Cape Town, South Africa | 2026

WOMEN IN TRADE

South Africa as a Gateway to Africa

Insights from the Women In Trade Roundtable

South Africa has long positioned itself as the financial and trade gateway into Africa. For decades, international banks, corporates, and investors have relied on South African institutions to intermediate flows onto the continent. That model worked when access, infrastructure, and regulatory familiarity were the primary constraints. Today, however, that model is evolving.

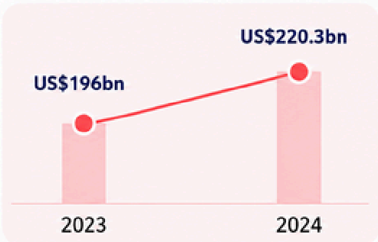
Intra-African Trade Momentum

US$220.3bn

Intra-African trade in 2024

+12.4%

year-on-year



Source: African Export-Import Bank (Afreximbank), African Trade Report 2025

As African markets deepen, new corridors emerge, and global capital becomes more price-sensitive, the question is no longer whether South Africa is a gateway but rather what kind of gateway it is becoming.

The Women in Trade Roundtable, hosted by Investec in Cape Town, brought together senior leaders across South African banks, fintech, and legal advisory to examine this topic from a practical perspective. The conclusion was clear:

South Africa remains critical, but the idea of a single gateway is changing.

What is emerging instead is a more networked model of trade. Clients are more concerned with speed, pricing, and certainty of execution than where transactions are booked, and where structures introduce friction, transactions tend to move around them.

From Gateway to Network

Historically, South Africa served as a hub through which international banks accessed African markets, driven by strong financial infrastructure, regulatory clarity, deep banking capability, and established correspondent networks. That advantage still exists, but the model is changing.

Clients no longer want to go through a gateway if they do not have to. Africa is not one market. It is a network of markets, each with its own pricing, regulation and operating dynamics.

> *"You've got to look at alternatives, originate to distribute so you don't have to hold the asset, or book in-country. Basel 4 is punitive. It became a lot more difficult to book assets on the South African balance sheet, so you have to find alternatives."*
>
> Michelle Knowles — Managing Executive, Transactional Banking International, Absa Group

> *"Clients are less concerned about country issues. They want one price. Whether they use South Africa as a conduit or go directly, the pricing should be the same. Very difficult to pull off at times, but it is what clients are demanding"*
>
> Michelle Armogon — Head: Bank Sector: Africa, Transactional Solutions, CIB, Standard Bank

South African banks have already begun adapting. Many are accelerating their in-country presence in key markets, using originate-to-distribute models, partnering more closely with local banks, MDBs and DFIs, and enabling multi-hub structures through jurisdictions such as Mauritius.

The roundtable was hosted by Investec, in Cape Town, in March 2026.

Participants from the Women in Trade South Africa Roundtable, from left to right:

Ahanna Anaba
Head of Sales and Partnerships, ***Finverity***

Sheleena Govind
Head, Financial Institutions, Trade Corridors & Distribution, ***RMB***

Michelle Knowles
Managing Executive, Transactional Banking International, ***Absa Group***

Michelle Armogon
Head: Bank Sector: Africa, Transactional Solutions, CIB, ***Standard Bank***

Beverley Nicholson
Executive, Head of Financial Institutions Credit, CIB, ***Standard Bank***

