Digital kePower!

Paying digitally is fast, safe and secure.

WEBINAR 3

Webinar:
From Insights to Action

Building the Next Phase of Community Digitalisation

Thursday, 23 July 2026 • 10:00 AM

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Federal Department of Economic Affairs, Education and Research EAER
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AGENDA

What we'll cover today

Time	Activity	Participation	Company/Organisation
10:00 – 10:05	Welcome	Lesego Mashigo	**FinMark Trust**
10:05 – 10:15	Opening Remarks	Marc Schrijver	**World Bank**
10:15 – 10:45	Reflections and Insights	Karabo Mothokoa	**FinMark Trust**
10:45 – 11:25	Looking Forward: The Role of Financial Service Providers and Regulators in Driving Community-level Digital Payments Adoption	Moderator: Yayeri Kisaame	**Swiss State Secretariat for Economic Affairs**
		Panellist 1: Motlatsi Mkalala-Cathro	**Standard Bank**
		Panellist 2: Roelof Goosen	**Digital Financial Advisor**
		Panellist 3: Seipati Nekhondela	**National Treasury**
11:25 – 11:30	Wrap-up and Closing	Lesego Mashigo	**FinMark Trust**

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01

Reflections

Looking back on the first year of implementation – highlighting key milestones, progress and lessons learned.

The Programme at a Glance

A multi-year programme aimed at assessing the feasibility of improving livelihoods in peri-urban and rural communities by **establishing a sustainable digital financial ecosystem using digital payments as an entry point.**

The approach is holistic and community-centred, combining ecosystem assessments, targeted interventions and continuous monitoring across consumers, enterprises and financial service providers.

2

Pilot sites in Gauteng (Thembisa and Hammanskraal)

5

Trading nodes targeted (3 in Thembisa and 2 in Hammanskraal)

355

Enterprises onboarded

6

Priority interventions

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Overview of the Pilot Sites

Thembisa

- 550k residents in 65 sub-sections
- Modes of transport: taxis and railways
- Pilot economic nodes: Ookmoor, Mainline and Rabasotho

Hammanskraal

- 123k residents
- Modes of transport: taxis and buses; also a connecting hub for 4 provinces – North West, Limpopo, Mpumalanga and Gauteng
- Pilot economic nodes: Mandela and Temba

Barriers to Adoption Among Consumers

Negative perceptions of formal financial services

Concerns about high bank fees, fraud, identity theft and phishing, together with weak transparency in product information.

Limited merchant acceptance of digital payments

Some businesses refuse digital payments entirely; cards are discouraged for low-value transactions, and surcharges are often imposed.

Restricted store-of-value functions

Few cash-out options are available. Where they exist, spaza fees can reach ZAR10 per ZAR100 withdrawn, and SASSA recipients fear that funds will be reclaimed.

Technical and operational issues

Frequent PIN failures, system downtime and other reliability problems undermine consumer confidence.

Low trust in mobile network operators

Consumers remain sceptical about MNOs' ability to provide secure financial services.

Knowledge and awareness gaps

Many consumers are unfamiliar with the digital payment solutions available and the benefits of digital financial services.

Barriers to Adoption Among Enterprises

Limited use of bank accounts

Burdensome documentation, stringent account-opening rules, perceived high maintenance costs and KYC challenges faced by migrant business owners.

Costly digital payment tools

High perceived costs of POS devices and transaction fees, alongside concerns that adoption increases tax exposure.

Weak in-community FSP support

Financial service providers have a limited physical presence and engage minimally at the community level.

Low awareness and understanding

Many enterprises have limited knowledge of the available digital payment options, their fee structures and their eligibility to access them.

Operational and trust issues

Payment lags, dissatisfaction with service, and products that are not user-centric or tailored to small enterprise needs.

Supplier and third-party constraints

Most suppliers still accept cash only, and sales commissions, daily wages and taxi fare-sharing remain cash-bound.

6 Priority Interventions

Lessons learnt from implementing the interventions.

Financial and Digital Literacy

Objective:

To address the knowledge barriers by enhancing the financial and digital literacy of community members

What we implemented

- Tailored financial and digital literacy curriculum
- Classroom and online training
- Consumer and MSME-focused learning
- Practical demonstrations of digital financial services.

