



Sensitisation and popularisation of the **TRESOR PAY** platform



launch ceremony



TAGIDOR HOTEL /BANGOU, 07 August 2023

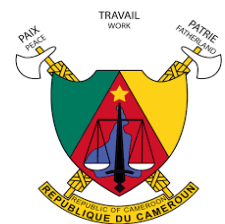
PRESENTATION

Implications of the decree on electronic
payments in Cameroon

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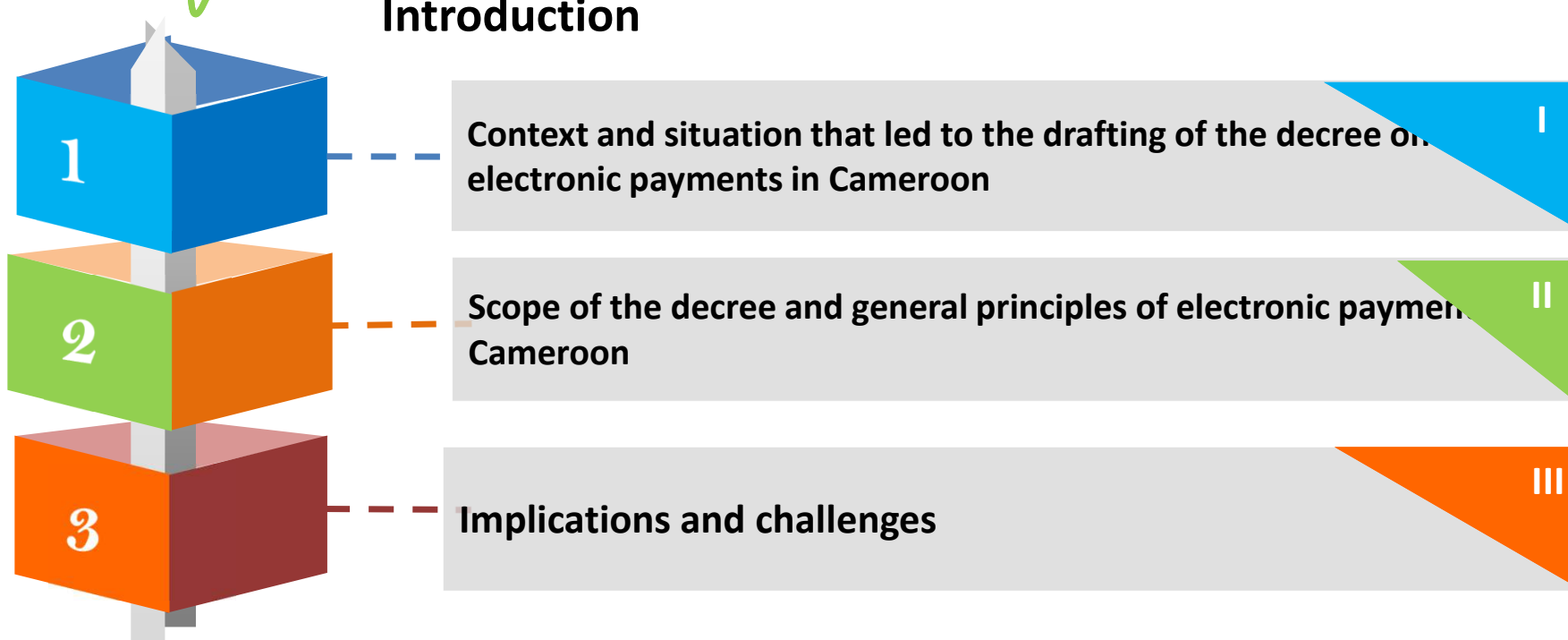




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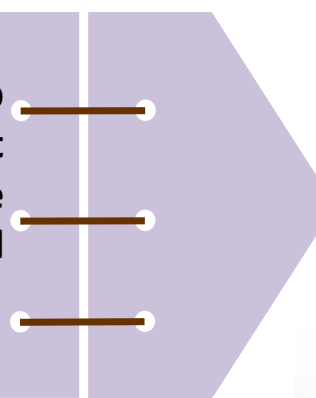
Sensitisation and popularisation of the TRESOR PAY platform



General objective:



To enable the participants invited to this workshop to gain a better understanding of the context that led to the decree on electronic payments, its scope and the challenges with which the players will have to familiarise themselves.