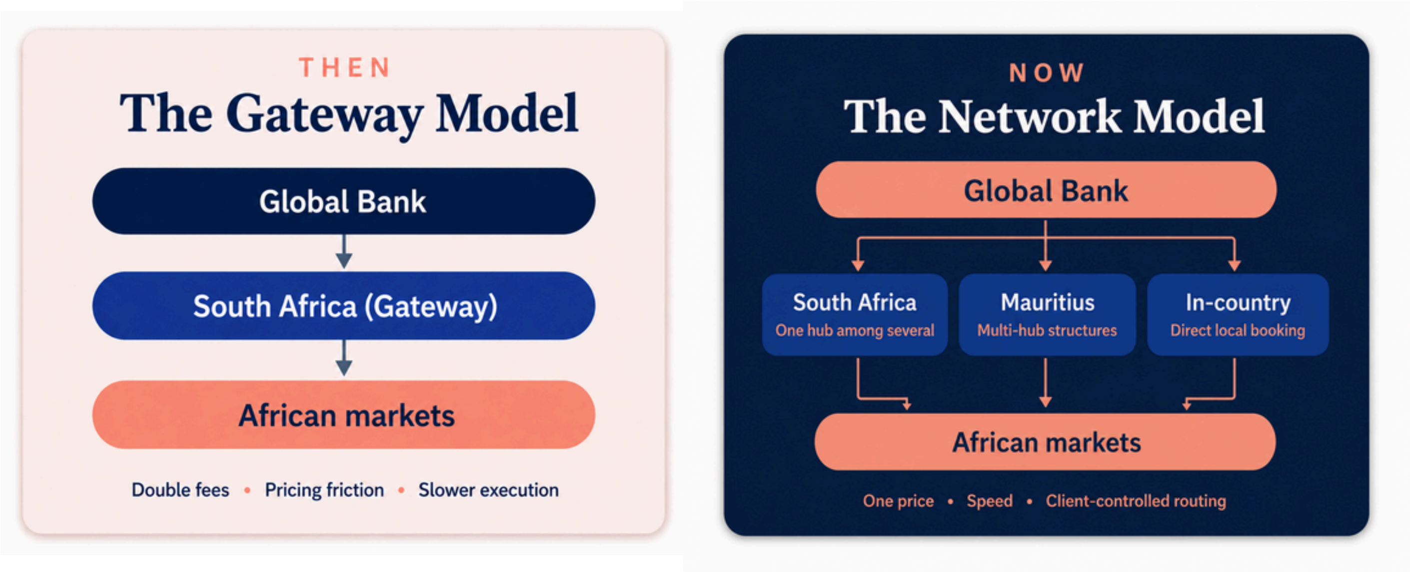
Laurie Hammond
Founder, ***Dealflow***

Derryn Faure
International Trade Finance, ***Investec Bank***

Shannon Manders
Editorial Director, ***Global Trade Review (GTR)***

From Gateway to Network

What the Network Model Changes



From a single routing point to a choice of routes, depending on price, balance sheet treatment, local presence and execution certainty.

As liquidity, pricing and booking structures become more competitive, South African banks have had to adapt.

The influx of highly liquid capital from international sources at extremely thin margins on the continent puts extreme pressure on South African institutions, who cannot compete on pricing under Basel 4 requirements.

South African banks typically operate with higher regulatory and capital costs, and more complex booking structures. The practical response has been consistent: move toward balance-sheet-agnostic models.

> *"The biggest competition is no longer between African banks. It is external. Middle Eastern banks are highly liquid, aggressively priced, and selective.*
>
> *We have seen margin compression across key African markets as a direct result."*
>
> Derryn Faure — International Trade Finance, Investec Bank

The adaptation is already happening in real time. When certain African jurisdictions emerged from financial turbulence with excess liquidity, banks restructured their funding models: rather than routing every structure through South Africa, in-country teams are increasingly involved in end to end structuring and financing of the trade transaction, ensuring capital is deployed wherever it is cheapest.

One important nuance is that Middle Eastern banks still maintain pricing floors, and the current geopolitical instability in the region could result in GCC institutions redirecting liquidity domestically. That may ease some competitive pressure on African corridors, although margins are unlikely to return to prior levels quickly, if at all.

Will North Africa Replace South Africa?

