



SOUTH AFRICAN RESERVE BANK

Payments Ecosystem Modernisation

09 April 2026

Industry Dialogue

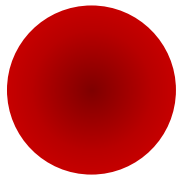
Payments Ecosystem Modernisation Programme

Start	End	Duration	Topic	Speaker
09:00	09:30	30	Opening and reflections on 2025	Pradeep Maharaj
09:30	10:00	30	PEM Value Proposition	Chantal Maritz
10:00	10:30	30	SARB and PayInc Engagement Model	Mellanie de Jager and Ruhling Herbst
10:30	11:15	45	PEMKey Show and Tell	Gerhard Cronje and Gerhard Jacobs
11:15	11:45	30	Tea Break	
11:45	13:15	90	Panel Discussions: PEMKey	Moderator: Gerhard Cronje Panel: Maeson Maherry, Shaun Strydom, Lohan Spies, Elmo Hildebrand, Liezl Neethling and Jason Erasmus
13:15	14:15	60	Lunch	
14:15	15:15	60	Panel Discussion: International Learnings	Moderator: Mellanie de Jager Panel: Calosha Ramlall, James Thomas and Ben Janse van Rensburg
15:15	16:15	60	Panel Discussion: Realities on the ground	Kagisho Dichabe, Lincoln Mali and Ravi Shanmugam
16:15	16:30	15	Day closure	Mellanie de Jager

Agenda

Industry Dialogue

09 April 2026



1



SOUTH AFRICAN RESERVE BANK



Opening and reflections on 2025

Pradeep Maharaj

Meet your presenter for the session

Presenter

Presenter








Pradeep Maharaj
PEM Executive
Sponsor



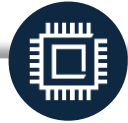
PEM continues to make steady progress, gearing up for a year of execution

Current status and key milestones (1/2)

	 Governance	 Programme 1: Optimise and Sustain Domestic and Regional RTGS	 Programme 2: National Payments Utility Establishment
Completed 	<ul style="list-style-type: none"> ✓ Strategic advisors (PWC) onboarded ✓ Programme Value Proposition documented 	<ul style="list-style-type: none"> ✓ SAMOS V9 Implemented ✓ SADC-RTGS V5 Implemented 	<ul style="list-style-type: none"> ✓ Shareholding transaction completed ✓ NPU Board constituted ✓ Governance and engagement processes defined and approved
In progress/upcoming 	<ol style="list-style-type: none"> 1 Focus group discussions in progress to define conceptual design and delivery roadmap 2 Process to define custom PEM methodology (based on Scaled Agile Framework) initiated 3 Over-arching brand development initiated to support products and services emanating out of PEM 	<ol style="list-style-type: none"> 1 Application Monitoring Dashboards delivery in progress 2 Planning and requirements definition for SAMOS V10 in progress 3 Liquidity stress testing in UAT 4 SADC-RTGS V5.1 Golden Copy in UAT 5 Initiation of SADC-RTGS extended liquidity 6 Initiation of SADC-RTGS USD Financial Modelling 	<ol style="list-style-type: none"> 1 Future industry governance discussions ongoing – execution dependent on finalisation of future model 2 Ongoing alignment of concept design and delivery roadmaps

PEM continues to make steady progress, gearing up for a year of execution

Current status and key milestones (2/2)



Programme 3: Future Platforms Establishment

Completed



- ✓ PayShap reset **priorities** agreed with PayInc

In progress/
upcoming



- 1 Hybrid Unified Payments Platform **Business Case** development initiated (Domestic and Regional)
- 2 Dual Financial Messaging Network proof of concept in progress



Programme 4: Foundational Enablers

- ✓ QR+ Standard V1.0 published in Dec 2025

- 1 **QR+** alignment with PayInc, registry development in progress
- 2 **Activity based regulatory framework** and exemption notice in governance approval process
- 3 **Fraud** framework developed. Scoping of priority items underway.
- 4 **Insights** platform stakeholder alignment with NPSD and EIM teams in progress



Programme 5: PEMKey

- ✓ **Definition statement** finalised
- ✓ Friends and Family **POC** on track to be initiated by end March 2026

- 1 Next phase sandbox for financial sector earmarked for Q3 2026
- 2 Work initiated towards rollout/pilot to support non-bank inclusion by end 2026
- 3 Ongoing efforts to attain national alignment (see last slide)

2



PEM value proposition

Chantal Maritz

Meet your presenter for the session

Presenter

Presenter



Chantal Martiz
PEM Strategic Advisor
PwC Engagement Leader



To address the needs of an ever-changing landscape, the SARB also placed specific focus on the modernisation of the NPS within their Strategy 2030

SARB Strategy 2030 – payments modernisation focus

Payments Modernisation Strategic Focus



Strategic focus area 1:
Deliver low and stable inflation.



Strategic focus area 2:
Safeguard the stability of the financial system.



Strategic focus area 3:
Enhance the resilience, effectiveness and accessibility of payments.

PEM is a tangible expression of SFA 3 and aims to modernise the NPS

1

Move towards a new state, a higher equilibrium:

PEM aims to improve competition, innovation and efficiency across the payments value chain.

2

NPU serves as a public resource:

Encourage the broad adoption of straightforward, quick, cost-effective and secure digital payment solutions.

3

Shift from cash dependency to inclusive digital payments:

Encourage the broad adoption of straightforward, quick, cost-effective and secure digital payment solutions.



Through the SARB's strategic programme [PEM], a new state is being pursued, which may have macro-financial impacts. Shifts to digital payments have the potential to increase **GPD growth by 0.5%**.

The focus on modernisation started in 2018, when the SARB NPSD set out to achieve 9 goals to enhance the safety, efficiency and accessibility of the NPS

Vision 2025

Enhance the safety, efficiency and accessibility of the national payment system in a manner that promotes competition and minimises risk to the payments ecosystem by leveraging technological developments to extend the availability of digital payment services to all sectors of society while meeting domestic, regional and international requirements for the benefit of all members of South African society

Vision 2025

9 NPSD Vision 2025 goals



A clear and transparent regulatory and governance framework



Transparency and public accountability



Financial stability and security



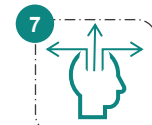
Promoting competition and innovation



Cost-effectiveness



Interoperability



Flexibility and adaptability



Regional integration



Financial inclusion

Therefore, SARB launched PEM to address the identified challenges within the payments ecosystem

PEM drivers of change and NPU transformation

South Africa's payments ecosystem faces several critical challenges including:

- Lack of Interoperability and fragmentation
- Aging infrastructure
- Slow innovation and adoption
- High costs to consumers and businesses
- Persistent cash dependency
- Limited regional and cross-boarder integration
- Lack of full adoption of the FPS

Drivers of Change



To address these the NPS Transformation will focus on:

Implementing regulatory reform to open market access

Modernising the RTGS system for domestic and regional resilience

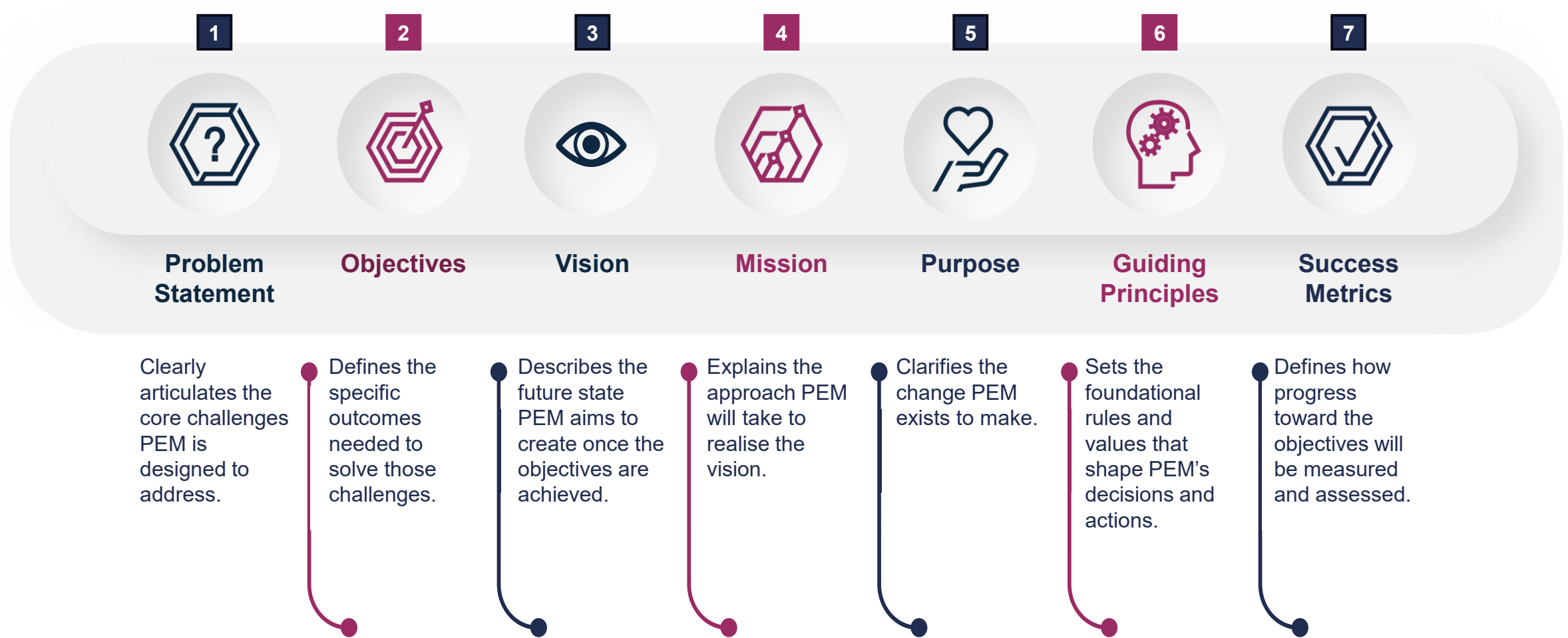
Shifting to a central bank-led approach that prioritises inclusion

Optimising the FPS to enable stakeholder participation and encourage successful adoption

NPS Transformation

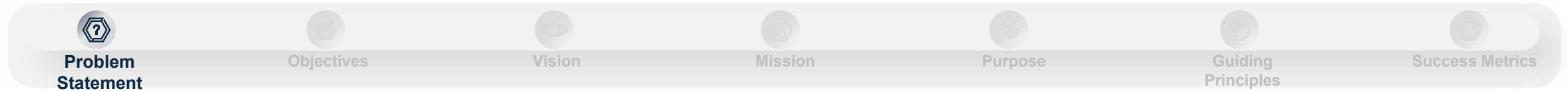
From Problem to Impact, this describes the overview of the PEM Programme where each element is clearly defined and flows into the next

Description of Value Proposition Elements



Understanding the payments ecosystem challenges PEM must overcome to enable progress

Problem Statement



Problem Statement

“ South Africa lacks equitable access to safe, responsive and affordable domestic and cross-border digital payment options for all sectors of society.

Elaboration on equitable and responsive

“ **Equitable**
current solutions are not catering for everyone (links to deeper financial integration and broad access).

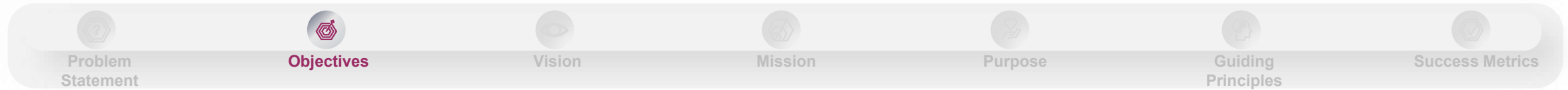
“ **Responsive**
solutions are not necessarily catering towards the diverse needs of the population.

Elaboration of the problem statement

“ Within South Africa, its financial institutions, regulators and diverse population operate on fragmented and outdated national payment systems. The lack of interoperability is reinforced by market-driven incentives that favour maintaining existing structures, incremental technological updates and high costs. This prevents the local economy from achieving deeper financial integration, faster economic growth, and broad access to affordable, instant payment services, further constraining effective regional interaction.

Defining the specific outcomes PEM must deliver to solve the challenges identified

Objective



Red Dot¹



Adoption and usage of fast, simple, affordable and secure digital payments.

Objectives

01 **Financial Inclusion**

Contribute to **financial inclusion** for all population segments through the widespread adoption of affordable digital payments.

02 **NPU Infrastructure**

Establish a **modern, flexible and efficient National Payments Utility (NPU)** to operate modern national payment infrastructure to enable the market to deliver cost-effective digital payment solutions

03 **Fair Participation**

Expand fair participation to promote competition and innovation within the digital payment ecosystem.

04 **Legal & Regulatory Certainty**

Collaborate to establish a **clear and transparent regulatory and supervisory framework** for the National Payment System.

05 **Stability and Security**

Contribute to **financial stability and security** through establishment of a national fraud and risk management capability and sustainable digital payments.

06 **Trust**

Enable trusted **cross-sectoral credential sharing and authentication for payment security** and broader financial access.

07 **Interoperability**

Enable **interoperability** across the digital payments ecosystem through standardisation and a unified payments infrastructure.

08 **Data Insights**

Enable **data insights** to drive innovation and risk management for payments.

09 **Cross-border**

Collaborate to **enable seamless regional cross-border payments** and global integration.

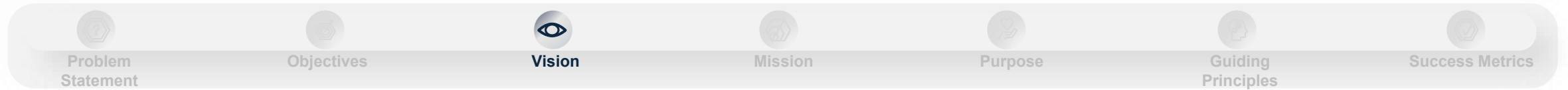
10 **Industry Governance**

Facilitate implementation of **industry governance** to promote transparency and accountability.

Note 1) Summary of the all the objectives

PEM imagines a future where secure, affordable digital payments strengthen economic opportunity for all

Vision



Vision

“ A trusted, efficient and **inclusive** payments ecosystem that is responsive to the needs of a modern economy. At the core sits a **robust**, public interest-driven National Payments Utility (NPU) that provides **modern** domestic and regional central infrastructure. Cash dependency is reduced, especially among underserved segments, through broader access to secure and affordable digital payments.

Elaboration on inclusive, modern and robust

“ **Inclusive**
Everyone, including individuals and SMMEs, can access and use quality financial services that meet their needs

“ **Modern**
Built using current, up-to-date technology, future-ready, and able to support innovations.

“ **Robust**
The system is strong, reliable, secure, and able to withstand failures or threats

PEM's mission is to enable secure, fast and affordable digital payments through ecosystem-wide modernisation

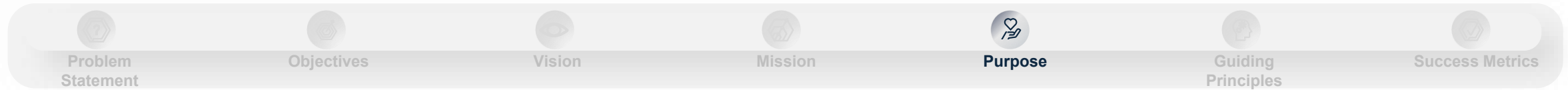
Mission



“ To modernise South Africa’s payment ecosystem by fostering transparency and competition, transforming infrastructure for efficiency, resilience and interoperability, and promoting inclusive access to innovative, fast, simple, affordable, and secure digital payment solutions, while contributing to the development and enhancement of specific regional clearing and settlement systems.

PEM's purpose is to ensure every South African can access fast, simple and secure digital payments

Purpose



“ To accelerate South Africa's digital economic transformation and regional integration by providing South Africa with fast, simple, affordable and secure digital payments

The Value Proposition defines how PEM delivers meaningful, differentiated value to the industry

Summary of Value Proposition



Problem Statement

South Africa lacks equitable access to safe, responsive and affordable domestic and cross-border digital payment options for all sectors of society.



Objective

Adoption and usage of fast, simple, affordable and secure digital payments ('Red Dot').



Purpose

To accelerate South Africa's digital economic transformation and regional integration by providing South Africa with fast, simple, affordable and secure digital payments.



Vision

A trusted, efficient and inclusive payments ecosystem that is responsive to the needs of a modern economy. At the core sits a robust, public interest-driven National Payments Utility (NPU) that provides modern domestic and regional central infrastructure. Cash dependency is reduced, especially among underserved segments, through broader access to secure and affordable digital payments.

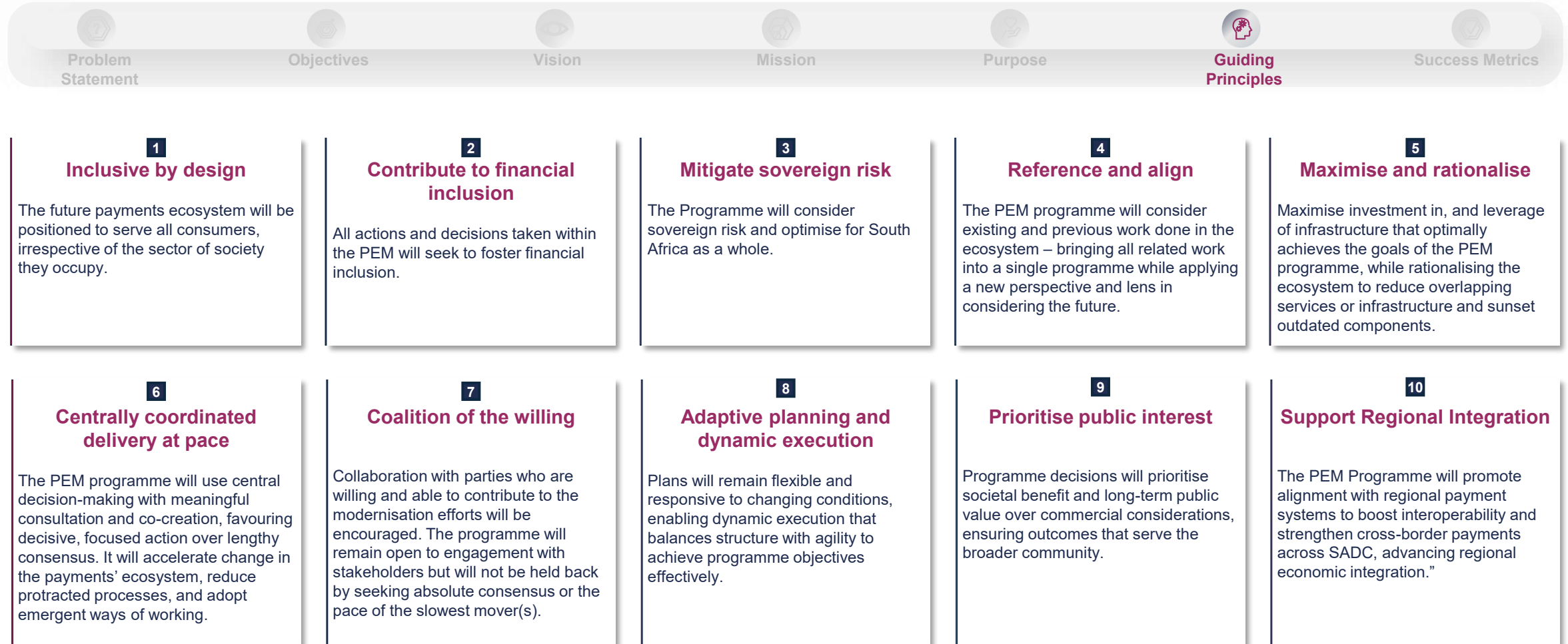


Mission

To modernise South Africa's payment ecosystem by fostering transparency and competition, transforming infrastructure for efficiency, resilience and interoperability, and promoting inclusive access to innovative, fast, simple, affordable, and secure digital payment solutions, while contributing to the development and enhancement of specific regional clearing and settlement systems.

PEM operates according to principles designed to drive consistency, accountability and long-term impact

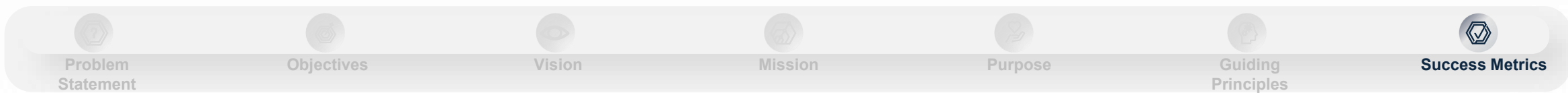
Guiding Principles



PEM establishes measurable indicators that demonstrate how objectives translate into real-world progress

Extract from success metric

NB: These are illustrative and should be confirmed with the relevant business cases



PEM Objective

Metric

Potential Targets (2030)

1 Contribute to **financial inclusion** for all population segments through the widespread adoption of affordable digital payments

1. Cash in circulation as a percentage of GDP
2. Percentage split in cash vs digital transactions
3. Number of digital transactions
4. Increased access points for digital payments by banks and non-banks
5. Reduce population percentage of unbanked and underbanked

1. Downward or stable trend of cash
2. Progressive shift from cash to digital payments (50% yoy increase of digital payments)
3. X digital (rail specific) transactions per month
4. 100% of Economically Active Population (EAP) able to access at least 2 digital channels
5. Reduce unbanked and underbanked population

2 Establish a **modern, flexible and efficient National Payments Utility (NPU)** to enable the market to deliver **cost-effective** digital payment solutions.

