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Payment performance in Sub-Saharan Africa: The role of speed in financial transformation

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Abstract: Across Sub-Saharan Africa (SSA), the evolution of payments is reshaping the region's economic trajectory. This paper details the contours of three features of this evolution: increasingly intra-continental transaction flows, increasing speed of settlement, and a high proportion of non-intermediated payments. To put these features in context, comparisons are made to other emerging market regions. We also suggest some specific actions that could increase the positive impact of payments in SSA's ongoing financial transformation. Finally, we recommend areas of further research to reduce ongoing frictions.

Introduction

Financial transformation in Sub-Saharan African countries (SSA) is moving forward despite ongoing challenges. Improvements in financial inclusion and economic growth have been driven at the domestic retail level by mobile money and digital payments, supported by a significant focus on these outcomes at the policy level. However, this angle overlooks the workhorse of financial growth – cross-border payments.

The quality of the cross-border payments experience is critical for sustained economic expansion. Trade is greater when payments are trusted and reliable; investment is higher if capital can be transferred safely; and a secure and resilient payments infrastructure reduces risks like fraud and volatility.

This paper uses three indicators to understand how cross-border payment performance in SSA has evolved over time: direction, speed, and intermediation. Together, they offer considerable insight into the causes, outcomes and actions needed to improve cross-border payments performance that could boost the ongoing financial transformation.

These insights are drawn from analysis of Swift Observer Analytics data from 2021-2024.

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1. Data

The source of data that was used in this analysis is Swift's Observer Analytics Business Intelligence solution. Observer Analytics is an online payment analysis product available to the Swift community that provides an aggregated overview of customers' payment transactions at weekly and monthly level.[2] The period of the data is primarily 2021-2024, with some early data from 2025 included where relevant.

We chose this data source because of its ability to track end-to-end flows on cross-border payments. This is a new feature of the database which is related to the introduction of the Unique End-to-end Tracking Reference (UETR). The UETR was introduced as part of the Global Payment Identifier (GPI) initiative in 2017 and allows participants to easily trace their payments in real-time, regardless of the number of counterparties involved. It is a string of 36 unique characters featured in all payment instruction messages carried over Swift, acting as a single source of transparency.

The specific data that was used in this paper was anonymized and aggregated Customer Credit Transfers (CCT). Customer Credit Transfers are payments where an individual or a business sends money to another individual or a business. This paper uses value and volume amounts, as well as processing speed calculation. On the inbound side, for speed, we counted only transactions which were successfully delivered to the end beneficiary (Status: ACCC) and we excluded Future Value Date (FVD) transactions.

For the speed calculations in Section 3, we use three distinct but overlapping measurements. Each offers insight into different categories of frictions (see Annex 2 for a more detailed explanation). This distinction is crucial, as a payment may travel rapidly across the bank-to-bank network but then get caught in delays at the beneficiary institution. In the data, this would appear as rapid in-flight speed (from bank-to-bank), with slower beneficiary speed (from receiving bank-to-beneficiary's account at that bank). The three speed measurements include:

- End-to-end processing speed. This is the total time taken for a cross-border payment to move from the sender to the creditor's account. It is used to measure the total time taken by a payment and encompasses in-flight speed and beneficiary speed.

[2] Ownership and control over all financial data on the Swift network remains exclusively with participating banks in compliance with data protection and governance frameworks.

- In-flight speed. This refers to the time passed from when a payment is initiated by the sending institution to when it is received by the beneficiary's bank on the network (also referred to as the Swift or interbank leg).
- Beneficiary speed. This is the time required for the beneficiary's bank to process the payment and credit the funds to the creditor's account. It isolates the efficiency of the creditor agent's processing of the payment.

Finally, the country groupings in this paper use the IMF country groupings for SSA (see Annex 1). This was chosen to ensure that results can be easily understood in a comparative context.

