



Leveraging Fintech to Drive Financial Inclusion for Women Cross-Border Traders Diagnostic Research Study

Author(s):

Arianne Martin, Hamidou Jawara

October 2024



Co-funded by the European Union



This report is part of an intervention conducted by the Investment Climate Reform (ICR) Facility. The ICR Facility is co-funded by the European Union (EU), the Organisation of African, Caribbean and Pacific States (OACPS) under the 11th European Development Fund (EDF), the German Federal Ministry for Economic Cooperation and Development (BMZ) and the British Council. The ICR Facility is implemented by GIZ, the British Council, Expertise France, and SNV. This specific intervention is led by GFA Consulting Group on behalf of GIZ.

The contents of this publication are the sole responsibility of the author and do not necessarily reflect the views of the donors or the implementing partners.

The ICR Facility supports public and private stakeholders in African, Caribbean and Pacific (ACP) countries in creating a more conducive, sustainable and inclusive business environment and investment climate.

More information: www.icr-facility.eu

Implemented by



This report was written by Arianne Martín and Hamidou Jawara / GFA Consulting Group GmbH



Content

Content	i
Executive Summary	ii
Methodology	iv
1 CONTEXT.....	1
1.1 Overall	1
1.2 The Financial Inclusion Opportunity in The Gambia.....	1
1.3 Digital Financial Inclusion and Fintech Landscape.....	2
1.4 Women Cross-Border Traders in the Senegambia Corridor	3
2 OBJECTIVES	4
3 KEY FINDINGS	5
3.1 Key Challenges/barriers for women cross-border traders	5
3.1.1 Business Barriers	5
3.1.2 Financial Barriers	6
3.1.3 Custom and Border Barriers	6
3.1.4 Digital Barriers.....	7
3.2 Access and Usage of Fintech Products by Women Cross-border Traders	7
3.3 Key Regulatory and Licensing Challenges.....	8
4 FINTECH PRODUCTS AND SOLUTIONS' BEST PRACTICES	10
4.1 Successful Fintech Products and Services	10
4.1.1 Basic Fintech Financial Services	10
4.1.2 Advanced Fintech Solutions.....	10
4.1.3 AI - Driven Innovations.....	12
4.2 Successful Fintech Regulatory Frameworks in Africa	12
4.2.1 A Robust legal framework	13
4.2.2 Infrastructure	13
4.2.3 Interoperability.....	13
4.2.4 Customer safeguards and protection	14
4.2.5 Leadership in Coordination	14
4.2.6 Technology and Security Standards	14
4.2.7 Reporting and Supervision	14
5 CONCLUSIONS AND RECOMMENDATIONS	15
5.1 Create a conducive environment to enable Fintech Innovation and Scaling.....	15
5.2 Create a conducive environment to drive Fintech adoption and usage among Women Cross-Border Traders	16
Annex 1: Profile of Women Cross Border Traders' Interviewed	18
Annex 2: Financial and Digital Inclusion Data.....	19
Annex 3: Fintech Products and Solutions Best Practices in Africa	21
Annex 4: Fintech Regulatory Frameworks Best Practices'	24
Abbreviations	25
List of Tables.....	25
List of Figures	25
List of Boxes	25

Executive Summary

The fintech sector presents a transformative opportunity for advancing financial inclusion in The Gambia, especially for underserved groups such as women and cross-border traders. Dominated by banks, the financial sector has limited lending options for MSMEs, leading many small businesses, particularly those owned by women, to rely on non-bank financial institutions or informal credit sources. Digital financial services (DFS) offer a promising pathway to bridge this gap, as the Central Bank's National Financial Inclusion Strategy aims to reach 70% inclusion by 2025, with fintech playing a critical role. Fintech providers like WAVE, QMoney, and others are expanding services, especially in rural areas, yet digital access, particularly to credit, remains low. Women, who form most cross-border traders along the Senegambia corridor, face specific challenges in accessing formal and digital financial services. Enhanced DFS tailored to their needs could support these traders, who play a vital role in the local economy but often operate informally and face barriers like, access to credit, access to markets, lack of digital and business literacy, high costs of doing business, inconsistent regulations and harassment at border points.

The study found that the expansion of digital financial services in border areas has significantly benefitted women cross-border traders, has enhanced their business efficiency and reducing travel and associated costs. Nearly all women surveyed owned smartphones and were highly aware of mobile money services, with WAVE being the most popular due to its low costs and ease of use. While most women used digital wallets for basic transactions, like payments and cash transfers, they tended to avoid saving within these platforms due to trust issues from past fraud incidents. More advanced fintech services, like credit or SME lending, were generally unavailable or unfamiliar, so women mainly relied on microfinance institutions or informal group loans for financing. Additionally, many women expressed a need for more secure mobile wallets, access to credit through these wallets, and interoperability across platforms. WhatsApp was commonly used as a digital marketplace, while awareness of formal e-commerce platforms was low. Despite the benefits, challenges persist, including access to credit, security concerns and issues with agent reliability and network stability.

Stakeholders in The Gambia emphasized the need for a robust regulatory framework to support a competitive and collaborative digital economy, especially for Fintech, to enhance financial inclusion while ensuring consumer protection and stability. Key priorities mentioned include establishing clear, fintech-specific regulations, resolving interoperability issues by clarifying the role of GamSwitch, and considering national mandates for seamless digital service connectivity. Other critical needs include stronger KYC regulations and clearer guidelines for fintech agents. Cross-border trade also requires support, particularly through ECOWAS protocol consistency and an affordable alternative to Visa for payment processing, such as PAPPS. Infrastructure improvements like a second submarine cable and Tier 4 data centers could also help reduce costs and improve digital economy resilience. Finally, E-Governance and data integration, along with comprehensive cybersecurity measures, are also essential to build a trustworthy environment for digital expansion.

Stemming from the study's key findings and from the best practices analyzed, the **recommendations for enhancing financial inclusion for women cross-border traders through Fintech focus on two core areas: promoting and enabling adoption of digital financial services among women and creating a conducive regulatory environment for fintech innovation.**

Encouraging fintech adoption among women will require to increase uptake ensuring equitable access to digital identification, essential for formal financial engagement, and designing digital financial products tailored to women's needs. Collaboration with financial institutions to create gender-specific credit options and leveraging fintech data to establish alternative women's financial profiles can bridge gaps in access to finance. Additionally, developing digital literacy programs in local languages, using social media for education, and expanding market access via e-commerce platforms can empower women to integrate fintech solutions into their businesses, enhancing productivity and market reach.

Enabling a conducive environment for Fintech development should start by establishing a supportive regulatory framework, building a robust digital infrastructure, and fostering collaboration between government, financial institutions, and private sector actors. Promoting interoperability between digital wallets, commercial banks, and fintech platforms, can create a seamless, inclusive financial system that lowers costs, increases competition, and enables economies of scale. A comprehensive regulatory framework should include clear licensing requirements, responsible digital lending practices, and strong consumer protection measures, while introducing a Fintech Regulatory Sandbox could support innovation, allowing startups to pilot products under flexible regulations.

In summary, **empowering women cross-border traders through fintech innovation offers an unprecedented opportunity to improve financial inclusion, enhance business productivity, and support sustainable economic growth.** By addressing regulatory, technological, and literacy barriers with gender-sensitive strategies, The Gambia can create a supportive ecosystem for women in trade. Strong public-private collaboration and targeted policies will further ensure these

efforts drive long-term, inclusive development. Finally, a sustained commitment from all stakeholders, can foster an environment where fintech solutions empower women traders to thrive, benefiting individuals, communities, and the economy.

Methodology

Scope and Area of Study

The study focused on women in cross-border trade along the Trans-Gambia Corridor, particularly in Farafenni and Soma, examining the challenges they face in accessing financial services, especially through Fintech. Stakeholders from the government, private sector, and donor organizations, including the World Bank and European Union, were consulted. Government agencies involved were the Central Bank of the Gambia, Ministries of Trade, Gender, and Digital Economy, and the Gambia Women's Chamber of Commerce. From the private sector, only two microfinance and fintech providers, WAVE and Baluwo, were interviewed.

Study Design

The study used a mixed-method approach, gathering both primary and secondary data. Primary data was collected through four focus group discussions and four key informant interviews with 44 women cross-border traders, selected through purposive sampling. Secondary data came from desk research and databases like Findex, Finscope, and GSMA. The desk review covered financial inclusion, women in cross-border trade, barriers to economic inclusion, and best practices. Researchers also conducted scouting visits to the border posts of the target communities.

Data Collection Tools

FGDs and KIIs were administered using interview guides developed by the researchers, anchored on the study objectives. The guides were structured to tease out the information needed – assessing the barriers, challenges, and gaps in the financial inclusion of women cross-border traders. The FGD guide consists of both leading and probe questions divided into several sections, with each section based on eliciting information on the leading research issues.

Fieldwork and recruitment of participants

Before fieldwork, mobilizers engaged women for interviews, with more participants than the target of 40 women. The Ministry of Trade and the GIZ provided lists of women traders. The fieldwork took place from September 30 to October 2, 2024. Most stakeholder interviews occurred on October 3 and 4, 2024. All sessions were audio recorded with participants' consent. (See Annex 1 for participants' demographic profiles.)

Ethical Consideration

The study's objectives were explained to all participants before any discussion. The participants were also informed of the voluntary nature of participating in the research and the confidentiality and anonymity of information provided. Also, all participants were informed of their rights to withdraw from the discussion or refuse to answer questions. Written informed consent was obtained from all participants before any information was gathered on the research issues. Consent to record the sessions was sought from all participants and written consent was obtained for the use of visual material.

Leveraging Fintech to Drive Financial Inclusion for Women Cross-Border Traders

1 Context

1.1 Overall

Gambia is the smallest country in mainland Africa. Senegal surrounds it except for the Atlantic Ocean. The population is about 2.4 million people. Most of the population (over 60%) live in urban and peri-urban areas (mainly in Kanifing and Brikama local government areas), with women constituting 51% of the population (GBoS, 2024). Poverty remains a significant challenge, as the national poverty rate was estimated to be over 53% in 2020. The increase in the poverty rate was mainly attributed to economic challenges posed by the COVID-19 pandemic (World Bank, 2022a). The Gambia's economy is dependent on rain-fed agriculture and seasonal tourism. Hence, it is vulnerable to shocks in these sectors.

