



SOUTH AFRICAN RESERVE BANK

28 April 2021

The South African Reserve Bank, as part of the modernisation of the national payment system (NPS), embarked on the Authenticated Collections (AC)/DebiCheck project. This project is a first of its kind that seeks to address the increasing levels of abuse in the debit order payment system, known commercially as the early debit order (EDO) payment system.

From 1 May 2021, all new and renegotiated EDO mandates will be originated in the AC/DebiCheck payment system and not in the current EDO payment system. Early debit orders will only be processed through the AC/DebiCheck payment system, while normal debit orders will still be processed later in the day as per current arrangements.

Before the 1 May 2021, consumers would provide a mandate to a company or user to collect money from their bank account. In the new AC/DebiCheck payment system, consumers will provide authorisation to their bank, by way of an authenticated mandate, to release the funds from their account when a debit order is submitted by a company or user from whom they bought goods or contracted for a service.

The AC/DebiCheck payment system was implemented on 1 August 2018. Owing to the complex nature of the AC/DebiCheck system, a lengthy ramp-up period was required to ensure that all stakeholders in the EDO collections ecosystem had implemented and tested their internal processes and interfaces to the AC/DebiCheck payment system. Companies or users of the system had until 1 November 2019 to fully implement the AC/DebiCheck payment system. Since the implementation date, companies or users have been requested to begin using the system for all EDO collections.

The AC/DebiCheck project is an initiative of the collections industry that ensures the safety and efficiency of the NPS, and the mitigation of rogue and fraudulent behavior in the collections system.

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