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Specific objectives:

This paper seeks the following:

- 1 Familiarise stakeholders with the new environment created by the decree
- 2 Recall the context that led to its development
- 3 Examine the scope of application
- 4 Familiarise actors with its scope of application
- 5 Setting out the implications of this legal instrument
- 6 Consider the challenges that the Public Treasury will have to face

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Specific objectives



Introduction

- ▶ On 09 February 2021, the Governor of the BEAC issued Instruction No. 001/GR/2021 defining the operating procedures of the central registry of payment incidents.
- ▶ This instruction follows on from instruction n°02/GR/UMAC of 07 May 2014 relating to the implementation of multi-banking as part of the electronic money issuing activity.
- ▶ These 02 instructions, which reflect the sub-regional monetary authority's adherence to the principles organising payment systems through the development of regulations on payment systems, means and incidents that provide a framework for digital payments, financial risk management, the security and reliability of transactions, participation criteria, governance and the management of payment incidents
- ▶ At national level, the government is implementing a reform of the Single Treasury Account (CUT), which aims to bring payment systems into line with standards by reducing the circulation of banknotes and coins.
- ▶ Responsibility for organising and managing digital payments is clearly assigned to COBAC, BEAC and MINFI. The regulations also specify the roles of the other players: GIMAC, commercial banks, microfinance institutions, payment institutions, mobile phone operators, payment aggregators, supervisory agencies, telecoms regulators and civil society organisations.

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Introduction





Introduction (end)