1.2 The Financial Inclusion Opportunity in The Gambia

The financial sector in The Gambia is predominantly bank-driven, with banks accounting for 86% of total financial assets. However, financial intermediation remains low. Bank credit to GDP stands at just 9%, significantly below the Sub-Saharan African (SSA) median of 14.9%. The banking sector is characterized by limited lending to the private sector, particularly to Micro, Small, and Medium Enterprises (MSMEs). Only 10% of small businesses and 12% of medium-sized firms have access to bank credit, which is lower than the SSA averages of 16% and 26%, respectively. As a result, MSMEs frequently rely on Non-Bank Financial Institutions (NBFIs), which cannot fully meet their clients' needs, or turn to informal credit sources. (Carlos Piñerúa (Lead, 2022).

This significant credit gap, affecting particularly women-owned and led MSMEs, poses a significant opportunity for the financial system. These MSMEs are affected by women's limited financial literacy, the informal nature of their businesses, and gender, social and cultural norms that limit their possibilities to be considered legitimate financial clients due to the lack of traditional collateral, formal IDs or sufficient income among others. Financially empowering women enhances their participation in economic activities, leading to more significant business creation, innovation, and improved family investments. Research shows that when women are included financially, they invest more in their families and communities, which fosters poverty reduction and creates a ripple effect for broader economic growth (Indrawati, 2015).

The 2019 FinScope survey revealed that only 19% of Gambian adults are formally served by financial institutions, primarily non-banks, while those using banks are mainly men. In the case of women, their inclusion is mainly driven by informal mechanisms. This formal financial inclusion figure in Gambia is lower than that of regional peers such as Senegal and Nigeria (both at 40% formal financial inclusion), Ghana (34%), and significantly behind Kenya, where formal financial inclusion reaches 82%. As a result, 69% of Gambians are financially excluded. The exclusion rate increases to 75% among adults in rural areas and 77% among young adults. Those most impacted by financial exclusion are young women residing in rural areas, particularly those engaged in informal jobs or the agricultural sector, as well as those dependent on remittances, (12% of Gambians receive remittances from family or friends abroad). More specifically, 98% of women report that they do not save, take loans, or have insurance, while 98% of Gambians do not use mobile money, despite more than 60% being aware of its existence. The main barriers to financial inclusion, as highlighted by the FinScope survey, include a lack of income, irregular or low income, limited trust in financial institutions, and the long and costly distance to financial branches. Among Gambians who are formally included in the financial system, the main drivers of their inclusion are remittances (47%) and transactions (10%), with minimal impact from savings, mobile money, credit, or insurance. [Finally, all adults indicate a need for financial education, specifically on saving and other available financial product options \(Finmark Trust, UNDCF, 2019\).](#)

Based on the Fincope 2019 results on financial inclusion, The Gambia has a big opportunity to drive economic growth by increasing access to digital financial services and fintech solutions, enabling women to start and scale businesses and participate more actively in formal economic activities. This is particularly crucial in rural contexts, where many women are engaged in the agriculture value chain, and depend on remittances and informal jobs. Providing access to financial services can uplift their economic status and contribute to national development.

In 2020, the Central Bank of The Gambia (CBG) committed to the Maya Declaration, pledging to increase financial inclusion in The Gambia from 19% in 2019 to 70% by 2025. The National Financial Inclusion Strategy (NFIS) for 2021-2025, developed by the CBG in collaboration with the Alliance for Financial Inclusion (AFI), the World Bank, and other stakeholders, envisions a "financial system that promotes inclusive economic growth and the empowerment of all Gambians." The mission of the NFIS is to enhance financial inclusion by leveraging innovative financial technologies to improve access, usage, quality, and overall welfare of the population.

1.3 Digital Financial Inclusion and Fintech Landscape

Digital financial services are widely recognized as a key strategy to enhance financial inclusion, particularly for low-income women living in rural areas, as they can help address many of the barriers that limit access to financial services. However, DFS remains significantly underdeveloped among women.

According to data obtained from Findex 2021 survey only 36% of the adults in the Gambia had an account, and 35% per cent had an account with a Financial Institution (FI). Despite a large mobile phone penetration rate in the Gambia, the ownership of mobile money accounts is still very low, as the data showed that only about 4% of adults own such accounts. Access to digital payments far outweighs ownership of mobile money accounts as 24% of the respondents reported to have made or received a digital payment. Ownership of electronic payment cards is low (8% nationally and 6% for women). However, usage of physical debit cards is significantly high (about 64%), but only 24% of women use them. Although overall access to finance is low, access to DFS and Fintech products is even lower. Moreover, access to financial services and products is generally lower for women than men.

Data on mobile money operators from 2020 to 2021 shows that the number of active wallets as of June 2021 was 32,063, (See Annex 2, Table 3). The number of agents in the same period was 4100, indicating a massive expansion in the number of agents from 2020 of 827 agents. While the number of active users fluctuated over time, the transaction volumes increased over time. Perhaps this is due to an increase in the number of subscribers over time (NFIS 2022).

Fintech providers provide essential financial services, like transactions and merchant payments, and in some cases, savings and remittance services. Hence, they bring financial services to users' doorsteps. The fintech revolution in the Gambia also started with MMOs, but since 2021, there has been a proliferation of digital wallet providers. At the beginning of 2020, only two fintech operators existed, but today, that number has increased four times due to the entrance of many digital wallet providers in the market.

The fintech products currently available in the Gambia includes the following:

Table 1: Fintech products currently available in the Gambia

Fintech Provider	Product Type	Financial products & services
Wave	Digital wallet	Money transfers, bill payments (NAWEC), airtime, savings, remittances
QMoney	Mobile money	Money transfers, cash deposits/withdrawals, bill payments, merchant payments
AfriMoney	Mobile money	Money transfers, cash deposits/withdrawals, airtime purchase, bill payments
NAFA	Digital wallet	Money transfers, savings, bill payments
APS	Digital wallet	International remittances, cash pick-up
Youna	Digital wallet	Money transfers, remittances, airtime purchase, school fees
Ping Money	Remittance provider	International remittances, mobile wallet integration
Cash Up	Digital Wallet	Digital Payments, merchant services
Taybull Soft	Digital wallet	Mobile payments, digital wallets, e-commerce solutions
Zeepay	Remittance and Mobile wallet	International remittances, mobile wallet services, bill payments

Many of the fintech solutions providers operate in the international remittance spaces and some of them do not have a good footprint in the domestic market. Currently, the most prominent players in the market are WAVE, APS Wallet, NAFA, Cash UP and Youna Wallet. However, the popular ones in the rural areas are mainly WAVE, APS, and Youna. While WAVE operates primarily through third party agents (they have only 7 of their outlets nationwide), the others operate through Money Transfer Operators (MTOs) and Forex Bureaus. The success behind WAVE is the convenience and simplicity of its platform. Hence, it is customer centric. Their aggressive marketing strategy supports their rapid expansion. You see more WAVE banners and signboards around than any of the other operators. Currently, their daily transaction volume averages about GMD 650,000. Their rapid expansion in neighbouring countries also makes them the preferred option for cross-border trade. They are also a major forex trader in the country as they collaborate with international MTOs to terminate transfers directly into receivers' wave accounts, which reduces transaction costs for the consumer and makes the service cheaper. Like Qmoney, NAFA, and other digital wallet providers, they also provide cross-border payments. However, the challenge with cross-border payment is that it is currently unidirectional, which poses a challenge in settling transactions.

The Gambia is committed to achieving sustainable economic growth and fostering a more stable and innovative financial system by advancing financial inclusion through digital transformation, in line with the efforts of neighboring countries. The Fintech Policy, developed by the Ministry of Communications and Digital Economy (MoCDE), aligns with the NFIS spearheaded by the Central Bank of The Gambia (CBG). This policy envisions transitioning from a cash-based to a cash-lite economy by expanding fintech services, leveraging collaborative stakeholder platforms to drive financial inclusion to 70% by 2025. Additionally, it aims to double the number of fintech firms from the current 7-8 and enhance broadband penetration, which currently stands at 35%, along with improving its quality. Hence, the fintech sector, particularly digital wallets, has the potential to contribute significantly to the country's digital economy drive. Therefore, bringing such platforms closer to cross-border traders and ensuring that the products meet their specific needs will offer many opportunities for a thriving private sector, a priority in the national development agenda.

1.4 Women Cross-Border Traders in the Senegambia Corridor

The challenges in cross-border trade are mainly threefold: the movement of goods, capital, and people. The lack of a single market and currency makes economic integration and cross-border trade in Africa very challenging (Ibrahim, 2015). Hence, trade facilitation and integration of informal cross-border traders into the formal trading system can effectively promote cross border trade. Other factors emerging as obstacles to cross-border trade include limited awareness of the existing trade initiatives to facilitate cross-border trade; inadequate border facilities that enhances movement of people, goods, and capital; lack of a mechanism to escalate traders' challenges to the relevant agencies, especially at border post, that help vulnerable groups like women on the challenges they face at border crossing points; limited resources; ineffective coordination among stakeholders across borders; hesitation of traders to utilize trade facilitation initiatives; and informality of traders in the neighbouring countries (Charles, 2024).

Cross-border traders in the Gambia are MSMEs and operate mostly in the informal sector. A recent rapid assessment study on small scale cross border trade along the Trans-Gambia Transport Corridor by Gaardner and Senghore (2023) revealed that cross-border traders are predominantly young Gambian women with no formal education. Trade flows are mostly in the form of importing of raw materials and manufactured goods from Senegal into the Gambia. The goods traded include fresh fruits and vegetables and, to some extent, processed food products and fresh meat or fish. Trade flows are one-sided – the importation of goods only from Senegal, with the country of origin of some of the goods being unclear. Cross-border traders are largely informal but contribute their quota to government revenues. Formal and informal payment at border posts posed a major constraint for cross-border traders. Women at the border face harassment, but it is not very prevalent at the Keur Ali and Missera Border Posts.

This rapid assessment study has revealed of several challenges that need to be addressed to facilitate cross-border trade between Gambia and Senegal. Many of the findings from this assessment are corroborated by this study. Although challenges in the movement of financial capital across the two borders did not emerge as one of the key challenges, it was subtly mentioned in the survey as one of the challenges faced by cross-border traders. Hence, cross-border can be enhanced in Gambia through the financial inclusion of cross-border traders in rural areas.