1. Percentage split in cash vs digital transactions
2. Pricing parity of digital transactions

1. Progressive shift from cash to digital payments
2. Free transactions for consumers and transaction costs for participants not exceeding costs of specific values

3 **Expand fair participation** to promote competition and innovation within the digital payment ecosystem.

1. Successful implementation of new regulatory reform(s)
 - Licensing – Authorisation Framework
 - Direct participation exemption notice for non-banks
 - NPS Bill promulgation
2. Percentage adoption and usage of fast payment systems
3. Bank and non-bank participation in clearing and settlement

1. One or more implementations of a new regulatory reform
2. Percentage growth or annual target for FPS usage
3. New clearing and settlement non-bank participants onboarded

Although PEM was initiated by the SARB, its execution requires collaboration of the entire payments ecosystem to drive its intended change

Executing the PEM Programme

PEM Initiation

- SARB **initiated** the PEM Programme
- It sets **direction** and policy framework
- It provides **regulatory** guidance

➤ SARB catalyses change but doesn't control all levers

The Catalyst



Stakeholder Role

Example

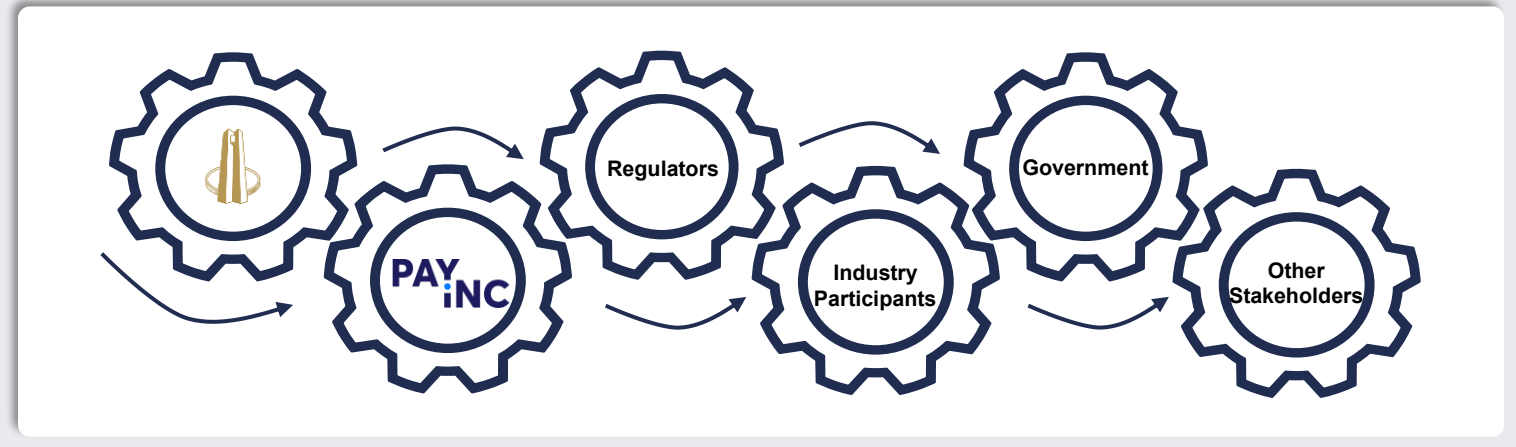
- The SARB is committed to promoting financial inclusion for all population segments and will continue to play a **leading role in guiding and enabling initiatives** that support this national priority.

PEM Execution

- All ecosystem players must participate, each contributing their capabilities and infrastructure
- Implementation needs coordinated effort, investment, and readiness across the value chain, while ecosystem actions ultimately drive adoption and determine PEM's impact

➤ Full implementation depends on the ecosystem, which controls the operational and commercial levers

The Ecosystem



- Industry Participants and PayInc as the NPU, alongside other appointed stakeholders, will be **accountable for the development, implementation, and operationalisation** of financial inclusion measures **mandated** by the National Treasury.

The complexity of PEM requires complex industry change, a phased delivery methodology and a set of guiding principles for stakeholder communication

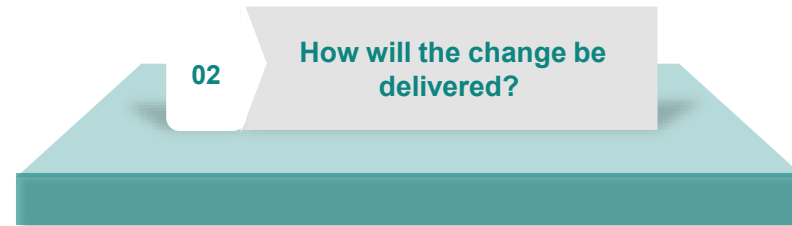
Change management methodology and principles

The Disequilibrium-Elevated Equilibrium Theory and practices also underpin this approach and suits the nature of this change.



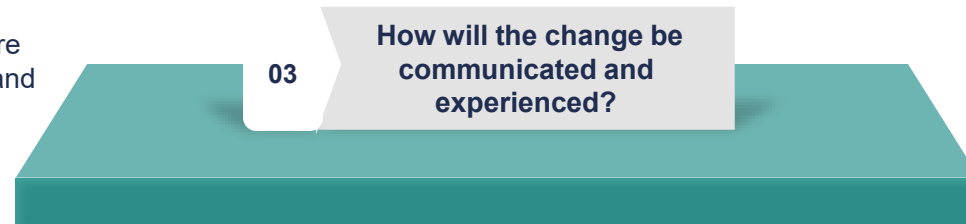
- Disequilibrium:** Current state is disrupted by a change force or driver
- Tension and Threshold:** Pressure mounts until a tipping point is reached
- Emergence and Stabilisation:** New patterns form and begin to take hold
- Elevated Equilibrium:** A new, higher-functioning stable state is achieved

The PEM change approach is practical, people-centric, and tailored to the complexity of the payments' ecosystem.



- Assess the change:** Understand context, stakeholders, and readiness
- Plan the change:** Develop strategies, plans, and communications
- Manage the change:** Execute engagement, training, and support activities
- Sustain the change:** Reinforce adoption, measure outcomes, and embed new ways of working

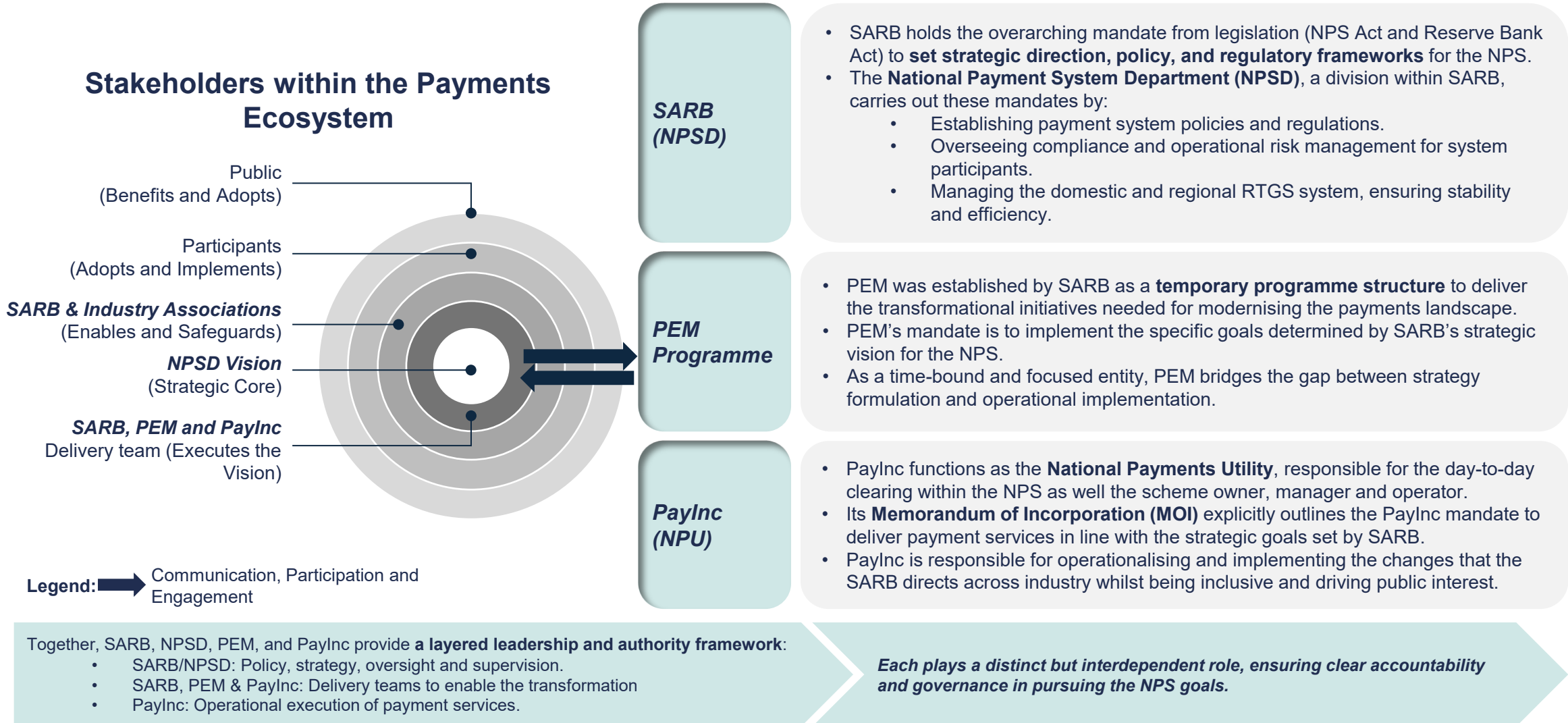
A set of guiding principles will ensure every interaction is clear, targeted and trust building.



- Clarity over complexity:** Use plain language and analogies
- Proactive myth-busting:** Address misconceptions early
- Value-driven messaging:** Link to tangible benefits (security, cost, resilience)
- Stakeholder-centric approach:** Tailor messages for banks, merchants, consumers, regulators
- Transparency and trust:** Emphasis privacy and governance safeguards

Mandates and roles of SARB, NPSD, PEM, and PayInc in delivering the National Payment System's strategic objectives

Mandate and Roles of PayInc, PEM and SARB NPSD in Delivering the NPS Goals



Achieving change requires clarity of purpose and strong leadership throughout the transition

Suggested principles of regulatory leadership

Strong SARB and PayInc Leadership, ownership and oversight



The SARB must provide clear, consistent and active leadership throughout the transition:

- Set strategic direction, regulatory expectations and timelines.
- Exercise proactive oversight to ensure industry alignment.
- Intervene decisively where progress stalls or misalignment arises.

Clear role definition and regulatory certainty



A seamless transition requires unambiguous mandates across the ecosystem:

- Licensed schemes (e.g. PayInc) own rulemaking, scheme governance and participant requirements.
- Operators deliver processing, technology and day-to-day operations.
- Historical regulatory and rulemaking roles are progressively retired or reassigned.

Transparency, communication and managed migration to scheme construct



The SARB must provide clear, consistent and active leadership throughout the transition:

- Publish transition timelines, roles and updates.
- Clearly articulate the timetable for transferring specific functions.
- Promote open communication between the SARB, schemes, operators and industry participants.
- Use formal, time-bound migration programmes with clear deliverables.
- The industry must demonstrate full cooperation and disciplined execution under the SARB's guidance.

3



SARB and PayInc engagement model

Mellanie de Jager and Ruhling Herbst

Meet your facilitators for this session

Facilitators

Facilitators



Ruhling Herbst
PayInc Strategy
and Transformation
Officer

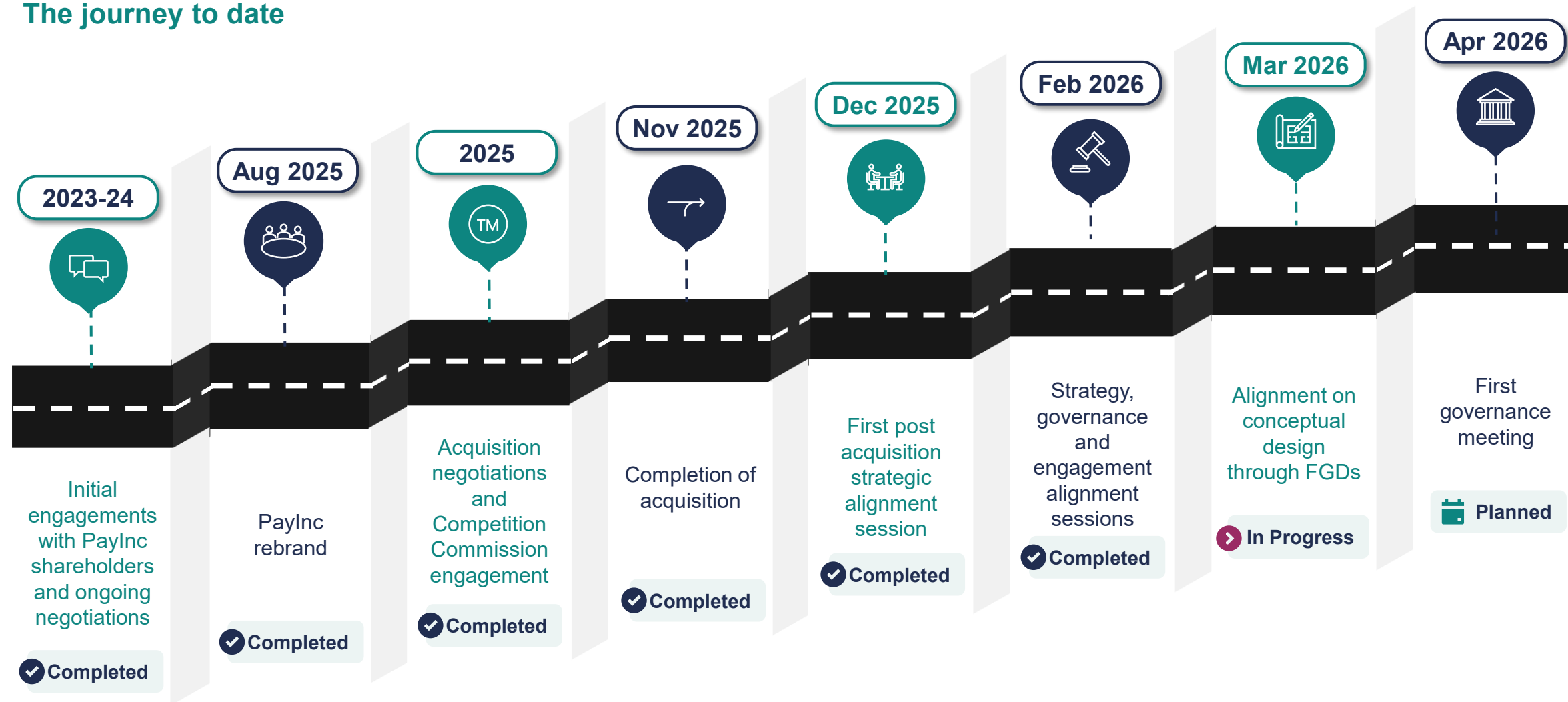


Mellanie de Jager
PEM Programme
Delivery Director



Since its initial engagement, the SARB and PayInc, then BankservAfrica, have come a long way

The journey to date



As part of PayInc’s acquisition and shift to NPU, its identity experienced some fundamental shifts with its constitution changing in its Mol

Fundamental shifts for PayInc and its constitution

Pre-acquisition Industry Utility



Post-acquisition National Payments Utility

100% commercial bank-owned

Ownership

50% SARB owned and 50% commercial bank owned² for a fixed period of 5 years

- Provision of Core Services and ancillary services that pursue **interoperability, efficiencies and risk mitigation** for the financial services industry¹

Business

- **Inclusive, public-interest-driven** infrastructure that drives **economic growth, financial inclusion and access** to payment services and Core Services
- Delivers in accordance with the **strategy and policy direction** for the strategic goals of the National Payment system (including the **PEM**) and/or NPS **Vision 2030+** as issued by the **SARB**

- **Clearing services** as a PSO for PCH participants
- Independent Cash Administrator services and Scheme Manager services
- Other services closely linked to a PCH or material to NPS risk reduction

Core Services

- Payment and payment-enabling services across physical, electronic, and digital payment types
- Services supporting payment augmentation, governance, and operation across multiple value stores
- Additional services that **enhance the security, interoperability, inclusion, and efficiency of the NPS**

Notes: 1) Although it was stated for the entire FS industry, PayInc’s core focus was mainly on the banking industry; 2) PayInc’s new bank ownership is more representative of the banks’ market share based on the new Mol.

As NPU, PayInc is expected to provide digital public infrastructure to bridge the digital divide in the country

NPU as provider of Digital Public Infrastructure



The **NPU** as provider of Digital Public Infrastructure (**DPI**)

A DPI is a foundational, interoperable digital systems designed for public benefit and acts as **centralised infrastructure, enabling the payment ecosystem** to provide secure, inclusive, and scalable digital services.

Sources: 1) [World Bank](#)

The NPU provides DPI that will help to bridge the dual economies in South Africa

Underdeveloped, informal economy

Developed, formal economy

← Digital divide →

DPI enables three core elements¹



Digital payments

Fast, affordable, and interoperable payment systems for transactions.



Digital identity and E-Signatures

Secure, verifiable identity for individuals and businesses to access services.



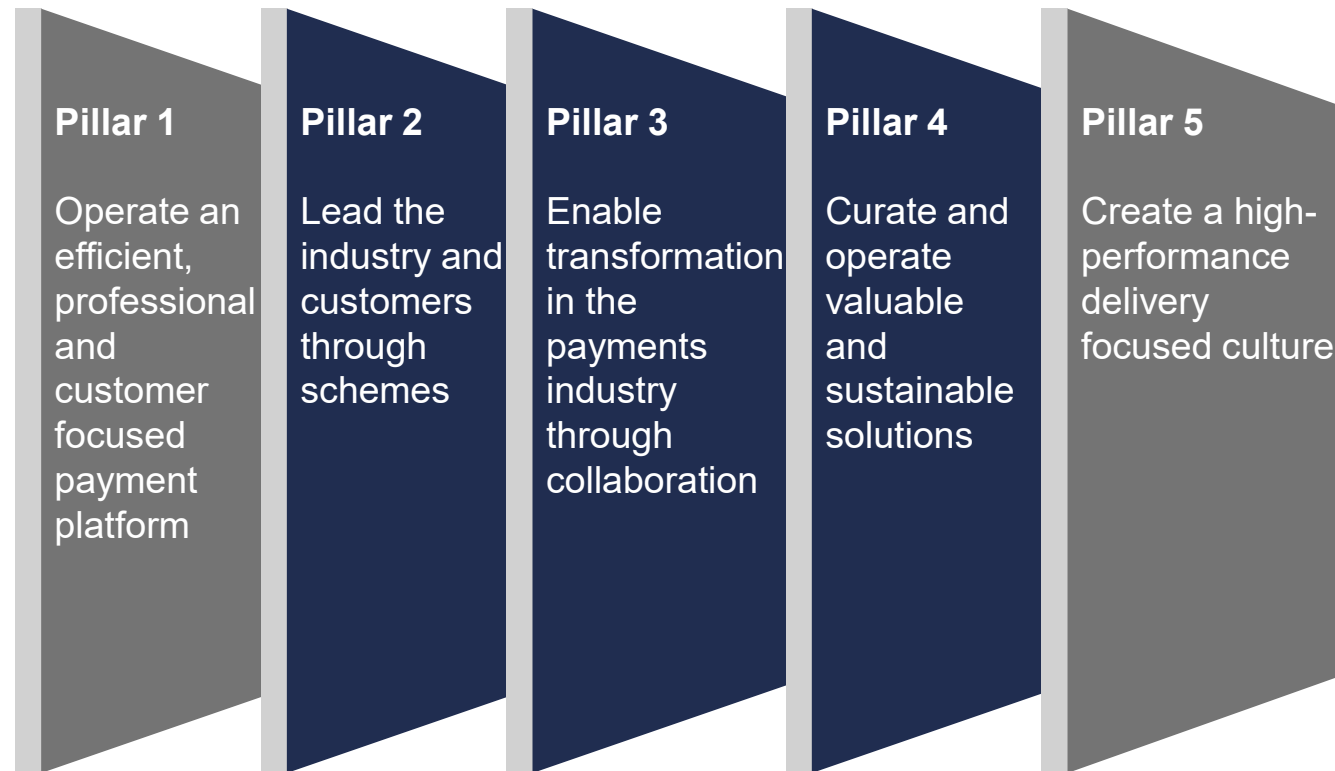
Data Exchange

Trusted, consent-based sharing of information across platforms.