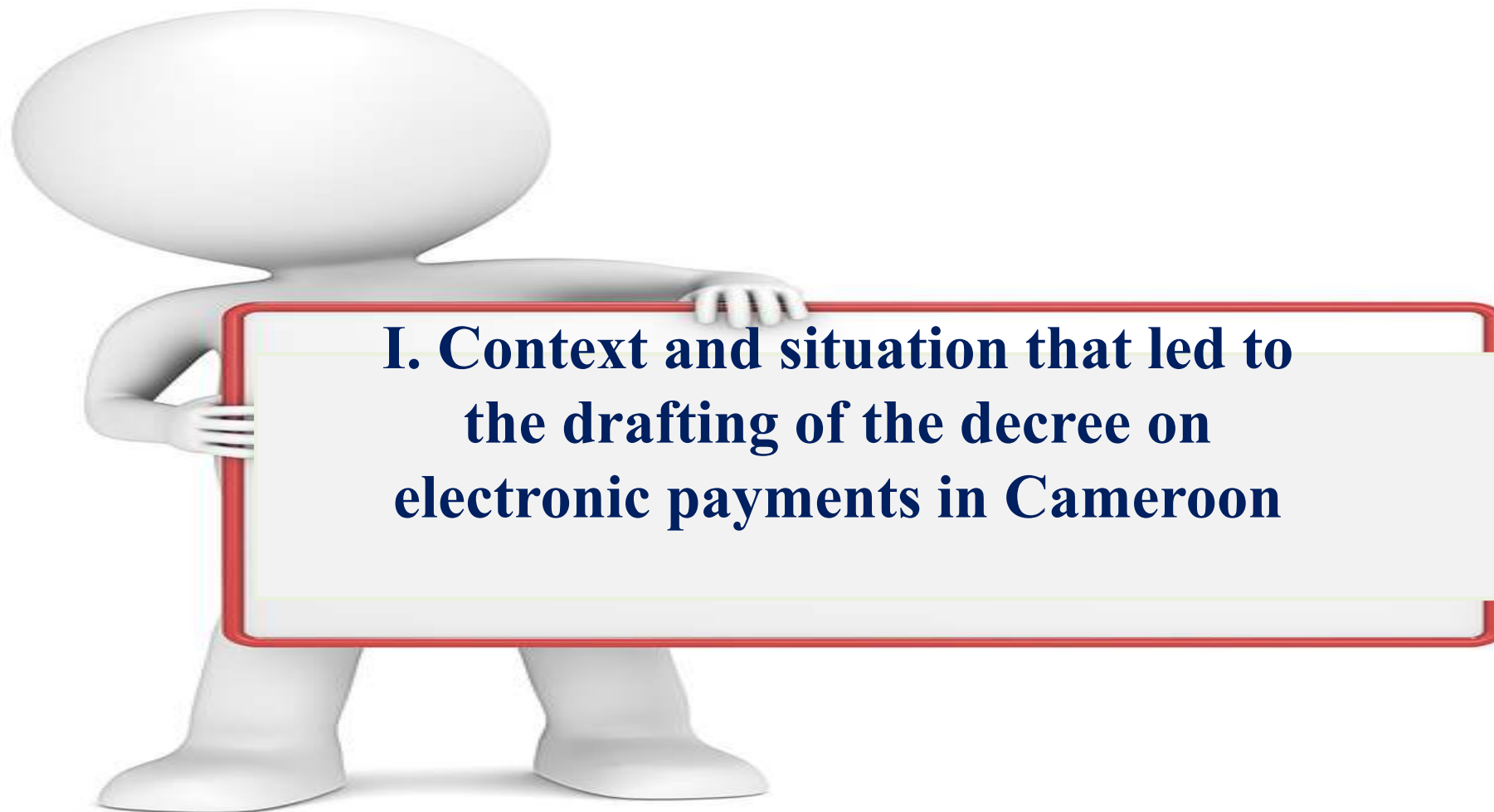
- ▶ While payment institution organisations issue electronic money or payment services (bank payments and mobile money), payment aggregators facilitate the issuance of electronic payments (mobile account to mobile account and/or bank account transfer) on most e-wallets on the market and add value to payments (utilities, TV subscriptions with bills, etc.).
- ▶ Initiatives such as e-payment projects enlist the services of CSOs to help identification and payment providers deliver direct and indirect money transfers to vulnerable groups. But at the corporate level, the activities of some commercial banks and microfinance institutions overlap with those of payment institutions. The same applies to the role of the control and audit bodies (CONSUPE, Audit Bench, Parliament), which is not fully explained in the payment systems regulations. Finally, the country has not yet developed specific tools (manuals, guides, etc.) to facilitate the appropriation and implementation of the directives by all the players concerned.

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Introduction





I. Context and situation that led to the drafting of the decree on electronic payments in Cameroon

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CONTEXT

Widespread use of electronic payments (mobile money, pay pal, master card)

Financial flows outside the control of the Treasury (multiplicity of specific bank accounts in commercial banks, microfinances and all other types of financial institutions);