What we observed

- Participants became more accepting of digital financial services
- Exposure to digital literacy helped address fear and misconceptions
- Practical demonstrations generated stronger engagement than classroom learning alone.

Key lesson: Digital and financial literacy is not a one-time solution; continuous learning, coupled with practical application and ongoing support, is essential to building confidence and sustained adoption of digital financial services.

Community Mobilisation: Awareness

Objective: To increase trust and build acceptance of the value of digital payments in pilot communities

What was implemented

- A three-month campaign was implemented to raise the programme's profile, shift perceptions of digital payments, and strengthen trust in them through:
  - Always-on awareness – real-life stories
  - Community cashless markets
- Through Facebook, reached over one million impressions, 16,488 interactions (longer than 3 seconds), and 1,232 followers gained; community radio combined reached 28,132; and at the cashless markets, recorded 39 digital transactions.

What we observed

- Trusted local leaders are the primary influencers of participation.
- Social media reinforces campaign messaging effectively, but its impact peaks when deployed across multiple platforms and as part of a structured all-community campaign involving in-person events.
- Community events require extensive and well-coordinated marketing, and early involvement of the community in activities such as planning and execution.

Key lesson: Awareness is most effective when it is locally relevant, consistent and delivered through trusted community networks.

"

"Information must be shared at community meetings, events and on local radio. [We should] teach people, young and old, how to use the phones they already carry in their pockets."

Sego Lamola

Gaongalelwe Day Care,
Hammanskraal participant

Community Mobilisation: Promotion of Existing Solutions

Objective:

To promote digital payment offerings and drive adoption with the aim of establishing digital payments as the preferred means of transacting within the pilot sites

What was implemented

- Engagements with ASAPP, BASA and FINASA to lobby their members to participate in the programme
- Two (2) FSPs carried out independent campaigns and engaged the markets, building on the momentum generated by the programme and contributing to measurable gains in acceptance
- Formal agreement with one (1) bank in progress.

What we observed

- Where communities are open to adopting digital payments, FSPs can achieve significant progress through focused marketing and outreach efforts
- The combined impact of awareness campaigns and community engagement activities generated momentum in both acceptance and willingness to transact digitally.

Key lesson: Community interventions, such as literacy and awareness, have laid the foundation for adoption; the next phase requires FSPs to leverage these activities by expanding access, strengthening customer support, and driving sustained use of digital financial services.

In-community Support

Objective: Community-based points of interaction for query resolution and building trust in digital payments solutions

What we implemented

- Recruited Community Liaison Officers
- Partnered with the NFO to provide training for CLOs
- Interacted with an average of 180 consumers and MSMEs monthly
- 40 support-related and 15 digital payments queries.

What we observed

- Beyond device deployment, continued training and support are essential to ensure merchants can fully utilise the available functionality and realise the benefits of digital payments, i.e. offering VAS
- Implementation highlighted that many consumers require additional support to confidently use banking apps for everyday transactions, including sending money.

Key lesson: Building digital confidence is just as important as expanding digital access, ensuring consumers can use digital financial services independently and with confidence.

"

To grow today, you have to meet customers where they are – on their phones and cards"

Thabang Gololo

The Donut Bin, Thembisa participant

Digitising Basic Transport Payments

Objective:

To digitise taxi payments and test the feasibility of digital payment solutions in the minibus taxi sector while generating lessons for broader scale-up.

What we implemented

- Defined requirements for different operating models, i.e. scholar transport, long-distance and short-distance
- Extensive engagements with stakeholders, including local taxi associations, PayInc. and FSPs, on how to effectively identify practical and sustainable approaches for digitising taxi payments
- Monitored adoption of digital payments in the scholar transport sector.

What we observed

- There are sectors of the industry that can benefit from the use of existing solutions.
- Digitising local and short-distance taxi payments is inherently more complex and will require interoperable solutions that can accommodate the diverse operating models within the sector while advancing the broader digital payments ecosystem.

Key lesson: The implementation highlighted the complexity of the local short-distance taxi sector, underscoring the need for interoperable payment solutions that support diverse operating models and advance a more inclusive and integrated digital payments ecosystem.

Regulatory Workstream

Objective:

To record regulatory gaps throughout project implementation and engage with relevant policy-makers to address the gaps

What we implemented

- Documented implementation barriers – cost and recourse mechanism for non-bank payment providers
- Engagements with regulators to address some of the regulatory gaps
- Conducted a cost assessment to understand, particularly the surcharge added by MSMEs.

