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Empowering South Africa's digital payment future: PayShap Request

Laying the foundation for future success

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Laying the foundation for PayShap's transformation

“ **The beginning is the most important part of the work. — Plato**

Starting something new is never as easy as it seems. It requires adaptability, vision and the resilience to navigate uncertainty. The foundation of any financial venture is critical to ensuring long-term stability, growth and success. For South Africa, PayShap, the country's instant real-time payment scheme, is driving financial inclusion and modernisation by enabling faster, safer and more accessible transactions. With its potential to reshape how people access and interact with financial services, PayShap marks a significant step toward a more inclusive digital economy.

Five global megatrends¹—climate change, social instability, demographic shifts, geopolitical fragmentation and technological disruption—are reshaping innovation and customer behaviour across the globe and in particular, financial services. These forces have influenced the evolution of the payments industry, leading to the rise of real-time electronic payments and mobile solutions. Recognising this opportunity, the South African payments industry set out to develop PayShap, an extension of the Rapid Payments Programme (RPP), to address financial inclusion by providing a secure digital alternative to cash, aiming to make payments faster, more convenient and accessible to all. By reducing reliance on cash and introducing real-time payment capabilities, PayShap seeks to address key barriers to financial participation and stimulate economic activity, mirroring the success of countries like India, Brazil and Thailand. PayShap's ultimate goal is to enhance financial inclusion, but delivering such an ambitious solution has been no easy feat. Achieving industry-wide transformation requires more than just innovation; it demands collaboration and alignment across the entire payments ecosystem, with no shortcuts along the way.

¹ Megatrends. (2022). PwC. <https://www.pwc.com/gx/en/issues/megatrends.html>

The PayShap journey began with the South African Reserve Bank's (SARB) Vision 2025, highlighting the need to not only modernise South Africa's payment ecosystem but also foster innovation and competition and enable access. PayShap emerged as an outcome of Project Future², an initiative aimed at modernising the electronic payments landscape and promoting financial inclusion. In addition, PayShap was further informed and shaped by insights from the 2019 Payments Study Tour³.

This international tour jointly conducted by BankservAfrica, the Payment Association of South Africa (PASA) and PwC brought together twenty-three South African delegates from across the financial services sector. The aim was to explore various countries with a similar vision of building an inclusive, modernised payment ecosystem—one that enables both the country and its participants to thrive while achieving industry transformation. The tour provided insights into the full payment ecosystem and its associated challenges, revealing how innovative systems can drive economic growth while addressing issues like poverty and tax collection. The key takeaway was clear: payment transformation is a powerful enabler of economic and social progress, highlighting the importance of uniting stakeholders around a shared vision. This vision was embodied in the PayShap journey, which brought together the SARB, PASA, the Banking Association of South Africa (BASA), BankservAfrica and ten leading banks. Under the guidance of PwC, serving as the independent Industry Project Management Office (IPMO), these stakeholders have worked in unison, each contributing to a vision of a financially inclusive South Africa.

As the foundation for PayShap solidified through extensive collaboration and shared purpose, the focus naturally shifted to translating this vision into tangible product features. One such feature being Payshap Request, which aims to redefine payment experiences for all South Africans.

² Considerations for modernising South Africa's low value payments infrastructure. (2017). <https://pasa.org.za/wp-content/uploads/2023/05/payments-modernisation-research-online-report-final.pdf>
³ Payments study tour report. (2019). PwC. <https://www.strategyand.pwc.com/a1/en/insights/payments-study-tour-report.html>

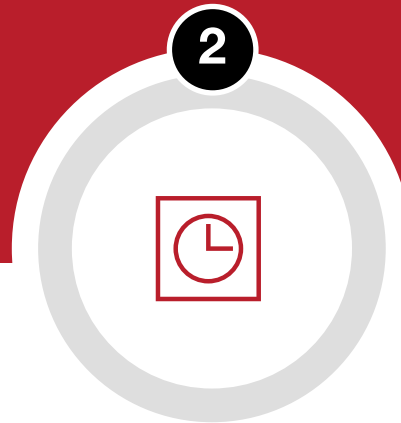
PayShap's journey to financial inclusion: Introducing PayShap Request

PayShap consists of three key components: proxy payments, instant payments and request to pay



Proxy Payments

Enable payments without requiring bank account details, using a proxy identifier



Instant Payments

Immediate notifications and posting of funds that are final and irrevocable



Request to Pay

Enable users to digitally request payments from others

Active SLA Management Capabilities

Financial Crime Risk Management Capabilities

API Enabled Rich Messaging (ISO 20022)

Underpinned by an accessible national payments platform

PayShap officially launched in March 2023⁴, delivering a convenient and secure instant payment solution. It introduced an instant clearing option for immediate payments using account details, alongside the ShapID proxy payment feature, which simplifies transactions by reducing reliance on traditional bank account details. While PayShap's initial design always consisted of three components, the first Product Release (PR1) included only Proxy and Instant Payments. Since then, the payments industry has worked tirelessly to finalise the third product feature, Request to Pay—now branded as PayShap Request—which is set to launch in Q1 2025.

