

# Paynet ready to launch issuing facility in East Africa

Card processor and electronic payments solutions provider, Paynet Group, has announced that its issuing facility for EMV Chip Cards should be ready for launch by early November this year and not in 2013 as expected. This means that adoption of antifraud card technology by banks in the region is imminent.



During a meeting with bankers, Paynet Group CEO, Bernard Matthewman said "the Paynet Processing Centre will be able to serve multiple banks within the region at a low cost per card, and will additionally be able to support programs by individual banks that may opt for moving their customers to EMV Chip in phases."

The company has already signed a deal with a large bank to issue the 'intelligent' multi function EMV Chip cards. These use sophisticated processing to identify them as genuine cards, making counterfeiting significantly more difficult and expensive.

## Replacing magnetic strip cards

Chip and PIN cards will replace the magnetic stripe cards which feature a black stripe on the back that have been in use in East Africa for over 20 years. These have become vulnerable to fraud, which increases in value each year, thanks to card skimming and counterfeiting.

"Stakeholders in the card industry are following this development keenly. Issuers are aware of the benefits of EMV Chip and PIN cards with regard to reducing risk by countering fraud. By upgrading early we are well positioned to offer EMV Chip issuing services to banks as an alternative to them going through an expensive and resource intensive upgrade," he added.

## Enhanced fraud monitoring

Paynet provides card processing services for multiple banks across East Africa including Kenya, Tanzania and Uganda and recently launched a Visa acquiring service with Banque Populaire du Rwanda. The current upgrade will provide Visa and MasterCard EMV Chip issuing for pre-paid, debit and credit cards as well as enhanced fraud monitoring and 3D secure services which secure issued cards for internet use.

Global card companies including Europay, Mastercard, Visa, (EMV) launched the EMV Chip and Pin standard as a counter to fraud and have urged issuers, particularly banks, to adopt it to stem fraud.

Jabu Basopo, country manager for Visa-Southern and East Africa said Visa continues to be a leader in the industry by introducing best practices for security in electronic payment services and is using EMV chip technology to combat counterfeit fraud around the world.

"We are pleased to roll it out in the East African region with our banking partners. We also look beyond our own system to help ensure secure commerce for all participants in the payments chain by educating merchants, financial institutions and consumers about how to protect themselves from the threat of fraud," said Basopo.

Along with the launch of the Chip and PIN facility, Matthewman said the upgrade by Paynet will also be the last step to achieving a global certification for financial data security called Payment Card Industry Data Security Standard (PCI DSS).

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