

### ***A Sub-Committee under The Capital Market Committee (CMC)***



**INDICATOR DIVIDENDS**  
**MARKET**  
**MARKET**  
**OFFER PRICE**  
**CONDITIONS**  
**NEW ISSUE**

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To be Africa's modern,  
efficient and  
internationally  
competitive market  
that catalyzes Nigeria's  
emergence as a top 20  
global economy

# Our Goal

High  
Efficiency

Scalable  
Solution

Low Cost

*Our recommendations are aimed at providing low cost, higher service level solutions, to ensure the capital market is efficient and globally competitive.*

High  
Quality

Service  
Excellence

# Terms of Reference

Examine and provide a comprehensive report on the current state of the market infrastructure and technology employed in the Nigerian Capital Market

- Identify the appropriate technologies to underpin the achievements of the Capital Market Master plan
- Provide recommendations on how to adapt best in class technologies to Nigerian conditions, and where appropriate suggest methods of training or retraining market participants to enable them effectively develop, acquire, support and utilize the technology to enhance the competitiveness and participation levels in the market.
- Research and proffer ways (in terms of change in infrastructure and technology) by which the Market can avoid the recent Nigerian Capital Market crisis, increase transparency, reduce systemic risk and drive down the cost of trading, centralized clearing, automation of trading and new trade reporting regime.
- Automating pre- and post-trading services, examining and recommending technologies for centralized clearing, automation of trading, and new trade reporting regimes to achieve scale economics and simplified but effective monitoring and regulation.
- Address and proffer solutions for the connectivity challenges of market operators.
- Propose solutions to automate Corporate Actions (e.g. Mergers and takeovers, buy out, IPOs etc.) across the market

## Terms of Reference (Continued)

To Create awareness among capital market operators on information technology security issues as they occur within & outside our jurisdiction.

- Benchmarking information technology security practices obtainable in the Nigerian capital market against best practice to improve the control, management, and security of information technology assets by market operators.
- Making recommendations on information security best practice for the market.

To provide guidance to the Commission on the establishment of an improvement in Disaster Recovery/Business Continuity Planning by the SEC and market operators

Review and recommend minimum infrastructural and capacity requirements for market operators and the OTC market

Explore the development of shared services to reduce cost of doing business in the capital market.

## Terms of Reference (Continued)

To advise on critical infrastructure for the surveillance of the market

To standardize the reporting for market operators between the SROs and the SEC wherever possible, thereby eliminating duplication.

Other terms that CMC may delegate to the sub-committee to work on to develop the capital market using IT.

# MTWIC Related CMC Master Plan 2015-2025 Initiatives

- i. **Section 2.2.1**: Market Structure (Technology Leverage)
- ii. **Section 2.2.3**: Competitiveness (Price Competitiveness)
- iii. **Section 2.2.4**: Regulation and Oversight
- iv. **Section 5.5**: Improve Industry skills and competencies (Education)
- v. **Section 6.2**: Fully dematerialize certificates
- vi. **Section 6.5**: Improve ease of access and doing business and overall business experience
- vii. **Section 6.8**: Improve transparency and create structures to enable full disclosures and whistle blowing