This has led to a strategic shift for PayInc, focusing on its new role as NPU and scaling faster payments

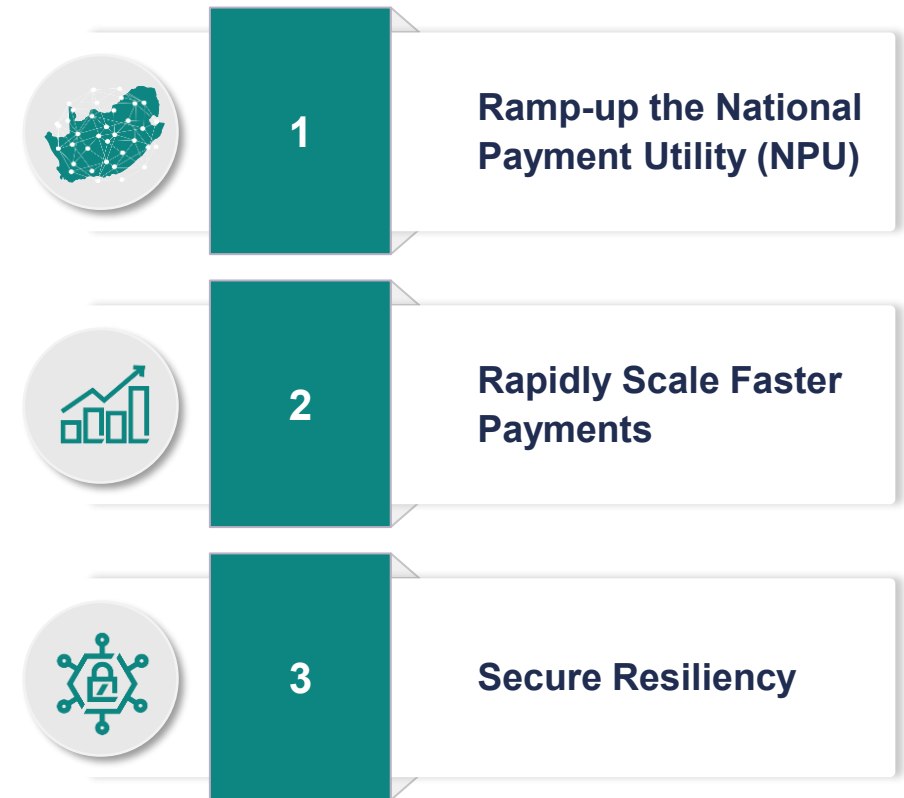
PayInc Strategy

Strategy 3 to 5 years



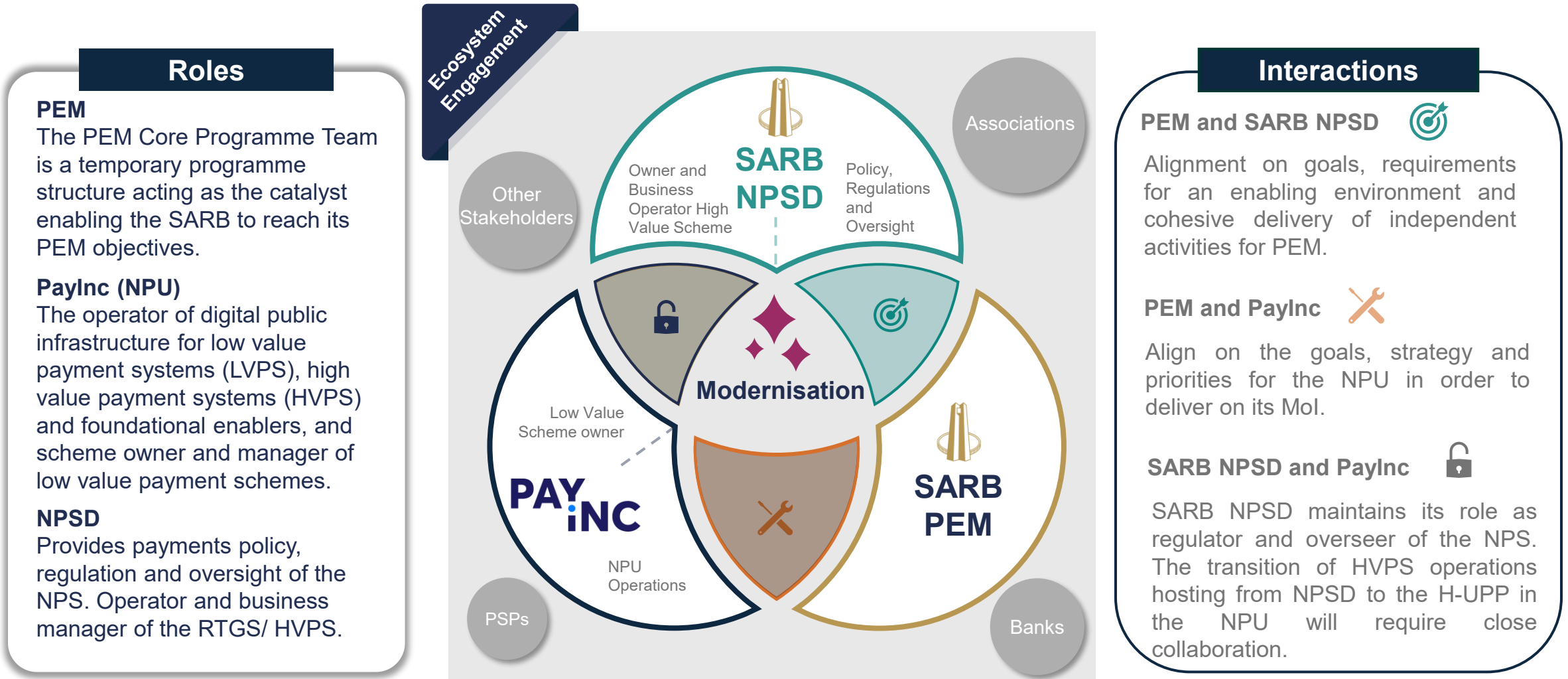
Legend: Run the business Change the business Strategic Focus and Priority

3 Focus Areas



To support the achievement of ecosystem modernisation, PayInc will need to work with the SARB in its capacity as the NPSD and the core PEM team

The different roles and integration points of the SARB



While everyone operates according to their mandate within their own organisation, driving modernisation requires collaboration across all organisations

Integrating PayInc structures into the existing programme governance will ensure effective decision making and management of risks and issues

The importance of centralised programme governance



Purpose of governance

A clear, centralised governance structure is essential to guiding a strategic initiative of PEM's magnitude and importance. This structure will ensure stakeholder accountability while enabling effective decision-making and proactive risk mitigation.

Central programme governance is crucial in mitigating several key risks, including:

- 1 Loss of momentum due to unclear roles within a segregated governing structure and the inability to take binding decisions in real time.
- 2 Inefficiencies arising from parallel structures and duplicated resources.
- 3 Slow or unfocused progress on certain elements due to governance uncertainty and delayed decision-making.
- 4 Lack of alignment and collective input on joint SARB and PayInc initiatives that result in cross-organisational impacts.
- 5 Implicit technology decisions on critical payments ecosystem infrastructure, such as the H-UPP, instead of decisions made through defined PEM governance.

Guiding principles

- 1 Swift turnaround through a centralised governing body
- 2 Clear and effective decision-making powers
- 3 Regulatory oversight and accountability to policy
- 4 Efficient resource management
- 5 Simplified protocols and procedures

The viability of the engagement structure was assessed across several lenses before implementation

Key principles for the joint governance structure



The Greater Good

The goal must always be the greater good of the country and all who live here



Success

Both the SARB and PayInc are required to achieve the Vision 2025 and 2030+ goals



Criteria

Clear criteria is required to define whether scope items are NPU-led or SARB PEM-led



Integrated governance

We must always adhere to good governance and integrated PEM Programme governance



Alignment

The engagement structure is meant to enable alignment between the teams and organisations



Enabling structures

We need enabling structures to bring about quick and binding decision-making and agility in execution



Transparency

Although we don't have all the answers yet, we aim for transparency and collective clarity



Finance principles

Sound funding principles aligned to good governance and self funding



Mandate

All parties must be empowered to execute on their mandate and will be held accountable and responsible

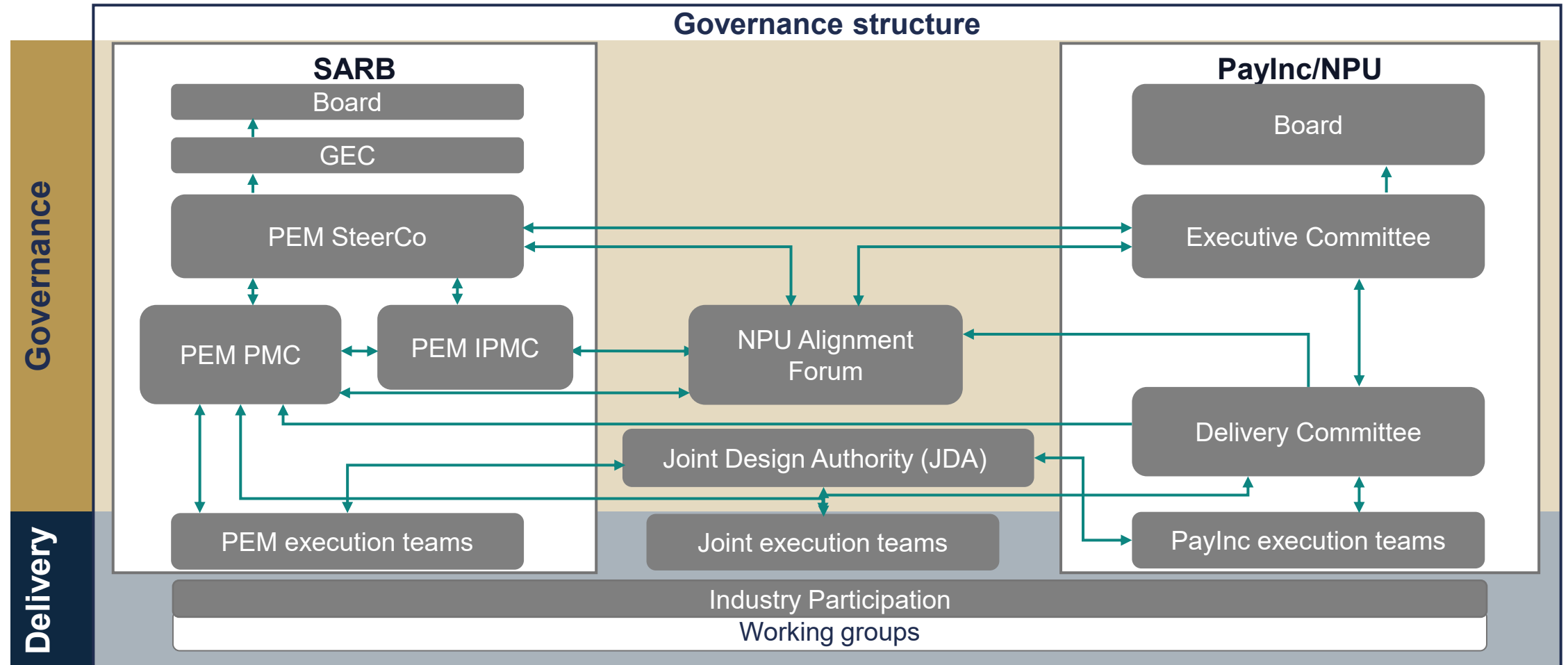


Adaptability

Enabling structures will continuously be evaluated and improved to support ongoing efficiency

The NPU Alignment Forum was established to facilitate strategic alignment, enabling PayInc to deliver in accordance with the strategic goals of the NPS

Governance structure



 Industry working groups will be topic-specific and may include industry participants.

The Forum provides executive oversight of PayInc's strategic portfolio of work for matters that either directly or indirectly impact the curation of the NPU

The role of the NPU Alignment Forum – Process example



QR+

as an example of an in-flight project

Scenario: A project scope change is proposed

- 1 The process initiator identifies a need for a scope change and submits a request to the Delivery Committee/PMC
- 2 The Delivery Committee/PMC assess whether the decision is within its ambit
- 3 The Delivery Committee/PMC resolves the request or refers the request to the NPU Alignment Forum Secretariat
- 4 The Secretariat assesses whether consultation with the Forum is required
- 5 If consultation is required, the request is tabled at the Forum
- 6 Forum members discuss the request and formulate a recommendation for submission to PEM IPMC
- 7 PEM IPMC reviews the recommendation and assesses the criticality of the scope change
- 8 The IPMC approves/rejects the request if the scope change falls within its ambit
- 9 If the scope change falls out of the IPMC's ambit a recommendation is made to PEM SteerCo
- 10 PEM SteerCo reviews the recommendation and evaluates whether an escalation is required
- 11 PEM SteerCo approves/rejects the request/refers decision to GEC for approval
- 12 PEM SteerCo provides feedback to PayInc Exco
- 13 PEM SteerCo communicates the outcome of the request to IPMC
- 14 IPMC provides feedback to execution teams

In the interim, the programme set out to workshop the conceptual design of PEM in FGDs with a joint SARB and PayInc team

Purpose of the FGDs

1



Work together to **reaffirm/ identify** solutions that will enable us to achieve the **PEM objectives**

2



Develop a **conceptual design** for the solutions that enable us to:

2a

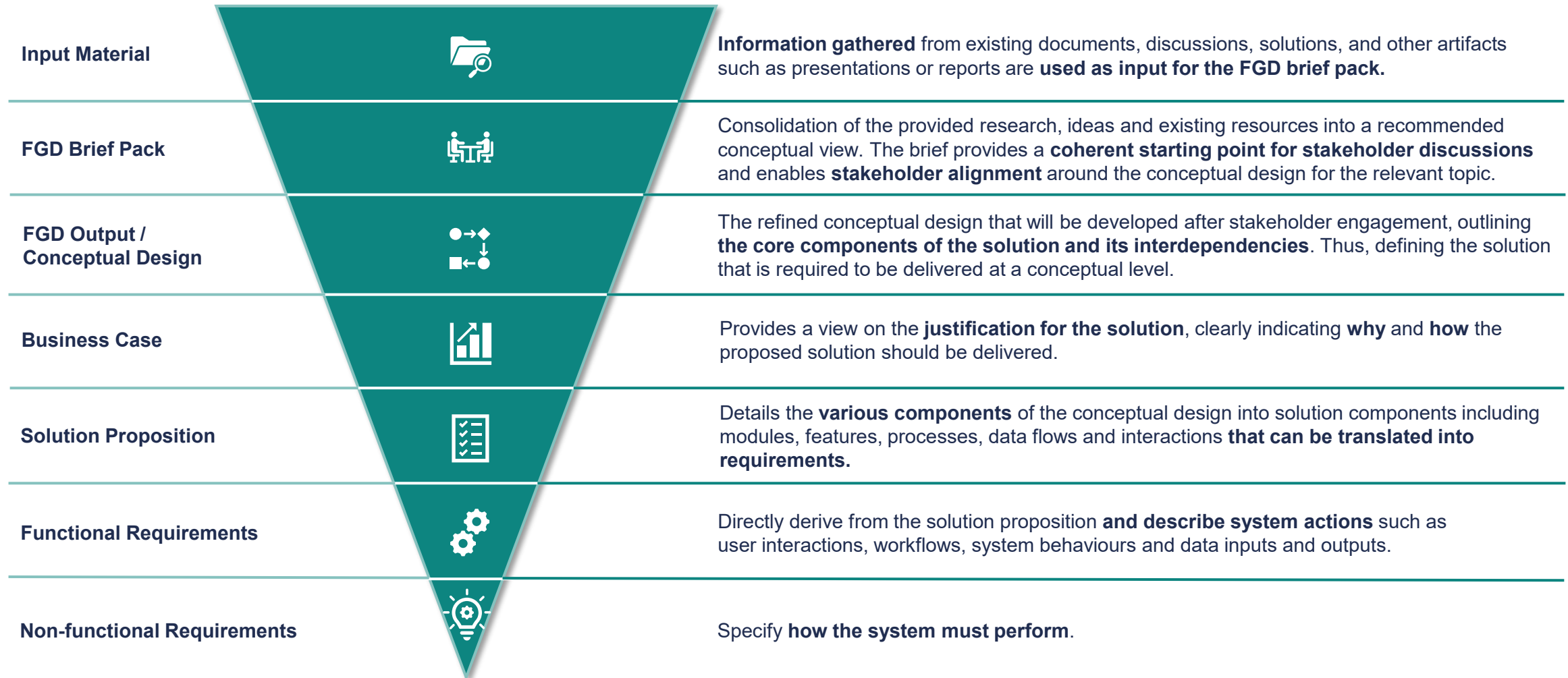
Complete the next step, e.g. business case or solution proposition (functional solution design)

2b

Develop the high-level roadmap with potential quick wins to enable prioritisation, focus and resource allocation

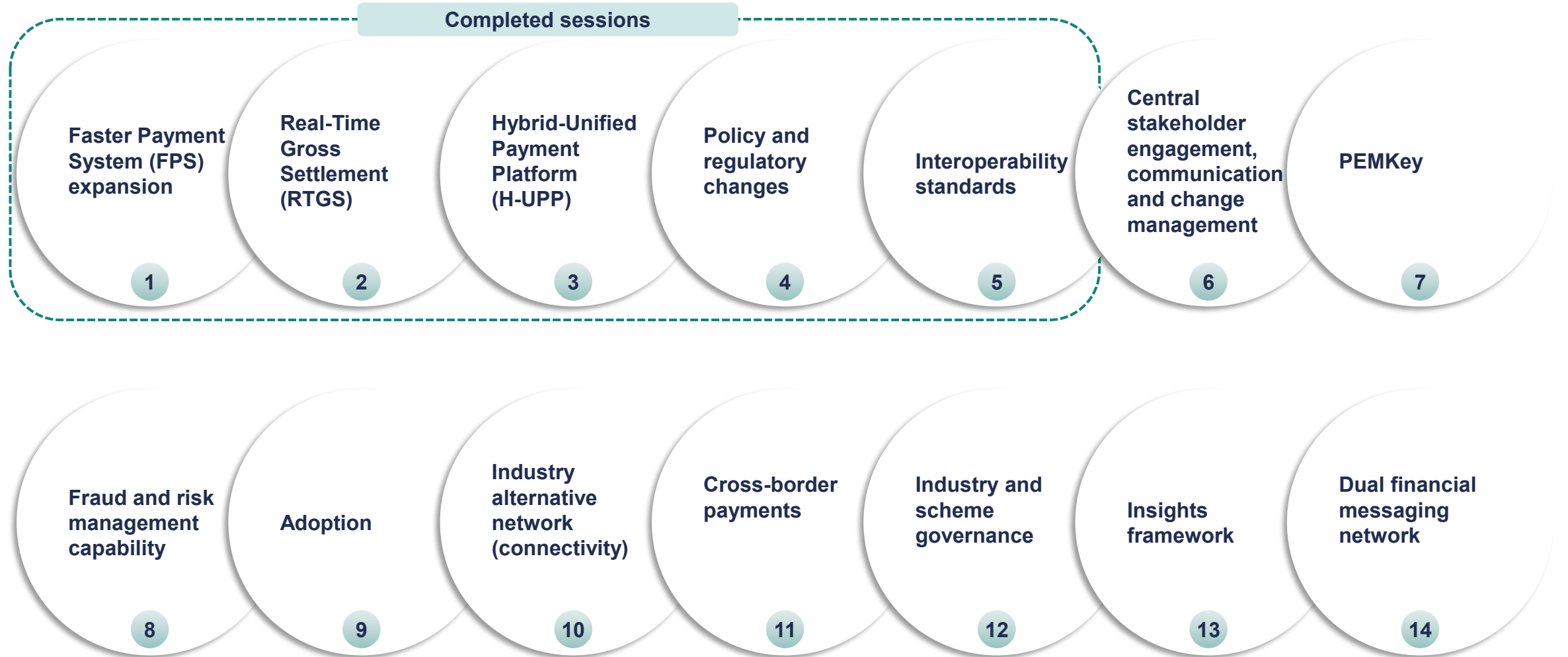
The FGDs are essential in translating insights into the requirements that will drive and enable each solution component

Scoping: Deliverables produced at each stage



The conceptual design process is structured around unpacking various topics for inclusion in scope

Current engagements – Focus Group Discussions



4



PEMKey show and tell

Gerhard Cronje and Gerhard Jacobs

Meet your presenters for this session

Presenters

Presenters



Gerhard Cronje
PEMKey Owner



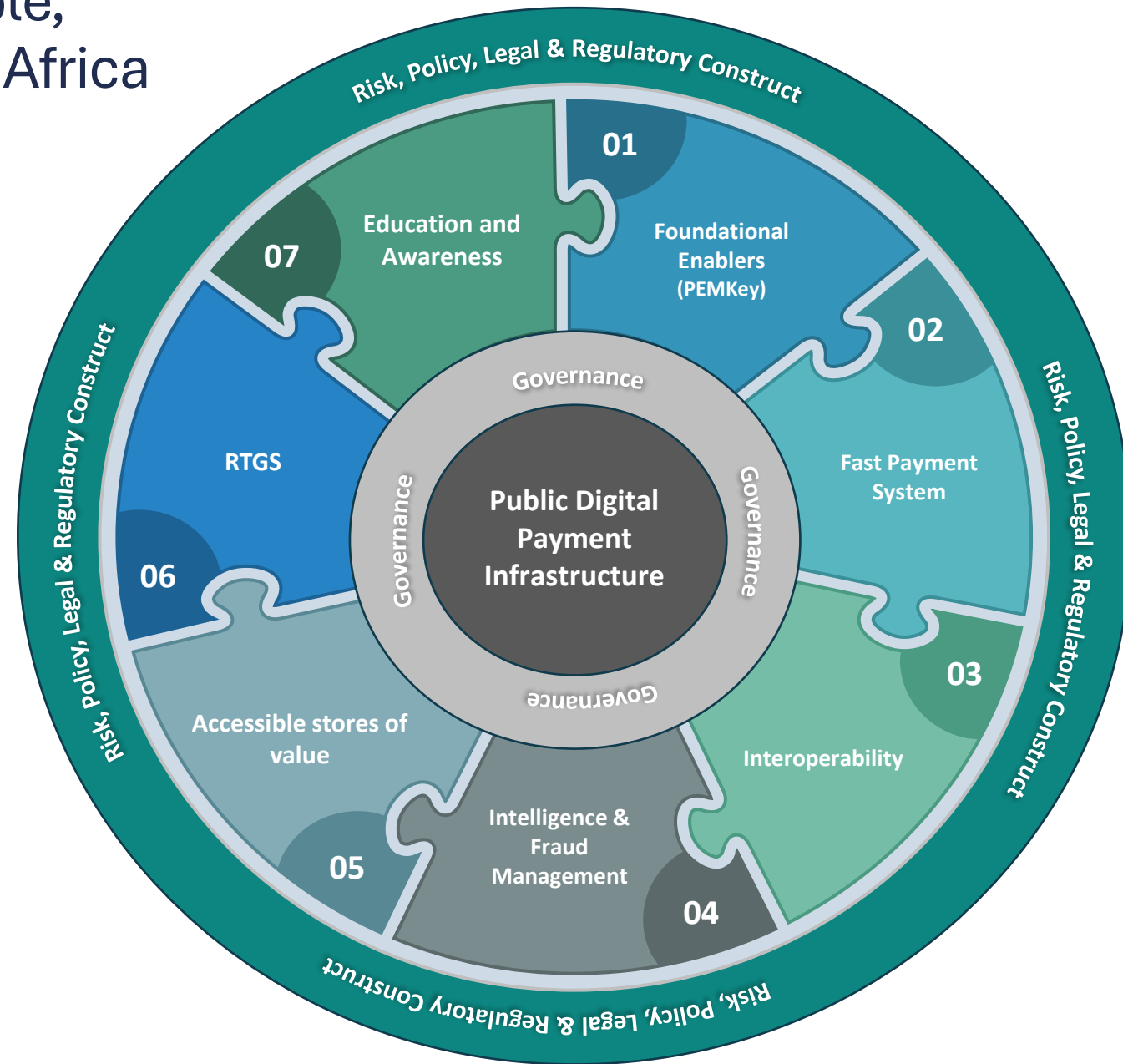
Gerhard Jacobs
PEMKey Programme
Manager



PEM delivers fast, simple, affordable, secure, digital payments for South Africa

PEMKey enables trusted participation and safe digital payments through reusable digital proof, underpinning multiple PEM capabilities.