What we observed

- Several implementation challenges extend beyond technology.
- Policy and regulation have an important enabling role.
- Implementation generates valuable evidence for future regulatory reforms.

Key lesson: A supportive regulatory environment is a critical enabler of innovation, interoperability and the sustainable adoption of digital financial services.

"

They know that while no system is perfect, these digital tools are reliable and transparent. And if we keep championing the adoption of the latest innovations in our communities, more of our small-town businesses can leap into the future..."

Cliff Mashishimane

Cliff Cafe, Hammanskraal participant

Reflections from a Year of Implementation

- Community trust remains fundamental.
- Digital capability drives adoption.
- Local partnerships accelerate implementation.
- Implementation evidence should shape future policy.

“The transition has significantly improved our operations. Payments are faster, more secure and much easier to manage.”

Ntswaki Mtshali

Ohsomecakes, Thembisa participant

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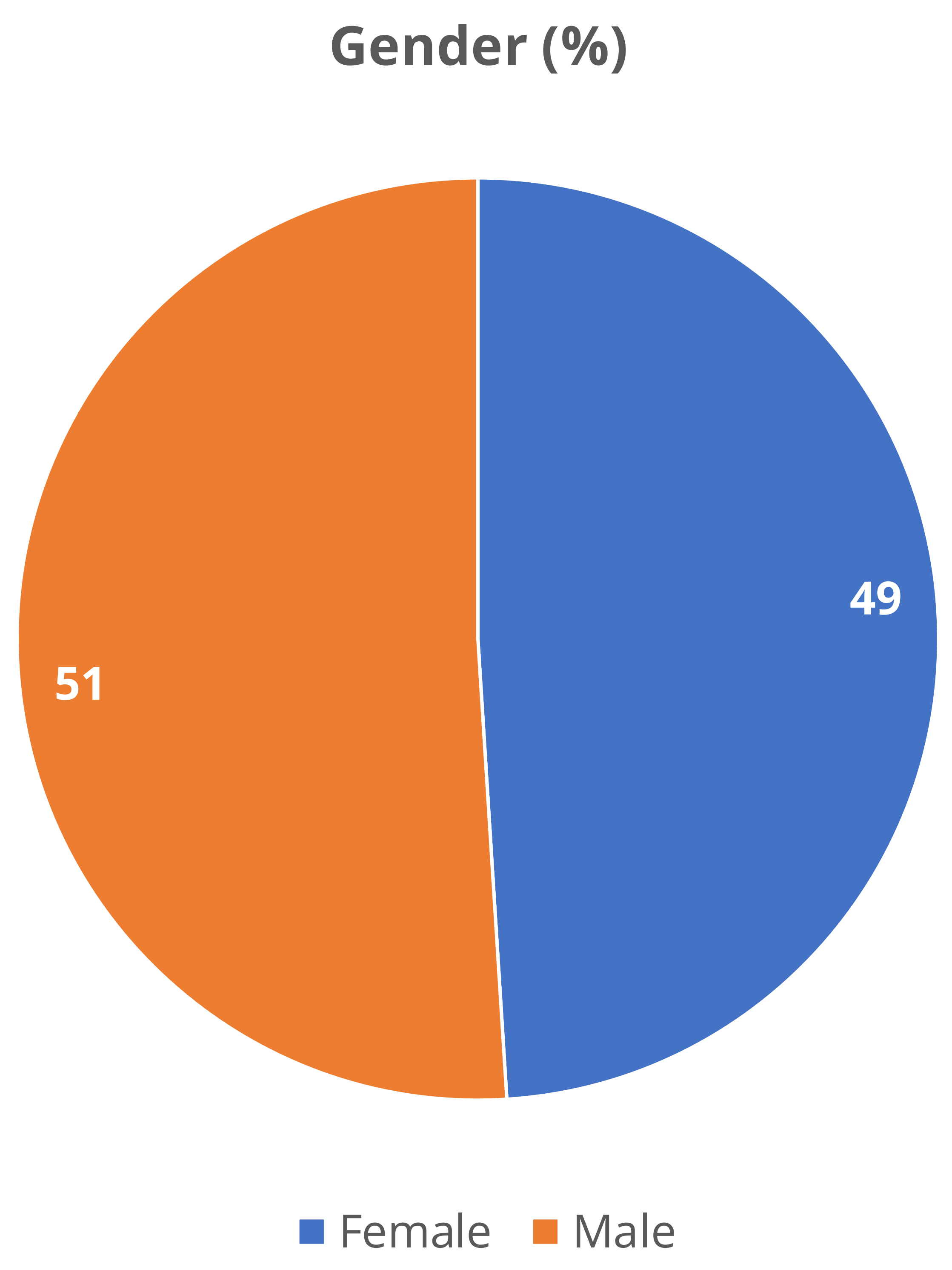
What is the data telling us?