# Building a Durable Market Infrastructure

## The Nigerian Capital Market

Market Access &  
Reach

Transparency,  
Regulation &  
Oversight

Education

Price Competitiveness  
& Service Excellence

Efficiency & Scale  
Economics

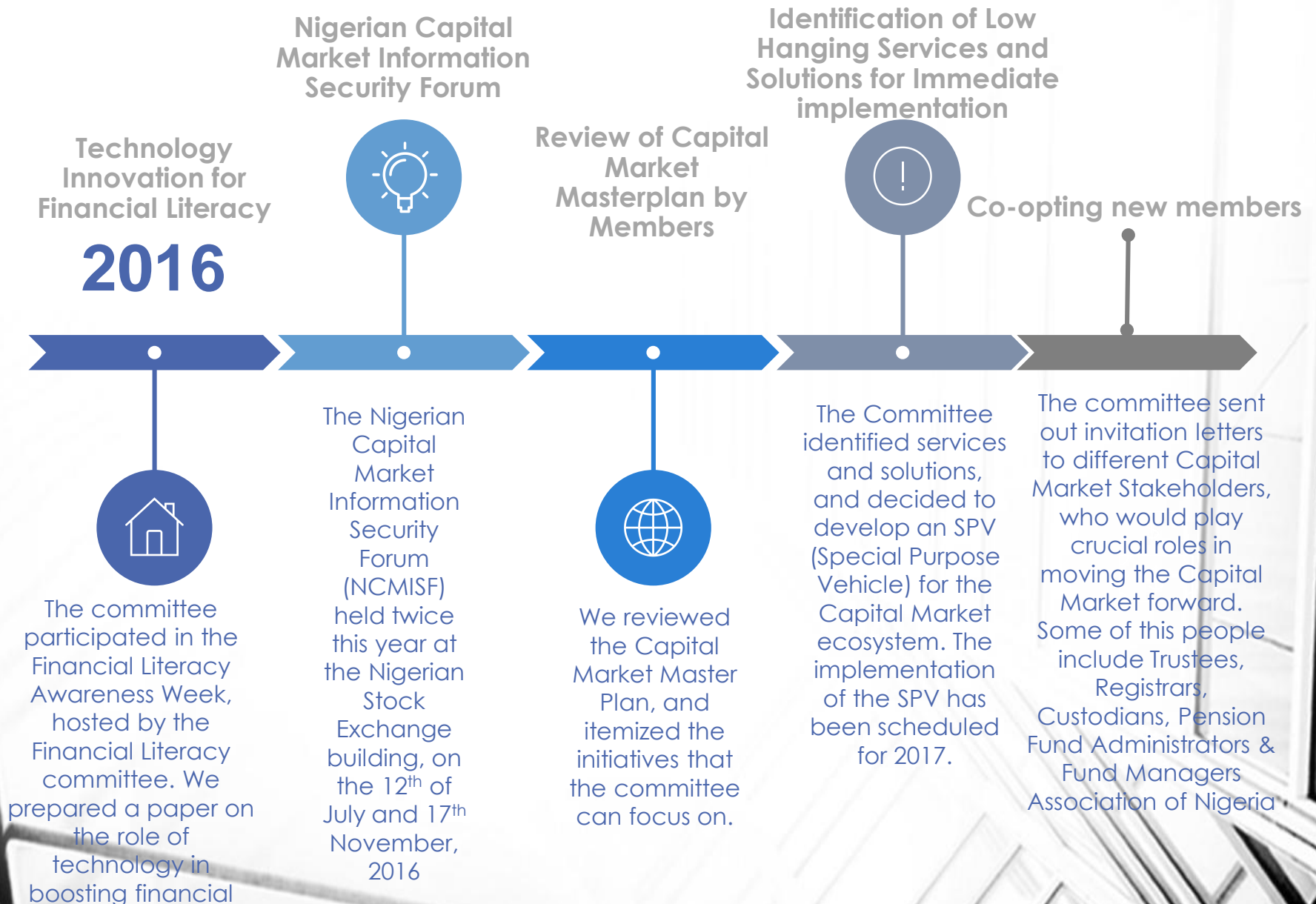
Digital  
Transformation

**Drivers**

Interoperability, Standards, Shared Devices, Local Technical Capabilities

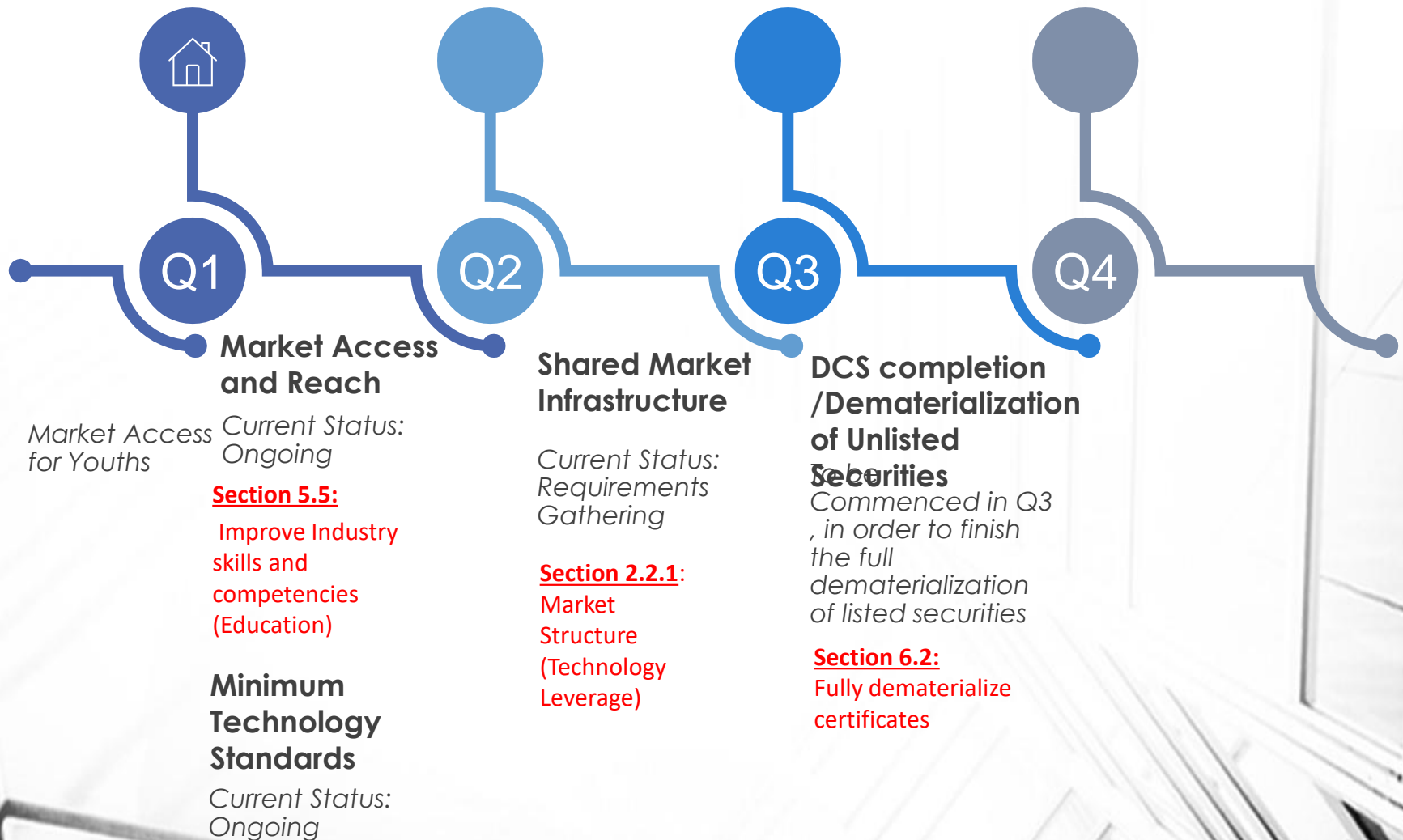
**Enablers**

# Our 2016 Deliverables



# Our 2017 Roadmap & Timelines

## Initiatives, Status & Commencement Period



# Overview of the SPV Initiative

## **Description**

- Xautomate (pronounced Xzotomate), is an SPV with ownership across the Nigerian and African capital market participants. It will provide an efficient, cost effective, innovative and robust technology and back office automation service to the participants of the Nigerian and wider African capital market.
- The primary aim of the company is to offer shared infrastructure services at the lowest possible price point for ALL market participants to enable cost and operational efficiencies and position the Nigerian capital market as one of the most adaptable, scalable and cost efficient market in Africa