- **Supports faster and safer payments** through increased confidence in participation.
- **Enables interoperability** through consistent, verifiable consent and authority.
- **Strengthens fraud mitigation** by improving assurance of participant actions.
- **Supports accessible stores of value** by lowering onboarding friction and improving access.

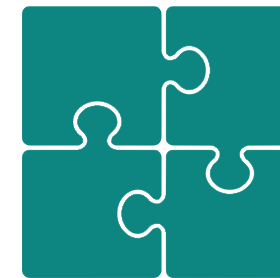
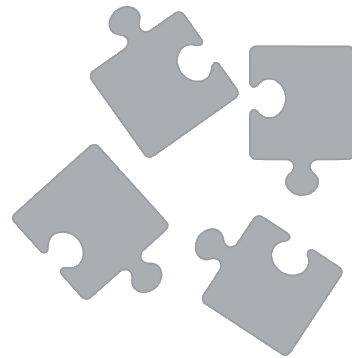


From Payment Risk to Trusted Payments

Today
Trust is rebuilt repeatedly

Tomorrow
Trust is established once and reused

<ul style="list-style-type: none"> • Re-onboard every time 	<ul style="list-style-type: none"> • Trusted Ecosystem
<ul style="list-style-type: none"> • Physical document dependence <ul style="list-style-type: none"> • Low trust • Exclusion 	<ul style="list-style-type: none"> • Verifiable credentials <ul style="list-style-type: none"> • High trust • Inclusion
<ul style="list-style-type: none"> • Multiple 3rd party integrations <ul style="list-style-type: none"> • Complexity • Cost 	<ul style="list-style-type: none"> • Single integration via wallet <ul style="list-style-type: none"> • Standards based • Re-use
<ul style="list-style-type: none"> • Admin hurdles deter end-user choice 	<ul style="list-style-type: none"> • Streamlined admin
<ul style="list-style-type: none"> • Ongoing compliance burden for participants and end-users 	<ul style="list-style-type: none"> • Streamlined compliance



PEMKey enables the shift from institution-centric compliance to user-centric, reusable trust.

From Fragmentation to Trusted Participation

When trust is applied in silos, participation becomes unreliable and risk increases

Today



- Payment fraud
- SIM-swap fraud and account compromise
- Mule accounts
- Customer account takeovers
- Fragmented risk and compliance controls

These are not isolated failures — they are outcomes of fragmented trust.

Tomorrow



A foundation for safer, trusted digital payments

Controls remain decentralised — but trust becomes interoperable

A Different Trust Model for Digital Payments

To address the risks created by fragmented trust, PEMKey introduces a different trust model

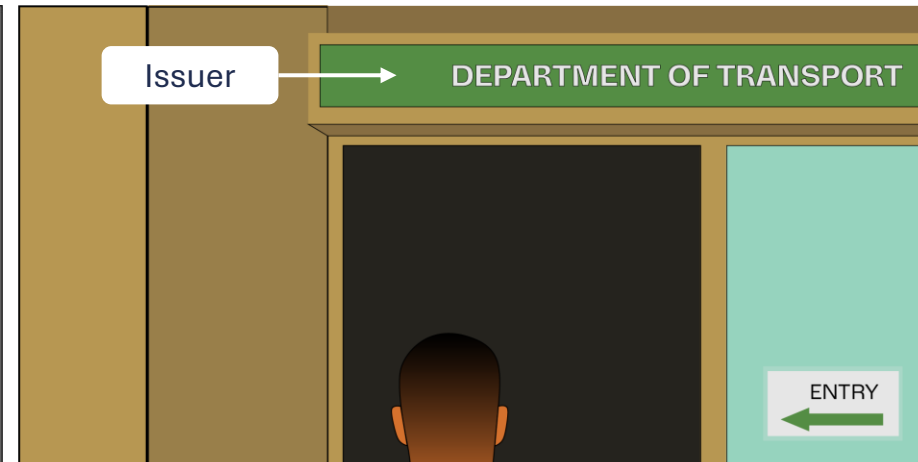
A PEMKey is a secure, reusable and trusted **digital proof** of who you are in the **payments ecosystem** — and other necessary information — that **you control**, enabling safe and fast digital payments everywhere and for anyone.

Understanding PEMKey Language

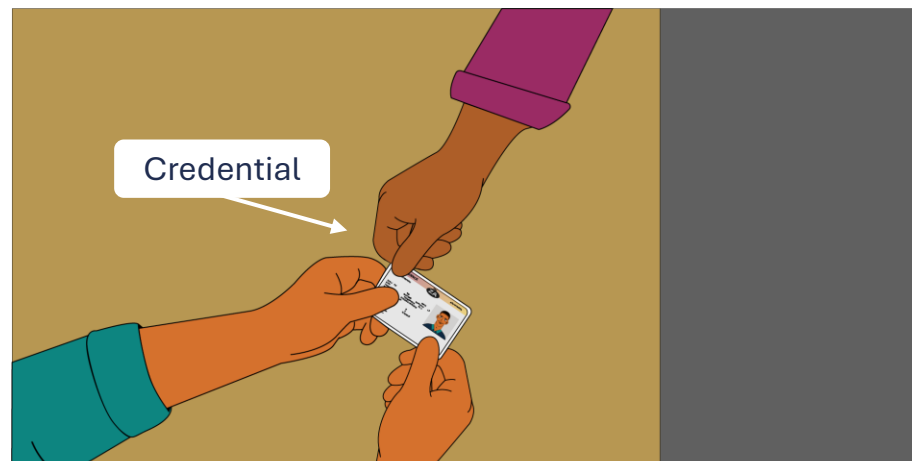
These concepts already exist — we're just making them digital



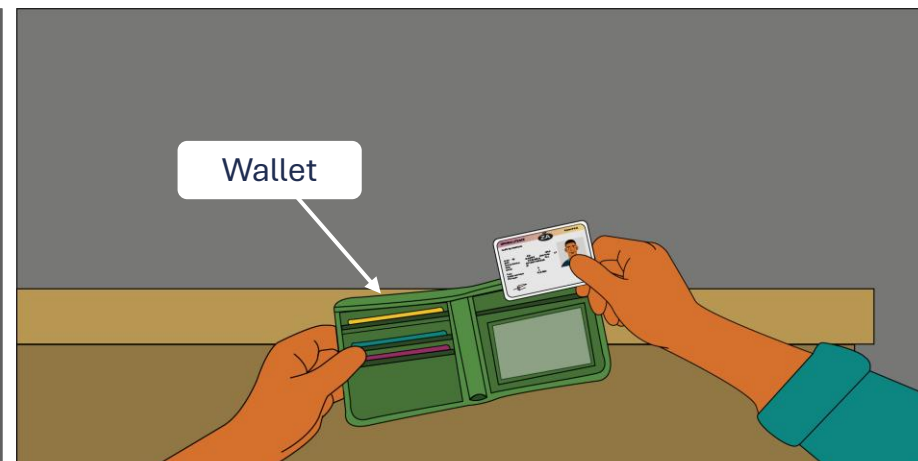
The person who uses and controls their credentials.



A trusted authority that can vouch for something about you.



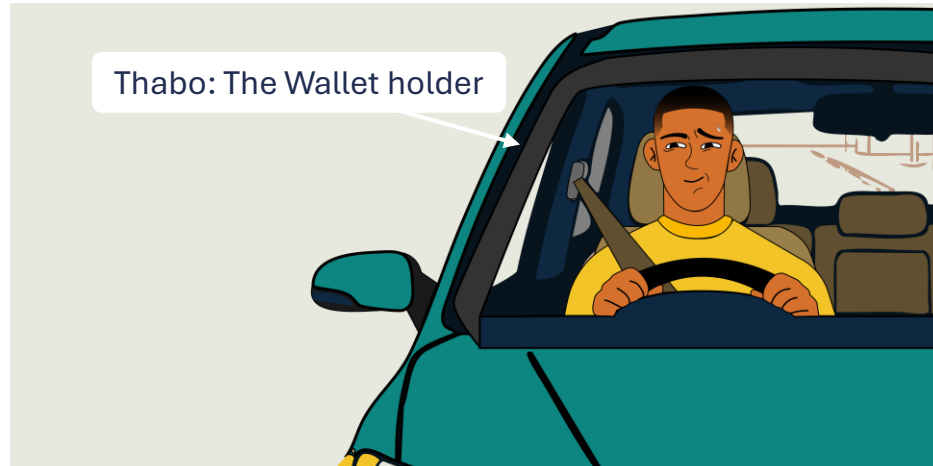
A digital proof issued by the issuer.



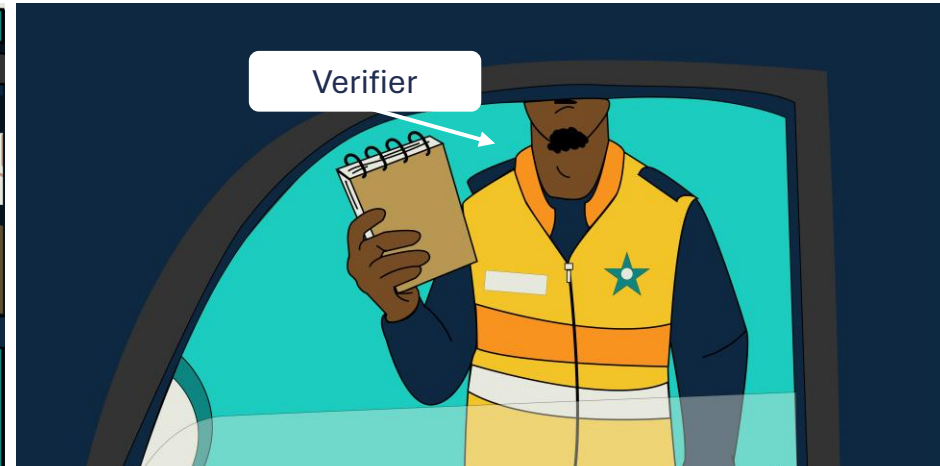
Where you keep your credentials and choose when to share them.

Understanding PEMKey Language

Verification replaces repeated integrations and document checks



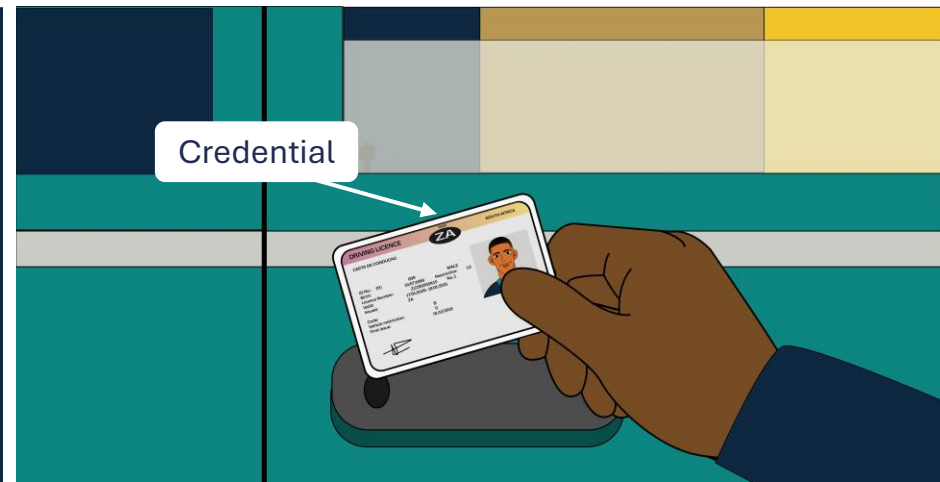
The person presenting proof, with consent.



The party that checks proof — without keeping it.



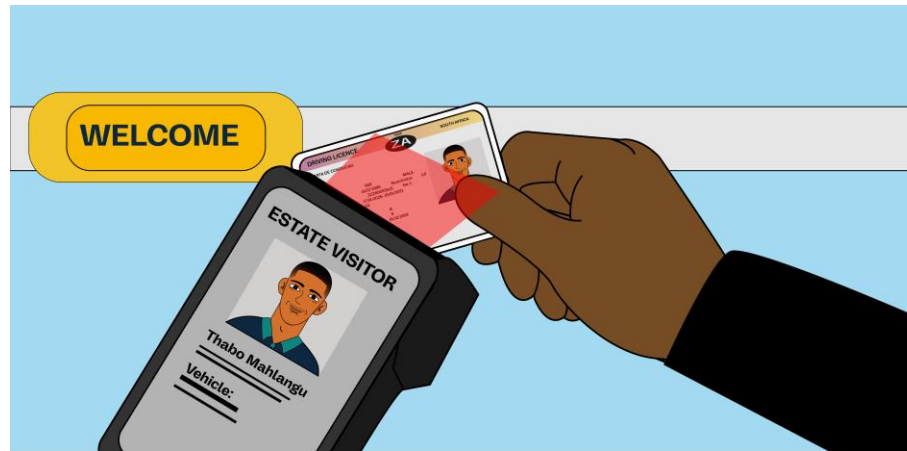
Where credentials are presented from, under the user's control.



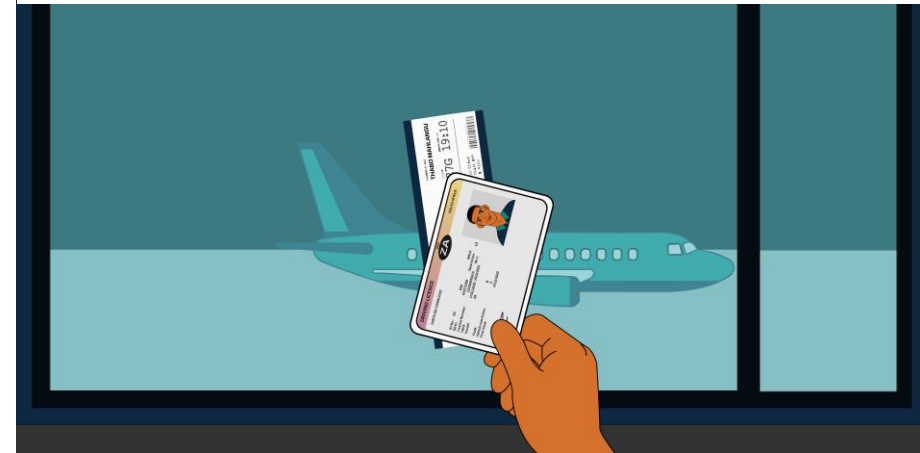
The proof being verified.

Physical World Credential Re-use

Entering an estate



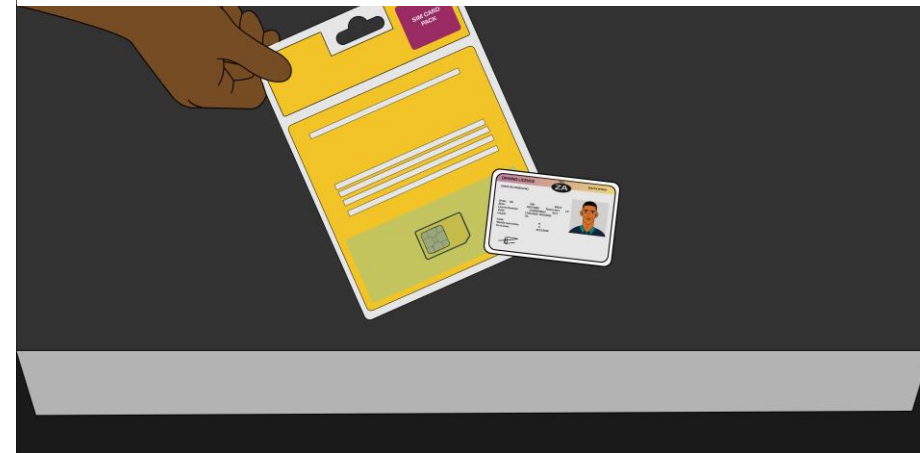
Boarding a Plane



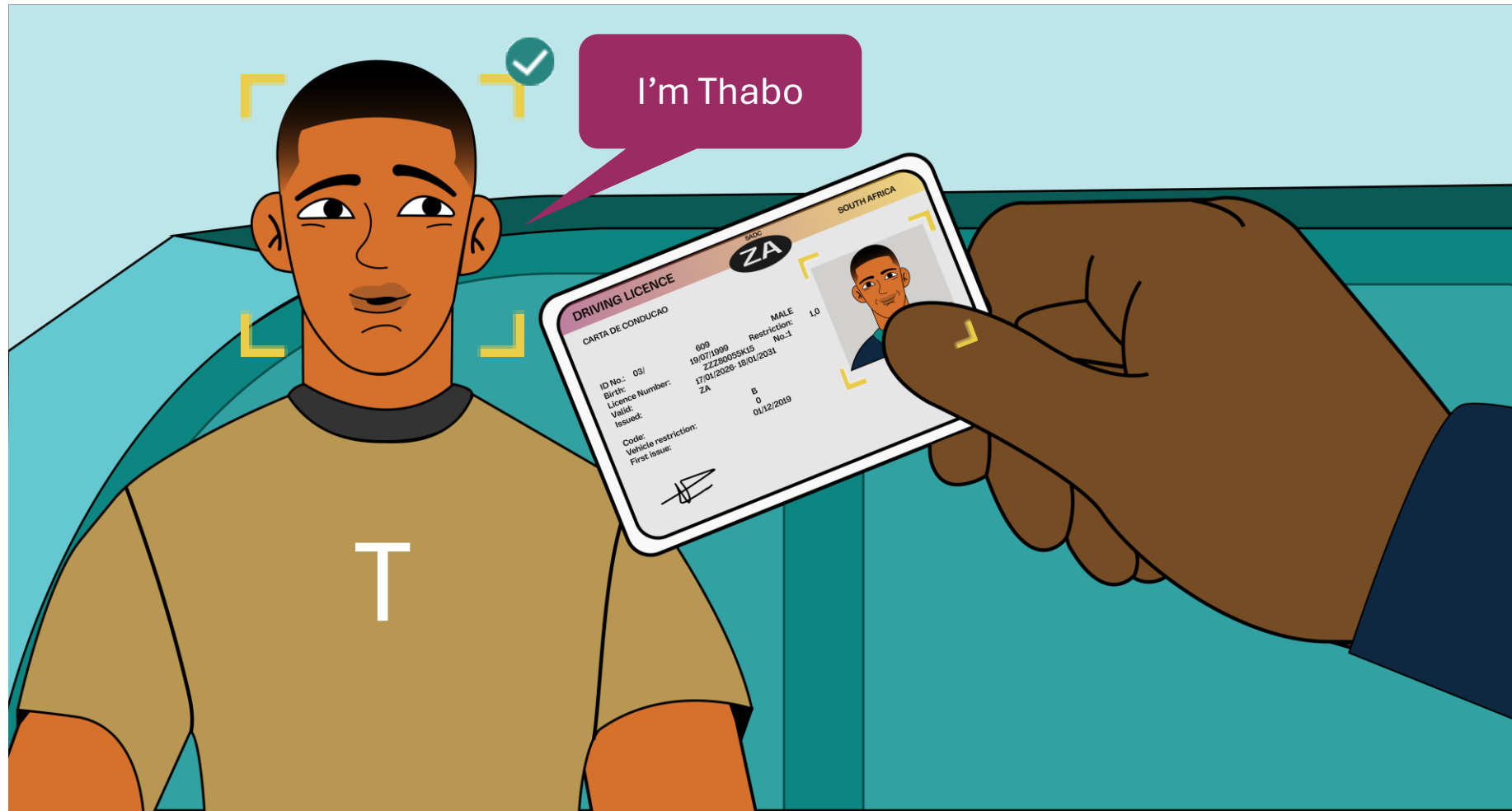
Checking in at a hospital



Getting a SIM (RICA)