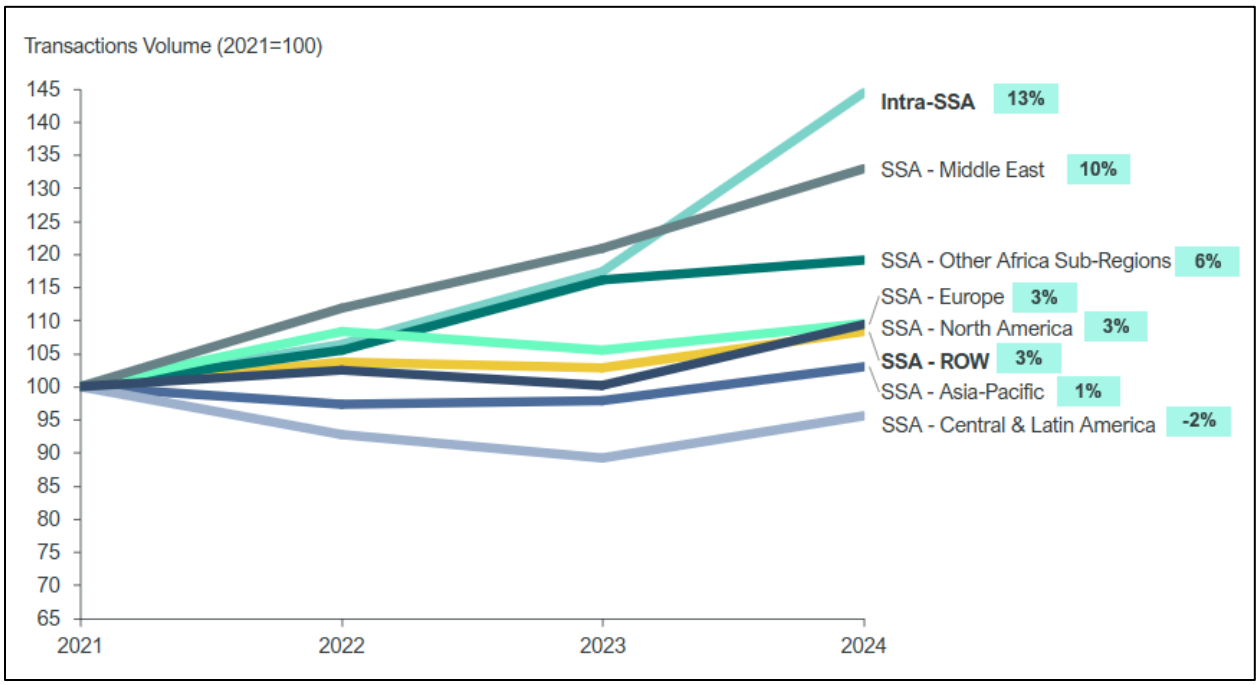
2. Cross-border payment growth in SSA is increasingly intra-continental

Data shows that intra-Africa corridors are increasing within regions in SSA rather than between SSA and the rest of the world. Historically, SSA's trade and payment flows have been relatively more continental than those of North Africa, which has long been oriented toward the Middle East.[3] However, in comparison to other emerging market regions such as Asia or Latin America, SSA has remained more outward-oriented overall, with a large share of payments still directed beyond the continent. Recent Swift data suggests this is changing, with a clear acceleration towards an intra-African orientation.

Over the past decade, intra-Sub-Saharan Africa payments rose by 13% in volume, albeit from a low base. This exceeds the growth of the region's payments to rest of the world, which grew just 3%. Notably, the same 13% growth was recorded over the period 2021 – 2024, underlining an acceleration of intra-African flows. Figure 1 shows this trend has been particularly strong since 2023, when intra-continental transaction volumes overtook even those with the Middle East, which had been growing at a steady rate over the period.

[3] This is largely a story about the linguistic, cultural, and economic ties among countries in North Africa and the Middle East. This includes labour migration, while also maintaining significant trade and labour migration links with Europe.

Figure 1. Outbound payments from SSA by region (2021-2024)



Source: Customer Credit Transfers (CCT) from Swift Observer Analytics

A closer look at the underlying data shows that part of the observed increase in intra-SSA volumes reflects the migration of certain flows onto cross-border rails. Until 2024, cross-border transfers between Common Monetary Area (CMA) countries — South Africa, Namibia, Lesotho and Eswatini — were processed on domestic payment systems.[4] This means that before 2024 all flows among these countries were considered to be domestic transactions, but since then they are counted as cross-border.

A deeper analysis of regional transaction volumes within SSA suggests Southern and East Africa are driving the strong intra-regional growth trend, while West Africa shows slower growth relative to its neighbouring regions, both intra-regionally and globally. Overall external transaction activity appears to be shifting away from Europe and Asia-Pacific towards the Middle East.

