

# HOW TO DIGITALIZE THE MICROFINANCE SECTOR?

Examples from the West African Economic  
and Monetary Union (WAEMU) countries

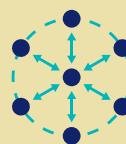
**SENEGAL**

As part of its national financial inclusion strategy, Senegal has set up **SUNU NAFA**, a shared microfinance platform, designed by **GSIE Technology** in partnership with the Professional Association of Decentralized Financial Systems (**APSFD-Senegal**). This initiative provides microfinance institutions with unprecedented digital access, enabling remote populations often excluded from traditional banking services to benefit from accessible and secure financial services. SUNU NAFA embodies a **concrete response to the challenges of digital transformation in the microfinance sector**, particularly for rural areas, and positions Senegal as a **regional model** in terms of inclusive and responsible digitalization.

The setting up of this platform, which is accessible and tailored to the needs of the customers of each institution involved, was achieved without requiring participating the Decentralized Financial Systems (DFS/ Microfinance) to bear any entry costs. It has, thus, made it possible to include all DFS (Microfinance), regardless of their size, and to reach the most remote populations. It leads to a reduction in the operational costs of DFS (Microfinance), the traceability of all transactions and a significant reduction in the risk of errors. It offers comfort and security to DFS (Microfinance) customers, saving them long hours in queues and miles to travel, which costs them between 1 000 and 3 000 FCFA per month (between 1.67 and 5 US\$).

## THE BENEFITS OF DIGITALIZATION FOR THE DFS/MICROFINANCE

### FAST, LOW-ENTRY-COST DIGITALIZATION ON AN INTEROPERABLE, CUSTOMIZABLE PLATFORM



- The costs of building the platform are fully covered by GSIE Technology (a Senegalese company specializing in digital solutions); only the usage fees are borne by the customers.
- The shared platform ensures interoperability between all connected DFS, while offering customization options to meet the specific needs of each institution.
- Digitalization guarantees increased traceability and security of transactions, while significantly reducing the risk of errors.

### PRODUCTIVITY GAIN AND EXPANSION OF THE CUSTOMER BASE



- Reduced **operational costs** through automation of operations.
- Increased **revenue** due to higher transaction volume.
- **SUNU NAFA** platform enables reaching **previously inaccessible communities**, thus expanding the customer base.

## THE BENEFITS OF DIGITALIZATION FOR USERS

### COMFORT, SAVING TIME AND MONEY



Thanks to the possibility of carrying out transactions directly on the platform, users avoid:

- **Monthly travel expenses** estimated between **1000 and 3000 FCFA (or 1.67 to 5 USD)**.
- **Long waiting times**, which can last up to **a whole day** in temperatures of up to **40°C**.
- **Travel over long distances**, sometimes **more than 20 kilometers**.

### CUSTOMER SECURITY



- With **SUNU NAFA**, customers can make **deposits and withdrawals discreetly**, significantly reducing the threat of **physical attacks**.
- The platform increases security in **rural areas**, which are often exposed to **armed robbery attacks**, allowing customers to avoid trips to physical branches, which are frequently perceived as risky.
- The protection of **user funds** and data is a central objective of responsible digitalization, in line with the **United Nations Sustainable Development Goals 2 and 4**.

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Under a cooperation framework, Senegal and Benin formalized their partnership on responsible digital payments to enhance regional collaboration within WAEMU.

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South–South cooperation between the official delegation from Benin, the Minister of Microfinance and the Social and Solidarity Economy of Senegal, as well as representatives from the Professional Association of Decentralized Financial Systems (APSFD) and GSIE Technology.

## **EXAMPLE OF SOUTH-SOUTH COOPERATION BETWEEN BENIN AND SENEGAL**

**And key success factors for the digitalization  
of the microfinance sector**



## A SERIES OF VIDEOS TO EXPLORE



### **Senegal – Benin: Working together for digital financial inclusion in WAEMU**

In September 2024, an exchange mission between Benin and Senegal, supported by Better Than Cash Alliance helped strengthen regional cooperation around the digitalization of microfinance services. The goal: to promote equitable and digital financial inclusion within WAEMU.



### **Interview with Philippe Dahoui, General Director of the Agence Nationale de Surveillance des Systèmes Financiers Décentralisés (ANSSFD) Benin**

Partnership, shared vision and political commitment to work towards digital financial inclusion for all!



### **Meeting with Jean-Daniel Baloucoune, Director of Innovation and Digitalization at the Alliance de Crédit et d'Épargne pour la Production (ACEP) Senegal**

Presentation of ACEP's vision and initiatives to digitize professional microcredit, as part of a peer-to-peer exchange supported by Better Than Cash Alliance.

**“The absence of initial fees allows DFS to enter the digital market without requiring their own technical resources, while reducing operating costs.”**

Jean-Daniel Baloucoune  
ACEP Senegal

**“Customer satisfaction has increased – clients can now carry out their transactions after 5 p.m., a major advantage for those who work all day.”**

Jean-Daniel Baloucoune  
ACEP Senegal

**“The app facilitates transactions for hard-to-reach villages lacking transportation infrastructure, especially during hot weather when customers would prefer to transact from home.”**

**Sami Tine Ndiaye**  
General Manager of the FADEC NJAMBUR  
Savings and Credit Mutual, Senegal



### **Meeting with Maguette Wade Samb, Innovation & Communication Manager at APSFD-Senegal**

Maguette Wade Samb looks back at the pooling process around the SUNU NAFA platform and explains how APSFD-Senegal was able to create consensus between competing institutions to promote inclusive digitalization of the microfinance sector.