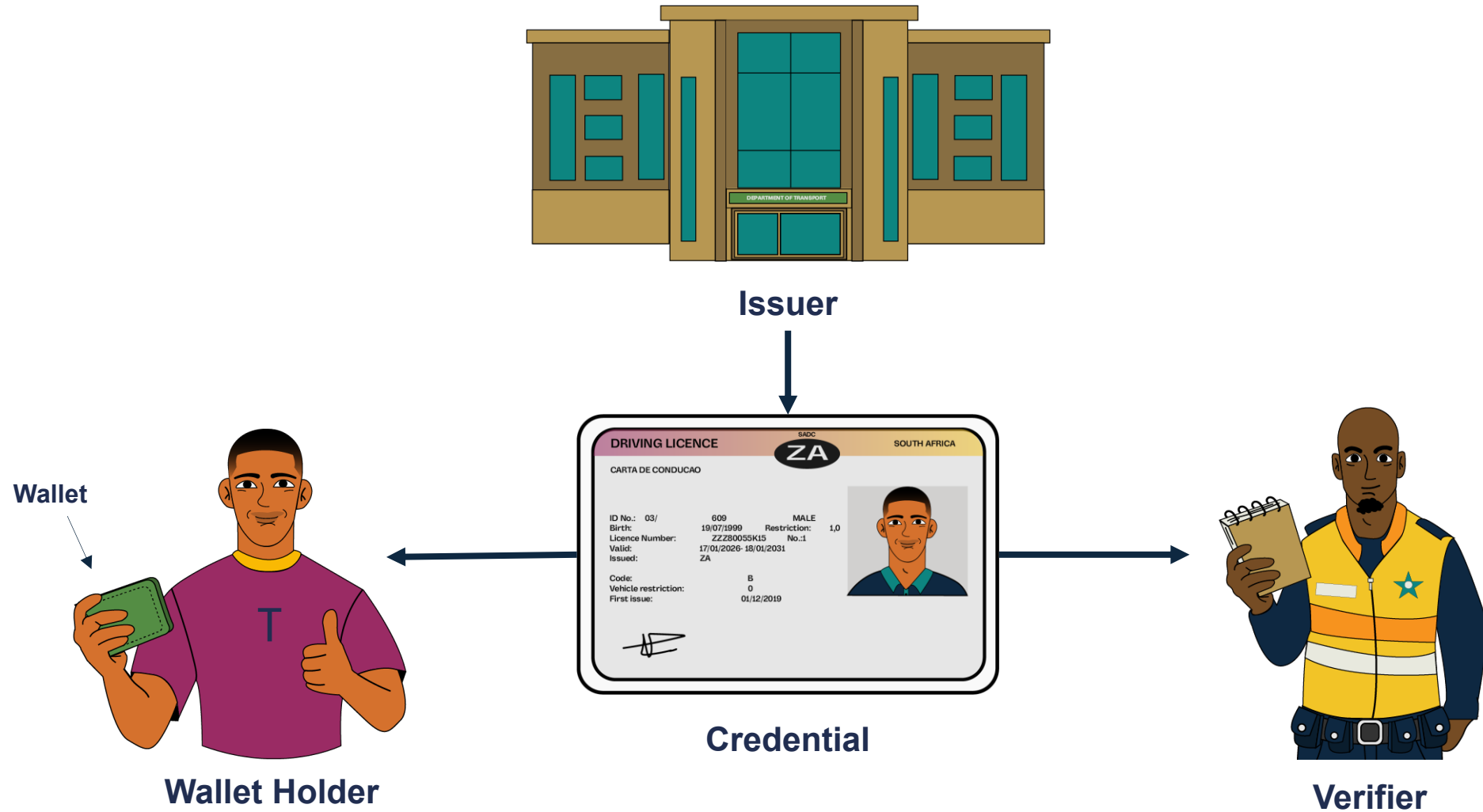


Biometric Linking & Liveness Checks



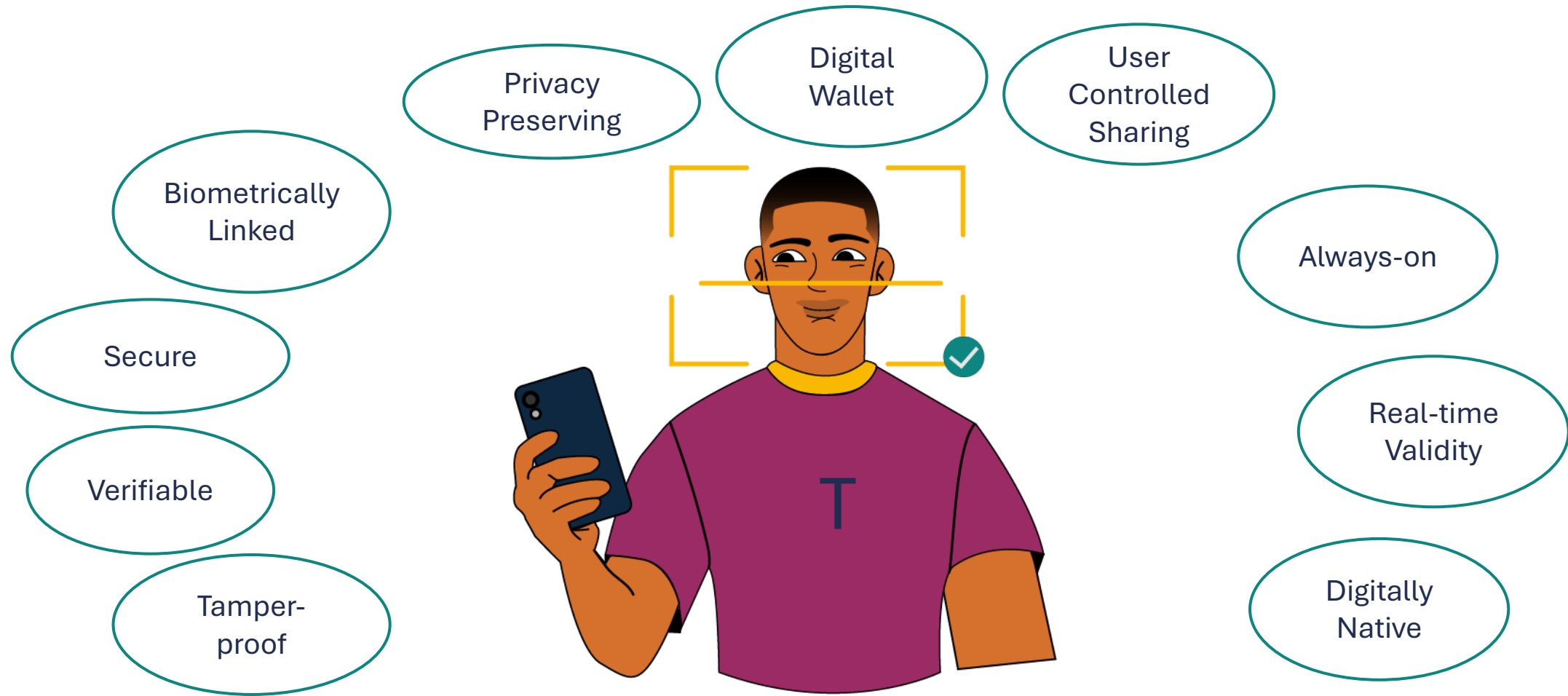
Biometric linking with liveness confirms a real, present person at credential issuance.

PEMKey Language Recap



Verifiable Credentials

Digital credentials introduce properties that physical proofs cannot provide



Physical credentials can be shown. Digital credentials can be verified.

PEMKey: Trust in Who's Participating in Payments

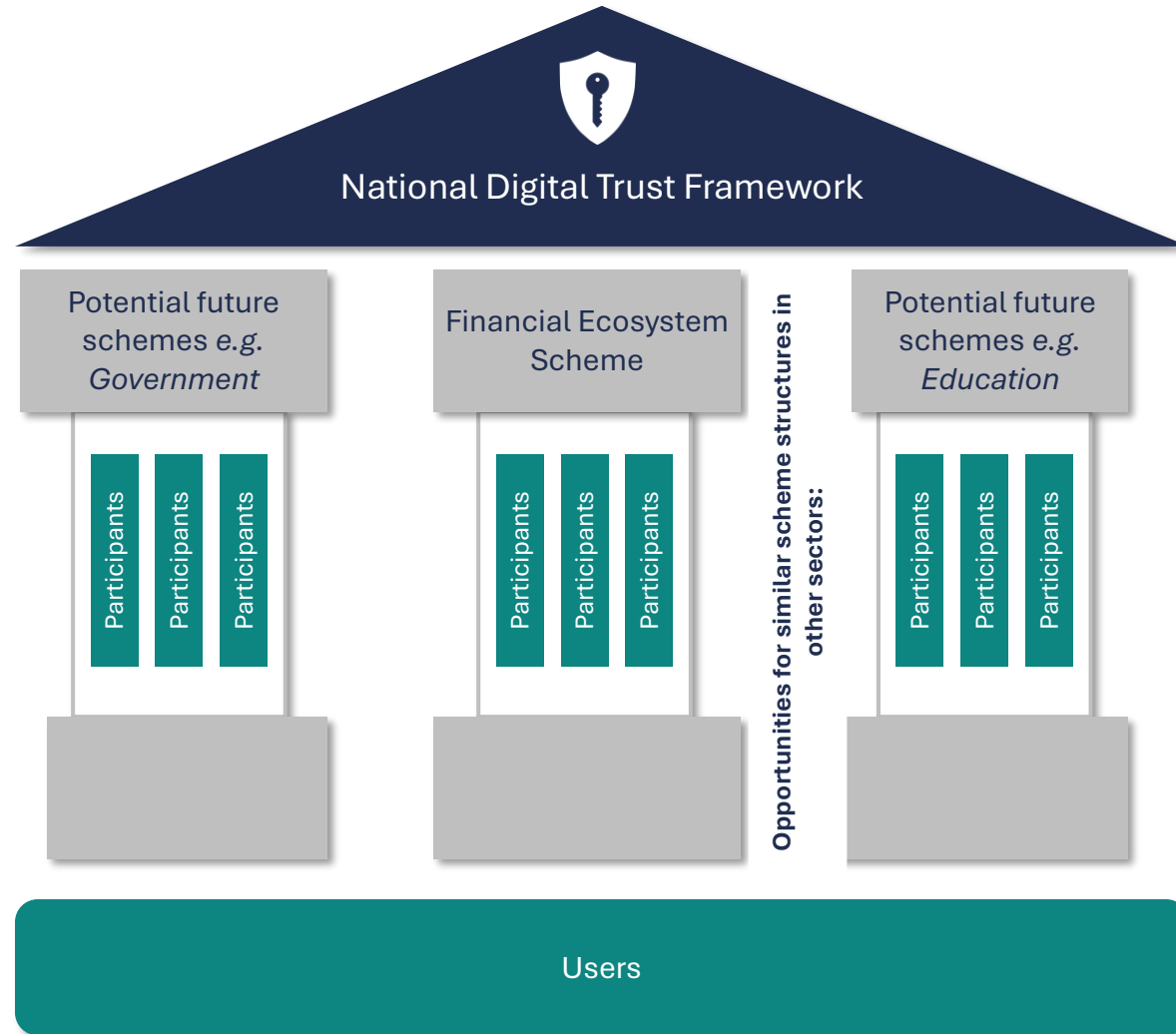
Digital verification strengthens payments without changing how money moves



Governance & Trust Framework Hierarchy

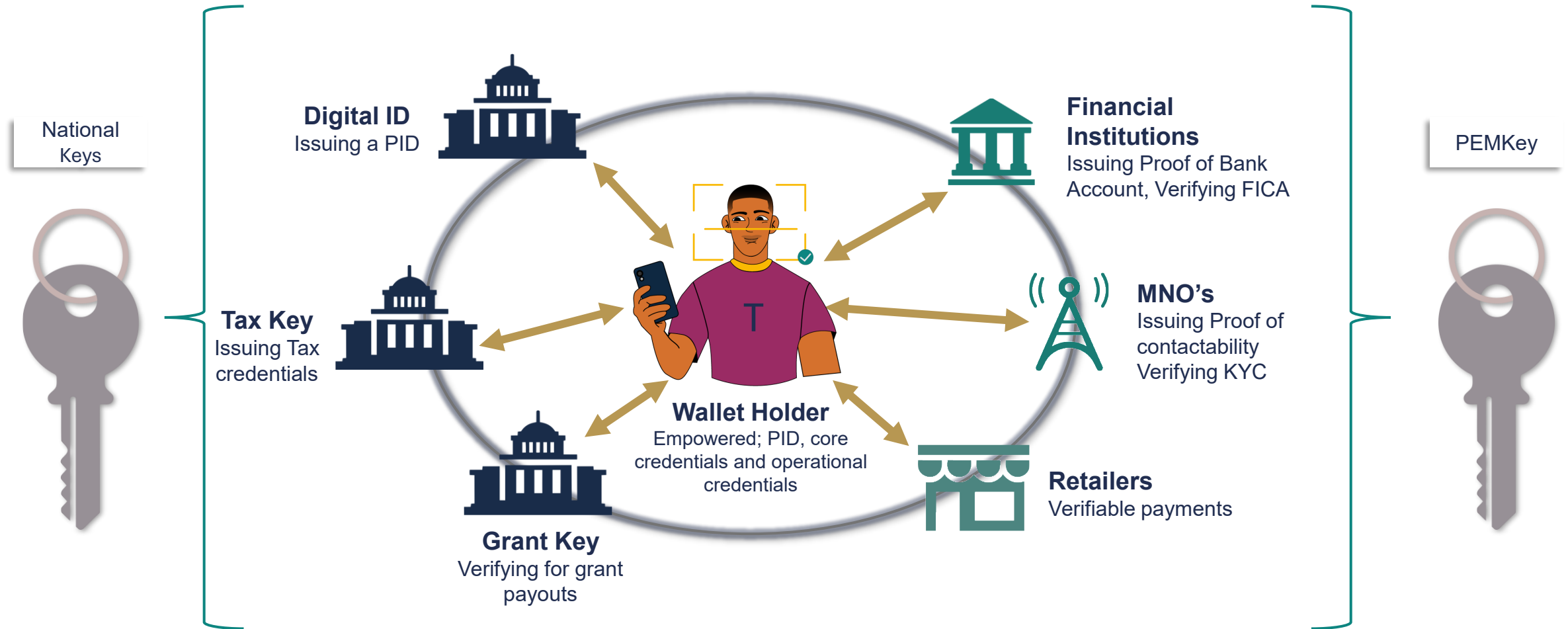
National Trust & Enabling Scheme Trust

 PKI supported



The Overall Vision: A Unified National Ecosystem

Replacing Manual Friction With Instant, Authenticated Trust Across Every Sector



The common element is not shared systems or shared data, but shared trust principles and interoperability.

The Shared Trust Framework



Trust Scheme(s)

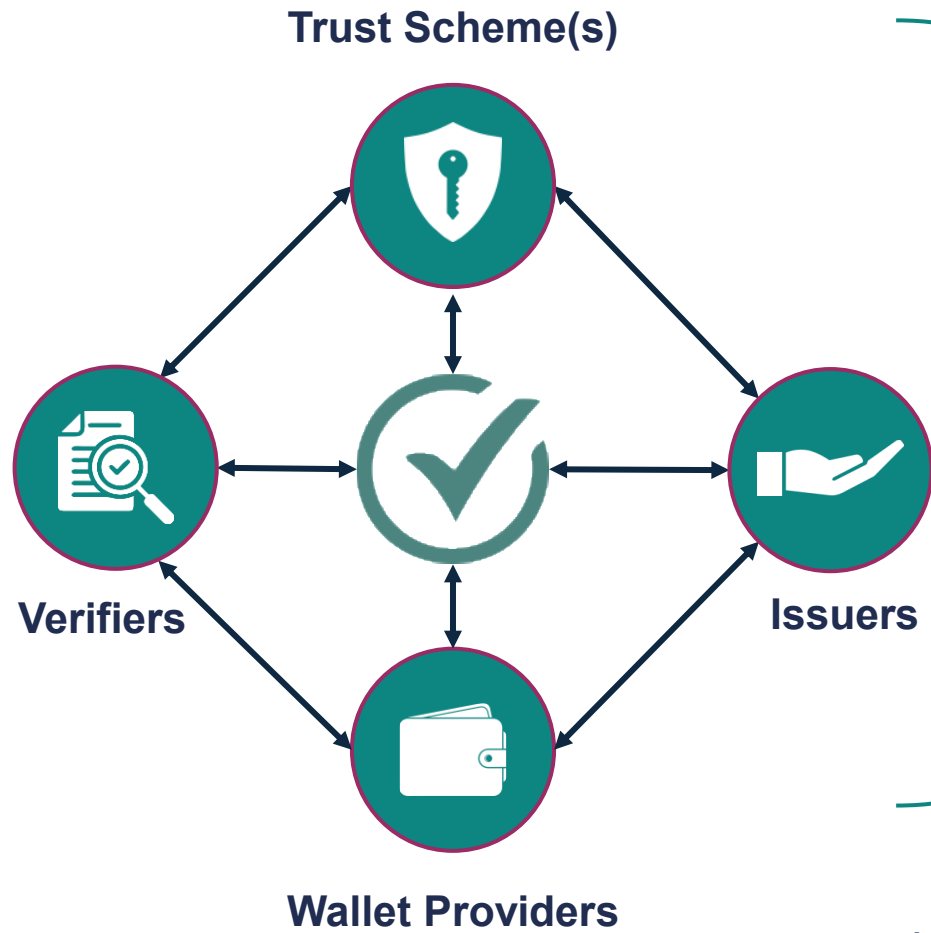


- Rules of the Game
- Who can Issue
- Who can be a Verifier
- Trusted Wallets

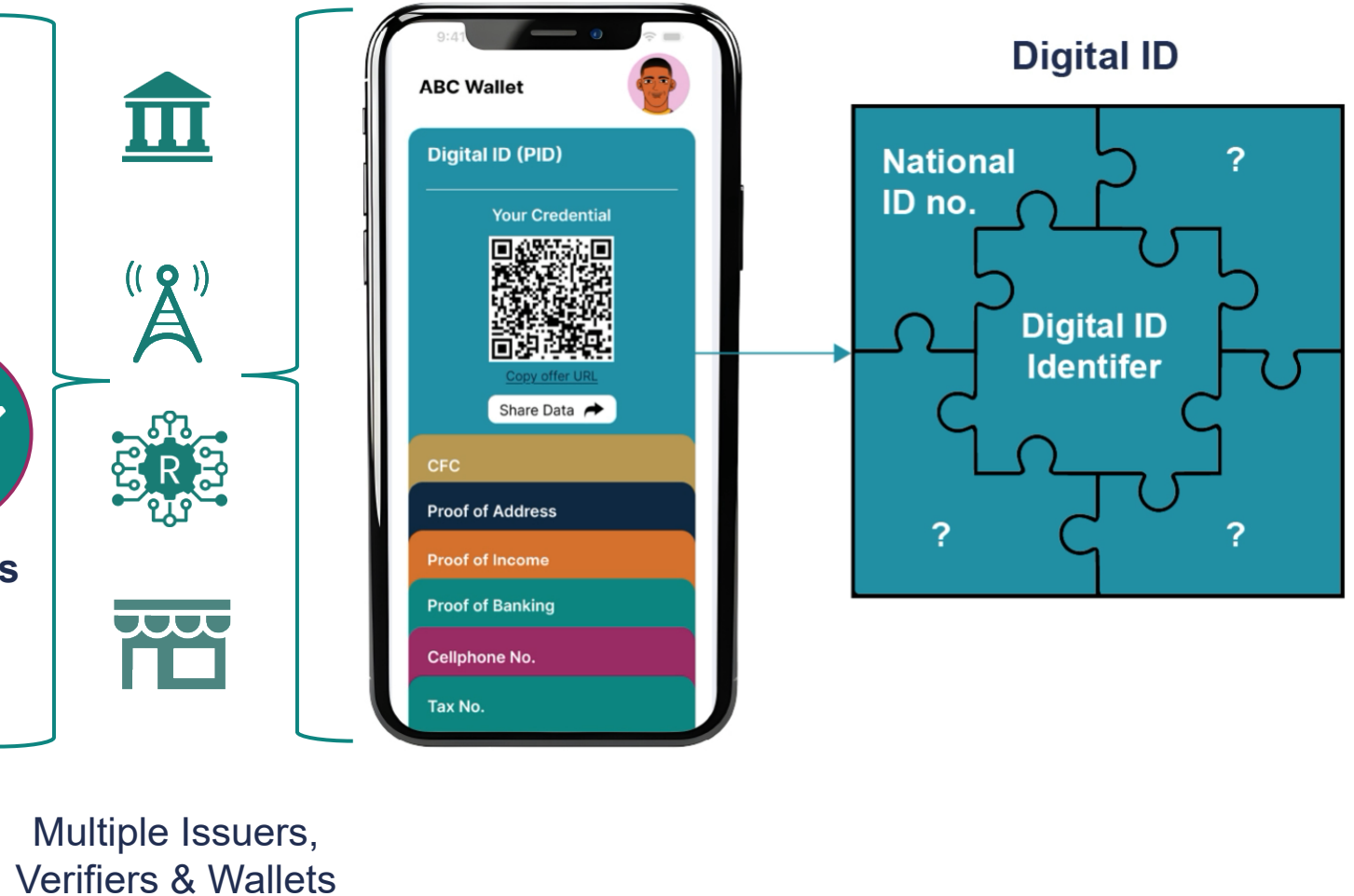
Shared Trust in Action

Shared trust allows independent participants to interoperate safely, without deep integration or duplication