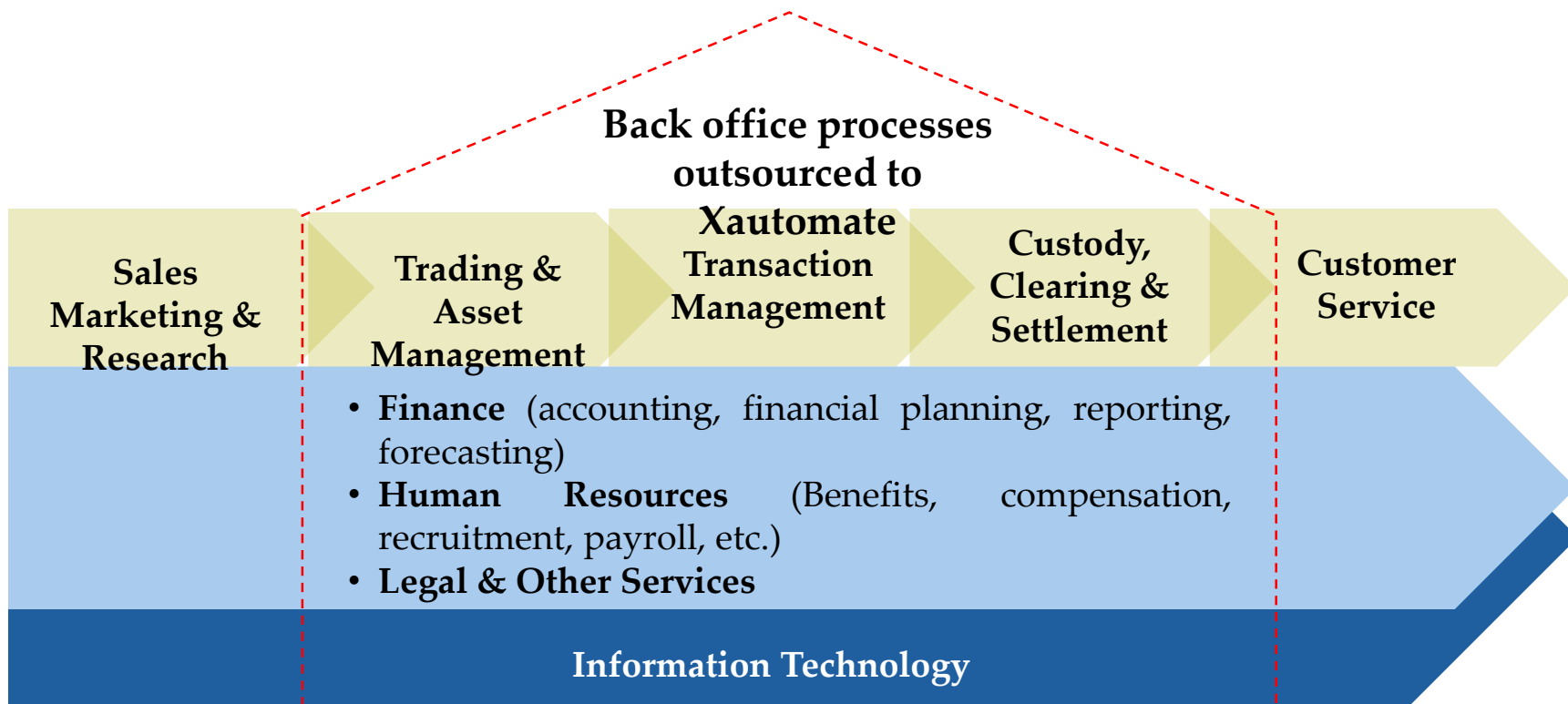
## **Vision**

To be the leading service provider in all the markets that we operate through unmatched creativity, teamwork, research and investment in human capital.