2 Objectives

The primary objective of this document is to provide recommendations on the essential actions required to further advance the development of The Gambia's digital economy, with a particular emphasis on how this progress can foster increased financial inclusion for women engaged in cross-border trade, especially those operating in the agricultural sector.

This document specifically presents key findings from qualitative research conducted within the Senegambian corridor. This study engaged women cross-border traders, as well as key public and private stakeholders within the Fintech, Digital Economy, and Trade ecosystems. Furthermore, the document highlights best practices observed across the African region. These best practices included those that pertain to Fintech products and solutions that are promoting financial inclusion for women, as well as regulatory frameworks that are facilitating an environment conducive to the growth and scaling of innovative Fintech solutions.

Ultimately, the insights and recommendations presented in this study aim to inform the development of a National Strategy by the Ministry of Trade, Industry, Regional Integration and Employment (MoTIE) in The Gambia. This strategy will seek to leverage Fintech to enhance financial inclusion for women cross-border traders, thereby supporting the growth of their businesses, increasing their income, and contributing to broader economic development.

3 Key Findings

This section summarizes the findings from the FGDs and KIs undertaken during the field visit to Farafenni and Soma towns, and from interviews with stakeholders in the Banjul area or online.

3.1 Key Challenges/barriers for women cross-border traders

The main challenges faced by women traders can be grouped around four main areas: financial barriers, mainly the limited access to credit, business barriers, related to the lack of access to alternative markets, custom barriers, including lack of information about rights and harassment, and digital barriers, linked to limited digital literacy.

3.1.1 Business Barriers

Most women indicated that they did not register their business due to a lack of awareness of the registration process and the need and benefits of registration. Regarding formalisation, those in the catering business also indicated that they have a Gambia Public Procurement Authority (GPPA) certificate required in public procurements. However, one woman who reported getting the GPPA certificate said she did not renew it this year because the registration fee is now too expensive. *“...they will charge you a fee of GMD15,000 to GMD20,000 depending on the scale of your business. If you’re putting that much money into the business and not getting a return on it, it’s a challenge. However, some clients don’t ask about the GPPA, but if you don’t register, you can’t even apply for some contracts.”*

Some of the women with registered businesses had done this with the guidance of the GWCC. Thus, the study finds that GWCC is one of the active formal support mechanisms available to women entrepreneurs in the two communities of the study. It provides training and other support to women, such as helping them participate in trade fairs. The study also finds that women’s trade associations or associations for cross-border traders, as formal support structures where women come together to fight for an ordinary course, are not prevalent in the study area. Although all the participants in the FGDs said they belong to one association or the other, these associations are primarily informal. They are also not set up to help them address the challenges they face as cross-border traders.

When trading between Gambia and Senegal, the most important challenge is the exchange rate. Trading with Senegal requires using CFA since Gambian Dalasis (GMD) is not accepted in Senegal. Therefore, women must first exchange their GMD into CFA before entering Senegal. Fluctuations in the exchange rate between GMD and CFA directly affect cross-border traders and is not suitable for business. The continuous appreciation of CFA against the GMD makes trade between Gambia and Senegal more expensive. Hence, women complain that this makes cross-border trade less profitable. *“The last time I visited Senegal was during Tobaski, the feast. After that, I haven’t been able to visit because the CFA rate is too expensive. That’s why I haven’t gone to Senegal since then.”*

The exchange rate challenges are exacerbated by the lack of cross-border payment platforms in Africa, affecting trade. The formal banking system does not allow the transfer of funds from one country to another within Africa, which means an entrepreneur in the Gambia cannot pay a supplier in Senegal directly using a dalasi-denominated account. This is one of the reasons that trading within Africa is very low. In the engagement with the CBG, they have indicated that this is being looked at regional level. This has given rise to the Pan African Payment and Settlement System (PAPSS)¹. The PAPSS is created to facilitate fast and secure payments across African countries. The CBG have indicated they are working on integrating this platform into GamSwitch, Gambia’s only national Switch, to allow for cross-border handling of retail payment transactions. Therefore, it is envisaged that PAPSS will facilitate the settlement of payments across African borders. The CBG and GamSwitch are on the platform, as are commercial banks such as Ecobank, Guaranty Trust Bank, First Bank, Trust Bank, Zenith Bank, Vista Bank, and Standard Chartered.

The lack of skills to run their business correctly poses another challenge to women traders. All women mentioned that business skills and financial literacy training are one of the most pressing needs for them to improve their businesses. For instance, women who do food processing lack the technical skills required, such as skills in packaging and labelling. Hence, they need a lot of training in this area.

¹ <https://papss.com/>

3.1.2 Financial Barriers

Access to finance is mentioned as the most important barrier for women traders to grow their businesses. Most of the participants are aware that credit can be accessed from microfinance institutions once borrowed. However, the major challenge they face with credits from microfinance institutions is that the interest is usually high, and the duration is short. Several participants said they took a loan from a MFI and were asked to repay it within six months with high interest. Buttressing on this, a participant in the FGD in Soma said, “.... now when you take a loan of GMD 5,000, you pay GMD 6,400.” A woman in the same FGD noted, “... this [refrigerator] costs about GMD 28,000. I have not even started using it, so you are to give me a loan of GMD 20,000 and ask me to give this refrigerator as collateral.”

Meeting the collateral requirements of a loan is an additional challenge. Some MFIs ask for household assets as collateral. If one cannot repay the loan, they will sell the asset. A lot of women have been victims of this. These requirements for a loan make it difficult for women entrepreneurs to take such a loan, invest it and make a profit. This has demotivated a lot of the women from taking loans from a bank. Some women have indicated that grants are better than loans for small businesses. However, the challenge with grants is that giving them continuously is not sustainable. Therefore, there is a need for microfinance institutions to tailor their loans to the economic realities of their borrowers. However, the challenge for them is that they are deposit-taking institutions and what they provide as loans depends on this. Thus, they cannot tie depositors' money into investments for which the returns are not immediate.

Women traders use commercial banks or Osusu groups for saving needs, while the usage of Fintech platforms for savings is very small. Women seem to use multiple savings accounts: for day-to-day needs they save small amounts in digital wallets like WAVE, but for more larger savings, they use bank and non-bank financial institutions and/or Osusu groups. This shows the need to integrate the two types of financial services for users' convenience.

- **Women traders use commercial banks or Osusu groups for saving needs, while the usage of Fintech platforms for savings is very small.** Women seem to use multiple savings accounts: for day-to-day needs they save small amounts in digital wallets like WAVE, but for more larger savings, they use bank and non-bank financial institutions and/or Osusu groups. This shows the need to integrate the two types of financial services for users' convenience.
- Women save in commercial banks or MFIs mainly because it is a requirement to access credit from them. The most common banks used by women cross-border traders are Ecobank, Agibank, and Vista Bank, in Farafenni, and GTbank and Approved Services (APS) in Soma. Regarding MFIs, Reliance Financial Services and Superonic are the most popular ones.

3.1.3 Custom and Border Barriers

Women traders face both financial and physical harassment at border posts, especially from customs authorities. Upon arrival at the border, women are asked to pay for fees that they either cannot afford, or that negatively impact their business bottom line. Hence, they have no choice but to negotiate with customs officers, in which cases they may/may not get receipts for their payment. If later they cannot show receipts, they are given a hefty fine, which the women struggle to pay. Therefore, the women are exposed to both formal and informal payments at the border. Additionally, the study revealed that women sometimes also face physical harassment at the border post. This happens partly because women arriving at the border are in a vulnerable situation just for being women, and some border authorities try to take advantage of them. Harassment also happens when women are not aware of their rights.

Women complain about receiving unfair treatment from the Senegalese authorities at the border, particularly as they do not seem to observe the ECOWAS protocols. Despite Gambian women respect ECOWAS protocols, they believe that taking goods from Gambia to Senegal is always difficult and frustrating and that trade is currently one-sided (from Senegal to Gambia). To address the flouting of protocols by member countries, ECOWAS has instituted an online 24/7 complaint reporting platform where complaints can be lodged in real-time. However, only a few traders know of the platform's existence and how to file a complaint through the platform.

Other challenges refer to the lack of appropriate storage facilities at the border, which is particularly significant for women trading in vegetables and perishable goods. Some women also mentioned the lack of appropriate spaces to sell their products, usually on the floor by the main road, and also the lack of accommodation facilities at the border when they arrive late and the border is closed, exposing them to yet additional safety risks and costs.

3.1.4 Digital Barriers

Lack of digital literacy and savviness is another challenge commonly mentioned by women traders. While most women own a mobile phone and are familiar with the basic features and usages, many women mentioned a lack of sufficient digital knowledge which makes them weary of making mistakes, limiting their usage of more complex interfaces within mobile platforms. In other cases, women lack a basic literacy level that allows them to read and identify scam text notifications, being exposed to making mistakes like sending money to the wrong number or sending a code to a potential hacker.

Lack of trust in digital platforms, stemming from fraud issues. The apparently frequent attempts of hackers to rob users through text messages has had a negative impact on the safety and security perception of digital wallets, particularly WAVE. Lack of trust is also driven by the limited number of service points available across the country to allow for a direct interaction, compared to banks or other money service providers. Other issues limiting trust are related to agents not having enough money to cash-out large payments.

“When my WAVE account has an issue and when they say WAVE has stopped operating in the Gambia, who or where will you go to and tell them where is my money give it to me? This I don’t know. But for GT Bank, if they have an issue, I can go to the entrance of the banking Hall and then place my small bed there or sit there or lie down there until they give me back my money. But WAVE where would I go to?”

While payment of suppliers through Fintech platforms like WAVE has many advantages, it also has disadvantages. Many women traders who buy goods from Senegal use digital wallets because you can order directly from suppliers and pay via WAVE, saving up to 33% in transportation and other travel costs, and it helps overcome some of the challenges faced at the border mentioned. However, ordering directly from suppliers and paying via mobile money depends largely on the supplier’s reliability and trustworthiness. If suppliers fail to send the right quality or quantity of goods ordered, or fails to send the goods altogether, there is no way to place a complaint and recover the money.

3.2 Access and Usage of Fintech Products by Women Cross-border Traders

Overall, the expansion of basic digital financial services into the border areas, where cross-border women traders operate, has experienced a broad uptake that seems to have positively impacted their businesses and lives, resulting in less cross-border travelling, reduced costs of doing business and avoiding the nuances of dealing with discriminatory behaviours and physical and financial harassment at the border.

