through the sharing of tools, models, standards, training resources, data dictionaries and other reusable resources.

Overall, the presentation emphasised that AI should be treated as a governed institutional capability rather than simply a technological tool. Successful adoption requires clearly defined use cases, strong data foundations, appropriate infrastructure and skills, effective risk management and continued human accountability.

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KEY TAKEAWAYS FROM DISCUSSIONS ON SESSIONS 1 AND 2

Discussant

Mr. Emmanuel Tutuba, Governor, Bank of Tanzania

3.5 Key Takeaways from Discussions on Sessions 1 and 2

The discussions following the two AI-focused presentations reinforced several practical considerations for responsible AI adoption within central banks and other public financial institutions:

- » AI adoption should be driven by institutional problems rather than technology. Institutions should identify priority policy, supervisory, investment or operational challenges before selecting AI solutions.
- » Strong data foundations are indispensable. Data quality, accessibility, metadata, validation processes and well-structured data architecture are prerequisites for reliable AI. Fragmented or inaccessible data can substantially reduce the effectiveness of sophisticated AI systems.
- » Human judgement and explainability should remain central. AI-generated outputs should be compared, validated and interpreted before being incorporated into decisions. Statistical relationships identified by AI should be assessed alongside economic theory, institutional knowledge and broader macroeconomic and geopolitical developments.
- » Strong governance and accountability are required throughout the AI lifecycle. Institutions need clear model ownership, approval and validation procedures, audit

trails, cybersecurity safeguards and clearly assigned human responsibility for final decisions.

- » Sensitive information requires appropriate protection. The use of cloud-based or external AI systems should be accompanied by safeguards for confidential data. Techniques such as synthetic data may provide options for experimentation without disclosing sensitive information.
- » Applications should be adapted to local circumstances. Institutional mandates, economic structures, languages and available data should shape the design of AI applications. Specialised models may, in some circumstances, be more appropriate than general-purpose models.
- » Practical implementation is already progressing within the region. Regional experience demonstrates that AI adoption can advance through formal strategies, dedicated innovation structures, collaboration with universities, GDP nowcasting, institutional automation and language-processing applications.
- » Innovation should balance urgency with caution. Central banks need to strengthen data, skills, governance, cybersecurity and risk management while moving progressively from experimentation towards implementation. Excessive delays could leave institutions behind, while rapid adoption without safeguards could create unnecessary risks.

03

SESSION 3: AI, DIGITAL MONEY AND THE RISE OF TOKENISED ASSETS

Presenter	Dr. Vera Songwe, Chair and Founder, Liquidity and Sustainability Facility
Moderator	Dr. Louis Kasekende, MEFMI Executive Director



Dr. Vera Songwe, Chair and Founder, Liquidity and Sustainability Facility, Event Presenter



3.6. Introduction

Dr. Louis Kasekende, MEFMI Executive Director and moderator of the session, introduced Dr. Vera Songwe, Chair and Founder of the Liquidity and Sustainability Facility, as an economist and development-finance expert with extensive experience across multilateral, public and private institutions.

The presentation, titled “Payments Innovation, AI and Cross-Border Finance: The Rise of Tokenised Assets,” focused on the rapidly changing architecture of digital money and payments.

The presentation examined CBDCs, stablecoins

and tokenised assets; their implications for monetary policy, liquidity and cross-border finance; experiences from Africa, Asia and Latin America; and the policy and regulatory choices facing central banks in the MEFMI region.

3.7. Summary of the Key Issues Presented

Central Banking in a Changing Digital Environment

Price stability remains the primary anchor of central banking even as monetary-policy frameworks across Africa continue to evolve from monetary targeting towards policy-rate and inflation-targeting regimes.

Tokenisation has the potential to transform financial markets by shortening settlement periods, facilitating fractional ownership, enabling continuous trading and allowing assets to serve as collateral while continuing to generate returns.

Digital money is emerging while these frameworks are still developing, introducing an additional variable that central banks need to understand and incorporate into monetary and financial policy.

Models of Digital Money

Three broad forms of digital money and assets were distinguished:

- » CBDCs represent state-issued digital cash and generally do not provide a financial return.
- » Crypto-assets and stablecoins provide digital mechanisms for transferring value but do not necessarily confer ownership of an underlying asset.
- » Tokenised assets place real-world financial or physical assets on digital infrastructure and can provide ownership rights and yield.

The distinction is important because the economic incentives, risks and monetary-policy implications differ significantly across the three models.

Growing Importance of Tokenised Assets

Tokenisation has the potential to transform financial markets by shortening settlement periods, facilitating fractional ownership, enabling continuous trading and allowing assets to serve as collateral while continuing to generate returns.