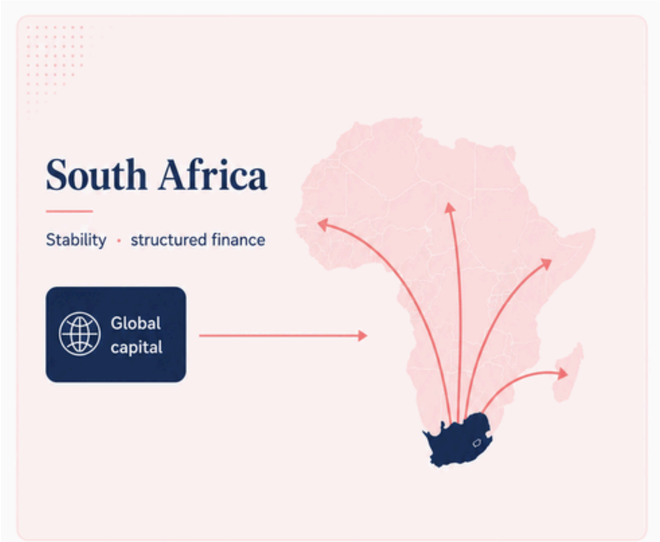
As South Africa's gateway role becomes less automatic, attention is shifting to which corridors can attract and route capital most efficiently.

The discussion addressed whether North Africa, particularly Egypt, could displace South Africa as a gateway into the continent. Egypt's infrastructure transformation has been significant and its financial markets are becoming increasingly important in connecting Gulf capital into Africa.

That attractiveness is reflected in recent moves such as Standard Bank's launch of a representative office in Cairo. Even so, North Africa's trade ecosystem remains more structurally oriented toward the Middle East and Europe than toward Sub-Saharan Africa. How that balance evolves will depend in part on current regional geopolitical tensions and the direction of capital flows.

> ***"I don't see it as replacing the gateway, but rather as working alongside it and fostering collaboration. North Africa remains complex from both a financial and regulatory compliance perspective, and market shocks tend to be significant."***
>
> **Sheleena Govind — Head, Financial Institutions, Trade Corridors & Distribution, RMB**

Two corridors, different roles:



South Africa's advantage lies not only in infrastructure but in system stability, which tends to be undervalued in pricing conversations. When Middle Eastern banks face a market shock, they are typically the first to withdraw. South African institutions absorb disruption and maintain continuity, and that reliability matters deeply to international partners with a long-term view on African exposure.

The future is not a single gateway, but a differentiated corridor model:

South Africa and Northern Africa will serve different roles depending on capital source, market access, structuring needs and corridor risk.

Execution is the Real Constraint

It was very clear from our discussions that access to African markets is no longer the primary barrier. A networked model only works if institutions can execute across the regulatory, legal and operational complexity behind each route.

This is where transactions are most often at risk, in ways that are recurring, costly and frequently invisible until late in the deal.

Middle Eastern and other international banks are highly liquid, selective in where they deploy capital, and willing to undercut on margin in ways that South African institutions, operating under Basel 4 capital requirements, strict regulatory frameworks, and more complex booking structures, cannot easily match.

Rather than competing on price alone, the opportunity for South African banks lies in execution. Africa is 54 countries, each with its own regulatory, operational, and legal environment.

Today, three constraints stand out:

1 Regulatory Fragmentation

Rules are interpreted differently across markets. Approval timelines vary, and regulatory uncertainty can break transactions at execution stage.

2 Operational Capability Gaps

Trade finance expertise is uneven. In some markets, product execution sits with generalist relationship teams rather than specialist trade teams.

3 Legal and Structuring Risk

Specialised trade finance legal expertise is scarce across many African markets, which is exacerbated by regulatory fragmentation. Minor drafting changes can materially alter risk.

How these constraints play out in practice:

> *"Regulation can stop you completely. It can be a deal breaker. We had a guarantee going into a market where the regulator needed two weeks to do due diligence on the beneficiary, and they didn't meet the deadline."*
>
> Michelle Armogon — Head: Bank Sector: Africa, Transactional Solutions, CIB, Standard Bank

> *"Two words added to a schedule in an otherwise standard BAFT Master Participation Agreement changed the entire maturity date of a transaction. The cost was $5 million in losses and an equivalent sum in legal fees. One small clause change is nothing, until it is everything."*
>
> Laurie Hammond — Founder, Dealflow

Execution complexity is further shaped by market cycles. A period of acute dollar liquidity constraints may drive strong demand for documentary trade, but the market could shift to open account solutions when liquidity returns. Banks that could not move with those cycles missed the opportunity on both sides.