There seems to be high smartphone ownership and strong awareness and usage of digital financial services among women traders.

- Close to 100% of women interviewed own a mobile phone, and those who didn’t said it was a temporary situation due to breakdown or loss of the device. Noteworthy, a majority owned a smartphone (close to 90%), while the remaining owned a feature phone.
- There seems to be a high awareness of mobile money wallets and mobile money among women cross-border traders. 100% of women in the research were aware of these products, mainly WAVE, but also other operators like Yonna, APS Wallet, and the MTNs mobile money brands, AfriMoney and QMoney.
- Most women frequently use digital financial services but mainly for basic transactions like cash-in-out, bill payments, and utilities through WAVE. Some also use WAVE or Orange Money for cross-border payments with Senegal to buy business supplies. Other wallets, like Yonna and APS, are less commonly used, while AfriMoney and QMoney are unpopular due to limited understanding or the need to travel to the border for transactions. Some women with limited literacy rely on family members to help them use WAVE.

More sophisticated digital services are either not available, not know or not used by women cross-border traders.

- Women seem to avoid saving in mobile wallets, like those offered by WAVE, due to trust issues from past fraud experiences. Instead, they save through Esusu groups or in microfinance institutions like Reliance and Supersonic, and commercial banks (like EcoBank, Trust Bank, APS, or GT Bank), mainly to access credit. Some women have separate accounts for business and personal savings, while others avoid these services due to low digital literacy.
- Women cross-border traders lack access to advanced fintech products, such as SME lending and credit scoring. While there are plans for services like top-up credits and school fee payments, these options are mostly unknown and unused by the women.

- Women’s experience with credit is mostly limited to group loans from MFIs, informal lending, and family support, while they rely on savings for start-up capital. Reliance and Supersonic reach these women, but their loans often don’t meet their needs due to high interest rates, short terms, and brief grace periods. With Reliance, women reported that home appliances or assets could be taken as collateral if they default. Some mentioned SDF and Bayba Finance, which they felt offered better terms, but details were unclear.
- Women suggested additional features for mobile wallets to better meet their needs and build trust. They expressed a strong demand for access to credit through wallets, the ability to transfer money between different wallets, and connecting them to commercial banks to feel their money is safer. Only one woman noted that WAVE is linked to Reliance.

WAVE is the most popular mobile wallet among women cross-border traders.

- All women with smartphones have the WAVE app installed and prefer it over other options because of its lower transaction costs and user-friendly interface. They know that WAVE charges 1% for local transactions, 3% for to Senegal, and 8% to Mali. Most women use the app for personal transactions, but not all utilize it for business purposes.
- The usage experience with WAVE and other wallets is overall positive. The main benefits relate to not having to carry cash, particularly for those travelling into Senegal to purchase supplies, and to not having to go to agents to buy airtime or pay for electricity bills.
- For women trading with Senegal, WAVE seems to have changed how they do business. They can now buy from trusted suppliers over the phone, pay via WAVE, and hire drivers to handle transport and customs, which are often easier for men to negotiate. This saves 3M–5MGMD per shipment by reducing travel, accommodation, food, and customs costs.

“The reason we use WAVE is that it has made life easy for us. You can buy goods from someone and send them money via WAVE. Nowadays, with delivery services, the person can bring it up to your door and give it to you. So, all you do is just WAVE the person.”

The main issues around mobile wallets are related to lack of security and agents.

- All women mentioned fraud issues related to WAVE that have led to trust issues. Complaints referred to hackers entering WAVE mobile wallets and emptying accounts, or non-exclusive agents claiming not to have enough money to cash-out payments, and in some other cases, agents themselves doing the scams. Finally, women said that network crashes can result in interrupted transactions and differences in account balances.

Most women seem to be using some kind of social media as a digital market place to offer and sell their products.

- WhatsApp appears to be the one of the most popular social media platforms used for this purpose, either via the “status” option, or joining groups that serve as digital platforms to offer products. This is enabling women to access local and international customers who pay using WAVE or other wallets. FB, IG and Tik-Tok did not seem to have as much uptake for now.
- Awareness of e-commerce platforms in The Gambia, like Afrijula and Farmfresh, is low. One woman noted that joining an e-commerce platform she found at a Trade Fair helped her grow her client base. While many women are part of trade associations such as GWCC or GYCC, they often don’t see the benefits of their membership.

3.3 Key Regulatory and Licensing Challenges

All stakeholders interviewed agreed that Gambia needs to work on improving the digital economy’s policies & regulations, particularly those related to fintechs. Aim should be to establish a competitive but collaborative ecosystem that is able to innovate and boost financial inclusion, while guaranteeing consumer protection and safety and financial stability. To move forward towards a cash-lite economy, they mentioned several actions to be prioritised:

There is a clear need to review the regulatory framework for fintech companies:

- Specific or clear regulations for Fintech and Mobile Money. “Criteria for licensing is unclear or non-existent”. *“In Gambia you need a bank license to collect deposits, but Fintech companies are doing it without it”.*
- Interviewees are not fully aware of the existence of a Fintech policy drafted by MoCDE.
- Despite technology and security regulations are available and in place, they need to be synchronized with the CBG’s licensing regulations.
- Stakeholders are not aware of any specific cross-border transfer regulations in place.
- Competition regulations between Telcom and Fintech companies. *“Operations have been rejected not because of licensing issues but due to competition boycotting our business”.*

Interoperability within digital service providers and with banks appears to be the key bottleneck limiting the digital economy's expansion. To achieve full interoperability stakeholders reflected on some perceived barriers:

- GamSwitch's role needs to be clarified as the main sole super vendor or market aggregator, as well as potential conflict of interest between its private objectives and the objectives of the financial system and the digital economy. *"Could we consider making GamSwitch public and strengthening its potential?"*
- Full interoperability is not working because GamSwitch doesn't have enough capacity to handle the growing number of transactions required so they engage in on-on-one agreements. Also, the connecting costs are too high for smaller operators aiming to join the market. *"We started with GamSwitch, it is a reliable aggregator, but now we use it as back-up since they cannot handle the number of transactions we handle every month."*
- Some stakeholders suggest that a national mandate for all Fintech operators to connect via GamSwitch would enable full interoperability. This could address the connectivity needs, however the costs and capacity of GamSwitch still remain a challenge.
- CBG is exploring using [Mojaloop](#) opensource software as an opportunity to achieve interoperability at lower costs albeit poses security risks.

Other regulations for Fintech operators also considered weak or unclear were:

- KYC regulations, which pose security concerns for the users. A suggestion is to introduce a digital ID system that would contribute to inclusion while reducing fraud. WARDIP project is exploring a single national platform for digital ID that includes all relevant governmental data and uses one single number for all key documents.
- Other options mentioned it to introduce a threshold in USD to transfer via Fintech as an anti-money laundering measure.
- Regulation on Fintech agents is also unclear, particularly with regards to their clearance by the CBG, and the amount of money they can carry and transact for consumers.

Policy and infrastructure limitations affect the increase of cross-border trade operations and financial transactions:

- Issues with ECOWAS protocols' application: the Senegalese side seems to prioritize local protocols, opening the need to strengthen ECOWAS' e-commerce policy/strategy.
- Cross-border payments need an alternative payment system-gateway to VISA, used by wholesale financial transactions, as system's fees are too high. Option is to integrate the Pan-African Payment and Settlement System (PAPPS).
- E-commerce is considered to be a driver for small-scale trade, but it requires an infrastructure of payments and a clear e-commerce policy.

A robust infrastructure is a basic requirement for the digital economy's expansion.

- The implementation of a second submarine cable for West African countries, supported by the World Bank's WARDIP project, should contribute to the reduction of costs and limit network crashes affecting the streamlined used of Fintech products.
- The creation of Tier 4 data centres, currently not available, could help to store and process applications more securely and reduce the cost of the operations.

E-Governance and Data availability:

- Integrating governmental services (ID card, Passport, Drivers' license, birth certificate and business registration) into one single platform would enable data exchange.
- A pilot test of [MyGov](#) platform (from Bangladesh) is currently underway, with a target to integrate 50% of services in 5 years.

Finally, Cybersecurity was mentioned as "the roof that involves all the above", and a key anchor for all other elements of the digital environment to interact smoothly and to ensure the protection of consumers, increasing trust and uptake.

4 Fintech Products and Solutions' Best Practices

Resulting from desk-review, below is a summary of some best practices within the Fintech industry in other African countries, that are having a positive impact in the development of a growing and innovative digital financial market that is enabling financial inclusion for many.

4.1 Successful Fintech Products and Services

The desk review reveals an increasing number of Fintech products and services across Africa and globally, aimed at closing the financing gap for women entrepreneurs and women-led MSMEs. These solutions are contributing to financial inclusion and fostering economic growth. Many of these Fintech offerings adopt a women-centered design, ensuring they address specific barriers that limit women's financial inclusion. They cater to the needs of various segments, including women entrepreneurs, farmers, and consumers. Best practices identified range from basic financial services to advanced solutions powered by artificial intelligence (AI) and exemplify how Fintech can bridge the financial inclusion gap.

4.1.1 Basic Fintech Financial Services

These refer to Digital wallets or MM services for everyday transactions, or Digital tools that enhance traditional savings groups' operations (like Esusu) by enabling cashless transactions and safer savings options. Digital Savings Products offered by mobile wallets seem to be growing in The Gambia, however the usage is still limited, apparently due to the lack of connectivity among wallets and banks, and limited trust.

- [M-Pesa](#), Kenya's leading mobile wallet has transformed into a Super App that connects over 60million consumers and 5million businesses through embedded mini-apps: M-KOBA, digitizes savings groups, or M-PESA Kadogo, focused on low-income HHS.
- [Ensibukko](#) in Uganda, or [MaTontine](#) in Senegal, digitize saving circles, making informal savings safer and more structured, and allow to build financial profiling.
- [MFS Africa](#), a Pan-African digital payments hub, that connects MM services, banks, and FIs across Africa, allowing users to send and receive money across borders.
- [MTN MM](#): Uses agent networks (MoMo) to provide banking services, allowing customers to deposit, withdraw, and transfer money through local shops or mobile agents.