The rapid increase in on-chain real-world assets between 2025 and 2026 was cited as evidence of growing institutional interest in tokenisation. This suggests that digital finance is moving beyond the digitisation of money towards the tokenisation of real and financial assets.

Liquidity Benefits of Tokenisation

Tokenised assets can potentially function simultaneously as investments, collateral and settlement instruments, reducing the amount of capital held idle within traditional settlement arrangements.

Atomic delivery-versus-payment can reduce the need for prefunding and release liquidity held in settlement buffers. Fractional ownership can broaden investor participation, while continuous digital markets can deepen liquidity across jurisdictions.

African Experience with CBDCs

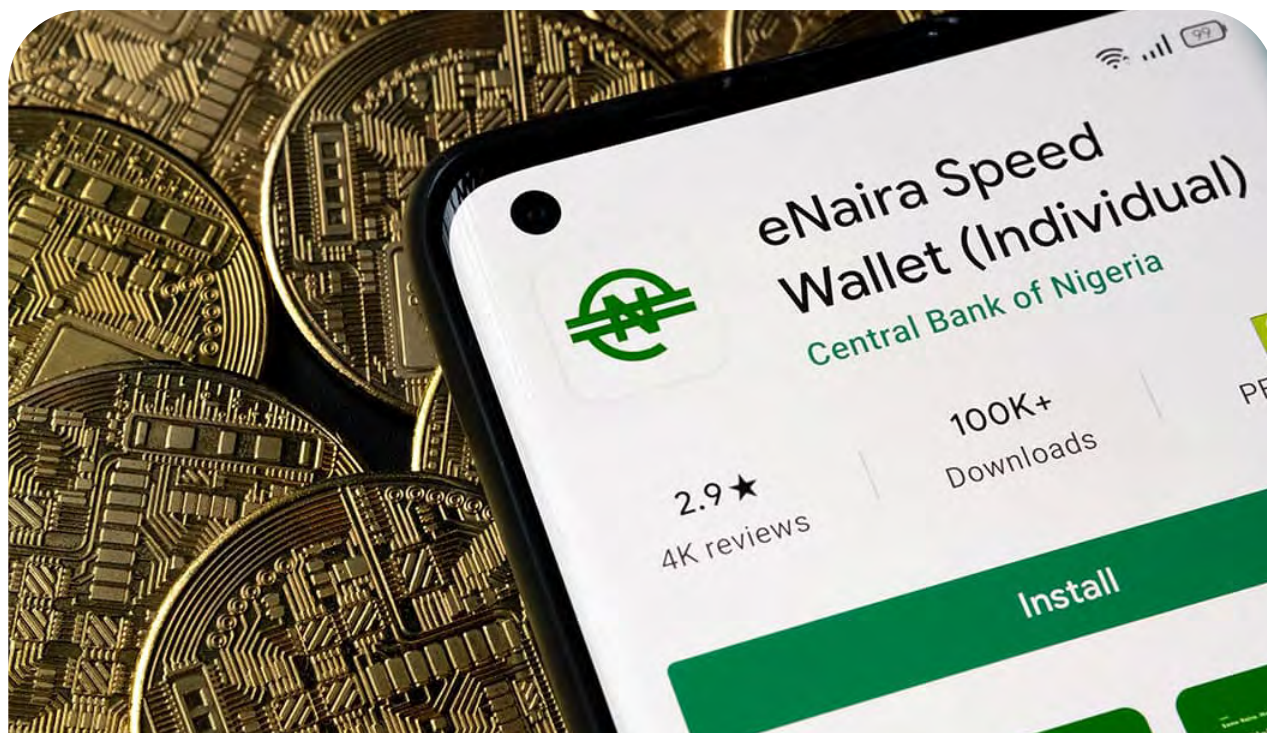
African experiences highlighted the importance of user incentives, practical utility and appropriate sequencing.

Nigeria's eNaira was presented as a cautionary example of CBDC adoption. A very high proportion of wallets remained inactive and only a small share of the population actively used the eNaira. The experience demonstrated that official issuance alone may not generate adoption where users do not perceive clear advantages over existing forms of money and payment systems.

Rwanda was highlighted as taking a more gradual and evidence-based approach through proof-of-concept and pilot initiatives. Particular attention has been given to financial inclusion, feature-phone access and offline functionality.

The approach illustrates the importance of assessing usability and practical economic value before committing to large-scale implementation.

Together, the two cases demonstrated that successful CBDC adoption depends on clear use cases, appropriate incentives and compatibility with domestic economic and



financial conditions.