⁴ The industry report, (Real-time payments in South Africa 2023 | PayShap Report. (2023). PwC. <https://www.strategyand.pwc.com/a1/en/insights/real-time-payments.html>) and the instant payment systems case study (The State of Inclusive Instant Payment Systems in Africa – 2024 report. (2024). Africanenda.org. <https://www.africanenda.org/en/siips2024>), provide further insight into the birth of PayShap and the journey to its first product release in March 2023.

PayShap Request enables consumers and businesses to send digital payment requests, which includes transaction details such as the amount and the payment reference, to the payer. In turn, the payer can then accept or reject the request, triggering a push payment if accepted. PayShap Request provides flexibility for payers by allowing them to initiate payments when funds are available. This feature lowers barriers to financial participation while addressing real-world challenges like fraud, disputes and transaction costs.

PayShap Request not only reinforces the intent of deepening financial inclusion for ordinary South Africans in underserved markets but also creates a world of opportunity through the modernised payment rail, products and services. By enabling users to request a payment without the need for costly banking services or advanced financial infrastructure, it addresses affordability, flexibility and challenges related to access. With PayShap Request, all that is required is a wallet or account with a participating bank that offers PayShap services—something most small and micro merchants in South Africa already have. By providing a structured and transparent way to make and receive payments, PayShap Request has the potential to transform the informal economy, where small businesses and unbanked individuals play a critical role in the broader financial system.






The launch of PayShap Request will introduce a new payment method in South Africa which will empower individuals, small merchants, billers and corporates with greater visibility of incoming payments. It is hoped that over the next two years, the system's adoption and deployment will continue to grow, supported by an expanding network of participating banks and the inclusion of non-bank payment service providers. This expansion will further enhance the value of PayShap payments, making transactions easier and more secure for more South Africans.



Real-Time payments – South Africa in the global context

Real-time payments have become a cornerstone for financial ecosystems worldwide, enabling efficient and cost-effective money transfers at scale. While PayShap is a relatively new addition to South Africa’s payment landscape, real-time payments themselves are far from novel. By 2024, more than 120 real-time payment systems were operational globally⁵. This extensive global experience offers valuable insights that can be applied to South Africa, from adoption-driving features to strategies for overcoming barriers. Countries such as India and Brazil, with their growing economies and fintech hubs like Kenya and Thailand, provide key learnings that help assess and advance South Africa’s instant payments journey. While these markets differ in various respects, their real-time payment implementations have seen notable success among comparable target demographics.

Global analysis summary

| | | | Ownership | Intent of deployment | Main features & use cases | Key adoption enablers |
|---|---|--|---|---|--|---|
| 1 |  India UPI (2016) | In October 2024, UPI processed 16.58 billion transactions in a single month, underscoring its role as the world’s largest real-time payments system. | Operated by the National Payments Corporation of India (NPCI). | To establish a resilient public payment infrastructure that accelerates digital adoption, simplifies payment processes and leverages the smartphone revolution for seamless user experiences. | <ul style="list-style-type: none"> Request to Pay (RTP) Parallel¹ and QR payments Offline and USSD-based transactions ATM withdrawals via UPI, IPO subscriptions and credit on UPI Use cases: P2P, P2B, B2B, B2P | <ul style="list-style-type: none"> Standardised UPI applications FinTech-driven expansion fueling rapid adoption Large-scale merchant integration across middle- and lower-income segments Cost-effective models like QR and sandbox solutions Gamification strategies to enhance user retention |
| 2 |  Thailand PromptPay (2016) | In 2023, real-time payments accounted for 43.2% of total payments, surpassing paper-based methods for the first time in Thailand. | Operated by National ITMX. | To modernise Thailand’s financial infrastructure by providing a fast, secure, and low-cost digital payment system that promotes financial inclusion and streamlines government disbursements, particularly for rural communities. | <ul style="list-style-type: none"> Cross-border payments QR payments Request to Pay E-Wallet integration Use cases: P2P, P2B, B2B, B2P | <ul style="list-style-type: none"> Seamless registration with low fees Integration with Citizen ID for direct government disbursements such as tax rebates and welfare payments Unified QR code system to simplify merchant adoption and customer payments |
| 3 |  Kenya PesaLink (2017) | PesaLink has 68+ Participants using the solution with over 6 million registered bank users. | Operated by the Kenya Bankers Association (KBA) through Integrated Payment Services Limited (IPSL). | To offer a real-time, bank-centric payment platform that complements existing mobile money services by facilitating instant interbank transfers. | <ul style="list-style-type: none"> Multiple access channels, including USSD, internet banking, ATMs and agent networks. Bill and Bulk Payments Use cases: P2P, P2B, P2G, B2P | <ul style="list-style-type: none"> Higher transaction limits and lower costs compared to mobile money alternatives Infrastructure integration with existing banking systems Broad participation involving 39+ KBA member banks and non-banks (e.g., PSPs, FinTechs, MNOs) |
| 4 |  Brazil Pix (2020) | Pix transactions reached 6 billion in December 2024, growing 34% year-on-year and outpacing credit and debit volumes by 80%. | Regulated and operated by the Central Bank of Brazil (BCB). | To bridge the gap in traditional payment systems, promote financial inclusion and drive market digitisation through an efficient and accessible instant payment platform. | <ul style="list-style-type: none"> Pix Saque: ATM withdrawals Pix Troco: Cashback options Pix Automático: Recurring transactions Pix NFC: Contactless payments Use cases: P2P, P2G, P2B, B2B, B2G | <ul style="list-style-type: none"> Mandated participation by financial institutions Cost-Free transactions to encourage mass adoption Non-banks (e.g., PSPs) allowed to participate, fostering competition and innovation Simple registration and usage processes |
| 5 |  South Africa PayShap (2023) | PayShap has 10 active Bank Participants and over 28 million ShapIDs registered since its launch in March 2023. | Owned and operated by BankservAfrica. | To drive financial inclusion and modernisation in South Africa by providing a cashless payment solution accessible to all citizens. | <ul style="list-style-type: none"> Proxy Payments (ShapID) Request to Pay (RTP) Use cases: P2P, P2B | <ul style="list-style-type: none"> Migration of RTC and EFT transactions to the modernised PayShap rail Collaborative banking efforts Educational initiatives and public awareness campaigns spearheaded by BankservAfrica |