Trust Ecosystem



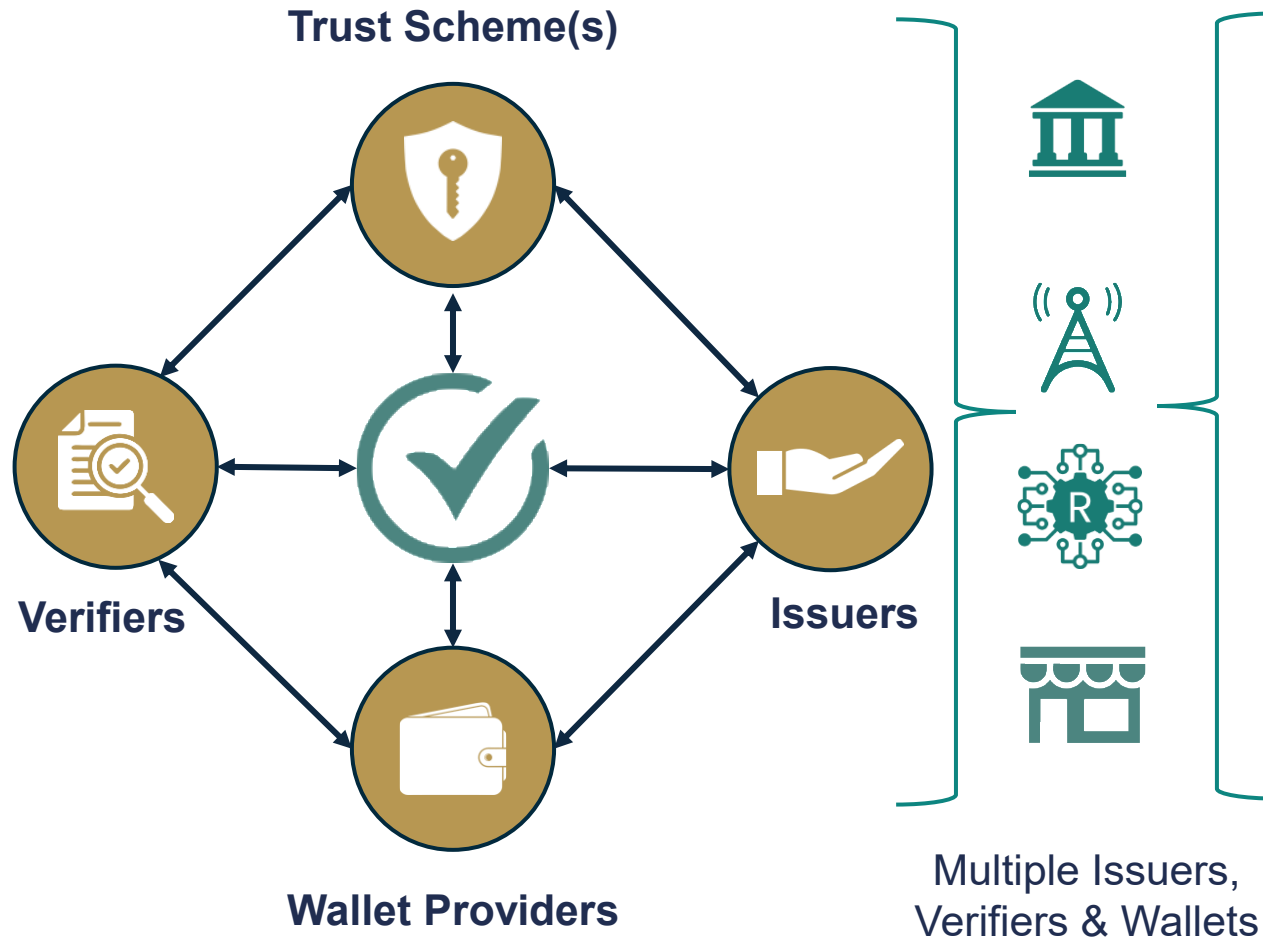
Verifiable Credentials



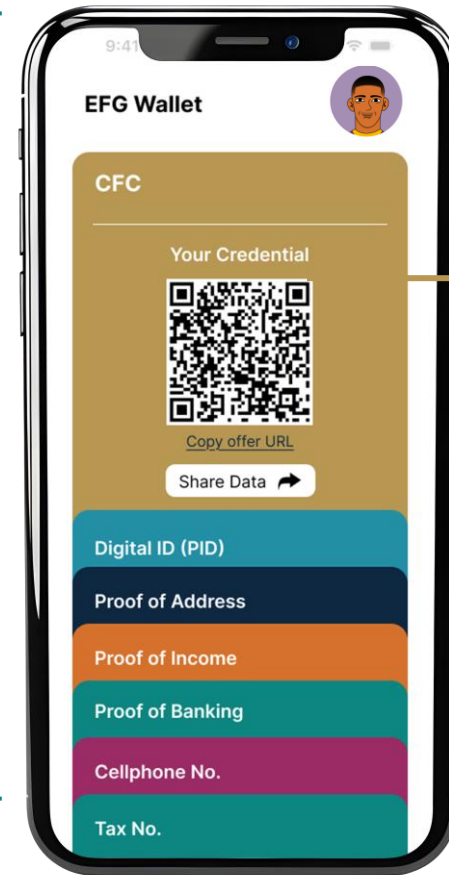
PEMKey Components

PEMKey brings together a trust ecosystem, a core financial credential, and supporting credentials for safe participation

Trust Ecosystem



Core Financial Credential



CFC identifier — a scheme-level reference to the credential, without exposing underlying identity.

Digital reference to a verified national identity (where available) — with authority remaining at the identity source.

CFC level — indicating the strength of assurance based on what has been verified under scheme rules.

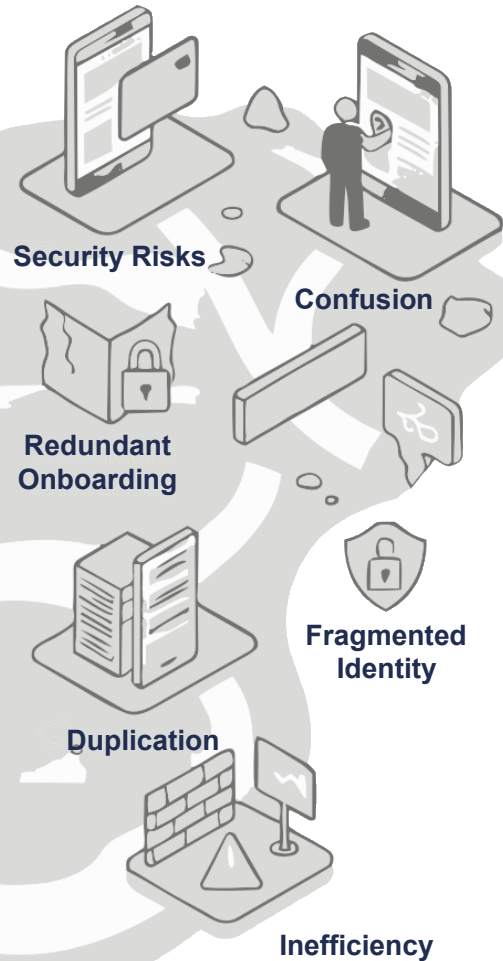
Safety indicator — surfacing controlled safety signals, including participant- or user-initiated signals.

Proxy — enabling interactions without sharing primary identifiers, reducing unnecessary exposure.

The Re-use Of The National Infrastructure To Unlock Value For All

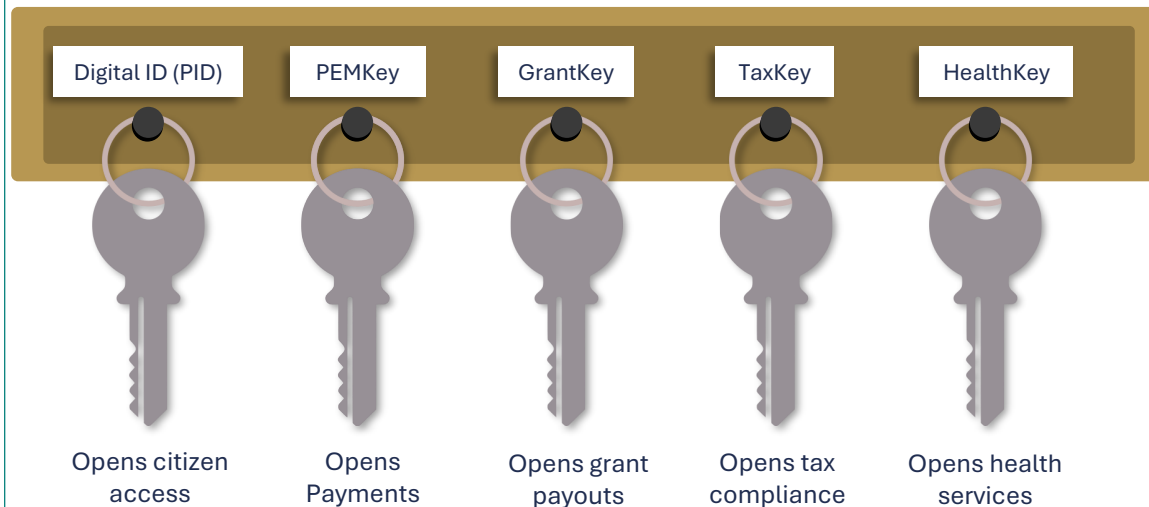
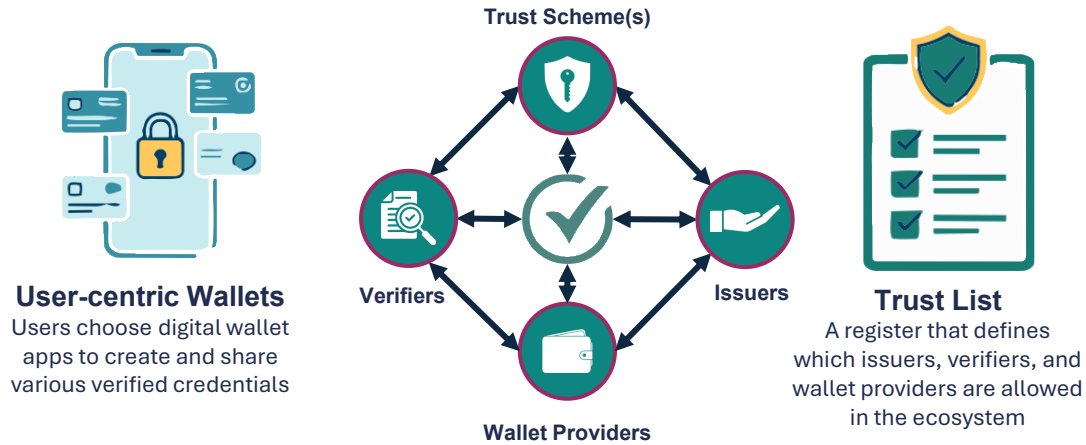
Current Environment

Fragmented Systems



What The Solution Introduces

Centralised Trust

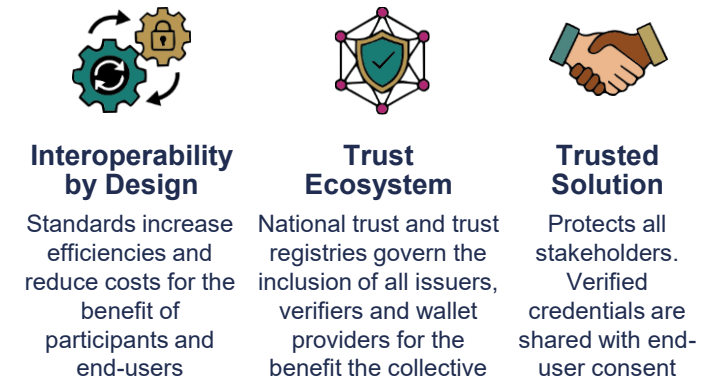


Future Environment

Shared Trust Ecosystem



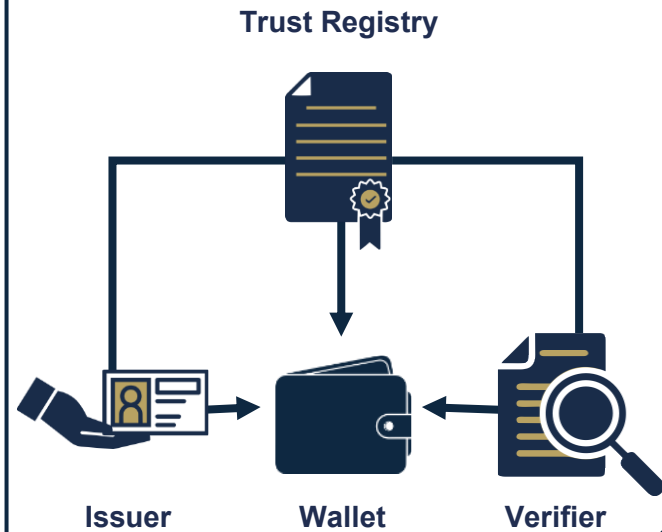
Friction-free user journey
Users share credentials with consent



Friends & Family

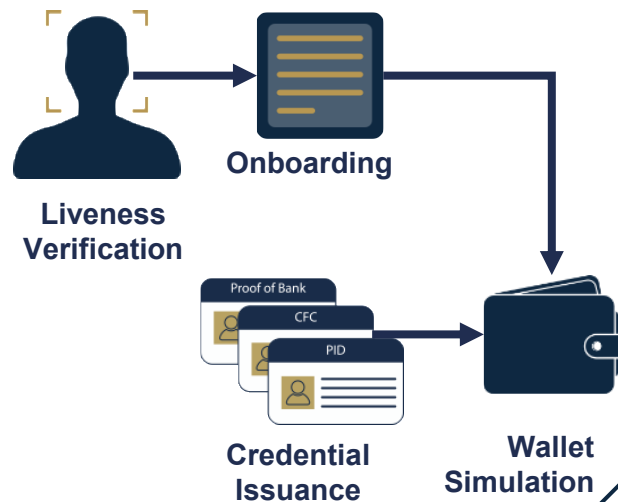
Trust Capabilities

- PKI
- Trust List
- Issuer
- Verifier
- Wallet Capability



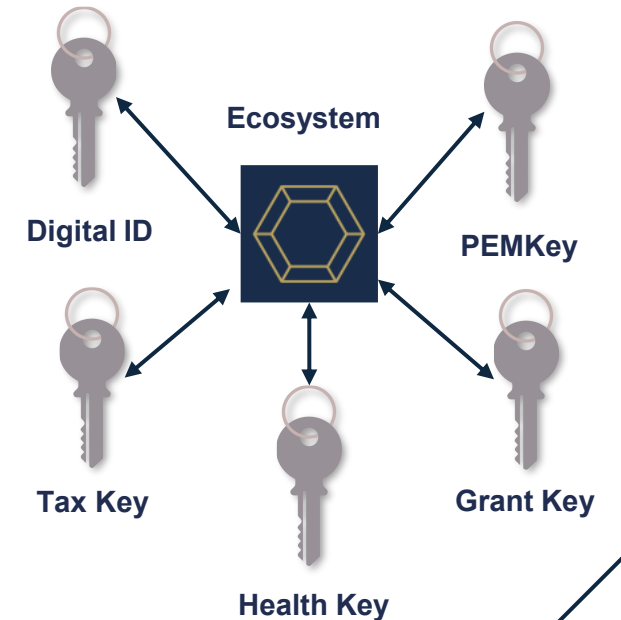
Demo Use Cases

- User onboarding with liveness verification
- Credential issuance
- Credential sharing with end-user consent



Ecosystem simulation

- 3rd party Issuers and Verifiers (Relying Parties)
- Demonstrate secure reuse of credentials (interoperability)



Demonstration

Onboarding - CFC
with PID

Social Grant &
Student Aid

Onboarding - CFC
without PID

Tax Number
Credential



Next Steps



For participation or follow-up: gerhard.jacobs@resbank.co.za

5



PEMKey panels

Gerhard Cronje and Gerhard Jacobs

Meet your moderator and Panellists for PEMKey panel 1: Tech

Moderator and Panellists

Moderator



Gerhard Cronje
PEMKey Owner

Panellists



Maeson Maherry
Wyzetree Chief Solutions
Officer



Shaun Strydom
Founder and Executive
Head of Contactable



Lohan Spies
Founder of DIDx

Meet your moderator and Panellists for PEMKey panel 2: Governance

Moderator and Panellists

Moderator



Gerhard Cronje
PEMKey Owner

Panellists



Elmo Hildebrand
PEMKey Strategic Advisor
PwC Engagement Leader



Liezl Neethling
PEM Policy and
Regulatory Lead



Jason Erasmus
PEMKey Strategic Advisor
PwC Engagement Manager

6



International learnings

*Moderator: Mellanie de Jager
Panel: Calosha Ramlall, James
Thomas and Ben Janse van Rensburg*

Meet your moderator and Panellists for this session

Moderator and Panellists

Moderator



Mellanie de Jager
PEM Programme
Delivery Director

Panellists



Calosha Ramlall
PEM Payments
Product Specialist



James Thomas
PEM Technical
Director



Ben Janse van Rensburg
PayInc Chief Information
Officer

7



Realities on the ground

Kagisho Dichabe, Lincoln Mali and Ravi Shanmugam

Meet your facilitators for this session

Facilitators

Facilitators



Kagisho Dichabe
Co-Founder at
AfriNova Digital and
Chairman at FINASA



Lincoln Mali
Chief Executive Officer
at Lesaka
Technologies Inc.



Ravi Shanmugam
CEO of the EFT
Product House
within First Rand
Bank, SA



8



Closure

Mellanie de Jager



Thank you



SOUTH AFRICAN RESERVE BANK

Payments Ecosystem Modernisation

10 April 2026

Industry Dialogue

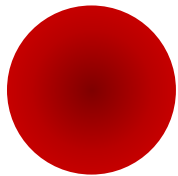
Payments Ecosystem Modernisation Programme

Start	End	Duration	Topic	Speaker
09:00	09:15	15	Opening and recap of day 1	Gerhard Jacobs
09:15	10:15	60	Panel Discussion: Regulatory Building Blocks	Moderator: Arif Ismail Panel: Nicole Kettles, Israel Skosana, Busi Radebe and Junaid Dadan
10:15	10:45	30	Payment Initiation in the Authorisation Framework and the role of PEM	Peter Makgetsi
10:45	11:15	30	Tea Break	
11:15	11:45	30	QR+ Roadmap	James Thomas and Israel Skosana
11:45	12:45	60	Immediate focus – 2026/27 delivery roadmap and MVP	Israel Skosana and Mellanie de Jager
12:45	13:00	15	Day closure	Pradeep Maharaj
13:00	14:00	60	Lunch	



Agenda Industry Dialogue

10 April 2026



1



SOUTH AFRICAN RESERVE BANK



Opening and recap of day 1

Gerhard Jacobs

Meet your presenter for the session

Presenter

Presenter



Gerhard Jacobs
PEMKey Programme
Manager



2



Regulatory building blocks

*Moderator: Arif Ismail
Panel: Nicole Kettles, Israel Skosana, Busi Radebe and Junaid Dadan*

Meet the moderator and Panellists for this session

Moderator and Panellists

Moderator



Arif Ismail
SARB Head of
National Payment
System Department

Panellists



Nicole Kettles
Independent
Consultant
Supporting Fintechs



Israel Skosana
PayInc Chief
Product and
Scheme Officer



Busi Radebe
Capitec
Head Card and
Electronic Payments



Junaid Dadan
Co-founder and
President of Stitch

3



Payment initiation

Peter Makgetsi

Meet your presenter for this session

Presenter

Presenter



Peter Makgetsi
SARB NPSD Policy
and Regulation
Senior Analyst



Outline and purpose

- 1 Current state
- 2 Key risks
- 3 Policy response: Authorisation Framework
- 4 Why PEM is involved
 - PEM to execute payment initiation
 - Technical standards

Disclaimer: The intention is not for the SARB to open another round of consultation on the Authorisation Framework



Current state



Payment initiation in SA relies largely on-screen scraping, with limited and fragmented API usage

Key risks

Screen scraping is largely conducted without the payer's understanding of the implications of sharing the credentials

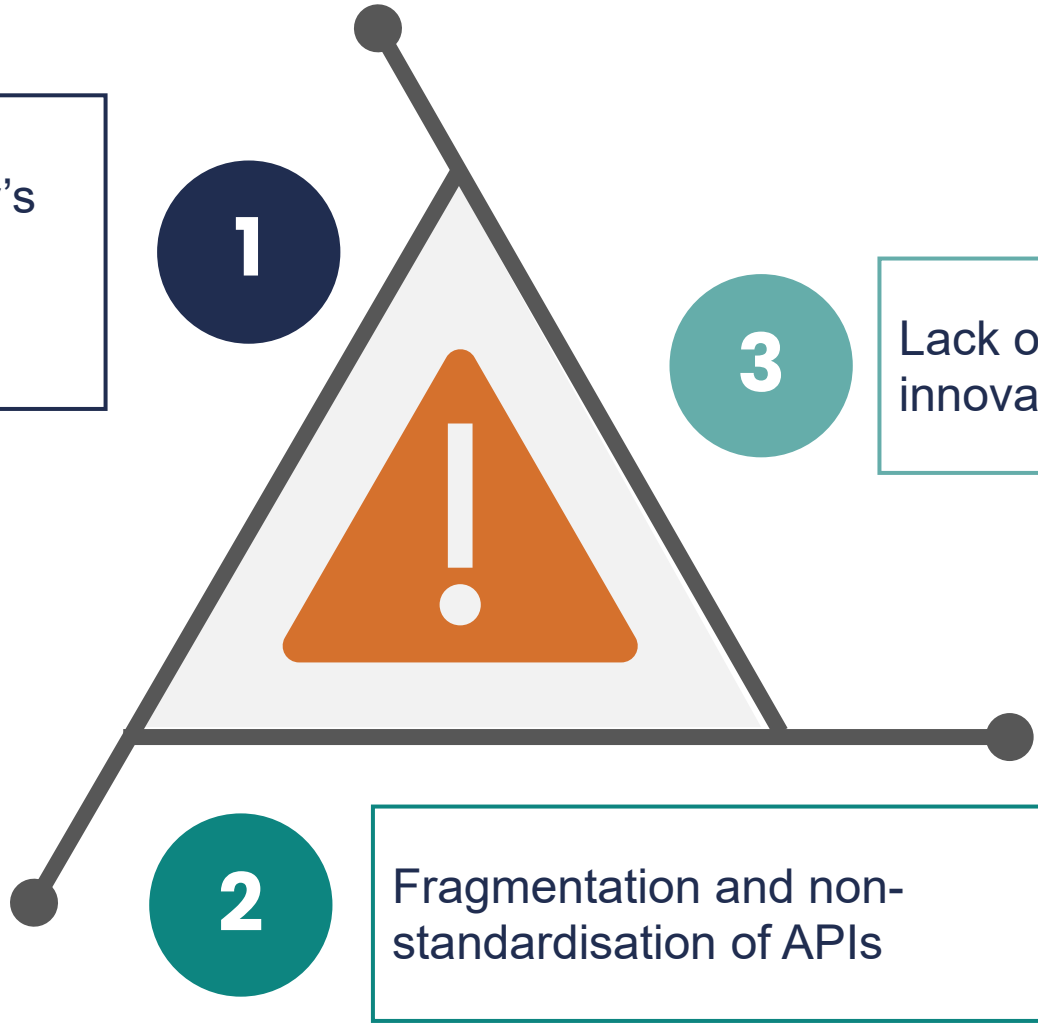
1

3

Lack of competition and limited innovation

2

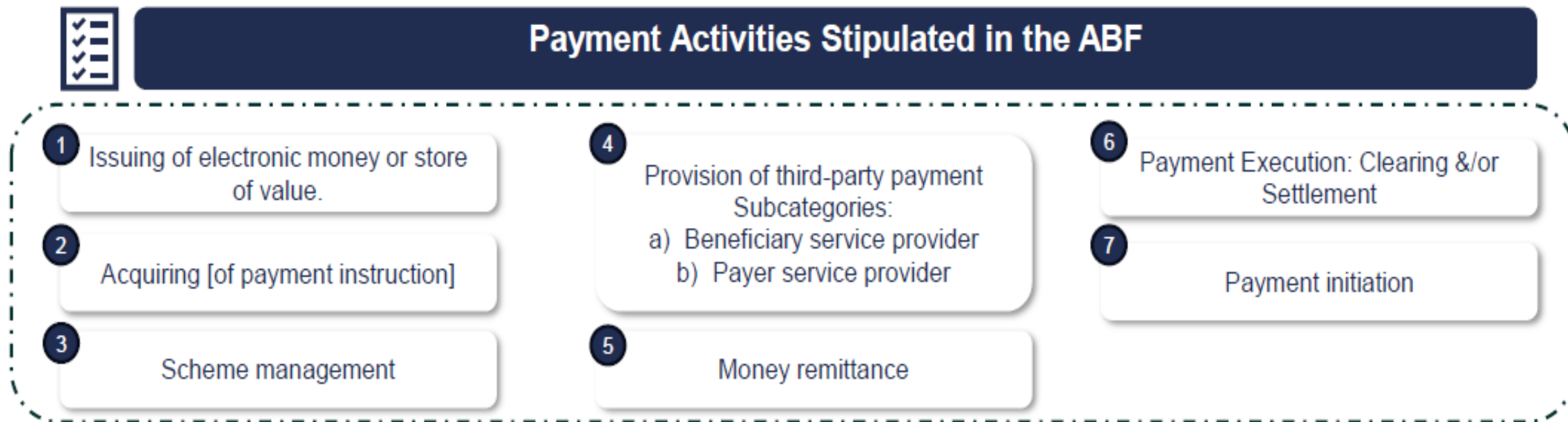
Fragmentation and non-standardisation of APIs



Policy and regulatory response

1 Payment initiation is included in the Authorisation Framework to address risks and align with international practice

2 SARB is looking at payment initiation from a digital payments adoption perspective



3 Screen scraping directive to be repealed

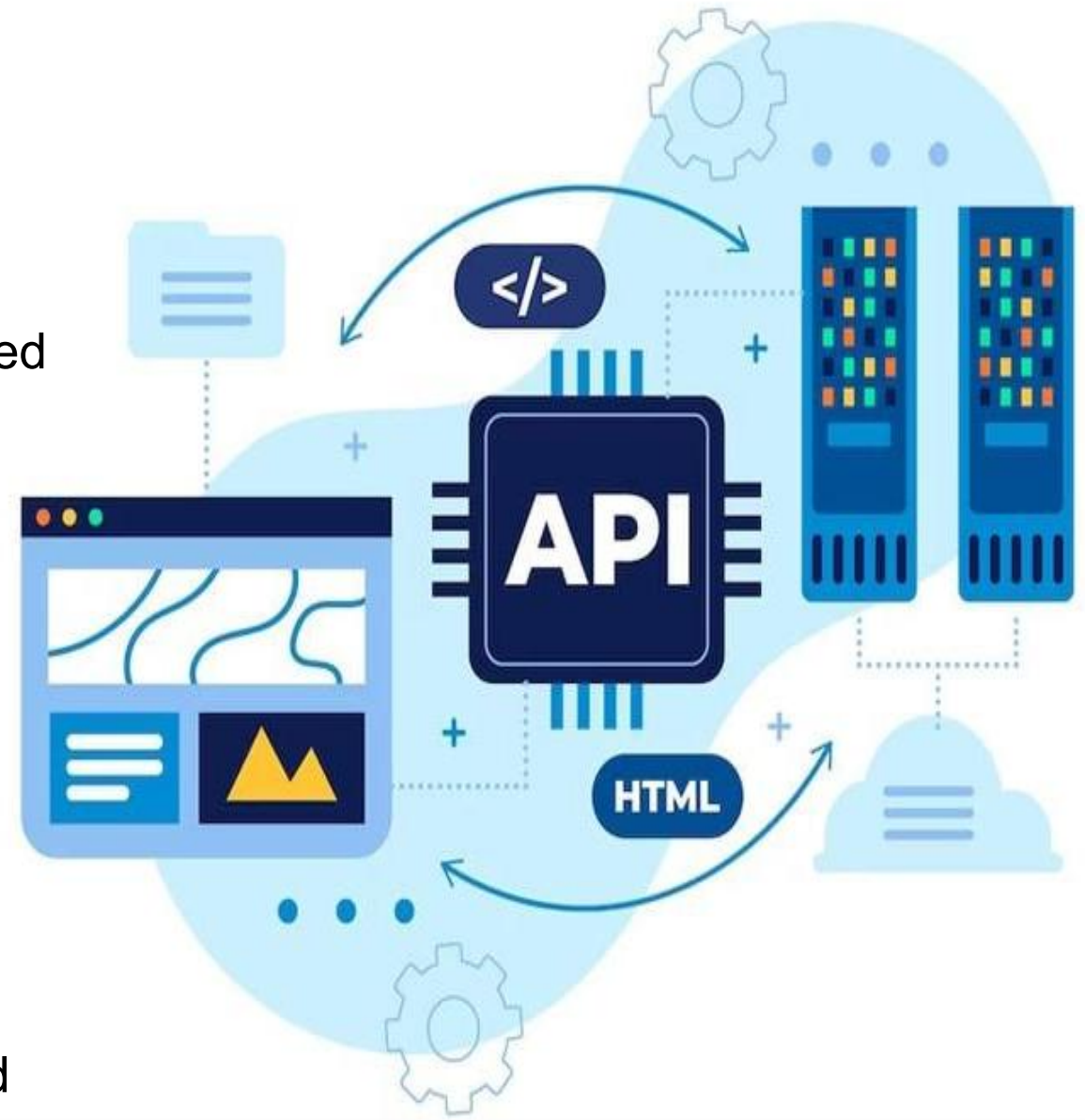
Technical standards

PISPs and PASPs must

- comply with the technical standards as prescribed by the SARB

Development of technical (API) standards

- PEM to develop technical standards and trust framework to enable interoperability.
- Technical standards to define rules and parameters on how PISPs and PASPs with share client consented information.
- The technical standards will be developed to allow for open API that is centralised or multilateral APIs in the event that the centralised API is not completed on time.





Next steps

1 SARB/PEM and stakeholders to work together to **develop the technical standards**

2 **Unpack** the scope, payment and API use cases to be developed



4



SOUTH AFRICAN RESERVE BANK



QR+ roadmap

James Thomas and Israel Skosana

Meet your facilitators for this session

Facilitators

Facilitators



James Thomas
PEM Technical
Director



Israel Skosana
PayInc Chief
Product and
Scheme Officer



Adopting a single national QR code standard (QR+) simplifies QR transactions for both users and merchants

Benefits of a Unified QR Code Standard (QR+)

Multiple QR code standards create complexity for merchants, yet users often cannot use the QR displayed



VS

A single universal national QR code (QR+) standard reduces merchant effort and guarantees usability for every user



Benefits of a national QR code standard



Reduces friction



Improves trust and security



Lowers costs



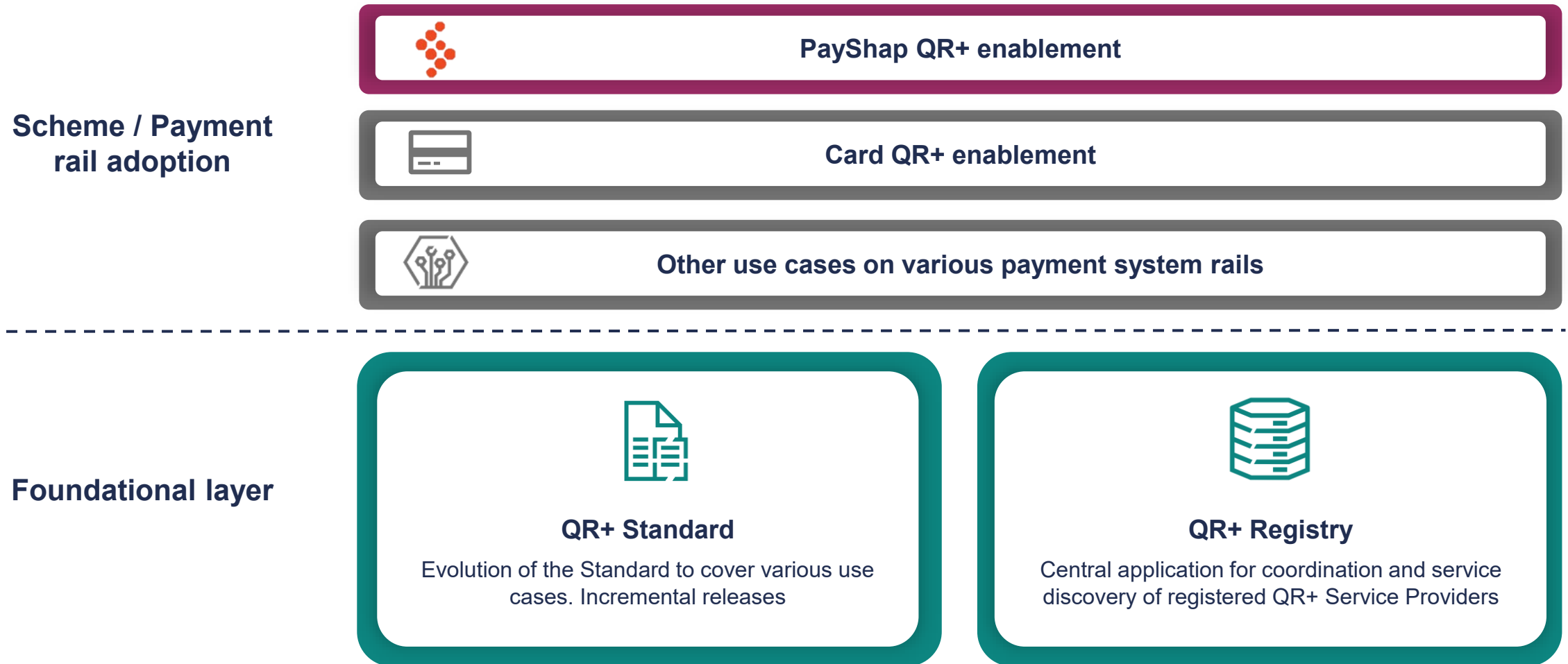
Fosters competition and innovation



Facilitates consistent digital services for governments and businesses

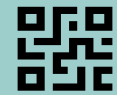
The QR+ project will first deliver the QR+ Standard and QR+ Registry before any payment rail adopts it. The first payment rail to do so will be PayShap

QR+ project delivery components

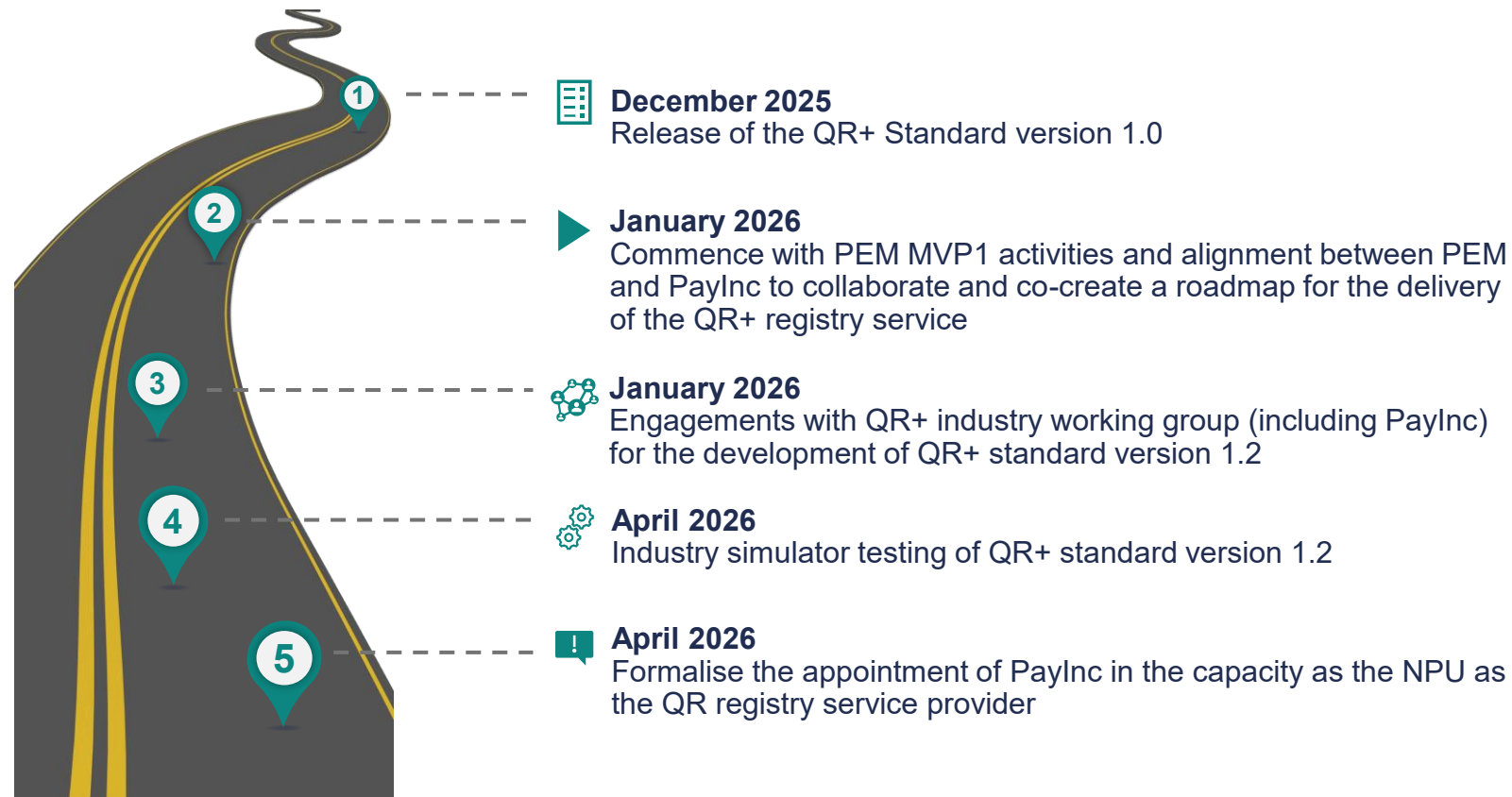


Since our previous PEM Industry Dialogue, there has been significant progress on QR+ with strong industry engagement

QR+ progress to date



To date, multiple key milestones have been accomplished in the journey toward developing and implementing a unified QR+ standard for South Africa.



193

Participants registered as QR+ industry working group member which includes Telco's, SARS, Fintechs, TPPPs, System Operators, Schemes, Banks, SBV, and others

25

Industry participants are currently registered as QR+ simulator users.

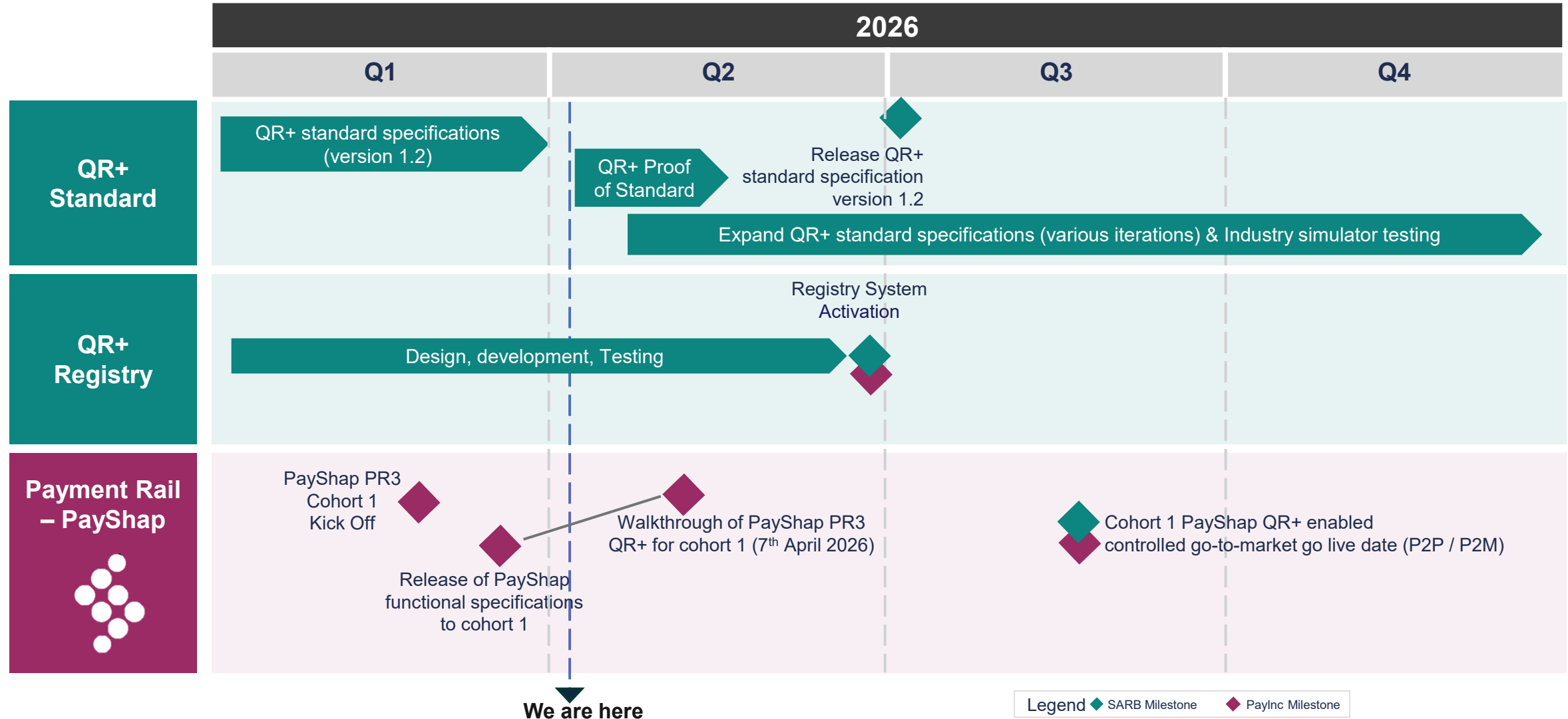


5
are banks

20
are non-banks

Throughout 2026, a number of key milestones are earmarked for implementation for QR+ Standard and enablement through Schemes

QR+ 2026 key focus areas



PayShap will drive the first wave of QR+ market adoption through structured industry rollout

PayShap PR3 QR+: Key Updates

01



PayShap PR3 QR+ Cohort 1

- **Nominations for Cohort 1 closed on 15th of December 2025**
- The confirmed participants for Cohort 1 include Absa, Discovery, FNB, Investec, Nedbank, SBSA, Go Tyme and Capitec

02



PayShap PR3 QR+ Cohort 1 Kick-off

- **The kick-off session took place on the 16th of March 2026** and was well attended by all Cohort 1 members
- Additional attendees included SARB NPSD, SARB PEM, PASA RP PCH Chair, PASA and PayInc members

03



PayShap PR3 QR+ Use Cases

- Six Cohort 1 participants have provided feedback with two finalising their selection for PayShap PR3 MVP1 (**P2P**) and PayShap PR3 MVP2 (**P2M**) use cases for PayShap PR3 QR+

04



PayShap PR3 QR+ FRS

- The Functional Requirements Specification (FRS) supporting PayShap PR3 QR+ was released to Cohort 1 participants on the **30th of March**, with the FRS walkthrough completed and additional sessions to be scheduled

5



Immediate focus - 2026/27 delivery roadmap and MVP

Israel Skosana & Mellanie de Jager

Meet your facilitators for this session

Facilitators

Facilitators



Mellanie de Jager
PEM Programme
Delivery Director

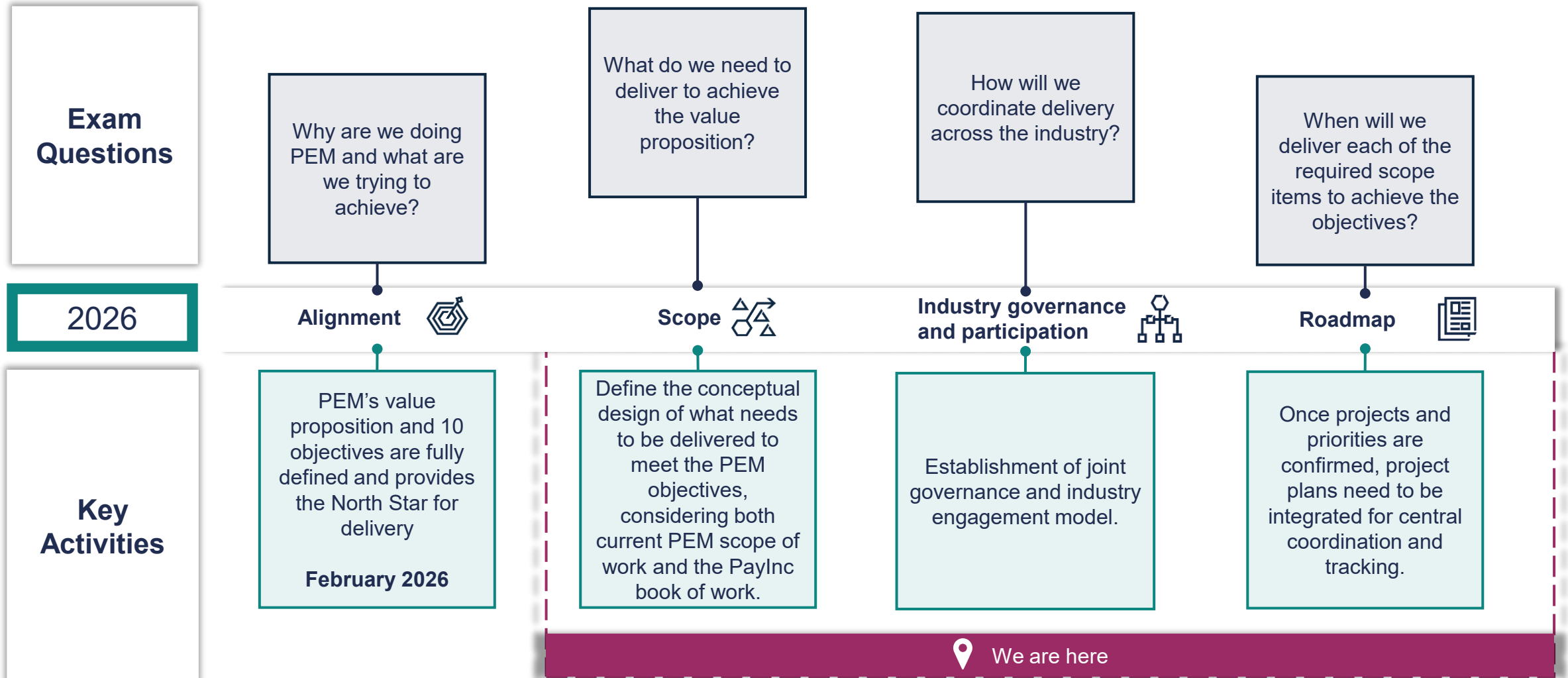


Israel Skosana
PayInc Chief
Product and
Scheme Officer



As we gear for delivery, we are defining the full PEM scope in conceptual design in order to prioritise it into a roadmap

Approach to developing the PEM roadmap



While we have achieved alignment on the reason for PEM, we are still in the process of answering the remainder of the exam questions

Our progress so far

Alignment



Scope



Industry governance and participation



Roadmap



The Value Proposition summary brings together the ten key elements that articulate PEM's complete value story

Summary of Value Proposition

Problem Statement
South Africa lacks equitable access to safe, responsive and affordable domestic and cross-border digital payment options for all sectors of society.

Objective
Adoption and usage of fast, simple, affordable and secure digital payments (Red Dot).

Purpose
To accelerate South Africa's digital economic transformation and regional integration by providing South Africa with fast, simple, affordable and secure digital payments.

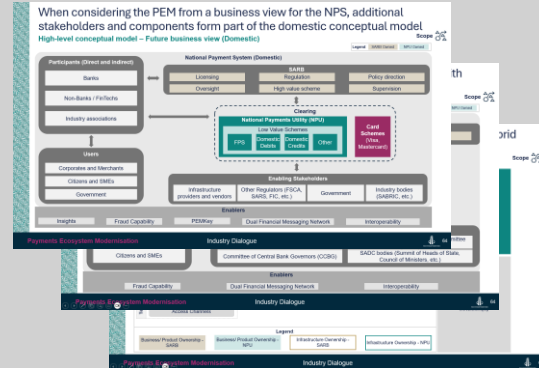
Vision
A trusted, efficient and inclusive payments ecosystem that is responsive to the needs of a modern economy. At the core sits a robust, public interest driven National Payments Utility (NPU) that provides modern domestic and regional central infrastructure. Cash dependency is reduced, especially among underserved segments, through broader access to secure and affordable digital payments.

Mission
To modernise South Africa's payment ecosystem by building transparency and competition, transferring infrastructure for efficiency, resilience and interoperability, and promoting inclusive access to innovative, fast, simple, affordable, and secure digital payment solutions, while contributing to the development and enhancement of specific regional clearing and settlement systems.

PEM Value Proposition

Formalised and documented the **PEM Value Proposition**, clearly articulating the strategic rationale and necessity of PEM within the broader payments

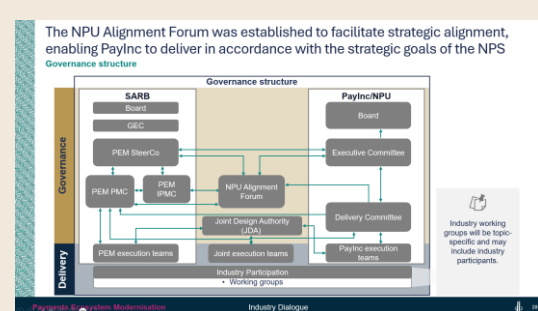
Covered in **Day 1, Section 2** PEM Value Proposition



PEM Conceptual Design

Commenced the **conceptual design phase** to clearly define the scope, structure, and functional mandate of PEM.

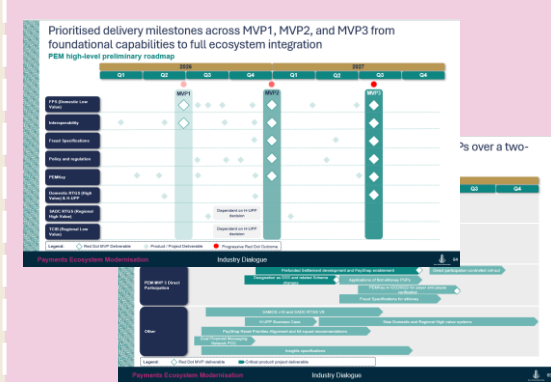
Preliminary view, currently being defined as part of FGDs



PEM Industry Governance

Formalised **governance and engagement model** between PEM and PayInc with approval from the PayInc Board. **updated PayInc Strategy** aligned to NPU role and SARB goals.

Covered in **Day 1, Section 3** PEM PayInc Engagement Model



PEM Roadmap

Immediate focus areas and preliminary roadmap developed, pending completion of focus group discussions (FGDs).

Preliminary view covered in this section

The key focus areas presented at the last Industry Dialogue remain top of mind, although it may be further unpacked with a few additional topics

Focus for 2026

Current RTGS

- SAMOS v10
- SADC-RTGS v6

PEMKey Infrastructure

- Family and friends launch 31 March
- PEMKey for MVP2

Payment Initiation

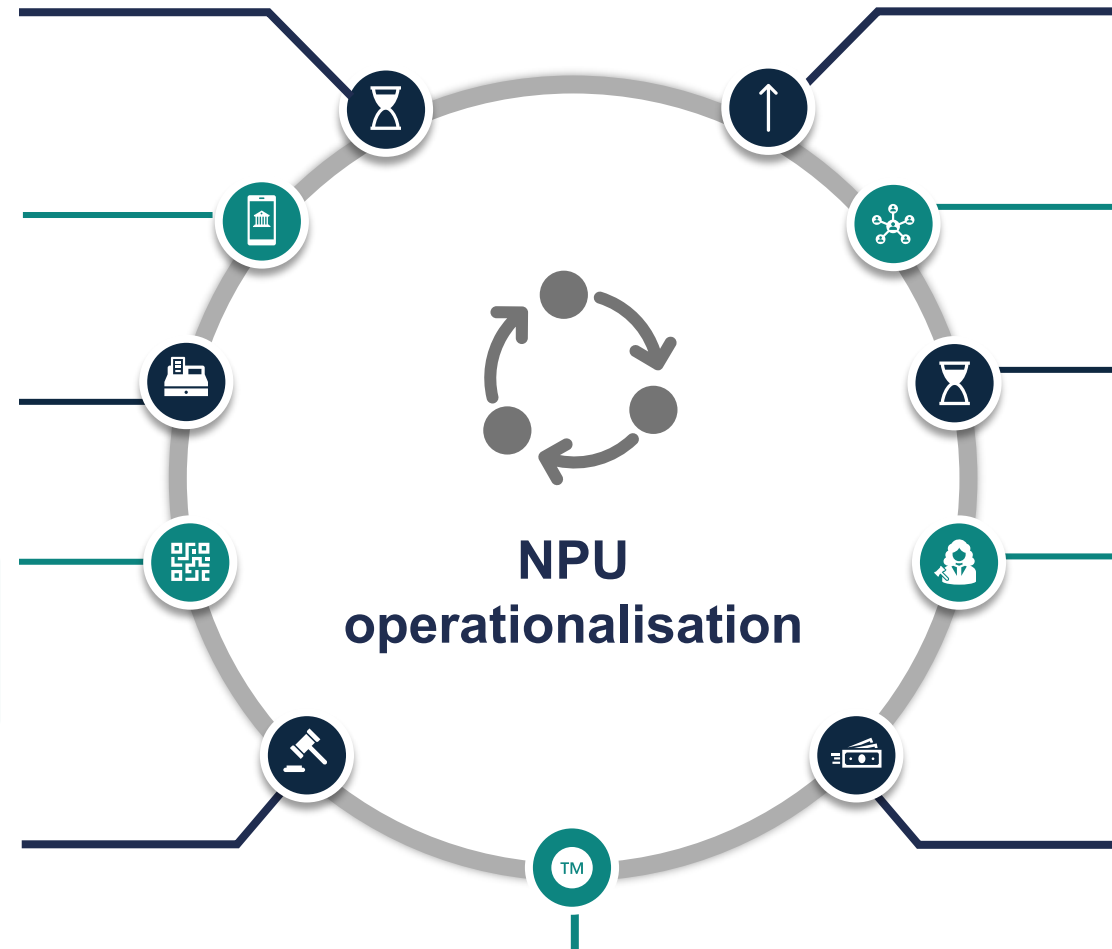
- Initial scoping and analysis
- Technical specification development

QR+

- QR+ standard specifications expansion and simulator testing
- QR+ registry development, testing and activation
- Payment rail adoption PayShap and Card

Regulation

- Authorisation Framework and Exemption Notice (public consultation and approvals), publication planned for Q3 2026
- Designation of FPS as a settlement system and confirmation of operator



Brand and Awareness

- Brand design for the umbrella/ parent brand
- Brand design for subsidiary/ related brands

Future RTGS

- Vendor selection
- Requirements definition

Sandbox

- Fast-tracked participation for QR+ and PEMKey (Q2 2026)

H-UPP Business Case

- High value (domestic and regional)
- Low value (domestic and regional)

Industry and Joint PEM and PayInc Governance

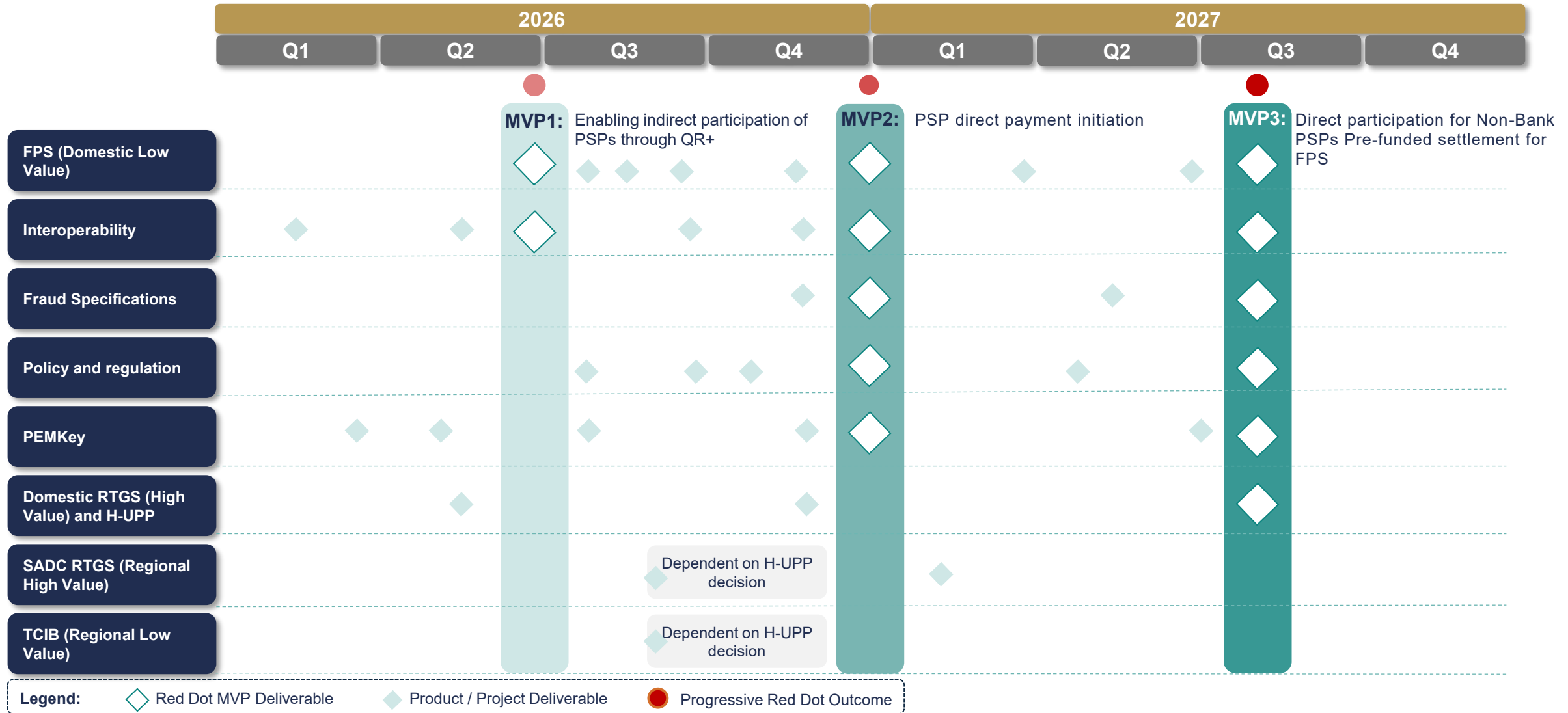
- Continuation of conceptual design (focus group discussions)
- NPU Alignment Forum establishment
- Industry participation

Faster Payments

- Hit squad recommendations execution
- PayShap priorities
 - Parity (enablement and UX)
 - Customer type identification
 - Fraud mitigation and intelligence
- Use case expansion
 - Corporate instant payments
 - P2M (including ecommerce)
- MVP1, 2 and 3

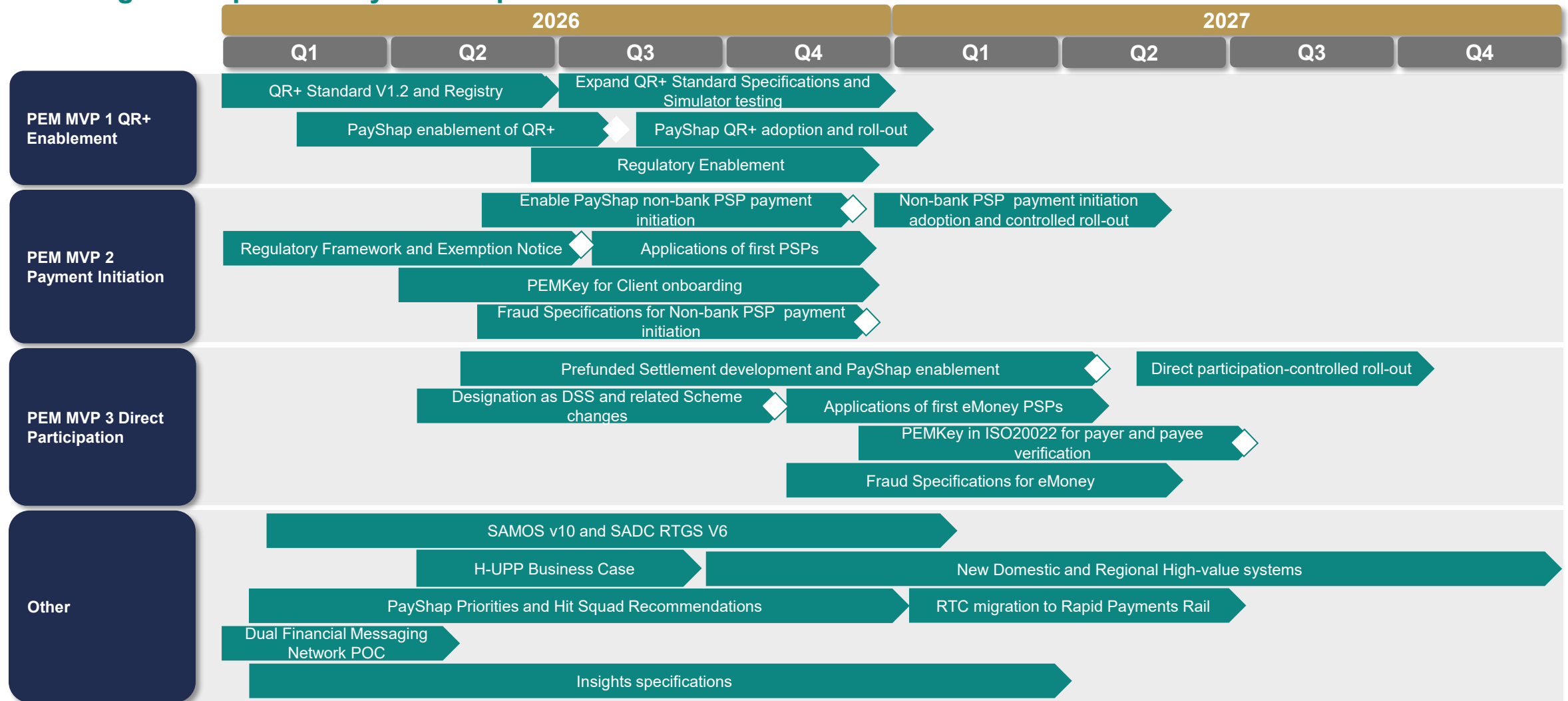
Prioritised delivery milestones across MVP1, MVP2, and MVP3 from foundational capabilities to full ecosystem integration

PEM high-level preliminary roadmap



Preliminary critical deliverables and Red Dot milestones across three MVPs over a two-year horizon

PEM high-level preliminary roadmap



Legend: Red Dot MVP deliverable

If you have any questions, please reach out to us!

Contact Details

Please email us on:

SARBPEM@resbank.co.za



6



Session Evaluation

Zelda Reynecke

7



Closure

Pradeep Maharaj



SOUTH AFRICAN RESERVE BANK

Thank you

Intellectual Property Acknowledgment

By registering for and/or attending this Payments Ecosystem Modernisation (PEM) meeting, I acknowledge and agree that all ideas, proposals, comments, materials, or other contributions made by me during the meeting, whether orally or in writing, vest in the South African Reserve Bank (SARB), unless expressly agreed otherwise in writing by SARB.