[4] *The South African Reserve Bank's July 26, 2024 communication set an effective date of 30 September 2024 to "regularise" Common Monetary Area (CMA) electronic funds transfers as cross-border payments. Bank notices indicated operational cut-overs around 9–10 September 2024, while guidance from the Eswatini central bank and the CMA Payment Oversight Committee (CPOC) explained the policy intent of shifting these flows from domestic EFT rails to international channels.*

Table 1. Outbound payment growth by volume of transactions (2021 vs. 2024)

Debtor \ Creditor	Sub-Saharan Africa	Southern Africa	East Africa	West Africa	North Africa	Asia-Pacific	Central & Latin America	Middle East
Sub-Saharan Africa	**44%**	50%	35%	37%	22%	3%	-5%	33%
Southern Africa	54%	**55%**	49%	43%	31%	17%	-4%	44%
East Africa	28%	27%	**30%**	22%	27%	20%	2%	28%
West Africa	32%	19%	19%	**37%**	10%	-25%	-8%	22%

Source: Customer Credit Transfers (CCT) from Swift Observer Analytics

SSA payments have regionalized more rapidly than other emerging economy regions between 2021 and 2024. Intra-Asia trade increased by 19% in this period, while Central & Latin America have increased by 25%. In contrast, SSA has increased regional payment transactions by 44% from 2021-2024. The breakdown in Table 1 shows that much of this is being driven by Southern Africa (where intra-Southern Africa flows have increased by 55% in this period)

While the available data does not provide specific insights into the underlying causes of this change in direction, our hypothesis is that a combination of policy, structural, and market drivers are behind this change.

One potential driver of this increase in intra-continental trade is efforts by regional agreements to enhance the efficiency of intra-regional transfers. For example, the Southern African Development Community (SADC), East African Community (EAC) and West African Economic and Monetary Union (WAEMU) have all introduced systems with the objective of improving payment flows. These systems include the SADC-RTGS[5], EAPS[6] and STAR-UEMOA.[7]

[5] The Southern African Development Community Real-Time Gross Settlement (SADC-RTGS), formerly known as SIRESS, is a regional high-value payment system established in 2013. Operated by the South African Reserve Bank on behalf of the region, it allows participating central banks and commercial banks across SADC to settle cross-border transactions in real time using the South African rand as the settlement currency (SADC Banking Association, 2013).

[6] The East African Payment System (EAPS), launched in 2013 by the central banks of Kenya, Tanzania, Uganda, Rwanda, and later South Sudan, is a regional real-time gross settlement (RTGS) platform. It enables cross-border payments in local currencies by linking the member countries' domestic RTGS systems (East African Community Secretariat, 2013).

[7] The Système de Transfert Automatisé et de Règlement (STAR-UEMOA) is the regional real-time gross settlement (RTGS) system of the West African Economic and Monetary Union (UEMOA). Operated by the

Although these flows are not captured in Swift's dataset, early-stage regional cross-border instant payment initiatives like TCIB[8] and DRPP[9] are expected to drive further acceleration of intra-Africa low-value cross-border payments as adoption scales. Furthermore, policy and integration initiatives such as the African Continental Free Trade Area (AfCFTA) may now be beginning to contribute to the recent increase in intra-African trade, and by extension, payments.

Shifting global trade dynamics, growth of pan-African banking groups, and innovation in payments infrastructure are steadily increasing the share of payments that remain within SSA. Countries in East and Southern Africa are emerging as regional anchors of economic growth, attracting cross-border commerce and payments. Supply chain shifts, combined with AfCFTA-driven integration, appear to be fostering growth in intra-African trade, particularly in manufactured goods, food and energy within Africa[10].

The disruptive supply chain shocks of the COVID-19 pandemic appear to have further accelerated this trend, reinforcing the shift towards more resilient regional value chains[11].

The implications of rising intra-regional flows are mixed. On the one hand, they can signal stronger trade relationships and cross-border payment activity within Africa, driven by economic integration and shifting supply chains. On the other, there is a risk that such flows reflect substitution away from global trade partners rather than net growth. The changing direction of flows highlights evolving supply chain dependencies, shaped by

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Central Bank of West African States (BCEAO) since 2004, STAR-UEMOA settles high-value payments in CFA francs across the eight member countries (BCEAO, 2004).

[8] The Transactions Cleared on an Immediate Basis (TCIB) scheme, launched in 2021 by the Southern African Development Community (SADC) Banking Association, is a low-value instant payment system that enables cross-border credit transfers in local currencies across participating SADC countries (SADC Banking Association, 2021).