Note: 1) In the context of India’s UPI, parallel payments refer to the capability that allows a payer to split a single payment among multiple beneficiaries simultaneously
Source: Matera, PayShap, BIS, UPI, PesaLink, Pix Management Report, Bank of Thailand, PwC Strategy& Analysis

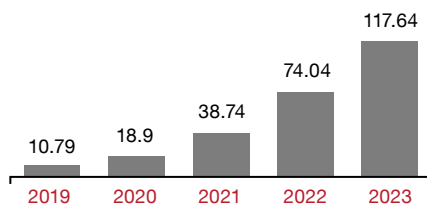
⁵ Cornelli, G., Frost, J., Warren, J., Yang, C., & Velasquez, C. (2024). Retail fast payment systems as a catalyst for digital finance. <https://www.bis.org/publ/work1228.pdf>

When assessing South Africa's journey with PayShap in relation to its global counterparts, it is essential to explore key aspects such as ownership, deployment intent, main features and use cases. These elements help to identify the enablers of adoption and lessons applicable to South Africa's payment ecosystem.

With the right balance, partnerships typically bolsters adoption⁶. India's Unified Payment Interface (UPI), Thailand's PromptPay and Kenya's PesaLink are all operated by entities owned by commercial banks, with strong involvement from central banks during their development. In Brazil, the central bank not only played a pivotal role in establishing Pix but also serves as its operator, maintaining robust governance over the ecosystem. This dynamic highlights that ownership and operating models vary; in many cases, decision-making is shared between public and private sectors, as seen with UPI and Pix. Similarly, PayShap was also operated as a scheme by BankservAfrica during its first and second product release and owned by commercial banks. Although the SARB played a key role in initiating PayShap's development, the first two product releases were primarily market-driven, with decisions largely influenced by the private sector⁷.



**UPI transactions
(Bn, 2019 – 2023)**

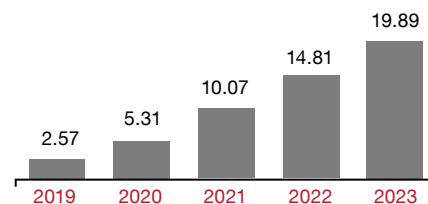


Key takeaways

- Targeted incentives, like fee-free transactions, drove widespread adoption.
- Strategic partnerships with non-banks, such as FinTechs, expanded the customer base.
- Continuous innovation ensured alignment with evolving customer expectations.
- Data-driven cross-selling enabled banks to identify customer needs and offer targeted products, such as personal loans, effectively transforming UPI into a low-cost customer acquisition tool.



**PromptPay transactions
(Bn, 2019 – 2023)**

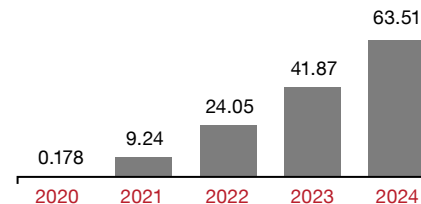


Key takeaways

- Collaboration with non-financial institutions strengthened adoption efforts and expanded use case ecosystem.
- Incentives, such as tax privileges and merchant rebates, encouraged vendor participation.
- Infrastructure development was paced to align with adoption rates, avoiding scalability challenges.
- Cross-border payment linkages with seven countries extended functionality and reach.



**Pix transactions¹
(Bn, 2020 - 2024)**

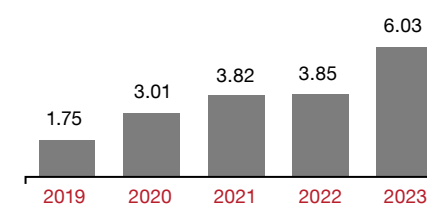


Key takeaways

- A user-centric design addressed gaps in existing systems and met real customer needs.
- Public awareness campaigns and digital literacy initiatives boosted adoption.
- Nationwide accessibility was mandated through the participation of all large financial institutions.
- Instant, 24/7 payments and low transaction costs attracted widespread usage.