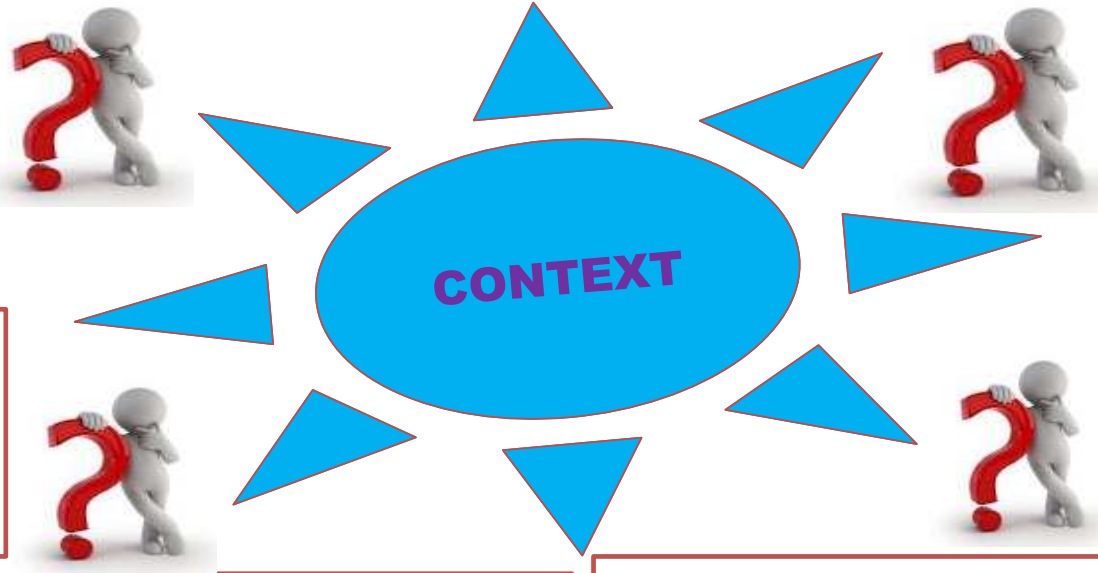
poor coordination of the actors involved in managing electronic financial flows

overlapping of certain terms conferred on actors

An ever-increasing proportion of individuals' payments to the government (tuition fees, competition fees, fees payable, payment of fines, payment of hospital transfer fees, mortuary fees, consultation fees, laboratory tests, etc.).

Several non-integrated systems

limited capacities (technical, technological, logistical and ownership) identified among actors and other beneficiaries of electronic payment services;



problems of identity and identification among target populations

poor understanding of the legal framework governing electronic payments in Cameroon and the sub-region

poor integration of G2PX into the public and semi-public sectors

Increasing number of non-communicating payment systems

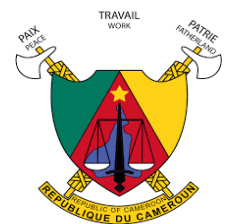
implementation of the new TSA structure currently being finalised

Lack or inadequacy of viable and appropriate infrastructure for implementing the system

Limited control over risk management

WB study on electronic payments sounds the alarm

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CONTEXT (end)

All these shortcomings have resulted in:

- multiplicity of payment accounts and the accumulation of idle deposits in payment counters;
- absence of a mechanism for automatically adjusting balances between payment programme accounts and payment agencies;
- proliferation of targeting approaches and beneficiary databases;
- circulation of cash away from the Treasury.

The diagnosis thus made contributed to the enactment of an enforceable regulatory framework to govern this sector of activity: **decree no. 2022/8001/CAB of 16 September 2022 setting the general framework for financial transactions by the State and other public entities by electronic means.**



I. Context and situation that led to the drafting of the decree on electronic payments in Cameroon les paiements électroniques au Cameroun



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SOME KEY CONCEPTS

01

Beneficiary of the payment (or creditor of the payment obligation)

Beneficiary on the payment order and recipient of amounts paid by an electronic payment instrument. This may be the State for the settlement of its debts in respect of, in particular, taxes, duties, fees, penalties, contributions, fines and default interest owed by individuals and businesses.

03

Biometrics

Principle based on the recognition of the physical and/or biological characteristics of a natural person, in particular the characteristics of their fingers, face, eyes, voice and DNA, in order to obtain irrefutable proof of the uniqueness of their identity.

02

Payment order

instruction from a payer to his payment service provider requesting the execution of a payment transaction

04

Payment account

account held in the name of one or more customers, in the books of a payment service provider, for the purpose of executing payment transactions

05

E-service

tout système d'information permettant aux usagers de procéder par voie électronique à des démarches ou formalités administratives

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SOME KEY CONCEPTS (end)

06

Electronic payment

A computerised process that enables an instant transfer of funds from one payment account or bank account to another payment account or bank account.