Stablecoins and Cross-Border Payments

Stablecoins were identified as potentially important instruments for reducing the cost and time associated with cross-border payments, particularly in Africa where traditional remittance and correspondent-banking costs remain relatively high.

Digital payment rails could shorten settlement times and connect existing mobile-money systems with wider regional and international payment networks.

However, stablecoins also raise concerns regarding financial stability, currency substitution and monetary sovereignty. The dominance of US dollar-denominated stablecoins creates a particular risk of digital dollarisation, which could weaken domestic monetary systems and prove difficult to reverse once firmly established.

Lessons from Asia and Latin America

International experiences demonstrated different approaches to digital financial transformation:

- » Hong Kong has developed tokenised settlement infrastructure and issued tokenised government bonds while reducing settlement periods.
- » Singapore has progressed from experimentation towards production through initiatives supporting standardised and interoperable multi-currency settlement corridors.
- » Brazil has shifted away from a broad CBDC approach towards more limited applications, while private-sector tokenisation continues to expand.

The experiences indicate that practical utility tends to drive adoption in Africa; Asian initiatives increasingly use CBDCs as financial infrastructure while tokenised assets provide investment value; and private innovation has frequently moved faster than public initiatives in Latin America.

AI, Digital Money and Monetary Policy

AI and digital financial systems can provide central banks with more timely and granular information than traditional macroeconomic statistics. Transaction-level data could improve nowcasting, financial surveillance and the speed with which policymakers identify emerging developments.



Digital money could also enable more programmable forms of policy intervention.

However, faster information flows create new analytical challenges. AI may influence demand and supply conditions simultaneously, making traditional economic-cycle signals more difficult to interpret. Central banks will therefore require stronger analytical capabilities and effective communication frameworks.

Guardrails for Central Banks

Institutional capacity should precede the adoption of increasingly sophisticated technological capabilities. Central banks require adequate skills, data systems, governance arrangements and risk-management frameworks before moving towards more advanced AI and digital-finance applications.

Explainability is particularly important because monetary-policy decisions must remain understandable and defensible.

Dependence on similar models, datasets or technology providers may also give rise to model herding and potentially amplify procyclical behaviour. Vendor concentration, data residency and limited internal technical capability therefore require active oversight.

A phased approach was proposed:

1. Use AI initially for analysis, forecasting and nowcasting.
2. Strengthen capacity to supervise AI models used by financial institutions.
3. Proceed more cautiously with extensive automation of CBDCs and monetary systems.

Way Forward for MEFMI Central Banks

- » Central banks need to examine how tokenised assets may be incorporated into collateral frameworks, strengthen interoperability and encourage greater convergence of rules governing digital financial instruments.
- » Policy attention should extend beyond issuance towards the creation of sufficient liquidity and effective secondary markets. Without liquidity, technologically sophisticated instruments may fail to generate meaningful economic value.
- » Regional cooperation will therefore be important in developing common approaches, technical standards and interoperable systems suited to regional circumstances.

Overall, the presentation emphasised that digital financial transformation should be guided by economic utility, institutional capacity, liquidity, interoperability and monetary-policy considerations rather than technology alone.



3.8. Key Takeaways from Discussions on Session 3

The discussions highlighted several implications for the development of digital finance and tokenised assets in the MEFMI region:

- » The eNaira experience illustrates the importance of user incentives. Limited utilisation showed that state backing and technological innovation do not, by themselves, guarantee demand for a CBDC where the instrument offers insufficient additional value.
- » Rwanda demonstrates the value of gradual experimentation. Proof-of-concept and pilot approaches allow central banks to assess practical demand, usability, financial inclusion and technological requirements before committing to large-scale implementation.
- » Stablecoins offer payment efficiencies but introduce monetary and financial-stability risks. They may reduce transaction costs and accelerate cross-border payments but could also facilitate currency substitution and weaken domestic monetary control.
- » Africa should build on successful home-grown innovations. Mobile-money systems provide an existing foundation that could be developed into interoperable regional and cross-border payment arrangements.
- » Interoperability is critical. Fragmented national payment and digital-asset systems can limit scale and constrain cross-border

use. Greater convergence of standards and platforms would enhance regional integration.