**PesaLink transactions²
(Mn, 2019 – 2023)**



Key takeaways

- Stakeholder buy-in, led by Kenyan Banks with minimal regulatory involvement, ensured successful adoption.
- Leveraged existing banking infrastructure to reduce costs and streamline implementation.
- Implemented cost-effective pricing and transaction limits to drive adoption and system acceptance.

Note: 1) Pix launched in November 2020, recording 177.91 million transactions by the end of December 2020; 2) Annual transaction volumes for PesaLink in 2022 are largely undocumented and rely on information from a single source. Source: UPI, Bank of Thailand, PesaLink, Banco Central Do Brasil, Pix Case, PwC Payments Study Tour report (2019), Strategy& Team Analysis

⁶ Aldasoro, D., Araujo, J., Aurazo, C., Borio, G., Cornelli, S., Doerr, R., Garratt, G., Gelos, T., Lammer, B., Mojon, T., Shirakami, A., Schrimpf, T., Rice, H., Shin, A., & Tombini, P. (n.d.). Fast payments: design and adoption. <https://www.bis.org/publ/qtrpdf/qrt2403c.pdf>

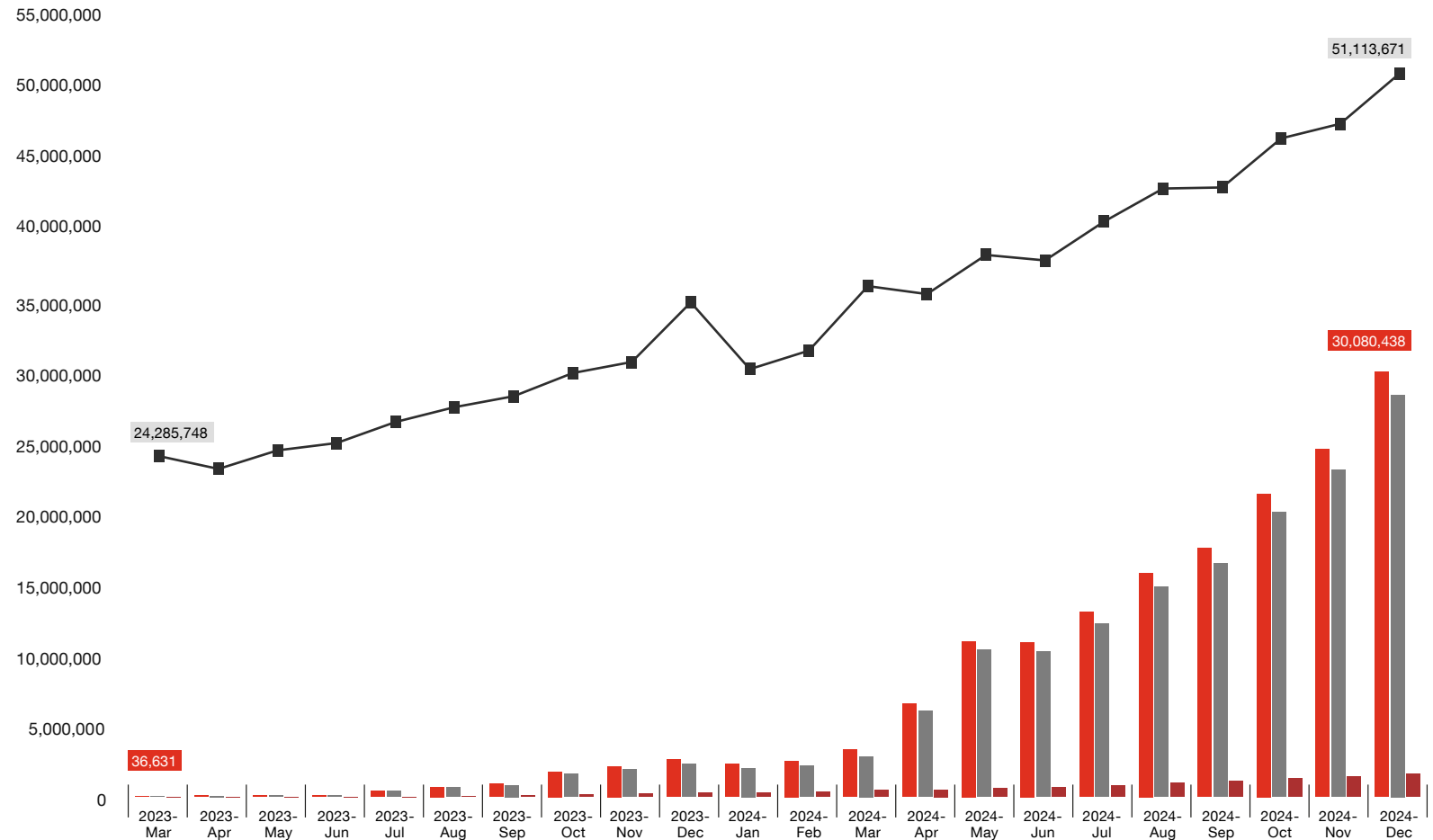
⁷ Although PayShap was initially mainly market-driven, an announcement in November 2024 regarding the SARB's intention to acquire 50% of BankservAfrica is likely to change this significantly.

