

East Africa: Equity and China Union Pay launch banking partnership

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November 18, 2012 (JUBA/NAIROBI) - Equity Bank Group last week launched a partnership with China Union Pay; an initiative that will allow Union Pay card holders make transactions from the bank's Automatic Teller Machines (ATMs) and sale point terminals across East Africa.

The new move, according to a statement extended to *Sudan Tribune*, means Equity Bank now becomes China Union Pay's principle agent in the region.

James Mwangi, the Chief Executive Officer (CEO) of Equity Bank Group lauded the new partnership between the bank and China Union Pay, saying it will further strengthen the institution's relationship, providing an opportunity for the bank to serve UnionPay cardholders on business or travel in East Africa.

"The cooperation between China Union Pay and Equity Bank is based on the common goal which is providing high quality financial services to our customers. China UnionPay will utilize Equity Bank's market advantage within East Africa to meet the demands of its growing customer base in the region," said Mwangi.

With Equity Bank's footprint across East Africa, which includes 203 branches, over 600 ATMs and 4,500 sale points, UnionPay cardholders will enjoy convenience, ease of access and a happy experience when transacting far away from home, he added.

The bank, Mwangi said, currently runs on a Global Robust State of the Art Information Technology Computer System supported by Infosys, HP, Oracle and Microsoft. The multi-currency, multi-company, multi-country system reportedly has a capacity of 35 million accounts and a processing speed of 300,000 transactions per minute.

"This system is supported by Way4, an online Card Management System which has multi-institution and multi-currency transaction processing capability and has the ability to handle over 60 million cards with speed performance of 180,000 transactions per minute," he observed.

Chai Hongfeng, the Vice President of China Union Pay, while speaking at the launch described Africa is an "emerging market for payment full of growth potential".

"Equity Bank is one of the most important banks in Kenya and own a large branch and acquiring network in Eastern Africa region. UnionPay is very pleased to form the partnership with Equity Bank, and co-operate in Kenya and Eastern Africa," said Hongfeng.

The new partnership, analysts say, will meet the growing needs of an estimated 20,000 Chinese tourists who visit Kenya annually. In addition, the new initiative is earmarked to open doors for up to 3.2 billion China Union Pay cardholders globally; further boosting Kenya's bilateral relations with China.

Equity Bank, in 2010, signed up a Ksh 4bn credit line from China Development Bank (CDB) to support Small and Medium Enterprises (SMEs) in Kenya, becoming the first beneficiary of the US\$ 5bn funds meant for the development of SMEs in Africa.

In August this year, however, CDB reportedly extended an additional US\$ 80m credit line to support SMEs in Kenya. The funds, according to the bank, have enhanced the capacity to offer advisory services, helping SMEs grow, expand and realize their potentials.

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