> *"You have to ensure you enable the products that can talk to different cycles in the market, and then know when to use them. While you may see a dip in one area, you should not be blind to the opportunities taking place in another."*
>
> Ahanna Anaba — Head of Sales & Partnerships, Finverity

Operating Across Markets:
Presence, Partnerships, and Product Adaptation

If execution is the constraint, the next question is how banks build enough reach and flexibility to deliver across markets. Two main questions were raised on the operational aspect of transacting across markets:

Do banks need physical presence in a particular market to succeed?
How much product design can be standardised across markets?

On both, the answer was the same:
It depends, and the institutions getting it right are those that have stopped treating either as a binary choice.

Physical Expansion Model

Local branches, subsidiaries and representative offices support relationship-building, regulatory navigation and balance sheet optimisation.

Partnership-Led Model

Correspondent banks, DFIs, fintechs and originate-to-distribute structures provide reach without requiring a local footprint.

Physical presence helps, but it is not a prerequisite. The originate-to-distribute model, executed through correspondent banking and DFI partnerships, has enabled execution across a wide number of markets without requiring a local footprint. For institutions without subsidiaries, positioning as a non-competitive partner to local banks has opened corridors that direct competition would have not opened.

Physical presence can also introduce a structural tension: the misalignment between Group-level and in-country incentive structures. Local teams prioritise transactions that generate direct revenue within their market, while Group teams focus on broader client relationships, group revenue and cross-border flows.

"We have to be balance sheet agnostic. The in-country teams need to make money too. If they make money, we all make money. We should not assume every transaction needs to come through South Africa."

Beverley Nicholson — Executive, Head of Financial Institutions Credit, CIB, Standard Bank

"The client requires guarantees to be reissued into Africa, where the banks with a group lens must create a solution to assist clients end to end."

Michelle Armogon — Head: Bank Sector: Africa, Transactional Solutions, CIB, Standard Bank

Product Design:
Standardise the Framework, Localise the Execution

The same tension between Group priorities and local capacity can apply to product standardisation. For example:

Can be standardised

- Documentary trade
- LCs & guarantees
- Rule-based instruments governed by UCP and URDG

Must be localised

- Supply chain finance
- Open account and working capital solutions
- Structured trade solutions

"You can set a framework, but you have to adapt to local nuances. Supply chain is very much nuanced per market, per segment, and per sector. Trying to take a payable finance or reverse factoring structure that works in South Africa and copy-paste it into Kenya, from my experience, does not work."

Michelle Knowles — Managing Executive, Transactional Banking International, Absa Group

Legal nuances compound this further. Even standardised instruments can fail when local modifications are made without sufficient product expertise. Legacy booking systems also differ across subsidiaries in their respective markets, making true standardisation difficult even when product design is nominally identical. The most effective model, both for market presence and for product design, is increasingly hybrid: central frameworks with deliberate local adaptation.

"It certainly helps having a presence on the ground. That ear on the ground has been key for us where there have been challenges. In a market like Nigeria, having your own people there is probably the one benefit that has really helped."

Beverley Nicholson — Executive, Head of Financial Institutions Credit, CIB, Standard Bank

"It is incredibly complex to do business across various African markets, taking into account local regulations and local laws. You need to properly do your due diligence in this regard to understand each market, in order to properly manage your risk."

Derryn Faure — International Trade Finance, Investec Bank

AfCFTA, Trade Growth, and the SME Gap

The same market-by-market complexity also shapes intra-African trade: growth is visible, but access to finance remains uneven.

Intra-African trade is genuinely growing. However, what emerged clearly from the discussion is that the AfCFTA alone is not the key driver for growth.

The US tariff environment implemented in 2025 has been a significant accelerant, forcing global supply chains to navigate trade barriers and build new trade corridors. South-South trade is growing not because of policy design but because of global disruption.

