

# Mobile: 'world-first' virtual payment card launches in Kenya

NAIROBI, KENYA: Airtel Africa, Standard Chartered Bank and MasterCard have rolled out what is claimed to be the world's first virtual payment card on a mobile phone.



Airtel Africa, Standard Chartered Bank and MasterCard Worldwide have announced the availability of what they claim is the world's first virtual payments card that operates off a mobile phone-based wallet in Kenya called PayOnline.

Kenya is the first market in the world to make this type of payment solution publicly available, which is designed to allow Airtel Money customers in Kenya use their mobile phones to make online purchases from international MasterCard merchants around the world.

Airtel's mobile technology platform works with the financial structure and regulatory framework provided by Standard Chartered Bank and with the global acceptance of MasterCard to ensure that Kenyan consumers will be able to transact online in a reliable, convenient and secure environment.

## A major milestone

According to N Arjun, chief projects and transformation officer, Airtel Africa, "The launch of the world's first virtual payment card on a mobile phone account marks a major milestone in Kenyan mobile commerce. It's just like having a payment card on your mobile phone that you can use for online purchases, offering consumers high levels of security, accessibility, acceptance, and a global reach."

With PayOnline, paying for an online purchase is said to be quick and easy. People simply request a single-use shopping card number directly from their mobile phone's menu of options. Airtel money services will then generate a special 16-digit number that enables the completion of the purchase. Once the purchase has been authorised, a confirmation message will be sent to the user's mobile phone.

A single-use number assigned to each PayOnline purchase must be used for the first time within 24 hours, which offers

increased security and protection to prevent unlawful access to people's money. Transactions will initially be limited to 35 000Ksh per transaction and 70 000Ksh per day. However, these limits can be changed in the months to come - dependant on demand.

People can purchase items online which are quoted in €, US\$ or £, and will be charged a fixed transaction fee of 50Ksh for each "PayOnline" number generated. This fee will be deducted from the customer's Airtel Money account.

## **A shrinking world**

"The connected world is shrinking at a rapid pace as people turn to mobile phones to connect with friends and make purchases on-the-go. We saw that people want more options in making their payments easier and more convenient which is why we joined hands with Airtel and Standard Chartered Bank to help make people's lives easier with this innovative new product," said Daniel Monehin, MasterCard's area head for East & West Africa and Indian Ocean Islands, MasterCard Worldwide.

"Financially empowering the citizens of Kenya is a rewarding experience, not only for consumers themselves, but for the various institutions and merchants that are involved in doing so. MasterCard looks forward to working with Standard Chartered Bank and Airtel to continue promoting the advantages of electronic payments and to accelerate the displacement of cash and cheques in Kenya," he added.

"As a leading international bank in Africa, we are always looking for ways to bring innovative financial solutions to our customers in line with our brand promise: 'Here for good.' We have been in Kenya for 100 years and have always been at the forefront of introducing new products and services to the market. The PayOnline solution is a unique way of ensuring that our customers can transact in the digital world for the first time without having to have a credit card or use their physical debit card. Airtel PayOnline will enable more Kenyan consumers to connect to the global marketplace via their mobile phones no matter where they are in the world," says Kariuki Ngari, executive director Kenya, and Cluster Head, East Africa Consumer Banking, Standard Chartered Bank.

PayOnline received top honours as the Best Mobile Money Product or Solution at the Annual Global Mobile Awards held during Mobile World Congress (MWC) 2011. PayOnline was recognised as an innovative mobile payments solution that offers consumers in Kenya, and eventually across Africa, greater participation in the financial system through mobile commerce.

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