Box 1: How to Apply in The Gambia

- Digitize the popular Esusu groups to make informal financial transactions more secure, scalable, and accessible. This would allow to have data on underbanked customers and build a credit profiling that can be used by FIs, driving inclusion.
- Leverage existing platforms like MaTontine, very successful in Senegal, but with limited use in Gambia, and create awareness encouraging women's groups to use digital savings platforms to reduce risk of loss or fraud, building digital literacy capacity.
- Expand the network of MM agents in border towns and rural markets; Integrate agent banking with mobile money platforms to facilitate easy withdrawals, deposits, and payments; collaborate with telecom companies to set up mobile money agent hubs in agricultural communities. Challenge in The Gambia is that the some agents are not liquid enough and are far away from banks.

4.1.2 Advanced Fintech Solutions

These include Digital lending platforms, by microfinance banks, government institutions or social enterprises, that provide digital subsidies, pay-to-own or layaway services, or input credit financing options for farmers and MSMEs. Also, E-commerce platforms, that are making an impact by connecting local producers and consumers, within African markets and internationally.

These platforms often include cross-border payment systems that facilitate secure, low-cost international transactions in multiple currencies. Some examples include:

- [Tala](#) Kenya: Offers fast growing cash limits delivered to M-Pesa accounts.
- [Musoni](#) Uganda: MFI that uses mobile technology to disburse microloans for MSMEs who lack collateral for bank loans.
- [Lydia](#) Nigeria: Offers quick loans to SMEs based on their transaction history and cash flow. Utilizes big data to assess businesses' financial health and disburse loans.
- [Cellulant](#) Nigeria: A mobile wallet network that allows up to eight million farmers to receive direct government subsidies that cut the cost of fertilizer by 50%.
- [FarmDrive](#) in Kenya: Asset financing to SHFs that leverages data analytics (weather patterns, and farm activity) and mobile money data to assess creditworthiness. It connects farmers with lenders who offer credit for farming equipment, livestock, and other assets.
- [Hello Tractor](#): Agri-tech company that connects SHFs with tractor owners through a digital platform. It offers asset financing for farmers and tractor owners, enabling them to acquire productive farming equipment on credit.
- [WKash](#) (Wasoko): A buy now pay later (BNPL) service that provides working capital loans for MSMEs to purchase stock. Customers pay a portion in cash and have 7-days to pay the balance. Allows MSMEs to have inventory, while payments are made in instalments.
- [Baluwo](#): An all-in-one app for the diaspora, offering an easy, fast and safe way to buy online mobile top up, prepaid electricity, food, health care or construction materials for family and friends, instead of sending money.

Box 2: How to Apply in The Gambia

- To allow for Digital lending solutions, the biggest challenge for women-traders, consider integrating non-bank FIs, like [Reliance](#) or [Supersonicz](#) with WAVE or Yona, to offer small, flexible loans, disbursed through the wallets, with flexible installment options, and utilizing savings within these wallets as equity contributions.
- Promote the adoption of [Afrijula](#), an online business platform by UNCDF and InSIST Global, that enables MSMEs in Gambia to record and manage financial transactions while building a financial record. Through their banking tool, FSPs could evaluate the financial health of MSMEs, granting them access to financial products and services.
- Partner with regional social enterprises that employ Fintech to offer microloans for farm inputs and productive assets for SHFs, or adapt these models to the Gambian context.
- Partner with wholesalers, manufacturers, and digital platforms to offer BNPL options for MSMEs and farmers, to purchase supplies and pay later as they sell products.
- Consider remittances as potential collateral for MSMEs start-up capital, following approaches like Baluwo's, that is transforming remittances into productive uses. Banks can also promote investment from remittances by bundling financial services like savings products and loans for HHs receiving remittances.⁴

Women traders need access to digital marketplaces to sell their products to a wider audience. E-commerce platforms and digital marketplaces enable small-scale traders to sell their goods online to both local and international markets, reducing reliance on traditional markets and opening new revenue streams. Some examples explored:

- [Farmcrowdy](#) Nigeria: Agri-tech platform that connects investors with small-scale farmers, enabling crowd-sourced funding for agricultural projects. It also provides a marketplace for farm produce, allowing to aggregate farm produce, inputs, and processed food.
- [Buy from UN Women](#): a Pan-African open-sourced, cloud-based enterprise and e-commerce platform, available in web and app and delivered in multi languages, for easier access to additional markets, information and finance.
- [Twiga Foods](#), Kenya: A mobile money B2B supply platform connecting fruit & vegetable farmers to retailers. It focuses on reducing inefficiencies in the food distribution system and is Integrated with M-Pesa to provide cashless payments throughout the VC.
- [Jumia](#), Pan-African: Enables companies and entrepreneurs in Africa to scale-up their businesses and increase revenues by connecting them with millions of online consumers.

Box 3: How to Apply in The Gambia

- Develop digital marketplaces or promote and link women to local/regional existing ones, to allow women cross-border traders to sell their goods online. This would increase their market reach and reduce the dependency on physical trade routes.
- Consider the development of local national e-commerce platforms, that comply with ESG and Inclusive Businesses criteria, to support local women-traders, initially sponsored by MoTIE but aiming to attract private impact investors.
- Provide training and support for women traders to transition their businesses online, including digital literacy programs, mobile payment integration, and shipping logistics.
- Digitalize the addressing system to improve efficiency and reliability of delivery and encourage private sector participation in courier service delivery to spur E-Commerce.
- Evaluate how to leverage on the strong uptake of WhatsApp, and other social media, as e-commerce platforms.

4.1.3 AI - Driven Innovations

These include AI-powered tools, such as robo-advisors, used to create financial profiles for underbanked and unbanked populations. By pulling data from various sources, like digital wallets or social media, these profiles open doors to formal financing for individuals and businesses that would otherwise be excluded from the formal financial system.

- [Betterment](#) US, uses robo-advisors to offer automated, low-cost financial advice and portfolio management to users.
- [Quipu](#) Colombia, the first digital bank to use a proprietary AI algorithm to evaluate credit worthiness for informal MSMEs to allow capital flow to marginalized economic sectors. The virtual assistant combines customers' responses with alternative data sources (like social media) to estimate credit worthiness, payment capacity and business potential.
- [Ali Pay](#) in China and [Patym](#) in India have popularized QR code-based payments for small vendors, offering a fast, easy, and secure way to receive digital payments without expensive POS systems.

Box 4: How to Apply in The Gambia

- Robo-advisors and mobile-based digital financial planning tools can help women and MSMEs make better financial decisions, offering simple savings, investment, and budgeting advice.
- Partner with local banks or Fintech to provide robo-advisors targeting savings plans, small investments, and insurance for individuals and small business owners.
- Encourage mobile money providers to offer QR code payment systems for small businesses and informal markets. QR code-based payments can provide a simple, low-cost method for small businesses to accept digital payments via mobile money.

4.2 Successful Fintech Regulatory Frameworks in Africa

An analysis of various regulatory frameworks implemented across African countries highlights the importance of an enabling regulatory environment. Such frameworks promote the growth and expansion of Fintech and MM services, increase consumer trust, and foster financial inclusion. By encouraging healthy competition and laying the groundwork for greater interoperability, these regulatory environments enhance the user experience and drive growth.

The countries explored include Ghana, where the 2015 Mobile Money regulations marked a transformative shift in the African fintech landscape, setting a benchmark for other nations. Kenya, a leader in fintech innovation, has a dynamic ecosystem largely driven by the early success of M-Pesa. Nigeria, one of Africa's fastest growing fintech markets, has made significant strides in fintech legislation and is at the forefront of cryptocurrency and blockchain regulation. Mauritius has positioned itself as a fintech hub, boasting a robust legal framework. South Africa, with its well-regulated financial services industry, is a key fintech innovation center in the region, supported by initiatives like the Fintech Innovation Hub, which helps Fintechs navigate regulatory processes. Rwanda has emerged as one of the most forward-thinking countries in fintech regulation, utilizing sandboxes to facilitate fintech licensing. Lastly, Egypt's growing fintech sector is bolstered by a progressive regulatory framework, exemplified by the New Banking Law, which includes provisions for digital banking, fintech companies, and

payment services. (For more detailed information on the specific regulatory frameworks of each country visit Annex 4). The key elements that stem from the analysis of the different regulatory frameworks in these countries are the following:

4.2.1 A Robust legal framework

A well-designed regulatory framework is essential for creating an environment where Fintech and mobile money operators (MMOs) can thrive. Key regulations revolve around licensing, consumer protection, anti-money laundering (AML) protocols, and KYC requirements. A comprehensive regulatory approach helps create a secure, competitive, and consumer-friendly environment where Fintech can innovate and expand while ensuring the safety and stability of the financial system.

- To provide mobile money services, MMOs or other fintech entities must go through a mandatory licensing process, ensuring that only authorized players can operate. These operators are required to partner with banks, ensuring that mobile money accounts are backed by bank deposits. The licensing also mandates that operators meet specific capital requirements and adhere to strict AML and KYC standards to prevent crimes.
- Mobile money services must be regulated to maintain the financial system's integrity and protect consumers. This includes issuing guidelines that MMOs and their associated financial partners must follow. MMOs are authorized to issue electronic money (e-money), which can be stored in mobile wallets and used for various transactions. However, operators must ensure that the value of e-money issued is held in a trust account with a partner bank, guaranteeing that all e-money is backed by real currency.
- Consumer protection is a key focus, with operators required to provide clear and transparent terms of service, easy access to account information, and effective dispute resolution mechanisms. Transaction limits are also enforced to prevent large-scale fraud or money laundering while safeguarding small and medium-sized users. Regulatory bodies also set standards for the management of mobile money agents, including agent registration, KYC compliance, and performance monitoring.
- To further minimize risks, agents must operate under stringent guidelines to prevent fraud and misconduct. AML and KYC regulations require mobile money operators to verify the identity of all users and impose limits on account balances and transaction volumes to mitigate the risks associated with high-volume financial activities.
- To foster innovation within a secure environment, many regulators are establishing regulatory sandboxes. These sandboxes enable the testing of new fintech products and services in a controlled setting, ensuring that innovation can thrive without disrupting or compromising the existing regulatory framework.

4.2.2 Infrastructure

Improving infrastructure is critical to achieving interoperability, particularly in underserved areas. Ensuring reliable data connectivity is a foundational step, and for regions not yet connected, solutions such as building base stations in remote locations are vital. Developing infrastructure in these areas allows for greater access to digital financial services and supports the broader goal of financial inclusion. Moreover, simplifying the technical architecture across platforms and establishing a single point of accountability among the network of stakeholders are essential for smoother operations and coordination. This creates a streamlined approach, reducing complexity and fostering trust and engagement across user bases.

