

International security certification for Emerge Mobile

Payments Council International Payment Terminal Security (PCI-PTS) and Europay, MasterCard and Visa (EMV) Level 1 and 2 certifications have been granted to Emerge Mobile for its mobile point of sale (MPOS) payment card acceptance solution.



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Reportedly, the first time a fully South African designed, engineered and manufactured end-to-end MPOS solution has attained this level of international security certification, it positions the company to play a significant role in extending effective MPOS solutions to SMEs across Africa and other emerging markets worldwide.

The solution will be registered with the MasterCard Mobile MPOS Program and the Visa Ready Program, displaying it to international acquiring banks and creating the potential for it to be embraced by strategic partners worldwide.

"Achieving the full range of international certification requirements means that the solution is compliant with the rules set by the global card schemes and legislated financial institutions," says Matt Putman, MD of Emerge Mobile. "These certifications confirm that our solution meets the highest level of international security standards and is sufficiently secure to roll out worldwide."

The solution consists of an acceptance platform, web portal, native smart phone merchant applications and a hardware adapter that is attached to a smart phone, transforming the phone into a secure mobile payment terminal capable of processing chip & PIN and magstripe card payments.

The solution is compatible with iOS and Android mobile platforms, with additional modules in development. A major competitive differentiator and its unique offering is its ability to accept card payments and accept and process payments from third party mobile wallets, and enable the redemption of mobile vouchers and coupons.

No customer resistance

"We have created a mobile payment experience that is similar to the existing customer/retailer card payment procedure to

ensure there is little change-resistance. Our terminal is similar to the POS devices that customers and retailers are accustomed to in that we have implemented the normal security procedures, the most important of which is the ability for customers to enter their secure card PIN on our integrated secure keypad."

This 'familiarity' means minimal impact on customer checkout times and ensures that no burden of educating customers about a new payment process is placed on retailers.

The company is currently engaging with acquiring banks, telecommunication and mobile network operators as part of its international distribution strategy.

"We are positioning ourselves in the international market in two ways. Firstly, we can white-label our solution to look and feel like our acquiring client's brand, after which we provide services to maintain and upgrade the platform on an on-going basis. Secondly, we can enable clients, through joint ventures or consultancy services, to launch their own new consumer focused MPOS brand into the market."

MPOS grows in popularity

According to Putman, the growing popularity of MPOS solutions worldwide, especially among small or micro retailers, will help to drive migration from cash to electronic payments. Research from Timetric, shows that from 2011 to 2012, the number of mobile point of sale terminals in operation worldwide increased 111%, from 4.5 million to 8.5 million and it is expected to reach 38 million in 2017.

He believes that a number of factors will drive the significant expansion of the MPOS sector internationally and specifically in Africa. These include increased adoption of smart phones, simplification of regulatory and payment association rules and a desire by key stakeholders in emerging economies to progress from cash-based to cashless societies.

"MPOS solutions empower small businesses and retailers that have never accepted card payments and previously operated on a cash-only basis, to accept multiple forms of card payments, safely, simply and smartly. Particularly in Africa, there is growing adoption of MPOS technology by small enterprises as they understand the benefits of cost reductions, rich functionality, higher sales and the attraction of payment on-the-go for their customers."

On the African continent, consumers are already comfortable using their mobile phones to transact, with 55 million Africans using basic mobile phones to transfer money to one another, or to collect payment from government agencies. The value of Africa's 'mobile money' market in 2012 was \$81 billion and is forecasted to reach \$160 billion by 2016, indicating that the continent is ready to embrace quick, convenient ways to make and accept payment.

"Just over two years ago we kicked off the development of our payment solution with the goal of meeting the highest international security standards, using South African skills and expertise. After an incredibly challenging, humbling and rewarding experience, this certification is the international stamp of approval that gives us the edge over many non-compliant solutions that are being marketed in South Africa and internationally," concludes Putman.

Emerge Mobile was established in 2012 by Matt Putman, Dr Clive Putman and Ramsay Daly, with investment from Johannesburg based Capital Eye Investments, the technology-focused, emerging-market, private equity and venture capital investment business and it has a strong strategic partnership with mobile payments platform technology provider, wiGroup.

For more information, go to www.emergemobile.co.za.