[9] The Digital Regional Payments Platform (DRPP) is an instant cross-border payment system developed by the Common Market for Eastern and Southern Africa (COMESA) in partnership with the African Export-Import Bank (Afreximbank). Operational since 2023, it enables real-time, low-cost payments in local currencies across COMESA member states, supporting intra-regional trade and aligning with AfCFTA objectives (COMESA, 2023).

[10] Multiple sources indicate AfCFTA and related supply chain shifts are contributing to rising intra-African trade: *Brookings' "The Future of African Trade in the AfCFTA Era"* projects a ~109% increase in intra-African exports led by manufactured goods under full implementation. Agri-food sectors are shown in MAGNET and value-added agricultural trade models to deepen under AfCFTA. Sectoral roadshows and reports (e.g. Afreximbank) also highlight early signs of growth in manufactured (automotive, processing) and agricultural sectors across CMA corridors.

[11] Evidence from the African Trade Policy Centre (ECA/ODI), OECD–AU (2022), and others highlights that the COVID-19 pandemic exposed Africa's reliance on distant supply chains, especially for essential goods such as food and pharmaceuticals. These disruptions reinforced policy and private-sector efforts to build more resilient regional production and value chains, in line with AfCFTA objectives.

factors including the AfCFTA implementation, investment in regional payment systems, and resilience strategies following COVID-19 disruptions.

While this represents a step toward diversification and value addition, challenges remain: dependence on a small number of anchors, persistent infrastructure gaps, uneven participation across subregions (particularly West Africa), and the risk of fragmentation. At the same time, expanded intra-African payment corridors could advance financial inclusion, enabling SMEs, informal traders, and migrant workers to use lower-cost, faster, and more secure channels for cross-border transfers.

In summary:

- **Regional imbalances**: East and Southern Africa are capturing the bulk of intra-regional growth, while West Africa lags. If this trend continues it may widen regional imbalances.
- **Global reorientation**: Declines in Europe and Asia-Pacific flows show Africa's external linkages are shifting towards the Middle East – while not in the scope of this data analysis the change in US trade policy in 2025 may lead to further rebalancing of trade corridors.
- **Policy integration risk**: Without harmonisation (standards, regulation, payment systems, data sharing frameworks), increasing intra-African flows may fragment across subregions rather than scale continent-wide.
- **Currency & FX implications**: More intra-African flows could, over time, support greater use of local currencies for clearing and settlement, reducing reliance on traditional 'hard' cross-currencies. This will require improvements in local currency liquidity, broader market confidence and the effective scaling of regional systems (e.g. PAPSS[13], TCIB, SADC-RTGS).

3. Speed of cross-border payments in SSA lags global average

The completion of cross-border payments in a timely manner is a global challenge. In 2020 the G20 under Saudi Arabia's presidency introduced a roadmap for the improvement of cross-border payments.

[13] The Pan-African Payment and Settlement System (PAPSS) is a cross-border financial market infrastructure developed by Afreximbank in collaboration with the African Union and the AfCFTA Secretariat. It enables instant payments in local currencies across African countries by acting as a central switch and settlement platform, reducing reliance on hard currencies (such as USD or EUR) and supporting intra-African trade under the AfCFTA.

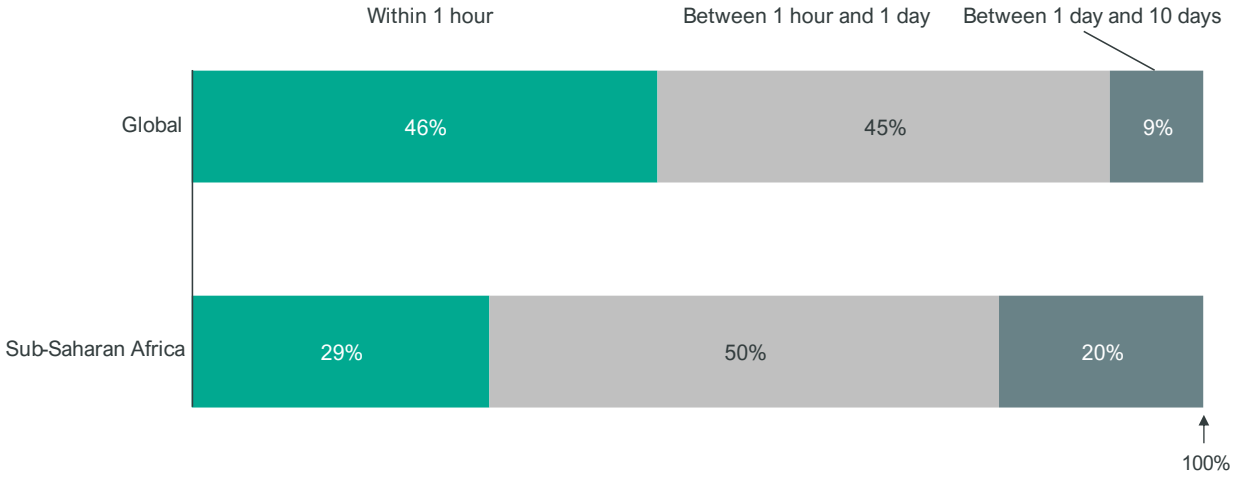
Swift's analysis of cross-border transaction speeds is helping the industry identify opportunities to accelerate progress towards the G20's targets. Building on these insights, Swift and its community have improved in-flight processing so that today 75% of all payments over its network reach beneficiary banks within 10 minutes.