08

Writing

any sequence of letters, characters, numerals or any other signs or symbols which have an intelligible meaning, whatever their medium or means of transmission

09

Electronic writing

transposition of paper-based documents into the digital world, provided that the person from whom they originate can be duly identified and that they are drawn up and stored in conditions that guarantee their integrity

07

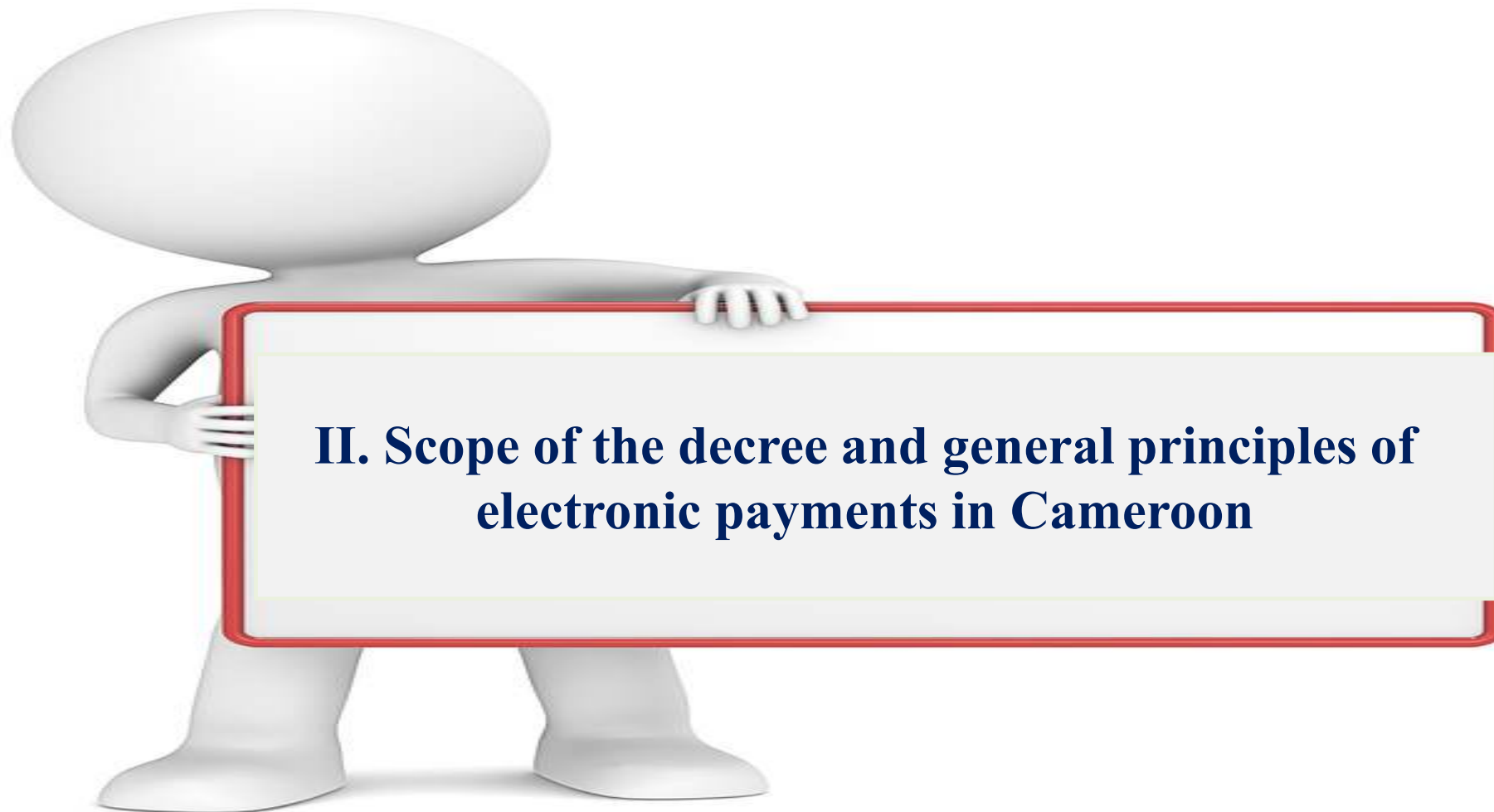
Qualified electronic payment service provider