Globally, real-time payment systems share common goals, including improving financial inclusion, fostering competition among Payment Service Providers (PSPs), driving digitalisation within the payments ecosystem and spurring innovation. These objectives shape the design of features and use cases, ensuring solutions meet both policy and market needs.

Despite being market-driven, PayShap's development aligns with broader policy objectives. Currently, PayShap offers a relatively limited range of features compared to its global counterparts. While its recent launch partly explains this, the number of use cases in other markets often reflect strong national imperatives driven by government objectives. In South Africa, this drive for modernisation includes addressing gaps in existing payment systems, such as the Real-Time Clearing (RTC) rail introduced in 2006.

In 2020, the SARB's consultation paper on Faster Payments identified key shortcomings experienced by RTC users. The focus on modernisation has prompted many participants to migrate RTC transactions to PayShap's Pay-by-Account feature, which facilitates payments directly between bank accounts. In contrast, PayShap's Pay-by-Proxy feature, enabling payments via ShapIDs⁸ (e.g. mobile numbers), has yet to see significant traction.

Total successful Real-Time volumes (monthly)





















Total Realtime Payments
 Total Payshap Transactions
 Pay-By-Account
 Pay-By-Proxy

Notes: 1) The data above has been provided by BankservAfrica; 2) Total Realtime Payments include PayShap and Real-Time Clearing (RTC) transactions

⁸ A proxy identifier, such as a mobile phone, which a payment is made to instead of a bank account number

Real-time payment transaction volumes in South Africa have grown steadily over the past two years, indicating a clear demand for instant digital payments; however, while the infrastructure is in place to support this shift, further effort is needed to encourage the widespread adoption of Pay-by-Proxy, particularly for payments to ShapIDs. PayShap's current position in its adoption journey reflects significant potential for growth but realising this will require a sustained and strategic focus.

| Key areas | Description | Observations | Key examples |
|-------------------------------|---|--|---|
| 1 Consumer education | Building consumer trust and awareness is essential for driving adoption. Educating users on product usage, benefits, security and fraud prevention not only mitigates risks but also unlocks new market segments. | <ul style="list-style-type: none"> Successful adoption is often driven by a structured and consistent branding strategy. UPI's model demonstrates how centralised branding standards and scheme-led education efforts create awareness while allowing participants to execute and innovate within set parameters. Operator-led marketing approaches, such as in Kenya with PesaLink, enable broader outreach on behalf of all participants, ensuring cohesive messaging and market penetration. Regulatory and Central Bank involvement can amplify awareness. Brazil's Central Bank (BCB) leveraged collaboration with participating institutions and extensive media coverage to increase public understanding and trust in Pix. |  UPI, India  PesaLink, Kenya  PromptPay, Thailand  Pix, Brazil |
| 2 Ecosystem enablement | Developing payment solutions that align with consumer preferences across digital and physical channels enhances usability. Expanding access through FinTechs, big tech firms, and both traditional and non-traditional banking applications strengthens network effects and fosters adoption. | <ul style="list-style-type: none"> Accessibility through multiple channels such as mobile apps, agent networks, USSD, and ATMs, ensures that adoption is not limited by device or infrastructure constraints. Cost-effective solutions such as QR codes and mobile point-of-sale (M-POS) systems enhance adoption by reducing entry barriers and providing multiple payment initiation options. Interoperability strengthens adoption by allowing seamless transactions across platforms, increasing competition, and encouraging financial innovation. Strategic partnerships play a pivotal role. Thailand's PromptPay, integrated into government services such as social welfare and tax refunds, ensured exposure and habitual use, embedding the system into daily life. |  UPI, India  PesaLink, Kenya  PromptPay, Thailand  Pix, Brazil |
| 3 Governance and oversight | Governance frameworks define ownership structures, decision-making processes, and regulatory oversight. Whether public, private, or hybrid, these models shape participation rules and market dynamics, ultimately influencing end-user adoption. | <ul style="list-style-type: none"> Regulatory mandates can drive adoption, as seen with Brazil's Pix, where participation was required, ensuring widespread usage. Different governance models influence adoption approaches. Pix operates as a publicly owned and regulated system, while India's UPI follows a joint public-private framework, balancing regulatory oversight with private-sector innovation. Central Banks play a crucial role in shaping adoption, whether as an overseer, catalyst, or operator. By setting standards and governance structures, they ensure that faster payment systems remain interoperable, efficient, and resilient while fostering innovation. |  UPI, India  PromptPay, Thailand  Pix, Brazil |
| 4 Pricing and incentives | Pricing models influence adoption by balancing accessibility and sustainability. Low or no-cost transactions for end users, supported by regulatory incentives, encourage broad participation across financial institutions. | <ul style="list-style-type: none"> Market-driven pricing strategies that reflect local economic realities ensure that adoption is financially viable while keeping services accessible. A well-structured cost model considers infrastructure funding, transaction fees, and end-user incentives such as cashback rewards, ensuring long-term viability. Excessively high pricing structures often hinder adoption. Regulatory-driven approaches have been effective in providing initial investment, introducing low or zero retail fees, and gradually incorporating incentives to encourage both consumer and participant engagement. |  UPI, India  PromptPay, Thailand  Pix, Brazil |
| 5 Targeted use cases | Targeted use cases, such as P2P, P2B, bill payments, and G2P transactions, drive adoption by addressing market gaps and evolving consumer needs. Ensuring interoperability with existing financial services broadens usability and appeal. | <ul style="list-style-type: none"> Early adoption efforts have focused on P2P and P2B transactions, establishing a foundational user base before expanding to other segments. Data-driven insights and user feedback play a crucial role in refining and expanding use cases to meet market demands. Continuous innovation is key, with many systems evolving to include request-to-pay functionalities and automated billing solutions that enhance usability. Expanding use cases over time sustains momentum. For example, systems like PesaLink plan to introduce person-to-merchant (P2M) functionality, enabling seamless online payments via mobile numbers as unique identifiers. |  UPI, India  PesaLink, Kenya  PromptPay, Thailand  Pix, Brazil |

