

Paymenow to join Catalyst Fund accelerator program

Paymenow, a fintech startup based in Cape Town has been accepted into Catalyst Fund, a global inclusive fintech accelerator managed by BFA Global, supported by UK aid and JPMorgan Chase & Co. and fiscally sponsored by Rockefeller Philanthropy Advisors.



Bryan Habana, co-founder and business development head and Deon Nobrega, co-founder and managing director at Paymenow

Paymenow's participation in the seventh cohort of the Catalyst Fund acceleration programme provides the company with £80,000 in grant capital, bespoke and expert-led venture building support for six months and 1:1 connections with investors and corporate innovators that can help them scale.

Paymenow offers financial inclusivity through a responsible early access to wages platform, enabled via a secure mobile app, developed specifically for the South African market. Paymenow integrates into employers' payroll systems and offers a way for South African low income earners to even out their cash flows across the month.

"50% of workers take out unsecured loans between paydays - called payday loans - which come at extortionate interest rates of 27% and leave workers spiralling into a vicious debt cycle," says Bryan Habana, co-founder and business development head of Paymenow.

“Paymenow aims to address this through providing responsible access to earned wages, paired with financial wellness and inclusion education,” adds MD and Co-founder Deon Nobrega.



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Evan-Lee Courie 13 May 2020



Says Habana, “The unencumbered grant funding assists us in the short term to expand our team as we look to hire an experienced Client Success Manager to help with sales and account management.

Doing business for good

“More importantly,” he adds, “it gives Paymenow the validation we so vehemently defend as it pertains to our “business for good” ethos. Catalyst Fund and its Investor Advisory Committee, who lead sourcing for the program, performed stringent due diligence to ensure Paymenow ticks all the boxes in terms of a fintech that enables responsible financial inclusion.”

Says Nobrega, “Catalyst Fund gives us exposure to top tier venture capitalists and private equity funds that look to invest in disruptive fintech, especially in emerging markets. A few international VCs have already made their formal introductions.

“Paymenow does play within a hotly contested ‘salary advance’ fintech market, however, with our business model revolving around responsible behavioural change as well as our team’s in-depth knowledge and experience in the compliance and payments space, specifically in SADC, we feel that our proposition is one that can scale exponentially in a sustainable manner,” he adds.

Paymenow is one of six fintech startups accepted into the seventh cohort, which includes companies from Nigeria (WellaHealth, Flex Finance), Mexico (Mango Life, Graviti), and India (KarmaLife).

All six startups were sourced and nominated to the program by Catalyst Fund’s Investor Advisory Committee (IAC), comprising experienced fintech and emerging markets investors: Anthemis, Quona Capital, 500 Startups, Flourish Ventures, Accion Venture Lab and Gray Ghost Ventures.

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