



# GSM card payment solutions expand into African markets

XLink Communications (XLink) recently partnered with Gateway Business Africa, the pan-Africa corporate telecommunications provider, to deliver connectivity services to African credit card machines and their respective banks, using the GSM network.

XLink and Gateway Business are currently implementing a pilot phase which is currently being rolled out in Nigeria.

XLink developed XLink in a Box in order to expand its offering into the African continent after an assessment of the current POS communication requirements for the African market identified a growing need for secure and reliable communications around electronic POS transactions.

Global payments technology company, Visa, identified that the majority of all transactions in Sub-Saharan Africa are still conducted in cash, however the market is shifting and there is great potential for cards to revolutionise payment transactions and provide access to the associated benefits for merchants, banks and consumers.

## Electronic payments are critical

Etienne Wilmans, account manager for Acceptance at Visa, said, "Card penetration varies widely across the African markets. Card acceptance efficiencies over cash and cheque based systems can result in cost savings; electronic payments are critical to the development of strong, modern economies. Payment products can promote transparency and accountability, reduce transaction costs, increase the number of people with access to formal financial services and decrease the size of the gray economy or informal economy, all of which helps to stimulate economic growth and employment".

XLink, through its XLink in a Box solution will sell the in-country service provider all the required equipment as well as offer the necessary training support to implement the service and thereafter, via remote tools support the service from South Africa.

XLink in a Box is a scaled down version of XLink's core GPRS EFT POS solution in South Africa that will allow merchants and banks in other African countries to buy into secure, fast, reliable, flexible and cost effective POS transaction communication. Gateway Business Africa will take ownership of the overall provision and management of the communications to the POS terminals, allowing the banks to retain control over their customers experience and transaction processing.

The solution is designed to harness the GSM network capabilities in country without the need to route transactions across borders. The solution decreases the number of 'hops' within the payment transaction process therefore also decreasing the duration of the transaction. The solution will also allow for the potential gain of new customers through acquiring a greater geographical reach for payment transaction processing.

Anton Leal, CEO of XLink, highlights that given the gaining acceptance of credit and debit cards on the African continent, XLink's service is well-poised to drive card acceptance within Africa.

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