This section looks at how SSA cross-border transaction settlement speeds compare to global speeds, speeds in other EMDE regions, and sub-regional speeds within SSA.

At the global level, median in-flight speeds (bank-to-bank) are broadly consistent across regions, including SSA. This reflects the benefits of shared global standards and correspondent banking practices, which support reliable interbank execution across all regions. However, significant regional variation in beneficiary speed (receiving bank-to-beneficiary) points to a measure of 'last mile' frictions that negatively impact end-to-end payment speed.

Swift data shows that in 2025, 46% of cross-border payments globally are credited to the beneficiary within 60 minutes, while in SSA only 29% reach the beneficiary in that time. End-to-end speed in SSA has improved over the period of analysis (3%), but a significant gap to the global average remains. Tackling last-mile frictions will be critical to achieving faster and more reliable cross-border payments across the region.

Figure 2. End-to-end speed of inbound cross-border payments SSA vs Global (Q1 2025)



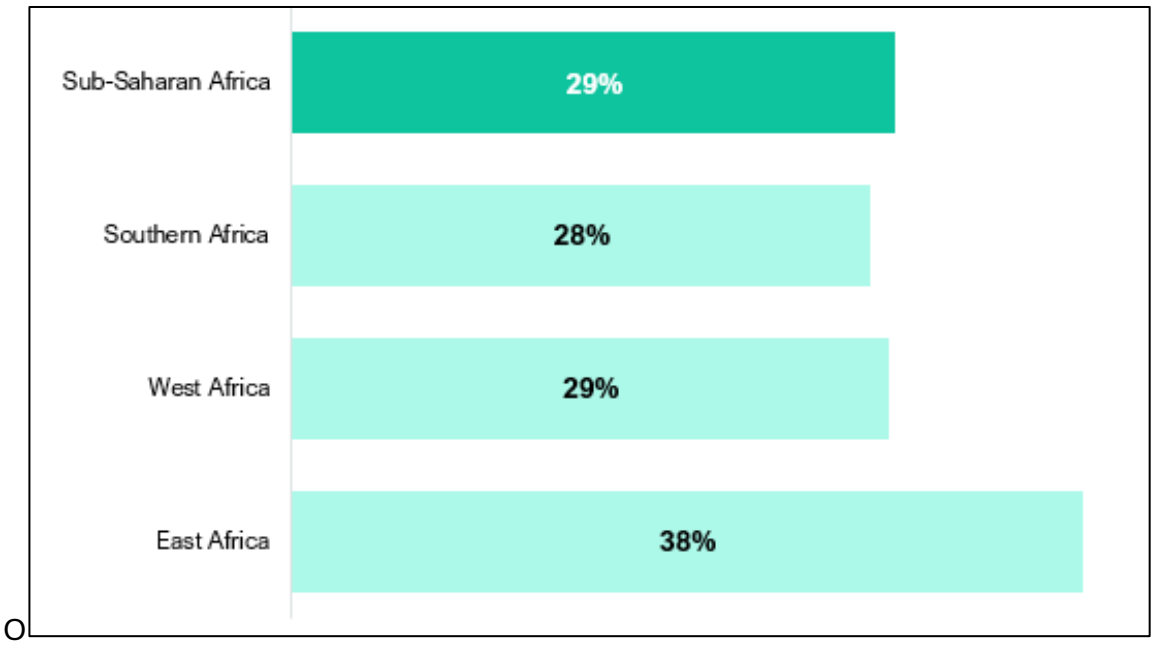
Source: Customer Credit Transfers (CCT) from Swift Observer Analytics (ACCC and excluding Future Value Date)

In the context of other emerging economies, SSA's performance (29%) is mid-range: ahead of Asia and the Middle East, but behind Central & Latin America. This shows that SSA can

already deliver rapid cross-border settlement in some cases, but performance is uneven, with many transactions delayed by last-mile frictions.

