



Governor's Speech, Eswatini Bankers Association  
Launch of 2024 Fraud Awareness Campaign  
The Royal Villas, 14 November 2024

- ✚ I stand in for the seventh Governor of the Central Bank of Eswatini who is away on official assignment.
- ✚ Even in my wildest dreams, I would never match his eloquence and sense of humour.
- ✚ Please find comfort in the fact that he has approved of the remarks I am about to make, which reflect some of his thoughts regarding the subject.

- Programme Director
- Chairperson of Eswatini Bankers Association
- Executive Director
- Captains of Industry
- Distinguished Guests
- Media Houses represented here today
- Ladies and Gentlemen

## INTRODUCTION

1. It is both an honour and a privilege to stand before you today to speak about a topic whose importance continues to grow in our complex and interconnected world.
2. The theme of this year's campaign, "**Be aware...connect with care...be vigilant,**" perfectly captures the essence of safeguarding ourselves from fraudulent activities. This campaign is not just about protecting our finances.



More significantly, it is about protecting our identities, our peace of mind, and the integrity of our communities.

### **The Importance of Connection**

3. Open communication and sharing information — which is partly what this session seeks to achieve — can be powerful tools in the fight against fraud. By building strong relationships with our peers, family, and community, we can create a support network that can help us identify and avoid fraudulent activities.
4. We need to remain vigilant and actively monitor our accounts and online activities. By doing so, we can quickly detect and respond to any suspicious behaviour, such as unauthorized transactions, and stop them before they escalate.

### **THE EVOLVING THREAT OF FRAUD**

5. Fraudsters are becoming more sophisticated, employing clever tactics like phishing emails and smishing texts to deceive individuals. This evolving landscape allows criminals to exploit vulnerabilities based on trust and the desire for convenience.

### **CBE INITIATIVES TO COMBAT FRAUD**

6. Esteemed guests, the Central Bank of Eswatini (CBE) has undertaken numerous essential initiatives that align with our campaign theme today, showcasing our commitment to public education. These initiatives include the following:

- **Digital Education** — driven through media articles which guide consumers in navigating the increasingly complex digital landscape. Through this effort, we seek to minimize potential financial losses and enhance consumer confidence in the digital economy.
- **Community Engagement** — driven through collaborative consumer education and advocacy programs across various constituencies in our nation, particularly at Tinkhundla centres. The Central Bank has a fully-fledged Market Conduct and Consumer Protection Unit whose core mandate is consumer empowerment.
- **Practical Tips for Fraud Prevention** — shared through public education campaigns. Programme director, allow me to preach to the converted by sharing some essential tips for preventing fraud and scams that I encourage all of us to consider and possibly adopt:
  - Scrutinize the identity of callers and verify their claims.
  - Double-check the sender's email address, phone number, and website URL for any discrepancies.
  - Confirm payment requests through trusted channels.
  - Be sceptical of unsolicited requests for refunds; and
  - Use Strong Passwords and Enable Two-Factor Authentication.

## IMPORTANCE OF COLLABORATION

7. Programme Director, I would also like to commend the Royal Eswatini Police Service for their diligent efforts, working in collaboration with our communities, to apprehend the notorious "**facata**" scammers. Their recent arrests send a powerful message that fraud will not be tolerated in Eswatini. We hope these actions will deter potential scammers and

strengthen our commitment to creating a safer Eswatini for all. However, we must remain vigilant, as other scammers may still be operating, ready to exploit any complacency.

8. I urge all financial institutions to prioritize fraud prevention and detection. Implement robust security measures such as strong authentication mechanisms, encryption technologies, and regular security audits. Invest in advanced fraud detection tools and analytics to stay ahead of evolving threats. And most importantly, empower your employees and customers alike through comprehensive training and educational awareness programs to recognize and respond to all kinds of fraudulent activities.
9. Collaboration and information sharing are essential in combating fraud. I urge all stakeholders to work together, sharing intelligence and best practices to address common challenges. By fostering a culture of vigilance and cooperation, we can create a more resilient financial ecosystem.
10. Last week, the Bank hosted a Symposium during the COMESA meetings and one of the topical issues discussed was cyber security. When opening the Symposium, the Minister of Finance Hon. Neal Rijkenberg said, I quote, "The world and the financial sector are going through an unprecedented transformation. However, these advancements come with significant challenges, particularly in the realm of cyber security. Cyber threats are evolving at an alarming pace, and central banks and financial institutions are increasingly seen as prime targets. As financial systems become increasingly interconnected, the risks associated with cyber-attacks, data breaches, and technological failures become more

pronounced. We must take proactive measures to safeguard our systems and protect our citizens' financial assets", close quote.

11. As we increasingly embrace the digital world, we open ourselves to new conveniences and efficiencies. However, we must appreciate that these advancements come with a rise in digital fraud, making it essential to connect online with extreme caution.
12. With the festive season approaching, group savings schemes (stokvels) will distribute funds, increasing liquidity and the risk of careless spending. Fraudsters are on alert, ready to exploit individuals who may become less cautious with large amounts of cash.
13. The Central Bank acknowledges and appreciates the initiatives of the Bankers Association to combat fraud, but we must do more to support clients considering technological advancements. We need to improve our detection and blocking of suspicious transactions and utilize new technologies to identify unusual spending patterns.

## **EFFECTS OF FRAUD**

14. The Central Bank, as the regulator mandated to ensure financial stability, needs citizens, investors and the international community to completely trust the financial system including payment systems. If these stakeholders lose confidence in the payment systems and instruments, they will slow down their transacting, which introduces unwanted friction in the movement of funds across the economy hence the unfortunate consequence of slowing down the economy.

15. Fraud represents a major opportunity cost for everyone. When you lose hard-earned money to fraud, you forfeit not only that opportunity but also must raise funds again, wasting time and resources. Productive economies rely on the effective use of labour and capital, both of which are severely undermined by fraud.

## **CONCLUSION**

16. As the festive season kicks in, I request members of the public to take an active role in combating the increasing number of fraudulent activities.
17. As banking institutions, let us remain steadfast in our commitment to safeguarding our financial system. By staying informed, adopting best practices, and working together, we can effectively mitigate fraud risks and protect the interests of our customers and our nation.

Thank you for your attention and commitment to this vital cause. Let us work together to ensure a fraud-free future for our beloved nation. I thank you all!