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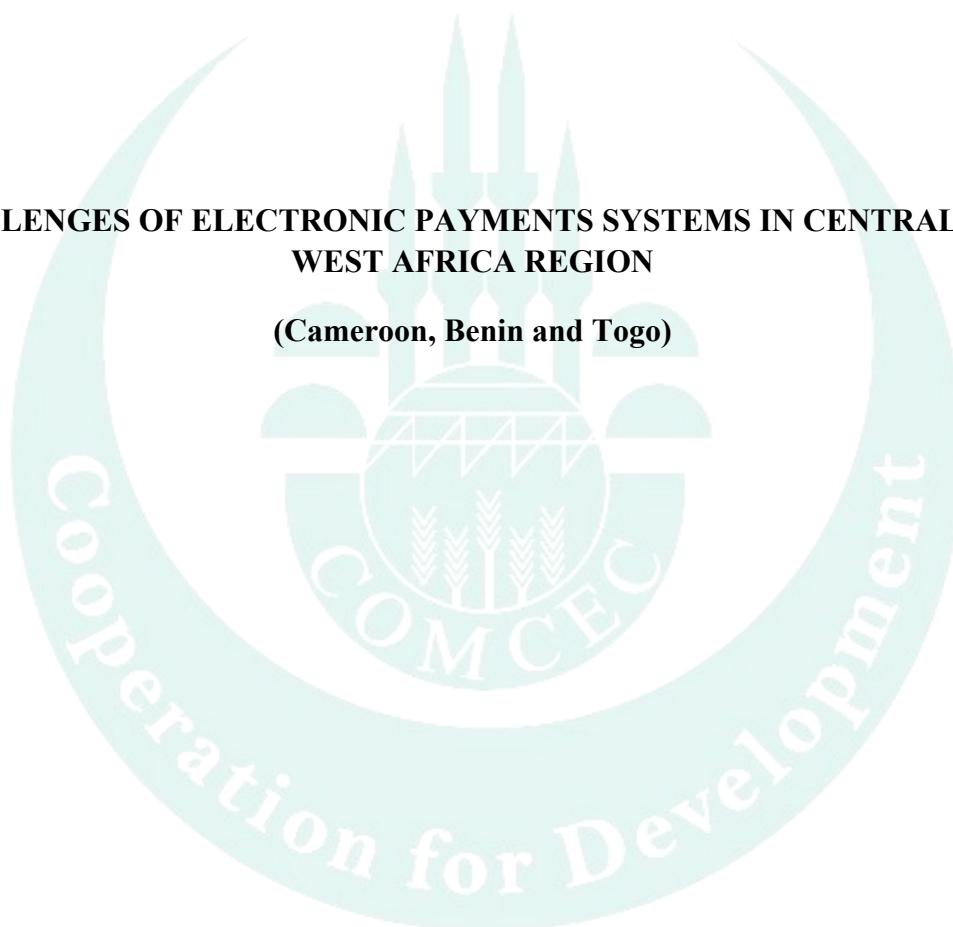
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**CHALLENGES OF ELECTRONIC PAYMENTS SYSTEMS IN CENTRAL AND
WEST AFRICA REGION
(Cameroon, Benin and Togo)**



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This report was prepared under the “Challenges of Electronic Payment Systems in Central and West Africa Region” project (2013-CAMFINAN-036) funded by the COMCEC.

EXECUTIVE SUMMARY

The objective of this study was to identify the main challenges of Electronic Payment System (EPS) in Central and West Africa countries: Cameroon, Benin and Togo. To conduct the study we tried to understand how infrastructure, security, socio-cultural and regulatory issue have an impact on the banks to provide EPS and on the customer to adopt EPS; to investigate barriers and challenges with regard to the adoption of EPS; to identify the differences in perception regarding EPS between EPS users and non-users; and to determine the most EPS that is used in the three countries.

Through an in-depth interview and questionnaires filled by bank's representatives, shops, users and non users of EPS, the type of Electronic Payment System use in Benin, Cameroon and Togo were identified. These were debit cards, prepaid cards, online and mobile payment.

The factors influencing the adoption of Electronic Payment System in Benin, Cameroon and Togo were identified. These were infrastructure factors such as high cost of infrastructure and maintenance, high cost of internet, frequent power of machine, internet connection, and unavailability in the rural area. Security factors and socio cultural issue were also identified.

With regard to the study objectives that identified challenges that face customers from using EPS, the lack of trust, lack of information, lack of knowledge and perceived risk by non-users hindered the adoption of EPS. Some challenges and barriers with regard to Electronic Payment System adoption were also identified, namely resistance to change by bank employees, lack of knowledge, absence of a proper telecommunications infrastructure, shortage of IT training and lack of bank account.

Significant reasons for not having a bank account are lack of regular income and the perception that a bank account is not needed or too expensive. The transaction costs of maintaining a bank account as well as related costs like transports are far greater obstacle to hold a bank account.

This study identifies challenges of EPS in Cameroon Benin and Togo and present useful recommendations. In conclusion, the study outline that the use of EPS brings with it numerous benefits but there is still a lot of challenges to solve.

For the Full Report
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