### **Meeting with Sami Tine Ndiaye, General Manager of the Mutual Savings and Credit Society FADEC NJAMBUR, Senegal**

From Kébémer, in northern Senegal, Sami Tine Ndiaye highlights the successes chalked in financial digitalization which serves women and rural communities, as part of a peer-to-peer exchange supported by Better Than Cash Alliance.



### **Meeting with Thiouna Mbaye, Product Manager at GSIE Technology, Dakar, Senegal**

Thiouna Mbaye explains how the SUNU NAFA platform facilitates access to digital financial services for microfinance institutions of all sizes, by promoting technological pooling in a sector that is still highly fragmented.



### **Discussion with Antoine Ngom, CEO of GSIE Technology**

Antoine Ngom presented in detail the inclusive dimension of SUNU NAFA, an interoperable platform that enables even the smallest microfinance institutions to offer modern financial services without heavy investment, making payments, transfers, and savings accessible to remote populations.

## SUCCESS FACTORS

1

**Get professional associations and DFS/microfinance institutions to join the pooling, without discrimination**

The inclusion of all MFIs, regardless of their size, in the digitalization of services offered to clients required alignment with varied ambitions in terms of digitalization and innovation of microfinance structures. In addition, the establishment of an economic model based on “profit sharing”, and at zero cost, has helped to solidify the foundations of SUNU NAFA platforms in Senegal. This principle of inclusion of DFS (microfinance), which ultimately allows reaching the entire diversity of DFS (microfinance) customers, in accordance with the first principle of responsible digital payments of the United Nations.

2

**Support the deployment process step by step**

3

**Place users at the core of the platform**

A clear and easy-to-access user interface allows for secure transactions. It meets the needs and characteristics of MFI customers and offers 24/7 real-time access from anywhere in the world, simple usability, and affordable fees—all key elements of success.

The platform incorporates features enabling interoperability, a goal supported by the Central Bank of West African States (BCEAO), to offer transactions between different MFIs and improve the connectivity of microfinance services. This dimension is essential to achieving regional financial inclusion. This interoperability is also valued by the United Nations Principle 7 for Responsible Digital Payments because it offers more choices to users.

Through ongoing, personalized support, MFIs create tailor-made solutions that are tailored to their size, their customers' needs, their growth ambitions, and the legal requirements of their respective statuses. This customization allows MFIs to adapt services to their customers, strengthening adoption and loyalty and aligning with the fifth (5th) Principle of the United Nations Principles for Responsible Digital Payments, which advocates that design should be people-centered.

**“Each Decentralized Financial System (DFS/microfinance) in Senegal benefits from personalized support that integrates the latest technological advances and regulatory developments.”**

**Antoine Ngom**  
CEO of GSIE Technology,  
Senegal

## Why the choice of GSIE (Général des Systèmes d'Information d'Entreprise) and its AVIA and Interco mobile platforms?

- EXPERTISE IN THE INTERCONNECTION OF FINANCIAL SERVICES
- MULTI-OPERATOR SOLUTIONS
- SERVICE PROVIDER FOR THE DEMATERIALIZATION OF COLLECTION FLOWS
- ADVANCED MONEY TRANSFER FEATURES

**The AVIA platform** combines mobile banking, rural banking, mobile payments at merchants and service points, as well as rapid money transfers.

**The Interco Mobile platform** is a gateway allowing customers of financial institutions (banks and MFIs) and electronic money institutions to carry out operations such as « wallet to bank », « bank to wallet », balance consultation and access to a mini statement.

## FOCUS ON THE MICROFINANCE SECTOR IN FOUR (4) WAEMU COUNTRIES

All statistics in the table come from the [BCEAO online database](#)

	BENIN	BURKINA FASO	CÔTE D'IVOIRE	SÉNÉGAL
Rate of use of microfinance services (adult population base: 15 years and over)	50,012	14,211	13,649	37,230
Demographic penetration rate of microfinance services	1,067	0.531	0.234	1,505
Geographic penetration rate of microfinance services	6,893	2,533	1,318	7,905
Number of institutions listed	57	76	46	118
Number of service points	727	795	345	805
Amount of customer deposits (in millions of Francs CFA)	172 704 300	375 601 800	481 302 300	473 540
Number of depositors	3,079,677	1,748,783	2,887,477	3,699,575
Amounts of outstanding loans (in millions of Francs CFA)	227 712 700	331 084 400	512 975 000	555 652 700

## This research is part of the “Enterprises” case study series by the Better Than Cash Alliance, which demonstrates the impact of responsible digitalization in the private sector.

The Better Than Cash Alliance supports initiatives across several WAEMU countries to establish a shared platform for the microfinance sector. This study is expected to be the first in a forthcoming series on the digitalization of Decentralized Financial Systems (DFS).

### The case study was conducted:

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For the Ministry of Economy and Finance of Benin / Regulatory Agency for Decentralized Financial Systems: Raphaël Koudjou

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les Coûts de la Gestion  
du Cash

The implementation of the recommendations of this report contributes to the Sustainable Development Goals.