Enterprise Panel Overview

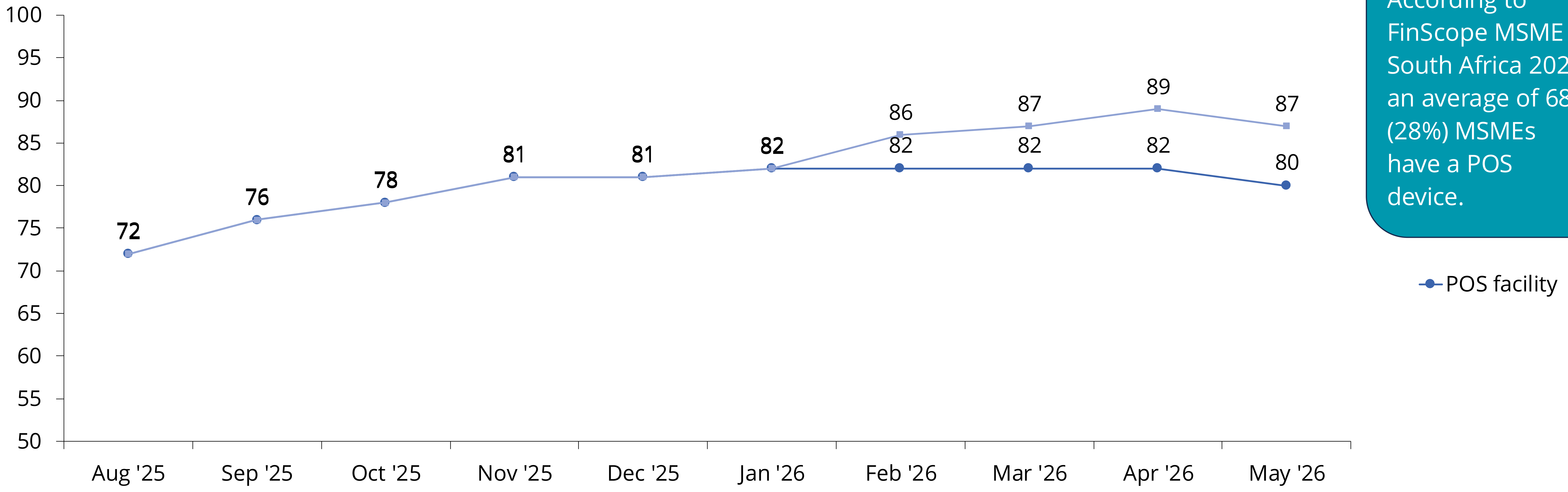


Hammanskraal n=31

Thembisa n=30

Availability of Digital Payments

Number of enterprises with digital availability/acceptance



According to FinScope MSME South Africa 2024, an average of 68 (28%) MSMEs have a POS device.