> *"Intra-Africa trade will not scale on ambition alone. It will scale when capital, risk solutions, and digital infrastructure move as seamlessly as goods and opportunities.*
>
> *Trade is already deepening across the continent, but unlocking true scale requires coordinated investment across the physical, informational, and financial ecosystems."*
>
> **Michelle Knowles — Managing Executive, Transactional Banking International, Absa Group**

At the SME level, the financing gap remains structurally unresolved. Capital exists, but access for SMEs to it does not. Trade is scaling first at the corporate and upper mid-market level, not at the SME level that AfCFTA is often associated with. AfCFTA provides the structure, but corporates are creating the actual trade flows.

> *"Is it happening? Yes. Is it where it should be? Not yet. The stock-and-sale model in East Africa, the G2G oil contracts in Kenya and Tanzania, these are inter-regional large-scale trade flows. The core of what AfCFTA is designed to enable, the SME flows, is still at an early stage."*
>
> **Sheleena Govind — Head, Financial Institutions, Trade Corridors & Distribution, RMB**

Growing trade, shrinking SME access

+89%
bank-intermediated intra-African trade
18% of bank trade pre-pandemic → 34% in 2020–24

−38%
SMEs' share of bank trade finance portfolios
34% in 2019 → 21% in 2024

Source: AfDB, Trade Finance Supply in Africa (2025)

Fintechs and mobile money operators are better positioned than banks to reach the informal segment at the last mile. Banks hold the balance sheet, fintechs hold the distribution and data. The missing link is the shared infrastructure to connect them at scale.

> *"Large banks provide the majority of the trade finance balance sheet, but if the market is still building the capacity to finance large local companies, how do we realistically get to SMEs? You cannot go straight from designing solutions for large multinationals to SMEs without dealing with the large local companies and the ecosystems in between."*
>
> **Ahanna Anaba — Head of Sales & Partnerships, Finverity**

> *"It's often more useful to analyse trade sector by sector - for example, agri, metals, gas. By following the specific commodity corridors, rather than viewing trade as a single, uniform process, the opportunities become clearer and more financeable."*
>
> **Laurie Hammond — Founder, Dealflow**

Building Collaborative Scale

The real opportunity is no longer individual reach. It is collaborative scale.

The most commercially significant insight from the roundtable was not about pricing or operational complexity, but the structural and institutional gap underlying all of these issues:

South African banks are routinely losing large mandates not because they lack capital or market knowledge, but because they don't efficiently pool either.

Global banks from the Middle East, Asia, and Europe syndicate, distribute risk through secondary markets, and operate within shared legal frameworks and agreed participation norms.

The infrastructure that enables routine co-execution in developed markets remains underdeveloped in African trade finance, while misaligned incentives continue to fragment collaboration both within and between banks.

> *"Clients expect their banks to support them seamlessly across markets, with consistent pricing, product availability, and execution standards. Trade integration in Africa is happening from the top down, not the bottom up."*
>
> Derryn Faure — International Trade Finance, Investec Bank

> *"For me the biggest challenge is scale. South African and regional banks need to collaborate to meet the demand for large tickets. If a corporate is operating in Africa requiring $300 million, three or four South African banks should come together and provide the liquidity."*
>
> Sheleena Govind — Head, Financial Institutions, Trade Corridors & Distribution, RMB

Building collaborative scale requires four foundational enablers

Shared Risk Frameworks	Standardised participation agreements and syndication norms adapted for African market conditions. The BAFT Master Participation Agreement is an established industry framework for trade-related risk participation but adoption and application remain uneven.
Data Infrastructure	A shared registry tracking payment performance and transaction history across supply chains would reduce information asymmetry, lower due diligence costs, and make co-underwriting decisions more defensible.
Secondary Market Depth	A functioning secondary market for African trade finance assets, allowing originating banks to distribute risk to institutional investors, DFIs, and other banks, is the foundational infrastructure that would make large-ticket collaboration scalable. It does not yet exist in meaningful form.
Aligned Incentives	Misaligned group and in-country incentives is also evident between institutions. Collaboration requires agreed revenue-sharing frameworks across participating banks, without which the incentive to compete independently reasserts itself.

