

State of Inclusive Instant Payment Systems in Africa 2025

Demand-side Assessment

Terms of Reference

December 3, 2024

1. Background

[AfricaNenda Foundation](#) is an independent, African-led organization created to accelerate the growth of inclusive instant payment systems that will benefit all Africans, including the poorest and currently financially excluded. AfricaNenda believes that inclusive instant payment systems can play a pivotal role in creating universal access to financial services for many financially excluded adults and are critical to achieving universal financial inclusion in Africa by 2030.

AfricaNenda Foundation and its partners are collaborating to assess the state of inclusive instant payment systems in Africa and the role that they play in supporting the adoption and usage of digital payments, for financial inclusion for all. This exercise involves conducting extensive research across Africa to establish best practices, benchmarks, key trends and to deliver ideas and thought leadership, through an annual think piece that continues to inspire African digital financial services ecosystem players to scale up the use of these retail payment systems. The 2025 report will be the fourth edition, building on preceding versions published in 2022, 2023, and 2024.

2. Objectives

AfricaNenda Foundation seeks a consulting firm to conduct extensive demand-side in-country qualitative and quantitative research to gather in-depth insights into use cases, desired features or IIPS system functionalities, unmet needs, and perceptions of consumers regarding instant digital payments. The research is to also sketch profiles and provide personas of the included versus excluded target market segments, to provide an overview of the barriers and incentives relating to the adoption of instant payments in Africa. The findings and insights aim to guide stakeholders in enhancing the design of inclusive instant payment systems that enable the adoption of digital payments across Africa.

3. Scope of Work

This involves demand-side in-country qualitative and quantitative research covering low-income adult individuals and MSMEs across 4 countries—Angola, Cote d'Ivoire, Tunisia, and Madagascar. The selected consulting firm is expected to conduct an in-depth industry analysis to establish key trends, best practices, benchmarks, etc. by further expanding on Chapter 3 of the SIIPS in Africa 2022, 2023, and 2024 reports¹ on evolving customer digital payment behavior. The detailed scope will involve the following:

- i. **Conduct user research to assess the evolving customer behavior and perceptions in the access, adoption, and usage of retail digital payments, in Angola, Cote d'Ivoire, Tunisia, and Madagascar, considering the below questions:**
 - What do African low-income users and MSMEs need in the access, adoption, and usage of retail digital payments? What are the unmet needs?
 - What are the key barriers (e.g., transaction pricing, taxes, appropriate channels, etc.) and incentives for users to adopt IPS payments?
 - Which IPS use cases, payment instruments, and channels are most popular?
 - How is the consumer acceptability of digital payments and what are the implications to merchant digital payment acceptability?

¹ <https://www.africanenda.org/en/siips>

- What are the perspectives of small merchants in accepting instant payments?
 - What are the perspectives on pricing among consumers and small merchants?
 - Who is still being excluded from IPS systems and why?
 - What recourse mechanisms are available to consumers and MSMEs, and how successful are they in filing disputes?
 - Consumer research should also include mystery shopping of main DFS providers as part of immersion in the customer journey.
- ii. Identify forward-looking perspectives on IIPS Growth, leveraging emerging opportunities.**
- What are the market and customer trends influencing the evolution of digital payments in selected countries?
 - What are the implications of these trends to the design of IPS to accelerate financial inclusion?
 - How can the foreseen barriers be turned into opportunities?
- iii. Coordination with the supply-side assessment process for consolidation.**
- The selected firm will work in synergy with other providers including the selected firm for supply side research and the designated developmental editor.

4. Project Outputs

The consulting firm will prepare all the reports and deliverables to the highest publish-ready standard as required, stating all actions taken during the project. The firm will be responsible for quality assurance for all data use, including professional copy editing of all deliverables and interim and final versions of the written report, in compliance with AfricaNenda's style standards. The outputs of the project will be as follows:

- a. Inception report and corresponding workshop sessions with the AfricaNenda team and partners that provide details of the project approach and clear project timelines.**
- b. Detailed research plan, including survey tools.**
- c. Detailed reports in MS Word and summary presentations in PPT format, that detail insights from the user research in all 4 markets, and high-level takeaways, as well as a cross-country analysis report in both formats, with editable data, tables, and graphs, using AfricaNenda's templates.**
- d. Complete qualitative interview transcripts and quantitative survey results database.**
- e. Coordination with the AfricaNenda team for the delivery of high-quality photographs and videos to correspond with user research.**
 - a. AfricaNenda will source, contract, and handle the videographer and photographer separately.**
 - b. Applicants are expected to propose an approach where they screen those interviewed to identify insightful stories of selected participants per country for the realization of videos and photos and make introductions to the AfricaNenda team after the fieldwork.**
- f. 2 blogs/articles to be published before and after the report launch.**

5. Project Timelines

The project is expected to commence on **Wednesday, January 15, 2025**, and is expected to be completed no later than **Friday, May 16, 2025**.