Source: BIS, UPI, PesaLink, Pix Management Report, Bank of Thailand, World Bank Group, PwC Strategy& Analysis

Although several factors influence the adoption of real-time payment systems globally, the nuances of South Africa's context will shape how these systems evolve locally. While early progress is encouraging, the future of PayShap hinges on leveraging these lessons and adapting them to South Africa's unique landscape.

What lies ahead: PayShap adoption and the future of real-time payments in South Africa

PayShap adoption

Since its launch in March 2023, PayShap has become a cornerstone of South Africa's payment modernisation efforts, showcasing the power of collaboration within the financial sector. This is evident as bank participation grew from four to ten in its first year, demonstrating a shared commitment to advancing financial inclusion and payment innovation. By aligning its objectives with national initiatives such as the SARB's Vision 2025, Project Future, and the SA Inc's Case for Change, PayShap has established scalable stepping stones for growth, creating a strong foundation for transforming the country's payments landscape.

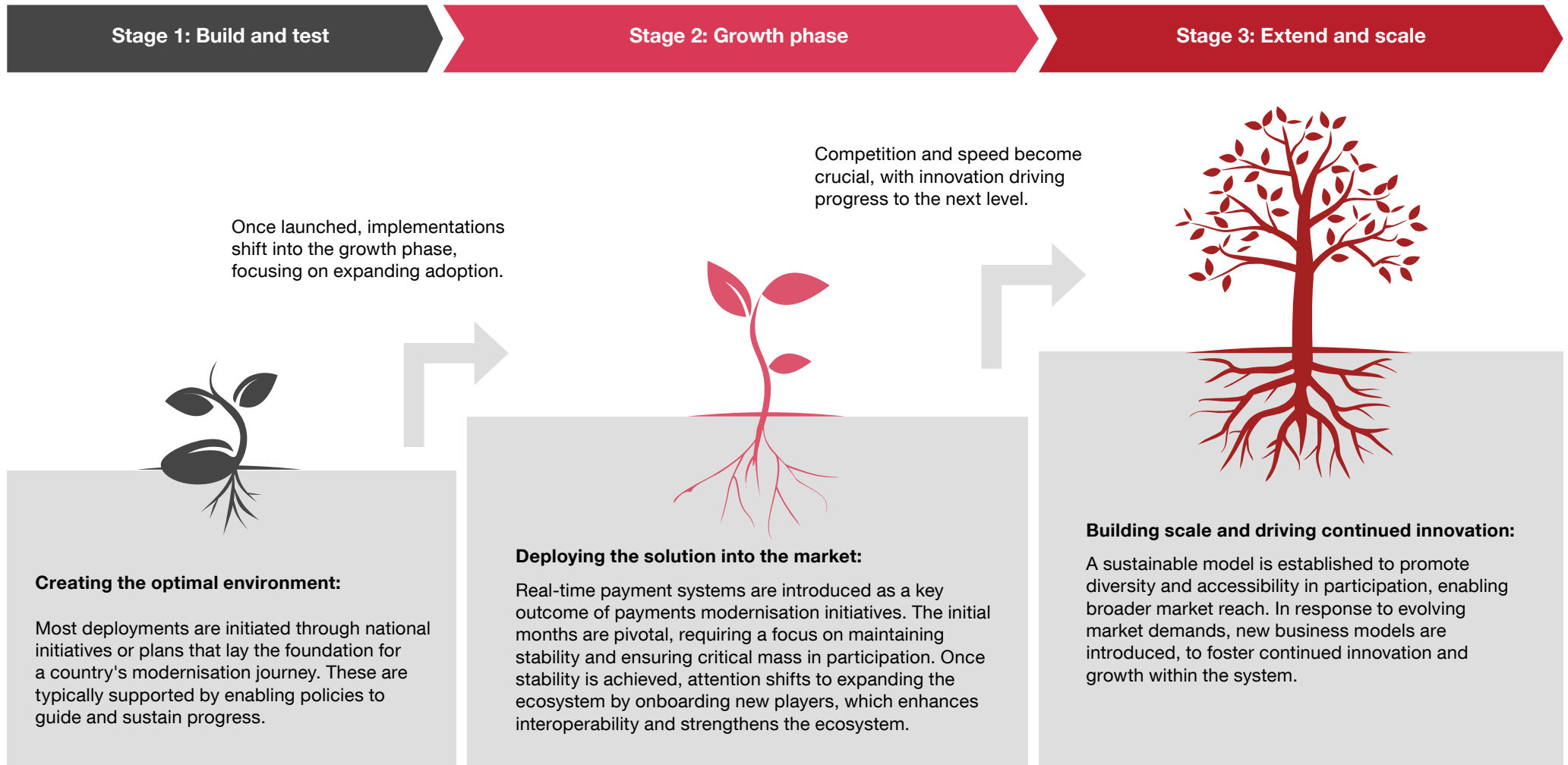
In its early months, PayShap focused on stabilising its infrastructure, increasing bank participation and ensuring interoperability across the ecosystem. Through partnerships between BankservAfrica and participating banks, the platform's potential to serve financially excluded communities was amplified. These efforts have delivered promising results, with over 30 million successful transactions processed in a single month (December 2024). However, the journey is far from complete. To achieve broader adoption, sustained efforts are needed to build consumer and merchant confidence, particularly in township economies and informal markets, which remain critical benchmarks for success.

