



Interpretation Note 1 for the Fast Payments Directive 1 of 2024.

Dated: 15 August 2024

1. Short title

- 1.1. This Interpretation Note may be cited as the Interpretation Note no1 for the Fast Payments Directive no1 of 2024.

2. Interpretation

- 2.1 In this Interpretation Note, the following term shall the meaning given below;

“Person” means a natural person excluding juristic persons.

3. Background and Purpose

- 3.1 As part of the Central Bank’s (Bank) initiatives to ensure that all domestic Off-Us transactions with a monetary value of not more than E50 000.00 are routed through the Eswatini Payment Switch (EPS), the Bank introduced the Fast Payments Directive 1 of 2024 which amongst others; seeks to ensure compliance by participants and/or

payment service providers with the routing of domestic Off-U.s transactions on the EPS with effect from the 19th August 2024.

3.2 Following the introduction of the Fast Payments Directive 1 of 2024 (Directive), participants approached the Bank and raised specific interpretation and implementation concerns with regard to the Directive.

3.3 The purpose of this interpretation note is to provide clarity on the scope of application of the Directive and the basis upon which compliance will be effected.

4. Scope and application of the Directive

In addition to the scope prescribed in 4.1 & 4.2 of the Directive, clarity is provided regarding the scope and application of the Directive;

4.1 Certified Participants and Payment Service Providers

4.1.1 The provisions in clause 4.1 to route all domestic Off-U.s transactions, with effect from the 19th August 2024, apply to participants, including banks and non-banks, who have been certified under the EPS fast payment rules as eligible to exchange, clear, or settle through the EPS with other participants either directly or indirectly.

4.1.2 The provisions in clause 4.2 requiring compliance with network, operational and general participation requirements, including certification in the EPS by the 19th November 2024, apply only to Payment Service Providers who have not yet been certified under the EPS fast payment rules as eligible to exchange, clear, or settle through the EPS with other participants. This therefore means, all licensed Payment Service Providers within the Eswatini jurisdiction should meet all the requirements and be certified by 19 November 2024.

4.2 OFF-US Domestic Transactions

4.2.1 The provisions in clause 4.1 on routing all domestic Off-Us transactions with a monetary value of not more than E50 000.00 through the EPS are mandatory only for; **Person to Person transactions.**

4.2.2 Other retail domestic transactions below E50 000.00 can be processed through the EPS at the discretion of the participant.