4.2.3 Interoperability

Interoperability refers to the ability of different systems, platforms, and applications to communicate, exchange, and process data seamlessly. It is crucial for enhancing financial services, allowing for seamless transactions between banks, fintech providers, and other stakeholders. However, as pointed out by stakeholders, the lack of motivation or capability to foster interoperability between financial service providers is one of the most significant barriers to expanding digital financial solutions and enabling large-scale operations. Key factors limiting interoperability include regulatory barriers, lack of relevance in cross-border contexts, or insufficient incentives for local players.

While interoperability is often seen as a key to financial inclusion, there are instances where highly interoperable markets, such as Nigeria, still face low levels of financial inclusion. This highlights that interoperability alone is not a silver bullet. The mobile money business model, which thrives on transaction fees, often lacks interest in promoting interoperability unless there is a strong profit case. Therefore, the presence of MM services is often more crucial for FI than achieving interoperability alone. However, any effort that reduces costs within an interoperable system can promote fintech growth and encourage financial inclusion. On the flip side, increasing operational costs for operators can deter their involvement, making the entire system commercially unviable (Lamia Naji, 2020).

CGAP mentions several models of interoperability emerging across Africa, including bilateral models like in Rwanda, aggregator models as seen in Ghana, global payment hubs, and mobile money hubs such as Mowali, designed for the ECOWAS region (Alice Negre, 2021).

Successful interoperability requires robust network infrastructure, particularly to support the operators of switching systems, and necessitates collaboration between multiple stakeholders. Public-private partnerships are essential to align incentives and create sustainable solutions that benefit all actors involved, helping to overcome these challenges. An example of this is the joint venture between Orange and MTN across Africa through [Mowali mobile wallet interoperability](#).

Large-scale interoperability increases productivity and usage, cost and time savings for users and providers, innovation, economies of scale, exchange of data and customer satisfaction (RIEDL, 2021), leading to increased usage of quality digital financial services.

4.2.4 Customer safeguards and protection

Mobile money operators are required to uphold clear and transparent terms of service for consumers, ensuring that all customers understand the services offered. Additionally, they must provide effective dispute resolution mechanisms, allowing users easy access to information about their mobile money accounts and the ability to resolve issues promptly. To safeguard against fraud and money laundering, transaction limits are implemented, which protect small and medium-scale users while minimizing broader systemic risks. These measures aim to build trust and security within the mobile money ecosystem, ensuring responsible and safe use of digital financial services.

4.2.5 Leadership in Coordination

Achieving a robust framework and large-scale interoperability will require strong collaboration among multiple stakeholders, including governments, regulators, technology providers, startups, financial institutions, and others. Experts suggest that these collaboration efforts should ideally be led by a neutral party to ensure balanced interests between cooperation and competition, as well as to facilitate dispute resolution when necessary.

In addition to multi-stakeholder collaboration, establishing Public-Private Partnerships (PPPs) will be essential, particularly for interoperability, as private companies need commercial incentives to invest the necessary time and resources.

4.2.6 Technology and Security Standards

Incorporating technology and security standards within the regulatory framework for Fintechs is essential to ensure the safety and privacy of user transactions. Mobile money operators should be required to implement robust technology solutions, including industry-standard encryption, fraud monitoring, and data protection protocols, to safeguard users and build trust in digital financial services.

4.2.7 Reporting and Supervision

A robust reporting and supervision system is essential for Fintech to ensure compliance and maintain stability in the financial sector. Mobile money operators should be required to regularly report key performance indicators—such as transaction volumes, customer activity, and financial balances—to the Central Banks or equivalent institution in charge of regulations. Additionally, these institutions should conduct audits and inspections to verify compliance with regulatory standards.

5 Conclusions and Recommendations

The findings from interviews with women cross-border traders, alongside consultations with key stakeholders and a thorough desk review of best practices, offer valuable insights that can guide the formulation of a National Strategy aimed at fostering financial inclusion for women cross-border traders by leveraging the potential of Fintech products and solutions to drive access to finance and new markets.

As cross-cutting strategies, we recommend applying a gender perspective when defining fintech policies and regulations, as well as when designing fintech products and solutions, to ensure they address women's specific barriers and needs. Additionally, fostering collaboration among government entities, financial institutions, and the private sector is essential to create alignment and synergy across the ecosystem, ensuring sustainable growth and financial inclusion for women in cross-border trade.

5.1 Create a conducive environment to enable Fintech Innovation and Scaling

First step is to create an enabling environment for the continued development and scaling of Fintech products. This will support the transition to a "cash-lite" economy. It includes promoting regulatory frameworks that encourage innovation, enhancing digital infrastructure, and ensuring that Fintech solutions can address the specific needs of women.

1. Build an interoperable digital payment infrastructure

To build a truly inclusive digital economy, the first step is establishing a robust digital infrastructure that enables seamless transactions across all participants. This includes connecting various digital wallets and service providers among them and with commercial banks to enhance access to digital financial services. Governments and FIs should prioritize creating secure, interoperable digital payment systems that allow users to transact effortlessly across different platforms.

Interoperability drives competition, reduces fixed costs, enables economies of scale, and improves the user experience. Achieving this requires collaboration among industry players, government entities, and infrastructure providers. With everyone working together, financial inclusion can become a reality, leading to a stronger, more resilient, and inclusive digital economy that benefits all.

The Gambia can draw on several existing models from countries further along in the path towards interoperability. At the initial stages, a **bilateral interoperability model** using aggregators or super vendors is suitable, as seen in The Gambia's current approach. Another option is the **Mobile Money Hub model**, where mobile money operators connect to establish an interoperable hub, like Mowali within ECOWAS. Lastly, a **government-led central hub** could be implemented, where interoperability is mandated, or not, through a government aggregator; in The Gambia, GamSwitch could serve this role.

2. Develop a comprehensive Regulatory Framework

Update financial regulations and policies to make space for digital products and services while keeping the financial system secure. Regulatory frameworks need to be flexible to be updated to keep pace with digital innovations. A robust regulatory framework for fintechs should include policies that ensure consumer protection, promote gender-specific financial products, and provide women with fair access to digital services. Key components of this framework include:

- **Digital Lending Regulations:** To prevent predatory practices and encourage responsible lending, regulations should protect borrowers while allowing fintech lenders to operate transparently.
- **Licensing for Mobile Money Operators (MMOs) and Fintech:** Establishing clear licensing standards helps create a secure and accountable financial environment.
- **Know Your Customer (KYC) Requirements:** Enforcing KYC protocols ensures that fintech providers can verify user identities, helping to prevent fraud and enhance security.
- **Transparency and Reporting:** Requiring Fintech to maintain clear reporting and data-sharing practices increases accountability and trust in digital financial services.
- **Banking and Mobile Money Agents:** Regulating agents helps extend financial services to underserved areas, supporting broader access to financial services.

In line with best practices, it is advisable to establish a Fintech Regulatory Sandbox where Fintech startups can test their products and services in a controlled environment under relaxed regulations. This will foster innovation and competition, reducing costs, while allowing regulators to better understand emerging fintech models.

3. Strengthen Digital Infrastructure

The Gambia must identify investments and policies that maximize the social and economic benefits of digital technologies and infrastructure while minimizing potential risks. Assessing the current digital infrastructure to identify gaps and ensure inclusive interventions is highly recommended. This approach will help ensure that digital financial initiatives reach the most marginalized women.

To strengthen the mobile network infrastructure, this study has found that it is essential to improve internet access and mobile coverage, especially in rural areas. A robust digital infrastructure enables wider access to fintech services, allowing more people to engage in digital financial services. Expanding mobile money penetration is also crucial; services like WAVE and Youna in The Gambia play an important role in financial inclusion. By expanding mobile money networks and promoting interoperability between service providers, the convenience and adoption of digital financial services can be significantly enhanced. Additionally, increasing network access and reducing costs, which could be achieved with the addition of the second internet cable for West Africa, will further support a more accessible digital ecosystem.

5.2 Create a conducive environment to drive Fintech adoption and usage among Women Cross-Border Traders

Secondly, The Gambia needs to create an environment conducive to the increased adoption of Fintech products by women. This includes facilitating access to financial services, enabling smoother access to markets, and addressing barriers women traders face. The recommendations focus on practical ways to drive greater usage of digital financial services among women and help them tap into broader economic opportunities.

1. Build equitable digital identification systems

To enable the uptake and usage of Fintech products and services, we must ensure all citizens have a formal proof of identity to open and use financial accounts. The Gambia should implement inclusive digital ID systems that ensure all citizens, especially women, can prove their identity. This would enable women to access financial services and engage more fully in the formal economy. The initiative of MoCDE with WARDIP project from WB seems to be working in this direction.

2. Design and Deliver Digital Financial Products & Services that meet women's needs

To design effective digital financial products and services that address women's barriers to financial inclusion and meet their financial needs, the government and development partners should prioritize the collection of gender-disaggregated data. Using this data and adopting a women-centered approach when developing digital services, can help address the numerous barriers that women cross-border traders face. Digital services must be delivered in affordable and accessible ways, reaching women in locations and through channels already familiar to them. A special emphasis should be placed on designing products that improve access to finance, the most significant barrier identified. Some recommendations include:

- Work with FIs and digital service providers to develop gender-responsive credit products tailored to women traders, like the Affirmative Finance Action for Women in Africa ([AFAWA](#)) by AfDB.
- Identify social enterprises with digital lending products to offer tailor-made loans for women farmers, with accessible and affordable payment options:
 - Agricultural input financing with grace periods can boost productivity. Programs like [MyAgro's](#) layaway system allow farmers to buy agri-inputs in small increments via mobile phone, while [One Acre Fund](#) offers financing for a package that includes farming inputs on credit, training, storage, market access, and insurance.
 - Pay-to-own financial services that provide access to productive assets, like phones, solar products, and transportation, are essential, like [M-Kopa](#) or [Tugende](#) in Uganda.
- Collaborate with digital wallets and MM providers to leverage the data knowledge of women traders to build a financial profile that can be accessed by commercial banks.
- Integrate fintech products with commercial banks to give them access to financial profiles of unbanked consumers, helping build trust and creating a bridge between digital financial services and traditional banking.