PayShap continues to enhance its ability to facilitate secure, instant payments and reduce cash dependency, positioning itself as a key driver in South Africa's shift toward a hyperconnected digital economy. Its progress reflects efficient decision-making and strong alignment across stakeholders, including the SARB, and a focus on unlocking better customer experiences and expanding use cases. With commitment and innovation, PayShap is set to reshape South Africa's payments landscape, offering an inclusive and efficient system for years to come. Yet, the path ahead requires sustained collaboration, not only within the banking ecosystem but also across regulators, merchants and end-users, to ensure long-term success.



Driving digital payment adoption through global insights

Mass adoption of PayShap is pivotal to advancing South Africa's digital payment ecosystem, but achieving this requires a deliberate focus on both payment initiation and acceptance. This dual approach involves empowering end-users to adopt digital payments seamlessly while equipping merchants with the necessary tools and knowledge needed to embed PayShap into their daily operations. Consumer education plays a central role in shifting behaviours, while incentivising merchant participation remains critical to overcoming behavioural resistance and building trust in digital solutions. Adoption can also be accelerated by implementing critical enablers such as QR codes as this has proven to become a catalyst in other markets such as Thailand and India. Balancing the pricing, incentives and costing frameworks such as interchange is critical to creating an inclusive, sustainable ecosystem that addresses barriers to adoption and sets the stage for widespread usage.



Source: PwC Strategy & Analysis



Adoption, however, is not a one-time event but a journey along a maturing curve. It begins with design and stabilisation, progresses through growth and culminates in widespread scaling. This process demands not only technical readiness but also targeted strategies to drive behavioural shifts, particularly in cash-dependent sectors such as spaza shops and the taxi industry. Success lies in fostering a culture of digital payments that addresses real-world pain points for both businesses and consumers. Global leaders in real-time payments, such as Brazil's Pix, India's UPI and Thailand's PromptPay, offer valuable insights into scaling systems through collaboration, inclusivity and tailored solutions.

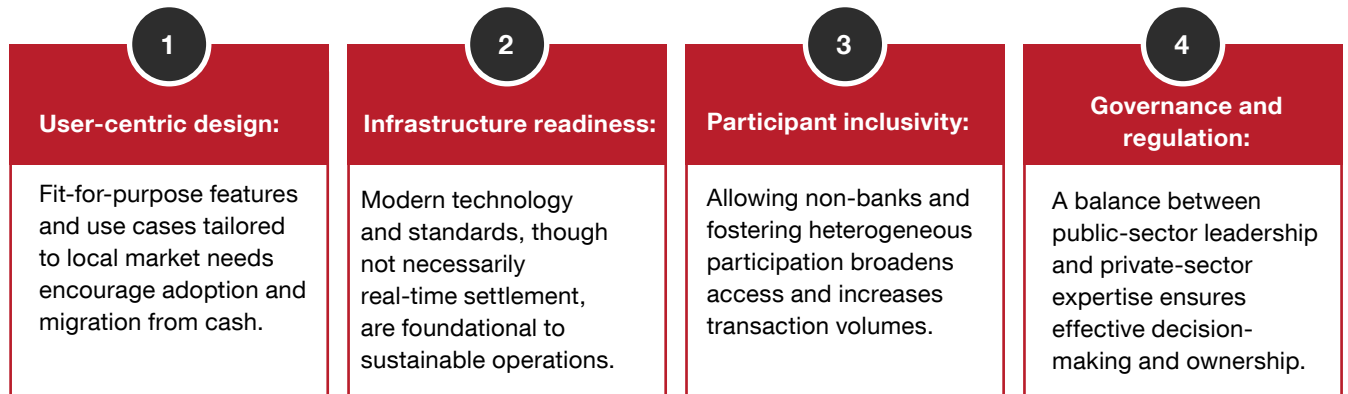
In Brazil, **Pix** emerged as a game-changer by offering a simplified, cost-effective solution for both consumers and merchants. Critical to its success was the central bank's proactive role in mandating universal participation across banks, fostering an ecosystem of inclusivity and interoperability. By reducing transaction costs and targeting underserved markets, Pix has become a cornerstone of Brazil's financial inclusion strategy.