A breakdown of end-to-end payment speeds across SSA's sub-regions reveals notable variation. East Africa performs best, with 38% of transactions credited within an hour, whereas Southern Africa records only 28%. This divergence highlights disparities in last-mile efficiency across the continent.

Figure 3. End-to-end speed of cross-border payments (within 1 hour only) Sub-Saharan regional breakdown (Jan-July 2025)



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Source: Customer Credit Transfers (CCT) from Swift Observer Analytics (ACCC and excluding Future Value Date)

Swift conducted a field study in early 2025 across three SSA markets. The scope was limited — covering only three countries in two of the sub-regions — and therefore too narrow to explain the sub-regional variations in speed observed in the broader dataset. However, the study did reveal several common frictions across all three countries, offering insights into factors that may be contributing to SSA's slower overall end-to-end payment performance.

One recurring friction is exchange control requirements. Many SSA markets mandate detailed validation of payment purpose and supporting documentation, and beneficiaries are often bound to fixed daily FX rates. While intended to ensure compliance, these

measures are typically not standardised and automated, which in turn creates operational bottlenecks that slow cross-border processing.

A second source of friction stems from limited banking hours and currency cut-off times. Payments are usually only processed within business operating hours. Payments received after these hours are typically queued for processing on the next business day. Additionally, very few transactions are processed over weekends. This results in delayed settlement times, particularly for cross-border payments. Currency cut-off times impact the speed of cross-border payments by delaying the processing of transactions that are submitted after the designated deadline, resulting in settlement being deferred to the next business day.

A third friction is manual processing and low straight-through processing (STP) rates. Reviews are frequently triggered by incomplete or low-quality data, high-value thresholds, or sanction alerts, and unclear STP criteria mean many payments default to manual handling. This reliance on intervention reduces efficiency and prolongs completion times.

Evidence points to a clear challenge for SSA: while in-flight processing between banks is broadly consistent with global norms, slower beneficiary crediting continues to hold back end-to-end performance. Overcoming these barriers will be essential if the region is to contribute to the G20 target of one-hour end-to-end processing for 75% of international payments by 2027. Further research is needed to identify the underlying drivers of sub-regional variation and to determine the most effective policy and operational responses.

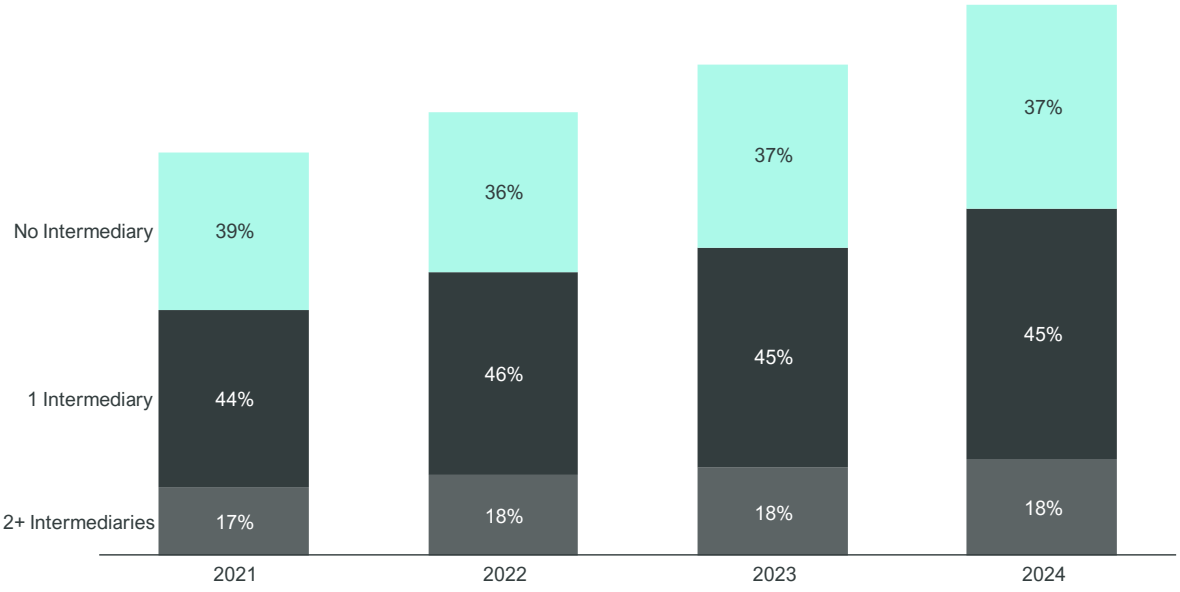
4. Intermediation proportions are persistent