6. Project Expertise Required

- Knowledge and understanding of the digital financial services ecosystem in Africa.
- Demonstration of a full understanding of the instant payment systems landscape in Africa.
- Having successfully conducted at least 3 large-scale, multi-stakeholder research assignments on digital payments diagnostics, and digital financial services, exploring demand-side insights with different market segments.
- Having successfully conducted assessments on financial inclusion for women, with a detailed understanding of the financial inclusion gender gap issues.
- Evidence of high-quality documentation and dissemination of digital financial services or digital payments technical knowledge to a wide range of audiences.
- The consulting firm demonstrates a significant commitment to quality assurance procedures in research and analysis and incorporates a framework for this assignment.
- Risk mitigation measures for the project.

The required qualifications and competencies are highlighted below:

Core and Technical Competencies:

- Expertise in the issues surrounding inclusive digital payments from an ecosystem perspective. Demonstrated understanding of the components of payment systems in Africa, including experience in analyzing such systems and digital payment user adoption.
- Proven technical competency with quantitative and qualitative research methods.
- Demonstrated understanding of financial inclusion for women issues, gender-intentionality policymaking and interventions, trends, and recommended practices for different digital financial services stakeholders
- Experience in facilitating a research process across the financial sector that includes both managing and coordinating the senior-level interface with a range of stakeholders.
- Strong and rigorous research skills, leading to reports, manuals, or handbooks which can be understood by non-experts, as evidenced by previous publications.
- Excellence in technical writing for report dissemination
- Proven ability to translate technical terms into actionable language and clear recommendations.

7. Project Reporting

The consulting firm will work under the direct supervision of the AfricaNenda team, to conduct this research, with input from the partner organizations. An AfricaNenda-designated developmental editor will work with the consulting firm throughout the process to guide the report structure and writing.

8. Proposal Requirements

Consulting firms should submit proposals that address the objectives outlined above. While there is no minimum page limit, the maximum page limit is 10 pages. The proposals are expected to be clear, concise, and with no font smaller than size 10. The proposal should detail the firm's proposed approach and methodology to deliver the project, as outlined above. It must also focus on demonstrating how the consulting firm will ensure that high levels of quality will be maintained at all stages of the project.

9. Risk Management

The proposal should contain a comprehensive list of expected project risks and possible mitigation measures.

10. Project Budget

The project budget is **USD 100,000 maximum**. Applicants are expected to share a detailed financial proposal, showcasing value for money and a comprehensive budget breakdown with justifications.

11. Process

Submissions

Proposals should be submitted electronically by **Sunday, January 5, 2025, at 11:59 pm in the East Africa Time (EAT)**, to info@africanenda.org. Proposals received after this deadline will not be considered.

Queries

Queries relating to the preparation of the proposals should be submitted to AfricaNenda, by email, to the above-provided email by **Tuesday, December 17, 2024, at 5 pm EAT**.

Notification

All bidders will be notified of the outcome of their proposals no later than **Friday, January 10, 2025**. Successful applicants will proceed to the contracting stage. **Project is expected to start January 15, 2025**.

12. Evaluation Criteria

All proposals will be evaluated based on the criteria listed in the table below.

Technical Criteria	Weighting
Quality of proposal: Technical understanding of RFP, mechanisms for quality assurance, innovative approaches to data collection, assessment of risks, and contingency planning	40%
Competence and experience of the firm(s): Experience/reputation of the consulting firm and existing client portfolio for consultant. Demonstrated industry experience related to the adoption of payment systems, customer challenges and opportunities, and the ability to conduct large-scale, multi-stakeholder assessments in Africa.	30%
Project resources: Demonstration of expertise for all key roles required for the project	30%
Maximum Score	100%

Overall Criteria	Weighting
Preference: Will be made to African-led consulting firms with a gender-balanced project team	5%
Technical input: Well-articulated project approach and deliverables	70%
Budget: Value for money and a comprehensive breakdown with justifications	25%
Maximum Score	100%

Note:

Bidders may submit a proposal for either SIIPS 2025 Supply side or SIIPS 2025 Demand side, but not both.