Similarly, India's **Unified Payments Interface (UPI)** demonstrates the importance of innovation and sustained payment system ecosystem collaboration. Through an open and inclusive framework, UPI enabled seamless interoperability between banks, FinTechs and businesses. Strategic partnerships with key stakeholders accelerated adoption, particularly among small merchants, by enabling low-cost digital payments and creating compelling use cases tailored to India's economic realities.

Thailand's **PromptPay** highlights the impact of government-led initiatives in driving adoption. By integrating the payment system with social programmes and offering consumer incentives, PromptPay effectively linked digital payments to everyday needs. The system's early success was built on trust and convenience, making it a viable alternative to cash transactions.

These systems achieved scale over time, typically between two and seven years, reinforcing the importance of a phased, user-centric approach that prioritises inclusivity, governance and the right infrastructure. For South Africa, these examples provide a roadmap for tailoring adoption strategies to local needs, ensuring PayShap evolves as a transformative solution for the payments ecosystem.

To achieve this, four design elements should be prioritised:



PayShap should leverage these principles to support South Africa's journey toward a smart cash society that meets the financial needs of its citizens while driving economic growth.

Unlocking future potential with PayShap Request:

Building on the success from global payment systems, PayShap’s next phase, PayShap Request, holds transformative potential. This feature will enable payment requests for bill payments, peer-to-peer transactions and merchant services, mirroring successful tools in other markets like UPI’s collect requests in India and PromptPay’s QR codes. By addressing merchant needs, particularly among small businesses and informal traders, PayShap Request could significantly reshape the payment ecosystem. As this feature rolls out, expanding use cases, fostering trust and prioritising financial inclusion will be critical to its impact.

Payment Ecosystem Modernisation (PEM)

The timing could not be better—PayShap needs a catalyst for growth and adoption, and at the heart of this lies the SARB’s Payment Ecosystem Modernisation (PEM) initiative. Launched in October 2023, PEM aims to transform South Africa’s National Payment System (NPS) by introducing fast, simple, affordable and secure digital payments. It further drives PayShap’s mission to create an inclusive and sustainable digital payment ecosystem that benefits all South Africans. Supported by a public digital payment infrastructure, robust governance and regulatory frameworks, PEM encompasses nine key components to drive financial inclusion and economic participation across various sectors⁹.



⁹ National Payment System (NPS) Regulatory and Oversight report, 10th edition. (2024). The South African Reserve Bank. <https://www.resbank.co.za/content/dam/sarb/what-we-do/payments-and-settlements/regulation-oversight-and-supervision/regulatory-and-oversight-reports/NPS%20Regulatory%20and%20Oversight%20Report%202023.pdf>

Key components of the Payments Ecosystem Modernisation programme



A fast payment system is central to PEM’s strategy, serving as a foundation for inclusive growth. While PayShap embodies this vision, enhancing its use cases and affordability will be essential to achieving PEM’s goals, particularly in addressing the needs of underserved communities and small businesses.

The PEM initiative is a pivotal force in advancing South Africa’s digital payment ecosystem. By fostering collaboration between public and private sectors, PEM addresses critical barriers and promotes greater inclusivity within the payment landscape. The SARB’s planned acquisition of a 50% stake in BankservAfrica¹⁰ reinforces its commitment to these objectives, ensuring the necessary infrastructure and governance are in place to support a smart cash society. As PEM continues to drive national imperatives, it builds upon and aligns with PayShap’s original intent, paving way for a more inclusive and digitally empowered financial future for all South Africans. This also aligns with global trends towards digital financial solutions that enhance accessibility, efficiency and modernisation.

¹⁰ BankservAfrica Blog. (2025). [Bankservafrica.com. https://www.bankservafrica.com/blog/post/bankservafrica-announces-the-sarbs-intention](https://www.bankservafrica.com/blog/post/bankservafrica-announces-the-sarbs-intention)

Conclusion

PayShap is more than just a payment system; it represents the power of collaboration and innovation in addressing complex, meaningful problems. As its journey unfolds, PayShap holds the promise of transforming lives, driving economic growth and setting the foundation for a more inclusive financial future.

Sustaining momentum is crucial to ensuring long-term success. Global precedents also remind us that continuous progress is essential to avoid stagnation. Addressing key challenges such as reducing cash reliance, digitising cash-heavy sectors and supporting policies for digital inclusion remains essential. Equally important are robust fraud prevention measures and digital literacy initiatives to build trust and confidence among users.

Inspired by the successes of Pix, UPI and PromptPay, PayShap has the opportunity to prioritise user-centric design, strategic partnerships and inclusivity to drive growth and innovation. However, its success depends on the collective efforts of banks, regulators and end-users and, in time, the inclusion of non-banks, all working together to further expand access and adoption.

As South Africa advances its payments modernisation journey, and as PayShap enters its next phase of expansion, there is much to anticipate. With gratitude for the progress made, and excitement for what lies ahead, PayShap stands ready to bring *iMali Manje* to South Africans, shaping not just a payment system, but a future where financial inclusion and digital empowerment drive economic progress for generations to come.



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This programme has laid a strong foundation for payment modernisation, and we eagerly anticipate the future, which holds the promise of delivering innovative digital payment solutions to all South Africans.

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