- Explore opportunities to link remittances to loans through platforms like Baluwo can further enrich financial profiling and provide new pathways for credit access.

3. Promote and support alternative Access to market options like e-commerce platforms and social media

This study highlights access to market as a key challenge limiting women traders' business' growth. It also shows how they have started using the endless possibilities of social media to reach additional consumers. E-commerce is the future of trade, and women traders should be part of this revolution. Focus should be on creating or leveraging existing digital markets, on encouraging them to use these platforms, and on providing digital and financial training for an effective and secure usage of these tools. Some options could include:

- Advertising local e-commerce platforms like FarmFresh, and building on the expertise and success of other digital platforms in the region like FarmCrowdy or Jumia.
- Building a national e-commerce platform to promote digital cross-border trading, potentially with Senegal, that includes integrated payment systems in both currencies.
- Expanding the ["Buy from Women"](#) platform by UN Women into the Gambia.
- Leveraging the potential of the WhatsApp groups/status/business features to help women cross-border expand their access to markets.
- Engaging Cross-Border Trade Associations and women cross-border traders to explore the above options and design the best product for the Gambia.

4. Leverage Fintech to provide financial, digital and e-commerce literacy programs to women

To enable women traders to adopt fintech products effectively, governments, donors, and operators need to prioritize improving financial and digital literacy. Lack of literacy is another significant barrier, even though women already have the interest (through their businesses), the digital means (such as phones), and a clear need for these tools. Investing in education and developing clear, simple, and comprehensive literacy programs—in local languages and delivered cost-effectively—are critical for empowering women to leverage fintech confidently. Several effective practices can be adapted, including:

- Engaging community women leaders, like India's Digital Sakhi, where women serve as "digital friends" educating peers on digital financial services, helping scale literacy efforts.
- Utilizing familiar social media, like WhatsApp, Instagram, or TikTok, to expand digital literacy training, allowing women to learn in familiar environments.
- Partnering with organizations like AfriJula, to help broaden training offerings to include safe and comfortable use of digital financial tools.
- Leveraging fintech as an informational tool, using WAVE or WhatsApp to offer key information on business registration, trading protocols, and border rights. AI-powered chatbots could further enhance support by offering 24-hour assistance, providing women with on-demand information and training.

5. Leverage Fintech to improve business productivity and reduce costs

Fintech can enhance business productivity by better connecting suppliers, businesses, and consumers, while facilitating access to agricultural inputs and productive assets. By aggregating products on digital platforms, fintech enables easier market access and strengthens bargaining power for more favourable pricing. Additionally, it can consolidate transportation resources, reducing operational costs. For instance, adopting the model of Nigeria's Hello Tractor social enterprise, which pools productive assets for agricultural needs, could help women traders in Senegal lower costs. This approach could also be applied to sharing productive assets among businesses engaged in Agro-processing, further supporting cost-effective growth.

In summary, empowering women cross-border traders through fintech innovation offers an unprecedented opportunity to improve financial inclusion, enhance business productivity, and support sustainable economic growth. By addressing regulatory, technological, and literacy barriers with gender-sensitive strategies, The Gambia can create a supportive ecosystem for women in trade. Strong public-private collaboration and targeted policies will further ensure these efforts drive long-term, inclusive development. Finally, a sustained commitment from all stakeholders, can foster an environment where fintech solutions empower women traders to thrive, benefiting individuals, communities, and the economy.

Annex 1: Profile of Women Cross Border Traders' Interviewed

The tables below show the demographic profile of the women interviewed:

Table 2: Demographic Profile of Women Interviewees

Age		Civil Status		Avge. # of children /woman
18-25	23%	Single	4%	3.5
26-35	43%	Married	91%	
36-45	26%	Divorced/Separated/Widowed	4%	
>46	10%			

The nature of business of the women traders engaged in varies. Most women who participated in the FGD in Farafenni were in the agri-value chain, buying and selling vegetables wholesale or retail. A few of them were into catering and sometimes source their vegetables from Senegal. In Soma, most participants in the FGDs were trading detergents like soap, shampoo, and bleach or incense spray. They get their inputs from Senegal, but source them through a third party because they do not have the financial capacity to go to Senegal. Some women were into food processing, and one interviewee bought cosmetic products from Senegal and sold them in the Gambia. They source from Senegal because the goods are unavailable in the Gambia or better qualities exist in Senegal.

Table 3: Demographic Profile of Women Interviewees

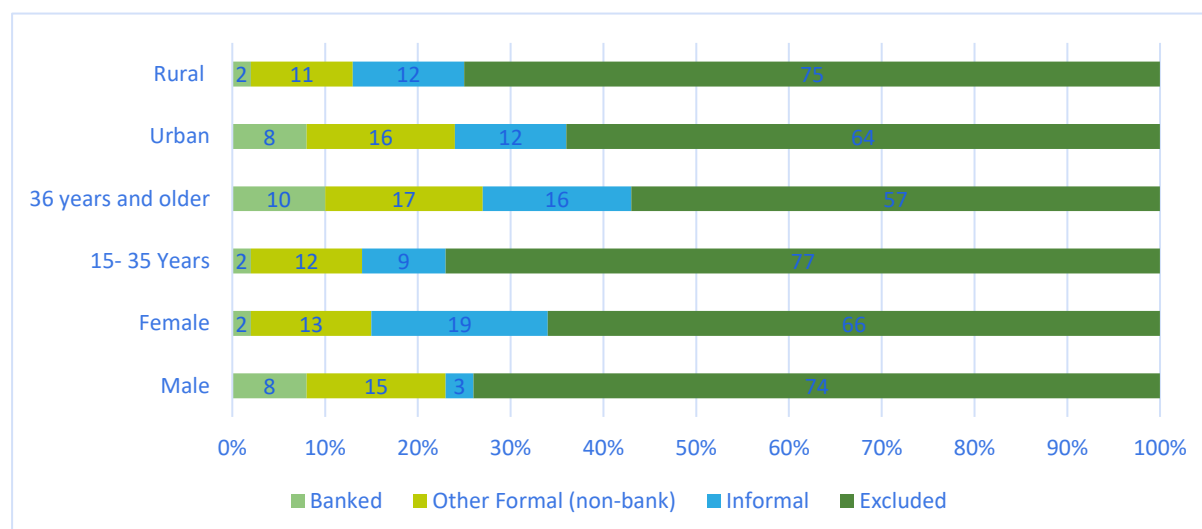
Education	Type of Business		
Uneducated	19%	Petty Trading (Agri-inputs, vegetables, clothes)	28%
Primary / Lower Secondary	15%	Distributive Trading	26%
Upper Secondary	45%	Manufacturing	19%
Tertiary	11%	Service Sector	11%
Arabic Education	10%	Other sectors / Not working	16%

The FGDs revealed that most women traders are self-proprietors; only in a few cases do they hire others. The women traders are mainly into petty trading, and the majority are informal. In Farafenni most women were business owners, only a few had 1-3 employees, while most were supported by family members. Most businesses were registered with the support of GWCC through the single window. In Soma, most women were part of a group detergent businesses (trained by GIZ), while the rest were petty traders of either food or clothing, and almost none of the businesses were registered.

Annex 2: Financial and Digital Inclusion Data

The Figure and tables below show portray key data from desk-review.

Figure 1: Financial Inclusion Data by Group



Source: NFIS 2021-2025 (also sourced from FINSCOPE 2019 survey)

Table 4: Type of Financial Services by Type of Provider

	Transaction Account	Savings account	Loans	Insurance Policy Issuance	Forex Transactions	Remittances	Mortgage Finance	Other Services
MFIs	X	X	X		X			
Credit Unions	X	X	X					
Insurance Companies				X				
FX Bureau					X	X		
MMOs	X							X
Postal Service	X	X						X
Pension Fund		X						
Mortgage Company							X	

Source: NFIS 2021-2025

Table 5: Data on Mobile Money Operators

No	Description	Jun-20 GMD	Sep-20 GMD	Dec-20 GMD	Mar-21 GMD	Jun-21 GMD
1	Total Number of Active MM wallets	36,083	35,144	29,728	51,714	32,063
2	Number of Agents	827	689	871	3,807	4,100
3	Total Electronic value held in Agent Wallet	15,831,499	16,155,413	30,674,470	36,115,649	37,344,589
4	Total Value of cash-in transactions	38,492,969	45,928,461	70,117,716	64,883,640	67,602,347

No	Description	Jun-20 GMD	Sep-20 GMD	Dec-20 GMD	Mar-21 GMD	Jun-21 GMD
5	Total value of cash-out transactions	15,779,408	21,244,710	47,103,792	39,686,320	43,084,532
6	Total electronic value in customers wallet	16,172,032	19,138,929	30,674,470	37,285,791	39,334,061

Source: NFIS 2021-2025

Annex 3: Fintech Products and Solutions Best Practices in Africa

The table below compiles the Fintech products and services analysed for the desk-review.

Table 6: Compilation of Fintech Products and Services analysed for the Desk-Review

Fintech Product	Country	Description
Digital Payment Platforms, Digital Banking Apps and Mobile Money Services		
M-Pesa	Kenya	Mobile money services that are easy to use and available even to those without bank accounts.
MFS Africa	Pan-Africa	A digital payments hub, that connects mobile money services, banks, and financial institutions across Africa, allowing users to send and receive money across borders.
Tingg by Cellulant	Pan-African	Easy-to-use platform that can process payments from over 250 payment methods, and make and accept payments across borders. Customers can pay for products or services with mobile money, directly from their bank accounts, or by using their local or international card, all in one place.
Digital Lending and Mobile Credit Solutions for Agriculture		
Tala	Kenya	Offers fast growing cash limits (up to 50,000 Ksh @ 0,3%/day, flexible payment schedules), delivered to M-Pesa accounts.
Jumo	Pan-African	A digital payments hub, that connects mobile money services, banks, and financial institutions across Africa, allowing users to send and receive money across borders.
Musoni	Kenya	Microfinance institution using digital payments. Uses mobile technology to disburse loans and receive repayments. The institution focuses on microloans for small-scale entrepreneurs who lack collateral for bank loans.
Lydia	Nigeria	Digital lending platform for SMEs: Lydia offers quick loans to SMEs based on their transaction history and cash flow rather than traditional credit scores. They utilize big data to assess businesses' financial health and disburse loans.
Cellulant	Nigeria	A mobile wallet network that extends to tens of thousands of villages and some eight million farmers. 75% are active users receive direct government subsidies that cut the cost of fertilizer by 50%.
FarmDrive	Kenya	FarmDrive is a fintech solution that provides asset financing to smallholder farmers by leveraging data analytics and mobile technology. It connects farmers with lenders who offer credit for farming equipment, livestock, and other productive assets. The platform uses alternative data like mobile money transactions, weather patterns, and farm activity to assess creditworthiness.
Paga	Nigeria	A digital financial services platform that provides retailers and smallholder farmers with access to financing for productive assets like equipment and inventory. Paga's payment platform integrates with lending services that allow retailers to purchase goods on credit and pay back over time.
Hello Tractor	Pan-African	An Agri-tech company that connects SHFs with tractor owners through a digital platform. Offers asset financing for farmers and tractor owners, enabling them to acquire productive farming equipment on credit.
Digital Savings Circles (ROSCA)		
Esusu	Nigeria	Digital finance management platform to simplify and automate thrift savings, collections and credit schemes in Africa.
Ensibukko	Uganda	Digitizes traditional savings circles, allowing users to save collectively and access pooled funds through mobile platforms. It helps make informal savings safer and more structured.