Base: all onboarded enterprises – Hammanskraal n=242

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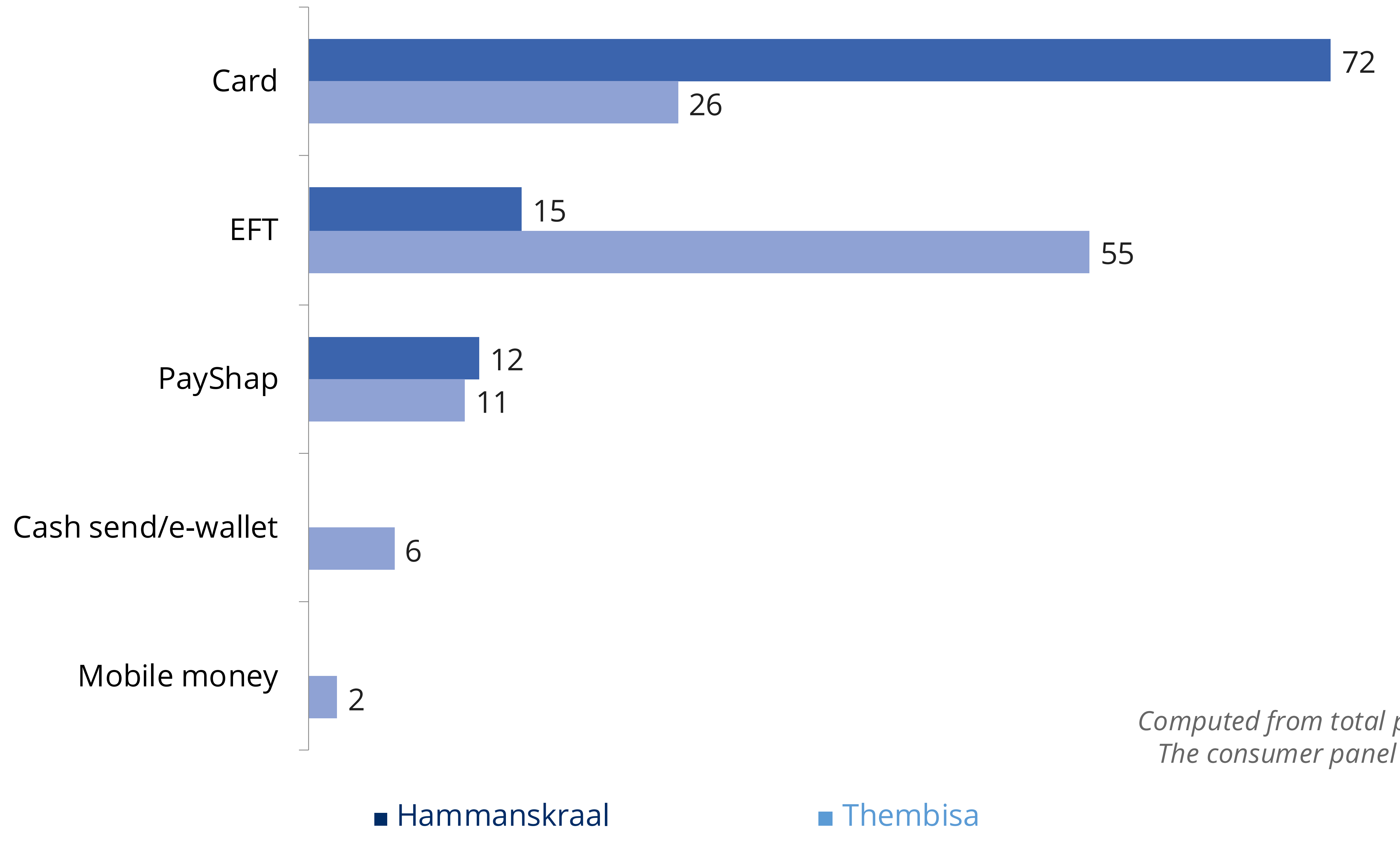
Composition of Digital Payments Received (March – May 2026)

Share of total digital payments by type (%)



Computed from total payment counts per type, normalised to 100%. The consumer panel includes debit orders; the enterprise does not.

Base: All digital payments received by enterprises, March-May

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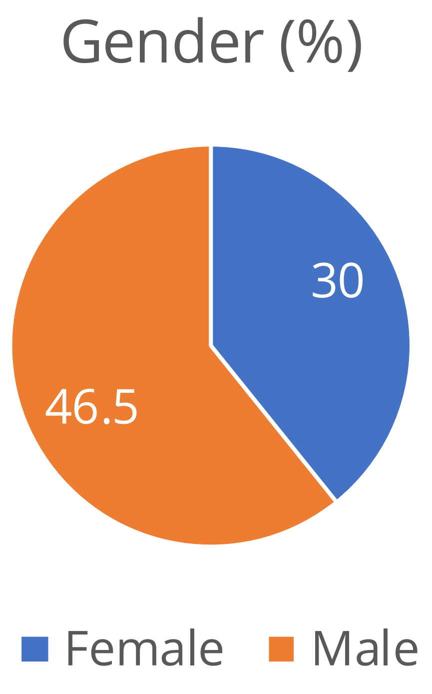
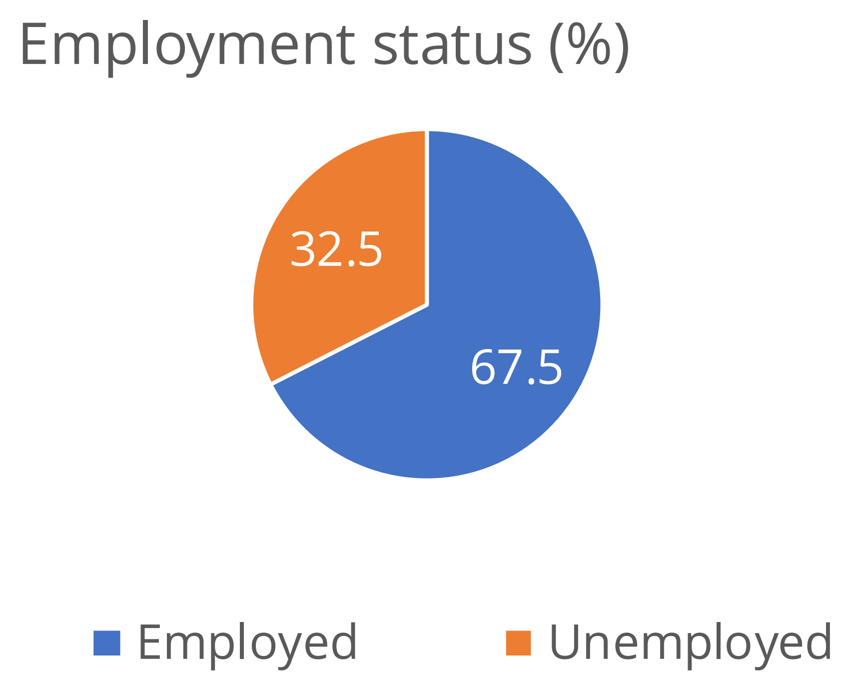
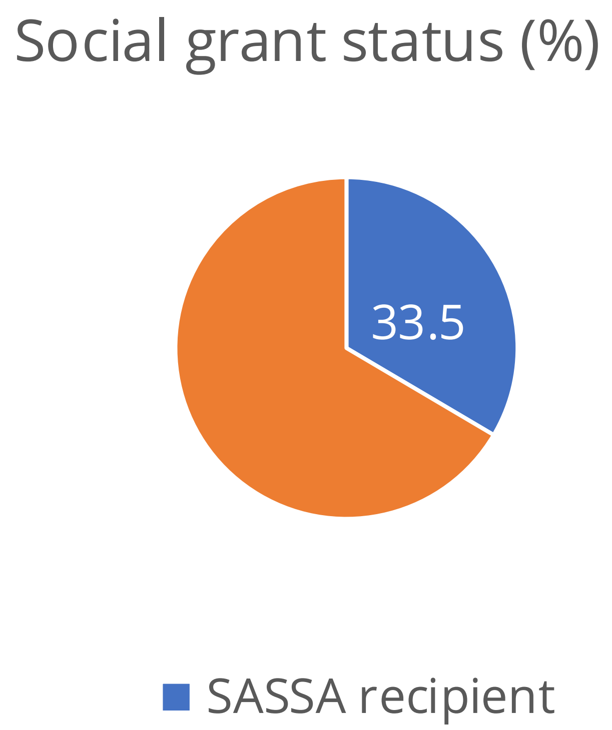
Consumer Panel Overview

Hammanskraal n=44

Thembisa n=39







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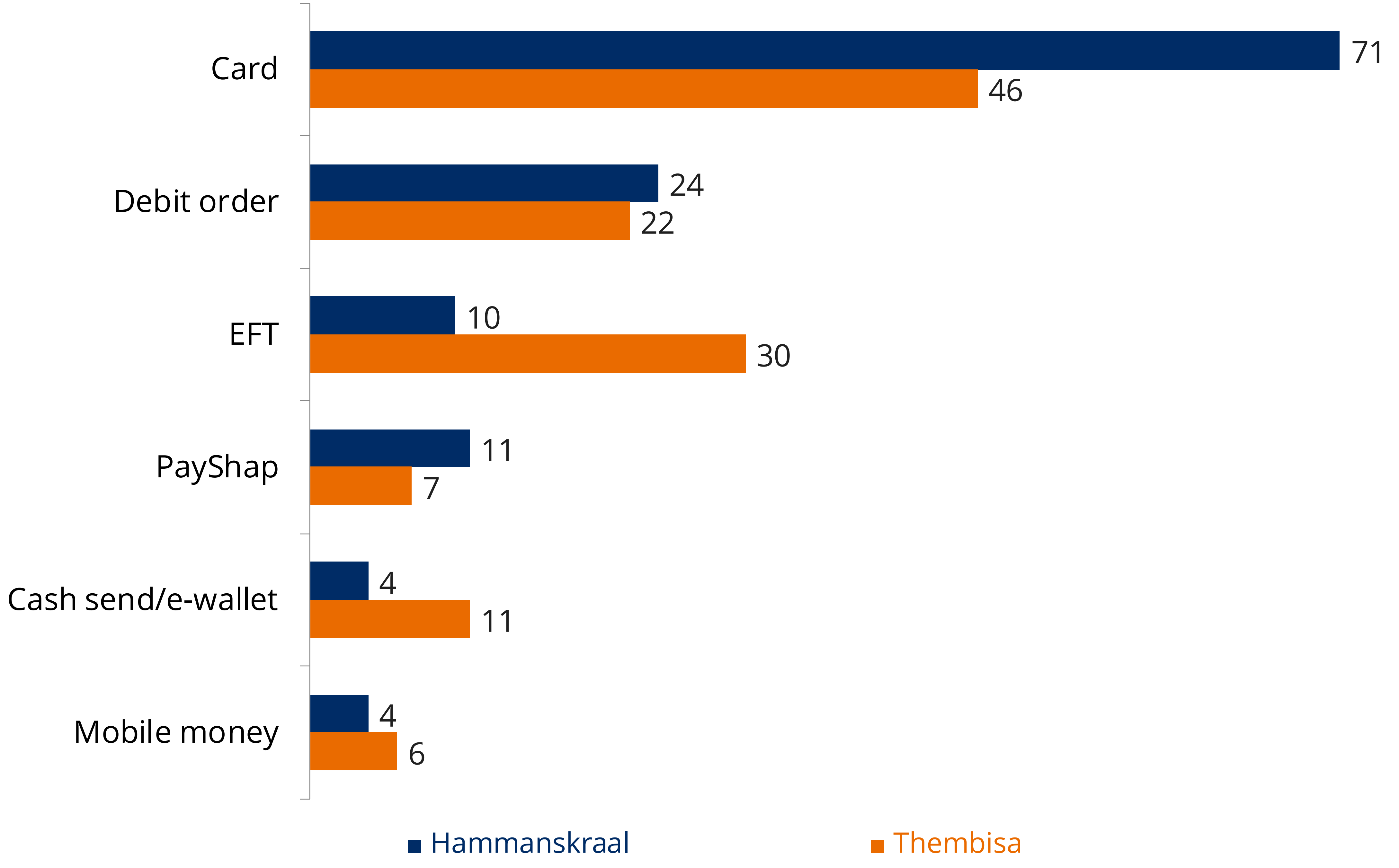
Consumer Panel

Share of total digital payments by type (%)



Computed from total payment counts per type, normalised to 100%.
Consumer panel includes debit orders, enterprise does not.

Base: All digital payments made by consumers, March-May.

