

2022-01 | Scaling up the digitalisation of the on-site depositing system (SYSCOFOP) in Togo

Partner Financial Institution	FUCEC	SCBF Contribution	CHF 139,550 (18%)
Grantee	CIF	Matching Contribution	CHF 629,003 (82%)
Country	Togo	Theme	Financial resilience
Duration	January 2022 – December 2023	Product	Digital financial services (savings)
Potential Outreach	42,000 clients	Target Group	Low-income clients
Thereof Women	60%	Related to	FEW-30

CONTEXT

According to Global Findex data, about 45% of Togolese adults had an account (mobile money or via financial institutions) in 2017, representing a huge increase in comparison to 2011 (10%). Figures also indicate that men are financially more included (53%) than women (38%) and youth (44%).

In order to boost financial inclusion in the country, the Government of Togo adopted a National Financial Inclusion Strategy in 2019, with the objective of expanding access to financial services for over a million people by 2024. This should help achieve a financial inclusion rate of 75% by 2024, up from 45% in 2019. Digital financial services are considered to be an important driving force for the expansion of financial inclusion.

At the regional-level, the Central Bank of West African States (BCEAO) is implementing a five-year financial inclusion strategy (2016-2021) that aims at reaching an inclusion rate of 75% by the end of 2021 for the West Africa Economic and Monetary Union (WAEMU).

CURRENT STATUS OF THE MFI

Faîtière des Unités Coopératives d'Épargne et de Crédit du Togo (FUCEC) is the largest microfinance institution in Togo, serving 1.1 million customers (members) through 35 branches and 114 service points, mostly in rural areas (62% of depositors and 58% of borrowers). It is an apex of cooperatives (Caisses d'Épargne et de Crédit) that was established in 1983 and licensed as a network in 2008.

FUCEC is a sustainable MFI, with a self-sufficiency ratio above 100% for the last three years. The institution offers several financial products and services including credit, savings, insurance and mobile money.

About 42% of FUCEC's depositors are women.

OBJECTIVES AND MAIN ACTIVITIES

Following a successful pilot, FUCEC and CIF have initiated this project to deploy SYSCOFOP, a digital tool for on-site collection of deposits for savings and credit products for low-income clients, mainly from rural areas, with an aim to reach 42,000 new customers (of whom 60% are women) over two years. The main project components are:

- **Design and implementation of SYSCOFOP scale-up strategy**

This includes the design and deployment of an upscaling strategy, including a marketing strategy, the development of a bank-to-wallet and wallet-to-bank interface, a mobile money module, as well as a training plan for distribution agents and customers, provision of IT equipment to branches, and actual delivery of the product in the field.

- **Coordination and project monitoring**

This will focus primarily on the monitoring of the project to ensure a high quality, including day-to-day management of the project, assessments and reporting.

Additionally, FUCEC plans to onboard and train at least 370 distribution agents to serve the anticipated 42,000 new customers.

Partnering with:

