



# PAYMENTS IN AFRICA

BUSINESS IS BASED ON BUYING AND SELLING, AND ON A FINANCIAL SYSTEM THAT ENABLES SMOOTH AND SEAMLESS PAYMENTS. AFRICA'S PAYMENTS SPACE IS CURRENTLY UNDERGOING A REVOLUTION, DRIVEN BY NEW DIGITAL TECHNOLOGIES, ECONOMIC IMPERATIVES, AND THE EMERGENCE OF STRATEGIC TRADE CORRIDORS ON THE CONTINENT.

## 01 | Payment Corridors

Africa's regional corridors, economic communities and payment systems are reshaping the continent's trade and financial landscape. Initiatives like the African Continental Free Trade Area (AfCFTA) will continue to drive regional trade and industrialisation.

# \$3.4 TRILLION

The AfCFTA's free trade area will unite 55 African countries with a combined GDP of \$3.4 trillion.



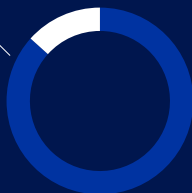
## 02 | Frictionless Payments

In Africa's rapidly evolving digital landscape, consumers now demand more convenient, seamless experiences – including payment transactions, which are expected to be as frictionless as possible.

# 78%

INCREASE IN CASHLESS PAYMENTS

Africa's move to cashless payments is surging, with a 78% increase expected by 2025. By June 2024, Africa had 31 active instant payment systems (IPSS) across 26 countries, while an additional 27 countries were in the process of developing their own IPSSs.



## 03 | Opportunities And Challenges

Technological advancements, changing customer expectations and new market players present both opportunities and challenges for businesses that operate in the payments space.



The rise of fintech companies and non-bank payment service providers introduces new regulatory challenges and opportunities for collaboration. Successfully navigating these regulatory considerations is essential for corporate banks to ensure operational integrity.

- Theresa van der Klooster | Senior Manager:  
Strategy Enablement, Standard Bank CIB Africa



## 04 | Mobile Payments

In the global payments revolution, few regions have leapfrogged as dramatically – and as impactfully – as Africa. The ultimate vision is an interoperable, real-time and inclusive Pan-African payment network, supported by domestic innovation and regional harmonisation efforts.

# 80 BILLION

Over 80 billion mobile payments transactions, worth over \$1.1 trillion, were processed in sub-Saharan Africa in 2024. Kenya alone processed close to 30 billion transactions in 2024, while countries like Nigeria, Ghana, Ethiopia, Senegal, Tanzania and Uganda processed around 5 billion transactions each.



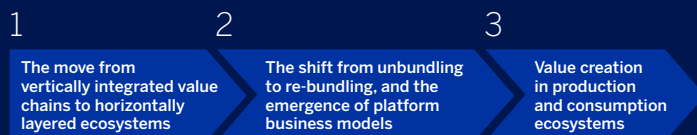
## 05 | Platforms, Ecosystems and Partners

Africa's platform economy is gaining traction. Although large global technology companies are eyeing this opportunity, large African incumbent organisations can tap into it to adopt platform mindsets and capture this growth opportunity on the continent.



By collaborating, ecosystem participants can collectively meet a range of customer needs

- Kent Marais | Head: Digital Experience Solutions,  
Transaction Banking, Standard Bank CIB



3 TRENDS DRIVING THE TRANSFORMATION OF AFRICA'S FINANCIAL SERVICES VALUE CHAIN.

## 06 | Optimising Liquidity

Inflationary pressures are driving many African central banks to increase the reserve requirements across domestic and foreign currencies to reduce the rate of demand for goods and services, and to discourage business investment in capex, in an attempt to curtail inflation.



IMMEDIATE IMPACTS OF INCREASED CASH RESERVING FOR CORPORATE TREASURERS:

Increased deposit interest rates  
Increased lending rates  
Reduced lending appetite

Download Standard Bank's new white paper, Payments In Africa, to find out more.  
[www.standardbank.com/cib](http://www.standardbank.com/cib)