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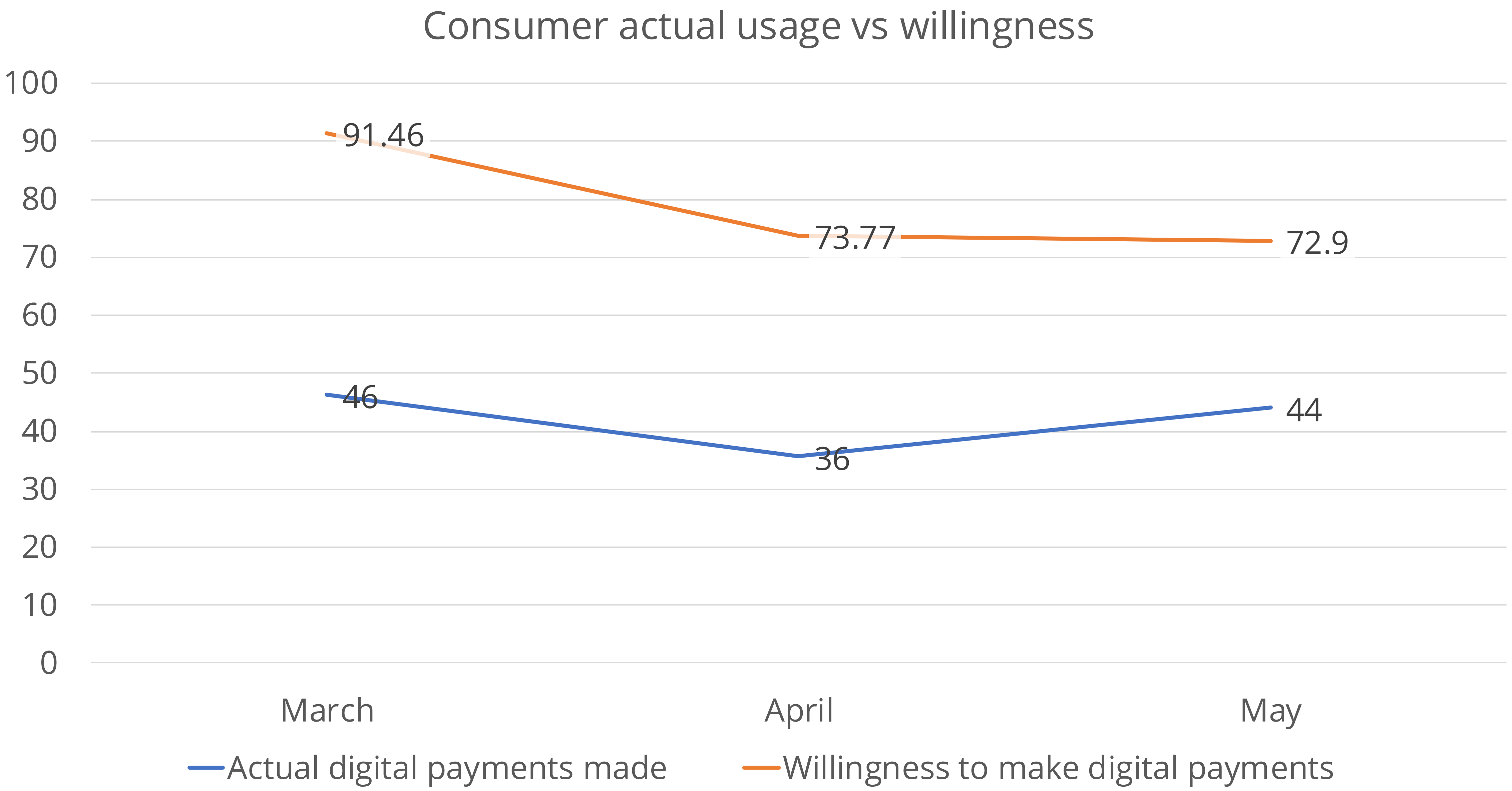
Digital Payments: Consumer Willingness vs Actual Usage



According to FinScope MSME South Africa 2024, 71% of MSMEs receive digital payments from their clients, and 89% of their customers pay in cash.

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What is next?

- Understanding the cost dynamics of surcharging, with a view to mitigating them, where possible.
- Convincing enterprises of the value of digital payments over cash. Simply using digital payments rather than cash is not sufficient; there must be tangible advantages, including: the use and benefits of value-added services for both merchants and consumers.
- Strengthen collaboration with local and regional taxi associations to identify implementation challenges, build stakeholder buy-in, and support the phased adoption of digital payment solutions across different taxi operating models
- Continued community-led awareness and exposure to literacy curricula.
- Using the digital footprint being generated by digital payments for beneficial use, especially to make access to finance and exposure to appropriate insurance products a reality on an equitable basis.
- Improving the relevance of, access to and use of e-commerce in townships.
- Greater involvement of all FSPs and other stakeholders (e.g. suppliers and service providers to MSMEs) in solution design and community involvement to unlock the power of the industry.

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Thank you

Questions?

We'd love to hear from you.

Karabo Mothokoa

Email: karabom@finmark.org.za

www.finmark.org.za/Community_digitalisation/

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