- » Zimbabwe's gold-backed digital tokens illustrate the potential value of asset-backed tokenisation. Their link to an underlying asset provided a clearer store-of-value proposition and demonstrated how tokenisation can create economic incentives beyond the simple digitisation of fiat money.
- » Digital money should be assessed within the broader macroeconomic environment. CBDCs and other digital instruments may struggle where underlying fiat currencies face credibility, convertibility or structural constraints.
- » Yield-bearing digital instruments may affect monetary-policy transmission. Central banks will increasingly need to assess their effects on savings behaviour, money demand, capital flows, currency substitution and liquidity.
- » AI and digital finance are changing the monetary-policy information environment. Faster and more granular data can improve analysis but may also make underlying economic signals more difficult to interpret.
- » Collective regional action will be increasingly important. Cooperation on interoperable platforms, regulatory standards and digital financial infrastructure can reduce fragmentation and strengthen the region's voice in international standard-setting.

04

Consolidated Forum Takeaways



 Mr. Jacob Mukamba, MEFMI Director, Finance & Administration and Event Moderator

Taken together, the Forum presentations and discussions highlighted the following overarching messages:

- » AI should support clearly defined institutional objectives. Technology should be selected to address specific policy, supervisory, investment or operational needs.
- » Strong data foundations are fundamental. Reliable AI depends on high-quality, accessible and well-governed data, supported by appropriate metadata, infrastructure and validation processes.
- » Human judgement and accountability remain indispensable. AI can enhance analysis and decision-making but should not replace responsible officials or professional judgement.
- » Governance must accompany innovation from the outset. Model validation, explainability, cybersecurity, data protection, auditability and vendor-risk management are integral to responsible AI adoption.
- » AI offers significant opportunities across central-bank functions. Applications include reserves and portfolio management, forecasting, stress testing, early-warning systems, anomaly detection, nowcasting, financial stability surveillance and policy communication.
- » Practical, scalable applications provide an effective starting point. Institutions can build confidence through manageable use cases before advancing towards more sophisticated AI applications.
- » Institutional capability is as important as technological capability. AI literacy, technical skills, appropriate infrastructure and cross-functional collaboration are necessary for sustainable adoption.
- » Digital finance is evolving beyond CBDCs. Stablecoins and tokenised assets are increasingly becoming part of a broader digital financial ecosystem involving payments, collateral, investment and settlement.
- » Utility and incentives determine adoption. The contrasting experiences of Nigeria and

Rwanda demonstrate that digital financial instruments require a clear use case, practical benefits and careful sequencing.

- » Tokenisation offers potential benefits for liquidity and capital-market development. Tokenised assets can combine investment, collateral and settlement functions while facilitating fractional ownership and more efficient settlement.
- » Stablecoins and digital assets raise important monetary-policy and financial-stability questions. Currency substitution, digital dollarisation, capital flows and monetary-policy transmission require continued assessment.
- » Interoperability is critical to Africa's digital transformation. Fragmented national systems could limit the benefits of innovation, particularly for regional and cross-border payments.
- » Regional collaboration can reduce duplication and strengthen institutional capacity. Sharing methodologies, standards, models, training and implementation experiences can accelerate responsible adoption of digital technologies across the MEFMI region.
- » African central banks should participate

actively in shaping emerging standards. Greater regional coordination will help ensure that AI, payment and digital-finance frameworks reflect regional circumstances rather than being determined exclusively elsewhere.

Overall, the Forum reinforced that AI and digital financial innovation should be approached as strategic institutional capabilities rather than stand-alone technology projects.

Successful adoption will depend on clearly defined objectives, strong data foundations, appropriate skills and infrastructure, effective governance, human accountability and regional cooperation. At the same time, the digital-finance debate is broadening from CBDCs towards an ecosystem involving stablecoins, tokenised assets, AI-enabled analysis and interoperable payment and settlement infrastructure.

The priority for MEFMI member countries is therefore to pursue practical and scalable innovation while safeguarding monetary stability, financial resilience and institutional credibility.



Mr. Senei Molapo, MEFMI Programme Manager and Event Rapporteur

In concluding, Dr. Letete observed that although technological change would continue to reshape the global landscape, countries could respond effectively through sound institutions, informed policy choices and strong collaboration.

06

Conclusion

The 2026 Governors' Forum highlighted both the significant opportunities presented by AI and data analytics and the institutional foundations required for their responsible adoption.

The discussions underscored the need for practical and scalable implementation, strong data governance, appropriate technological and institutional capacity, continued human accountability and greater regional cooperation. MEFMI will continue to integrate AI, data

analytics and digital financial innovation into its capacity-development agenda, drawing on the priorities and experiences shared during the Forum to support member institutions as they strengthen their capabilities in these emerging areas.



CONTACT

Address

9 Earls Rd, Alexandra Park,
P O Box A1419, Avondale,
Harare, Zimbabwe

Telephone

+263-242-745988/9/91-4

Online

Email: capacity@mefmi.org
Website: www.mefmi.org