financial institutions, banking-type financial institutions, microfinance institutions, postal services, payment institutions offering payment solutions that guarantee compliance with interoperability and security requirements and mobile telephone operators offering mobile money solutions. Also considered as qualified service providers are money transfer companies and any other type of future electronic payment service provider that falls within the scope of this definition, provided that it complies with the compliance requirements laid down by the regulations in force within the CEMAC for offering electronic payment services and/or issuing electronic money.

10

Technical partners

A corporate body that provides a payment service provider with the technical services and hardware and software requirements for processing transactions relating to electronic payment services.



II. Scope of the decree and general principles of electronic payments in Cameroon

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STRUCTURE OF THE DECREE

Chapter 1^{er}

deals with general provisions, setting out the purpose and scope of the legal text and definitions of commonly used terms and expressions

Chapter 2

develops the principles and general rules of electronic payment

Chapter 3

deals with the methods and procedures for carrying out the electronic payment transaction

Chapter 4

sheds some light on the procedures for selecting the payment service provider and the technical partner for electronic payments

The decree laying down the general framework for financial transactions by electronic means is structured into 08 (eight) chapters built around 41 sections

Chapter 5

develops the obligations and responsibilities of the State and other public entities with regard to payment by electronic means

Chapter 6

is aware of the obligations and responsibilities of electronic payment service providers

Chapter 7

deals with compliance with the personal data protection system, in accordance with the legislative provisions on cyber security

Chapter 8

notes aspects relating to miscellaneous and final provisions



SCOPE OF THE DECREE



It applies to all electronic declaration services relating to taxes, fiscal and parafiscal duties or any other service giving rise to payment for the benefit of the State or any other public entity.

It also deals with all collections and disbursements made by electronic means in performance of an obligation for which the State, its divisions or any other independent, decentralised or devolved administrative structure are involved as creditor or debtor. **(Section 1)**

Electronic declarations apply in particular to direct taxes, indirect taxes, customs duties and taxes, other taxes and fees owed to the State or any other public entity in return for a service. **(Section 2)**

All exchanges of information relating to administrative documents or acts, in particular relating to tax declarations or other declarations, may be exchanged electronically with the relevant departments. **(Section 3)**



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GENERAL PRINCIPLES AND RULES FOR ELECTRONIC PAYMENTS

Payment transactions are carried out electronically on behalf of the French Treasury with the assistance of a payment service provider and/or a technical partner.

The payment service provider or technical partner offers, depending on the case, guarantees of transparency, neutrality, security, availability, reliability and interoperability, in accordance with the regulations in force.

The State or public entity shall ensure that new services and means of payment offered by electronic payment service providers authorised to carry out electronic payment transactions are regularly incorporated into the platform.

The State or public entity shall ensure that electronic payments can be made in compliance with the principles of transparency, neutrality, security, availability, reliability and interoperability.

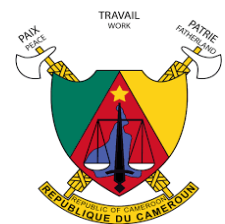
The State or public entity shall ensure that platforms offer the most comprehensive range of electronic payment solutions and means offered by electronic payment service providers authorised to carry out electronic payment transactions.

Any administration or any other legal entity linked to the State or any other public entity, authorised to collect revenue for the public treasury or to make expenditure on behalf of the State or any other public entity may use one of the following electronic payment services:

- card payment service
- mobile payment service
- online payment service via the Internet;
- Electronic Payment Terminal payment service.

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GENERAL PRINCIPLES AND RULES FOR PAYMENTS ELECTRONICS (End)



The following are authorised to use an electronic payment service:

- Treasury;
- tax authorities
- customs authorities
- administrations in charge of property and land registry ;
- agencies and other similar administrative structures

any other public administration which, in the performance of its duties and the provision of its services, directly or indirectly collects or makes payments to or for the account of the Treasury.



