Dialogue must be continuous. Rules must work across borders. Settlement access must be fair.

An Open Letter from the Francophone Africa Leaders Forum on Enabling Cross-Border Payments Abidjan · September 2026

We write as leaders from 11 institutions involved in cross-border payments across French-speaking West Africa. At the Francophone Africa Leaders Forum in Abidjan, banks, payment networks, infrastructure operators, payment service providers and fintechs came together to discuss what it will take to make retail cross-border payments work better across the region. Our perspectives differ, but we share a clear message: progress depends on sustained collaboration between regulators and industry, more consistent rules across borders, and fair access to settlement for licensed providers.

Africa's cross-border payments challenge is now a core test of African integration, not a technical payments issue. Despite rapid growth in digital finance, moving money across African borders remains too costly, too fragmented, and too slow for the needs of trade, remittances, MSMEs, and ordinary consumers. Cross-border payments on the continent were estimated at $329 billion in 2025 and are projected to reach $1 trillion by 2035,[1] highlighting both the scale of the market and the cost of continued fragmentation. Sub-Saharan Africa also remains the world's most expensive remittance region, with the cost of sending $200 averaging about 8.78 percent, far above the SDG target of 3 percent.[2]

$329 billion
Africa's cross-border payments market in 2025

$1 trillion
Projected market size by 2035

8.78%
Average cost of sending **$200 in Sub-Saharan Africa**

Against this backdrop, the African Union Commission (AUC) and the AfricaNenda Foundation, in collaboration with the Association of African Central Banks (AACB), are advancing a continent-led agenda to build consensus on the need for policy and regulatory harmonization for cross-border retail digital payments in Africa. The objective is not to create a single pan-African payment scheme, but to shape a practical African model in which policy, regulation, standards, and infrastructure are progressively aligned to support seamless, safe, low-cost, and interoperable retail cross-border payments. This agenda is aligned with the AfCFTA Protocol on Digital Trade and the AU Digital Transformation Strategy for Africa 2020–2030, both of which position digital systems and trusted cross-border exchange as core enablers of intra-African trade and economic integration.[3]

Our deliberations highlighted three areas where practical action could help advance cross-border payments across Africa: stronger and more consistent dialogue between regulators and the private sector, greater alignment of regulatory frameworks across borders, and more equitable access to settlement for licensed payment service providers. We are calling for action in these three areas to create a more enabling environment for cross-border payment services to scale.

1 Ecofin Agency, Africa's Cross-Border Payments Market Set to Hit $1 Trillion by 2035, 1 June 2025

2 World Bank, Remittance Prices Worldwide – Main Report and Annex (Issue 53, March 2025)

2 African Union, Protocol to the Agreement Establishing the African Continental Free Trade Area on Digital Trade, and AU Digital Transformation Strategy for Africa 2020–2030

Three priorities from the Abidjan Forum

1

The private sector seeks more structured and permanent engagement with regulators

- Structured engagement between regulators and the private sector remains too occasional to effectively support the development of cross-border payment services. While consultations do take place, they are sometimes organized by category of actor—banks, fintechs, mobile money operators or microfinance institutions—limiting input from the broader ecosystem.
- A permanent, transparent public-private consultation platform would bring together regulators, banks, fintechs, payment institutions, mobile money operators and other financial service providers. Less formal channels for exchange would also help address emerging issues and accelerate policy development and implementation.

2

Fragmented regulatory frameworks are limiting cross-border scale

- Regulatory fragmentation remains a significant barrier to scaling cross-border payment services across Africa. Multiple licensing requirements, lengthy approval processes, inconsistent rules across jurisdictions, and differences in KYC, customer due diligence and identity recognition requirements increase operational complexity and costs.
- Greater regulatory harmonization is needed across African markets, including mutual recognition of licenses, regulatory passporting, aligned KYC and customer due diligence requirements, portability of KYC information, consistent consumer protection rules, and improved access to foreign exchange. Pilot payment corridors could provide a practical way to test these approaches, including between the XOF and XAF monetary zones.
- The fixed XOF–XAF exchange rate removes exchange rate risk between the two zones, making this a particularly practical corridor to explore. CEMAC and WAEMU also already operate within shared regional legal frameworks in areas such as business law (OHADA), insurance (CIMA), and intellectual property (OAPI). Greater alignment of cross-border payment frameworks between the two zones could therefore build on existing models of regional cooperation.

3

Current settlement and liquidity arrangements continue to constrain licensed non-bank PSPs

- Current settlement and liquidity arrangements can limit the ability of licensed non-bank payment service providers to participate on equitable terms. Settlement accounts remain largely restricted to banks, requiring non-bank providers to rely on banking intermediaries for settlement and foreign exchange operations. This can create additional delays, liquidity constraints and operational complexity.
- Expanding access to settlement accounts for appropriately licensed and supervised non-bank payment service providers, alongside improved access to foreign exchange, would help reduce unnecessary intermediation. It would also support more equitable participation between banks and non-bank providers across the payments ecosystem.

Recommended next phase

The workshop deliberations surfaced a focused set of priority actions for the AACB to consider:

i. Establish a formal and permanent AACB–private sector engagement mechanism to structure dialogue, test options in practice, and keep implementation grounded in market realities.

ii. Accelerate regulatory harmonization across both CFA franc monetary zones through greater convergence of licensing frameworks, KYC and customer due diligence requirements, license passporting arrangements, and pilot cross-border corridors to reduce fragmentation and facilitate regional scale.

iii. Advance a dedicated settlement and liquidity agenda for licensed non-bank PSPs by examining access to settlement accounts, foreign exchange, and the reliance on banking intermediaries, with the objective of fostering a more level competitive environment.