Over the four years of this analysis, the number of payments that SSA settled on the Swift network have grown from eleven to sixteen million per year. Remarkably however, there has been nearly no change in the proportion that settled directly.

Traditionally, intermediation has been a critical component of cross-border transactions with emerging economies. Intermediation allows the settlement of cross-border payments across jurisdictions without requiring banks to have a direct presence in every market. For economies seeking to tap into new markets, this structure ensures that once an exporter secures a buyer, they can receive payment.

The primary observation we draw from the data about intermediation in SSA is that 82% of transactions are settled directly or via a single intermediary.[14] This percentage has been consistent through the period of analysis (Figure 4). This compares favorably to overall numbers on the Swift network where only 70% of transactions are settled directly or via a single intermediary.

Figure 4. Percentage of inbound transactions by number of intermediaries from World-SSA (2021-2024)



Source: Customer Credit Transfers (CCT) from Swift Observer Analytics

While overall transactions are growing, intermediation proportions have remained remarkably stable. This is likely a combination of a highly fragmented local currency market (42 different currencies across Africa and 34 currencies across SSA, including three major share regional currencies, XOF, XAF, and ZAR) and commodity exports (which are largely priced in USD).

There are a number of causes of short intermediation chains. It may be indicative of shallow financial markets or a high proportion of informality and limited market diversification as a result of extractive commodity relationships. In SSA, cross-border

[14] Direct settlement is defined as having no intermediaries in the chain. Direct payments are most common where both sending and receiving parties have established relationships, that could be in the case of SSA via regional payment schemes, or it could be that banks have established direct relationships.

transactions go through a limited number of global clearing banks. This is in part due to the fact that most cross-border payments in SSA are settled in major reserve currencies, although this is changing.

The implications of long intermediation chains have been discussed in the literature. However direct chains have had much less attention. One interesting observation from our analysis is that it questions the standard industry assumption that longer intermediation chains are always associated with slower processing times. It is important to note here that having multiple intermediaries does not imply lower performance on speed, nor does having fewer imply more favourable performance in terms of speed. In the case of SSA, intermediation chains are much shorter than average, but processing times remain slow. Only 29% of inbound transactions in SSA are credited to the beneficiary's account compared to the global average of 46% of inbound transactions credited within an hour. This also reminds us that while short chains certainly reduce cost, they may also crowd out local currency transactions in low liquidity currencies and crowd out participants.

5. Conclusion

Financial transformation in Sub-Saharan Africa has been driven by digital financial services at the retail level. In this paper, we consider the specific case of cross-border payments. Specifically, we pull insights from three distinct trends: increasingly continental payment flows, below average speed of settlement, and static intermediation. We consider the role of each in the region's economic expansion.

This paper showed that transactions are becoming more regional and faster, but with little change in intermediation. This suggests that there is considerable opportunity, but also a great deal of variation among jurisdictions

This analysis took the first step, but considerably more research is needed to tease out the specific activities that each economy could take to ensure the payments evolution supports economic transformation. There are three areas in particular where additional research could support these efforts:

- **Intermediation Dynamics**: More research is needed to understand the underlying dynamics of intermediation changes. This includes examining whether the country location of intermediaries has changed over time and how these changes impact the efficiency and cost of cross-border transactions. Alignment of operating hours across time zones is a potentially addressable friction.

- **Policy Integration**: Further study is recommended on the harmonization of standards, regulations, payment systems, data-sharing frameworks and last-mile delivery channels including wallet, mobile money and distributed ledger ecosystems. This is crucial to ensure that increasing intra-African flows do not fragment across subregions but scale effectively continent-wide.
- **Regional Imbalances**: Investigating the reasons behind the regional disparities in the growth of intra-SSA payments, particularly why East and Southern Africa are capturing the bulk of intra-regional growth while West Africa lags.