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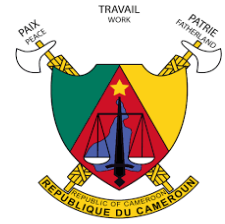




III. Implications and challenges

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IMPLICATAIONS OF THE DECREE



1 Advent of new actors

Technical partners

Qualified electronic payment service provider

2 Définition des modalités d'exercice et de cessation d'activité

The provision of electronic payment services is subject to obtaining an authorisation to operate issued by the national monetary authority. The authorisation referred to in paragraph 1 above is accompanied by a set of specifications drawn up by agreement between the parties

In order to provide payment services, the service provider must submit a copy of the authorisation issued by the national monetary supervisory authority, failing which the application will be rejected

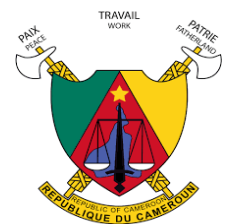
The authorisation to operate as an electronic payment service provider entitles the legal entity providing the service to access the electronic payment platforms of the administration concerned and authorises it to act as a payment channel for the duties and taxes due to it.

The technical and financial procedures for exercising the rights conferred by the authorisation referred to in (1) above are set out in a tripartite agreement between the national monetary authority, the service providers, the guarantor banks and the Ministry concerned.

The relevant file comprises, in particular:
commerce register;
complete and current tax file

III. Implications and challenges





IMPLICATAIONS OF THE DECREE (End)

3 Selection process of technical partner



- ✓ The technical partner is selected in accordance with the rules governing the award of public contracts and those laid down by the general system of partnership contracts.
- ✓ Subject to the provisions of the Public Procurement Code and the legislation in force on partnership contracts, the technical partner's selection file must include the following, failing which it will be rejected:
 - **instructions to the bidder;**
 - **specific selection data;**
 - **the technical specifications relating to payment and data exchange, in particular the requirements for interoperability and security and for the re-use of data;**
 - **the general and specific administrative clauses;**
 - **the model agreement between the State and the selected service provider;**
 - **model forms, where applicable.**
 - **authorisation from the national regulator in charge of information and communication technologies, certifying after a security audit of the Technical Partner's information system that its infrastructure is secure and can be connected without risk to those of the other actors.**
- ✓ The State may be supported throughout the process of selecting service providers and implementing electronic payment service platforms by project management assistance.
- ✓ To be authorised to carry out electronic payment transactions, the technical partner must sign an agreement with the Ministry of Finance that sets out the relationship between the State and the partner..

- ✓ Under pain of nullity, the said agreement includes the extent of their rights, obligations and responsibilities.
- ✓ The technical partner's activities shall be terminated in accordance with the regulations in force.

4 Obligations of actors

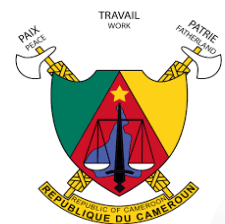
Except otherwise stipulated, the State or other public entities are required to provide information to users of electronic payment services.

The obligation referred to in paragraph 1 above shall be implemented by all the administrations concerned, which shall use all available means to inform users of the possibility and conditions of use of the electronic payment system.

The transaction costs associated with the service shall be borne by the payee, in the case of State disbursements, and by the originator, in the case of State receipts, who shall be responsible for settling them.

Harmonisation of entries





CHALLENGES

Completing the implementation of the new architecture of the Single Treasury Account

To proceed, as a matter of urgency, with the drafting of the implementing regulations for the aforementioned decree (sections 24, 25 and 26)

Make the modernisation of the Treasury administration a government priority, with the support of strategic partners

challenges

carry out a wide-ranging communication campaign to publicise and promote the regulatory text, with a particular focus on social safety nets

Renforcer la fonction bancaire du Trésor



III. Implications and challenges





Conclusion



THANKS FOR YOUR KIND ATTENTION!