Fintech Product	Country	Description
MaTontine	Senegal	Digital Financial Services Platform that provides access to small loans and a range of services for the financially excluded in Africa.
Agent Banking and Cash-Out Networks		
MTN Mobile Money	Uganda	Uses agent networks (MoMo) to provide banking services, allowing customers to deposit, withdraw, and transfer money through local shops or mobile agents.
Buy Now, Pay Later (BNPL)		
WKash (Wasoko)	East Africa	Order Now Pay later service, provides small informal retailers with working capital loans for purchasing stock. Customers have to pay a portion in cash and have a 7-day period to pay the balance, at a decreasing fee rate as orders grow. This allows businesses to always have inventory, while payments are made in instalments.
E-Commerce and Digital Marketplaces for Women Cross-Border Traders		
Jumia	Pan-African	Jumia enables companies and entrepreneurs in Africa to scale-up their businesses and increase revenues by helping them connect with millions of online consumers.
Konga	Nigeria	Nigeria's largest online mall, the engine of commerce & trade in Africa. Includes KongaPay (a CBN licensed platform through which users can receive money, make payments, airtime purchases, etc), and Konga Logistics (conveying packages from one end of the country to another).
Farmcrowdy	Nigeria	An Agri-tech platform that connects investors with small-scale farmers, enabling crowd-sourced funding for agricultural projects. It also provides a marketplace for farm produce, allowing to aggregate farm produce, inputs, and processed food.
Smart Africa	Pan-African	African e-commerce blueprint that will be integrated into national economic and/or trade & business agenda. Focus on e-commerce readiness assessments, ICT infrastructure & services, trade logistics and facilitation, payment solutions, legal and regulatory frameworks, e-commerce skills development and access to financing.
Wasoko	East Africa	A B2B e-commerce platform that allows small informal retailers to order goods directly from suppliers using mobile device, with competitively priced products and free same day delivery.
Afrijula	Gambia	An online business platform that enables MSMEs to record and manage their financial transactions while simultaneously building a financial record. This enables FSPs to evaluate the financial health of these entrepreneurs, granting them access to financial products and services, with a particular focus on youth and women groups.
Farmfresh	Gambia	The first online fruits & vegetable store in The Gambia launched to address subsistence farmers' pledge who struggle with storage and preservation of farm produce, leading to low prices & profits.
Buy from Women by UN Women	Pan-African	An open-sourced, cloud-based enterprise and e-commerce platform, available in both web and app and delivered in multi languages. It is customizable for any business processes in the local ecosystem, where women entrepreneurs and business holders can have easier access to additional markets, information and finance.
E-Wallet	Nigeria	Mobile wallet network for thousands of villages and 8 million farmers to receive direct subsidies that cut fertilizers' cost by 50 %.
Twiga Foods	Kenya	A mobile money B2B supply platform that connects fruit & vegetable farmers to retailers, offering a streamlined supply chain for agricultural produce. It focuses on reducing inefficiencies in the food distribution system. Integrated with M-Pesa to provide cashless payments throughout the VC.
WhatsApp	Global	WhatsApp Marketing Channels are enabling women to access other regional markets by uploading their products' snapshots to WhatsApp groups. This service also allows to integrate WhatsApp with other stack platforms like Customer relationship

Fintech Product	Country	Description
		management (CRM) platforms, Customer success management (CSM) software, Point-of-sale (POS) system and Chatbot/conversational AI platforms.
Remittances and Cross-Border Payments		
WAVE	Senegal	Offers low-fee remittance services, helping customers send money across borders using mobile money.
Baluwo	West Africa Latin America	The all-in-one app for the diaspora Offers an easy, fast and safe way to buy online mobile top up, prepaid electricity, food, health care or construction materials for family and friends, instead of sending money.
Chipper Cash	Pan-African	Offer cross-border payments via mobile platforms that facilitate quick, affordable, and secure transactions across different countries.
Robo-Advisors and Digital Financial Planning Tools		
Betterment	US	Use robo-advisors to offer automated, low-cost financial advice and portfolio management to users.
QUIPU	Colombia	First digital bank to use a proprietary AI algorithm to evaluate credit worthiness for informal MSMEs. The assistant combines customers' responses with alternative data sources (like social media) to estimate credit worthiness, payment capacity and business potential.
QR Code Payments for SMEs and Informal Markets		
Alipay Patym	China India	Have popularized QR code-based payments for small vendors, offering a fast, easy, and secure way to receive digital payments without expensive POS systems.

Annex 4: Fintech Regulatory Frameworks Best Practices'

The table below summarizes the key elements of the Regulatory Frameworks available in some African countries for Fintech and Digital economy.

Table 7: Summary of Key Elements of Regulatory Frameworks available Fintech and Digital Economy in some African Countries

Country	Regulatory Framework	Regulatory Authority	Focus Areas	Interoperability Model	Licensing Regulations	Technology & Security Standards
Ghana	2015 Mobile Money Regulations	Bank of Ghana	Mobile money, AML, KYC, Consumer protection , Interoperability , Agent networks	Aggregator (Nsano) moved to GPH (GH-Link)	Mandatory licensing for MMOs	Encryption, fraud monitoring, data protection protocols
Kenya	National Payment Systems Act (2011), Data Protection Act (2019), Digital Lending Regulations	Central Bank of Kenya (CBK)	Mobile payment services, Digital financial services, Data protection , Digital lending	Mobile Money Hub (M-Pesa), Aggregator for MM and banks transfers	Licensing for mobile payment and digital lenders	EU's GDPR-aligned data protection, tech standards for digital lending
South Africa	National Credit Act, Financial Sector Regulation Act (2017)	SARB, FSCA	Credit regulation, Fintech innovation , AML, KYC, Twin Peaks model (SARB & FSCA) regulate Fintech.	Aggregator (BankServ-Africa) for FSP, Bilateral for Banks	Registration for fintech platforms, Financial Sector Hub	Industry standards for AML, cybersecurity
Nigeria	CBN Sandbox Framework, Payment Systems Regulation, Nigerian Startup Act (2022)	Central Bank of Nigeria (CBN)	Digital payments, Fintech startup regulation , Predatory lending control, Blockchain, Cryptocurrency	Aggregator (NIBSS) and Mobile Money Hub	CBN Sandbox licensing, PSP registration	Blockchain and cryptocurrency regulation in progress, cybersecurity
Mauritius	Fintech Sandbox (2018), Virtual Assets and Initial Token Offerings Services Act (2021)	Mauritius Financial Services Commission (FSC)	Cryptocurrency, Digital assets, Super App, my.t app , Data protection	Aggregator (my.t.money) and GPH for cross-border payments	Flexible licensing for fintech startups	Encryption, tech standards for digital assets
Rwanda	BNR Regulations, Regulatory Sandbox (2020), Digital Payment System Law	National Bank of Rwanda (BNR)	Digital payments, Fintech testing , Financial Inclusion, Data privacy	Started Bilateral moved to aggregator (R-switch)	Sandbox licensing for startups	Encryption, fintech security measures
Egypt	New Banking Law (2020), Fintech Regulatory Sandbox, Data Protection Law (2020)	Central Bank of Egypt (CBE)	Digital banking, Payment services, Fintech testing , Data protection	GPH (Meeza)	Sandbox for Fintech, digital banking licenses	Digital banking security, data protection compliance

Abbreviations

CBG	Central Bank of Gambia	CBOs	Community Based Organisations
DFS	Digital Financial Services	DSP	Digital Service Providers
FGDs	Focus Group Discussions	FI	Financial Inclusion
Fintech	Financial Technology	Fis	Financial Institutions
FP&S	Financial Products & Services	FSPs	Financial Service Providers
GSMA	Global System for Mobile Communications	HH	Household
ID	Identification	KIIs	Key Informant Interviews
KYC	Know Your Customer	MFBs	Micro Finance Banks
MFI	Micro Finance Institutions	MM	Mobile Money
MMOs	Mobile Money Operators	MNOs	Mobile Network Operators
MoCDE	Ministry of Communications & Digital Economy	MoTIE	Ministry of Trade, Regional Integration & Employment
MSMEs	Micro, Small & Medium Enterprises	UNCDF	United Nations Capital Development Fund
USSD	Unstructured Supplementary Service Data	VCs	Value Chains
WFI	Women's Financial Inclusion	WOL	Women-Owned Led

List of Tables

Table 1: Fintech products currently available in the Gambia	2
Table 2: Demographic Profile of Women Interviewees	18
Table 3: Demographic Profile of Women Interviewees	18
Table 4: Type of Financial Services by Type of Provider	19
Table 5: Data on Mobile Money Operators	19
Table 6: Compilation of Fintech Products and Services analysed for the Desk-Review	21
Table 7: Summary of Key Elements of Regulatory Frameworks available Fintech and Digital Economy in some African Countries	24

List of Figures

Figure 1: Financial Inclusion Data by Group	19
---	----

List of Boxes

Box 1: How to Apply in The Gambia	10
Box 2: How to Apply in The Gambia	11
Box 3: How to Apply in The Gambia	12
Box 4: How to Apply in The Gambia	12