Annex 1. List and grouping of Sub-Sahara Africa countries referenced in this paper

East Africa
Burundi
Kenya
Rwanda
Tanzania
Uganda

South Africa	
Angola	Mayotte
Botswana	Mozambique
Comoros	Namibia
Eswatini	Reunion
Lesotho	Seychelles
Madagascar	South Africa
Malawi	Zambia
Mauritius	Zimbabwe

West Africa	
Benin	Ghana
Burkina Faso	Guinea
Cameroon	Guinea-Bissau
Cape Verde	Liberia
Central African Republic	Mali
Chad	Niger
Congo	Nigeria
Cote D'Ivoire	Sao Tome And Principe
Democratic Republic Of Congo	Senegal
Equatorial Guinea	Sierra Leone
Gabon	Togo
Gambia	

Annex 2: Speed Calculations and Definitions

Recent data from Swift highlights notable improvements in transaction processing times across its global network. According to Swift data, 75% of transactions processed via Swift reach the destination bank within 10 minutes, a metric referred to as in-flight speed i.e. the time a payment spends on the Swift network itself. However, this figure does not account for the full journey of a payment, which includes the time taken for the funds to be credited to the beneficiary's account. This is referred to as the beneficiary speed. The sum of the in-flight speed and the beneficiary speed is what is defined as end-to-end speed, which combines in-flight speed with the time taken by the receiving institution to credit the funds to the customer's account. (beneficiary speed).

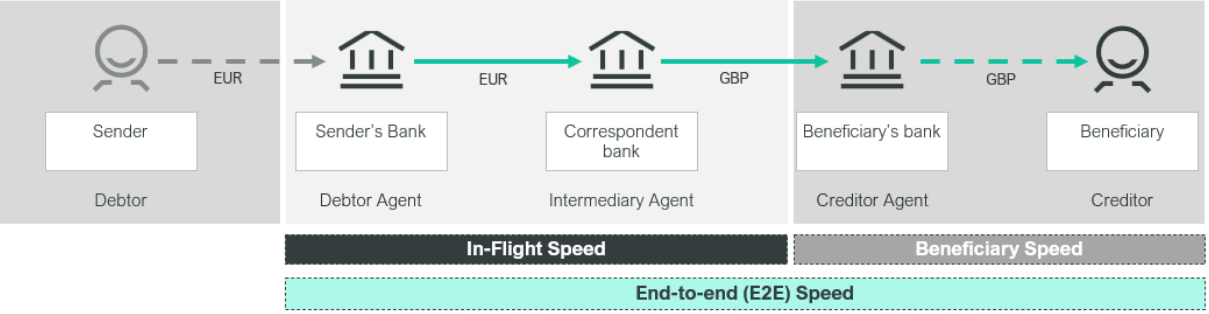
End-to-end Speed

The G20 has set an ambitious target for cross-border payments: by 2027, at least 75% of international payments should be processed end-to-end within one hour. As previously mentioned, end-to-end speed refers to the total time taken for a cross-border payment to move from the originating sender to the final crediting of the beneficiary's account. This metric is more comprehensive than network or "in-flight" speed, which only measures the time a payment spends traversing the payment network (such as Swift). End-to-end speed, by contrast, encompasses both:

- **In-flight/network speed:** The duration from when a payment is initiated by the sending institution to when it is received by the beneficiary's bank on the network.
- **Beneficiary speed:** The additional time required for the beneficiary's bank to process the payment and credit the funds to the recipient's account.

End-to-end speed = in-flight/network speed + beneficiary speed (see Figure below).

This distinction is crucial, as a payment may travel rapidly across the network but still face delays at the beneficiary institution due to local processing, compliance checks, or operational constraints. On a global scale, only 44% of wholesale cross-border payments are credited to customer accounts within one hour when measured end-to-end. This figure underscores the gap between current industry performance and the G20's 2027 target, highlighting the need for systemic improvements not only in network infrastructure but also in local banking processes and regulatory harmonization.



In-flight speed	=	Time for the **cross-border leg**: since transaction enters the Swift network until credited to the creditor agent
Beneficiary speed	=	Time taken for the **Creditor Agent** to make the **funds available** for the **Creditor**
End-to-End speed	=	**In-flight speed + Bene speed**