CONCLUSION
South Africa's Next Role

The future of trade in Africa will not be defined by a single entry point, but by how effectively institutions operate across a fragmented, dynamic and increasingly competitive environment. South Africa's relevance will depend on its ability to transition from being the entry point to being an integrated enabler of continental trade. The implication is clear: South Africa's next advantage will come less from being the route, and more from enabling the right route.

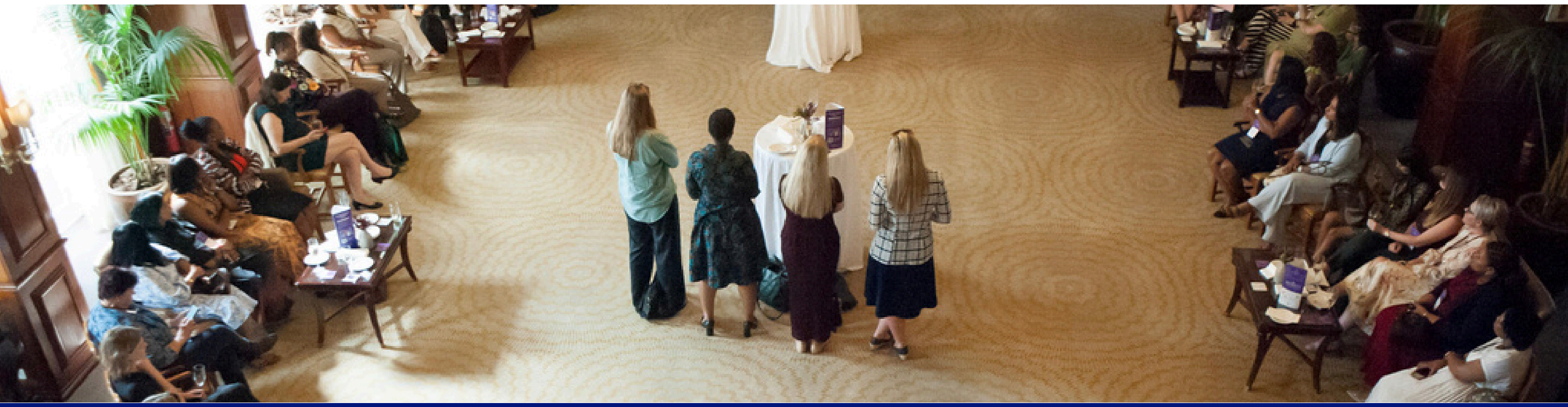
Five priorities emerged from the discussion:

1	**Pricing competitiveness:** Reduce structural cost layers and route transactions through the most efficient balance sheet.
2	**Execution capability:** Invest in legal, credit, and operational expertise, with particular urgency around the trade finance legal skills gap across African markets.
3	**Network integration:** Operate fluidly across multiple hubs, partnership structures, and DFI relationships.
4	**Secondary market infrastructure:** Build the syndication frameworks, data registries, and capital markets depth that make large-ticket collaboration possible at scale.
5	**System-level thinking:** Move from bilateral trade relationships toward ecosystem financing and genuine inter-institutional collaboration.

"Everyone is fighting for their own space. We cannot do it alone, and we do not need to compete. None of us can hold it on the balance sheet fully.

So why don't we go after a couple of the big deals together? As leading institutions on the continent, we should."

Beverley Nicholson — Executive, Head of Financial Institutions Credit, CIB, Standard Bank



WOMEN IN TRADE

Women in Trade is a global initiative committed to elevating the role of women across African trade finance.

Through curated roundtables, thought leadership and practical ecosystem-building, Women in Trade creates spaces for practitioners to shape the future of African trade finance.

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With special thanks to Investec Bank Limited for hosting the Women in Trade, South Africa Roundtable.

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