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# **AFREXIMBANK AND AFCFTA ANNOUNCE ROLL OUT OF PAN-AFRICAN PAYMENT AND SETTLEMENT SYSTEM (PAPSS)**

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The African Export-Import Bank (Afreximbank) and the African Continental Free Trade Area (AfCFTA) Secretariat have announced the operational roll-out of the Pan-African Payment and Settlement System (PAPSS), developed by Afreximbank to enable instant, cross-border payments in local currencies between African markets.

With this, PAPSS is set to significantly improve intra-African trade and underpin the implementation of the Agreement Establishing the African Continental Free Trade Area (Agreement), by simplifying cross-border transactions and reducing the dependency on hard currencies for such.

PAPSS was launched on July 7th, 2019 in Niamey, Niger, at the 12th Extraordinary Summit of the Assembly of the African Union (AU) who adopted it as a key instrument for the implementation of the Agreement. It will be used for processing, clearing, and settling intra-African trade and commerce payments, whilst also leveraging a multilateral net settlement system.

This is well welcomed and revolutionary development as it is in line with AfCFTA's strategic objectives to creating a single market for goods and services, facilitated by the movement of people; contributing to the movement of capital and people and facilitating investment; creating a continental customs union; expanding intra-African trade; resolving the challenges of overlapping memberships in regional economic arrangements; promoting sustainable and inclusive economic development; boosting industrial development; and enhancing competitiveness.

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