## **Mission (Reason for Being)**

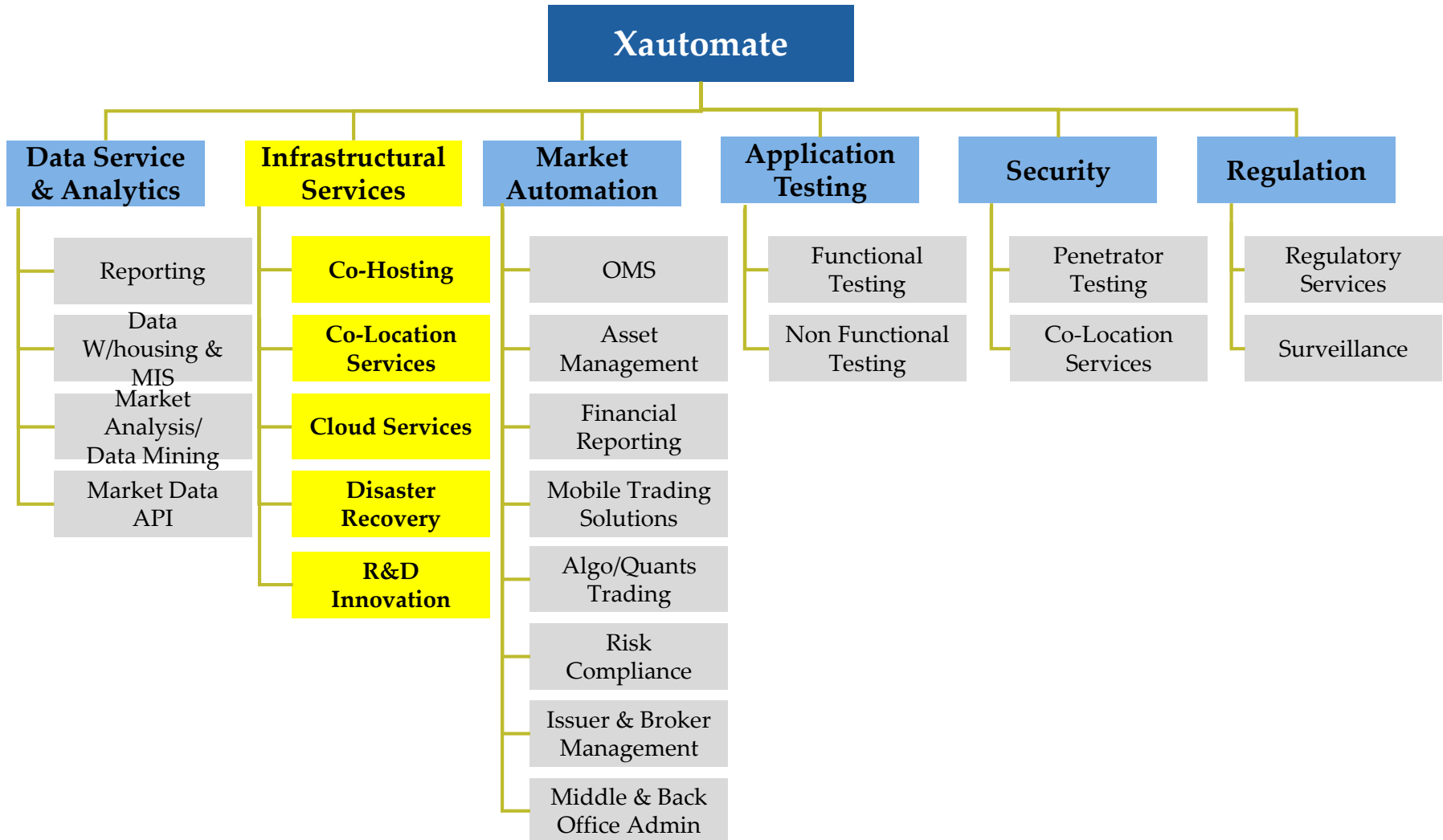
To provide our clients first rate technology and back office services that will enable them to compete effectively and thrive.

# SPV Initiative - The Industry Value Chain



- To become a leading capital market operator, Organization, Technology & Processes must be transformed to deliver strategic capabilities and drive value creation.
- Core functions in the business units reengineered and automated with technology to be at least on par with best practice benchmarks.
- Organizational design must reflect consolidated back office functions with STP.

# Service Lines



# MWTIC Membership

Ade Bajomo	Chairman	Executive Director, Market Operations and Technology, NSE
Joseph Mekiliuwa	Vice Chairman	Head of Operations, CSCS Limited
Henry A. Rowlands	Member	SEC
Dipo Odeyemi	Member	Senior Vice President- IT & Operations, FMDQ
Ayodeji Balogun	Member	Managing Director, AFEX Commodities Exchange
Gbubemi Iyomere	Member	Head, IT & Operations NASD
David Mopa Egbunu	Secretary	SEC
<b>Co-Opted Members</b>		
Favour Femi Oyewole	Member	Head, Information Security, NSE
Princess Kele-Nzeh	Secretariat	Market Data Analyst, Market Services, NSE
<b>3 Meetings Held</b>		
02/08/2016	11/10/2016	03/11/2016

Thank You