

**Scale
2Save**

Senegal: Mobile banking for the “tontines”



Helping women to acquire a savings culture and give them access to lending through new technology



WSBI



mastercard
foundation

Financial inclusion is challenging in Senegal, especially for women

There is huge potential to widen inclusion in Senegal, home to some 15 million inhabitants. Just 15 percent of the population aged 15 years or older have an account at a financial institution, according to the latest FINDEX data. That figure is lower for women at 11 per cent in the same age bracket, a demographic that comprises some 5.5 million people and a literacy rate of 46.6 per cent versus 69.7 per cent for men.

That will mean creative approaches through mobile accounts, which today has a market take up of only six per cent of the total 15+ population. Appetite for savings is high, with 59 per cent of that same segment saving money in some form. Only 6.6 per cent of whom squirrel it away at a bank or other deposit-taking financial institution.



The goal of the pilot was to onboard 1,200 customers and offer 570 small loans



Cofina offers traditional savings groups, in French-speaking Africa – commonly known as “tontine”, financial services access through

In September 2018, COFINA Senegal, one of six country operations of panafrikan microfinance group COFINA, partnered with the WSBI's Scale2Save programme to advance financial inclusion among traditional savings groups, with a particular focus upon women.

As part of the collaboration, COFINA partnered with MaTontine, a fintech enterprise focused on reducing poverty through the widespread adoption of digital financial services, to conduct all the tontines' financial transactions digitally via mobile phones through the MaTontine platform.

In addition, COFINA facilitated access to small loans – packaged as advances on earnings – and other financial services to the individual members of the traditional savings groups.

By 2019, the project pilot run in two areas of the Dakar region had 1.200 customers signed up. More than 570 small loans were granted during that period and savings collected reached US\$30.536.

Challenges encountered during the pilot

The partnership between Cofina - a well-established microfinance institution - and MaTontine - a young Fintech – to automate the tontine member's periodic contribution process and incorporate a credit scoring system was a long journey as it required from both parties:

- some processes alignment
- good and fluent communicate
- strong project management skills
- institutional and organizational alignment in terms of agility and decision-making

In addition, the project implied a double cultural shift from Cofina: to get interested in savings, for an institution that traditionally focused on loans, and to get interested