

New mobile payment system for fuel in Namibia

A cashless, mobile payments system has been launched in Namibia by Bank Windhoek for the fuel industry. GoPay, built in collaboration with Wizzit International, allows Namibians to pay for fuel on the go, without having to use cards or cash.



Namibia

This development comes as a result of increasing pressure on African banks to offer mobile payment solutions to customers. Experts predict African banks unwilling to embrace mobile payments can bid farewell to sustainable growth on the continent.

The urgency to embrace this technology is reaching a critical point. Banks looking to increase market share and penetration will likely replicate Bank Windhoek's approach in months to come, as more financial service providers tap into the 'sleeping giant' – the mobile market.

Smart systems

GoPay is a safe and secure payment solution that aims to revolutionise how Namibians operate. For most Namibians, carrying sufficient cash to refuel has been inconvenient, expensive and even dangerous. GoPay allows customers to match their geographic location with a fuel merchant by entering a unique USSD fuel merchant code. This code will be printed on lanyards and worn by fuel attendants so customers can quickly and easily make their payment. 'Regulars' are able to save their local GoPay merchant code in their phones for easy repeat use.

Once the customer has entered the payment platform via the USSD code, they'll enter the amount they'd like to pay and submit for payment. On a dedicated mobile device, the designated fuel merchant will receive the payment confirmation and process it as per normal payment receipts. The fuel attendant can then service the customer and fill up their vehicle.

Cash-free future

GoPay frees customers from the hassle of drawing cash ahead of time to refuel – a pertinent concern in a country like Namibia, with sprawling distances between towns and fuel merchants. Customers can also process fuel payments remotely via the mobile platform – a father can enter and authorise a payment for his daughter, for example, simply by receiving the fuel merchant code, even if she's on the other side of the country. This protects against drivers being stranded without fuel.

Taxi owners or shuttle operators can also manage the fuel spend of their fleets by having one centralised account from which to authorise payments. GoPay uses the customer's bank account as a source of funds and hence customers can track their transaction history on their bank statements.

More for merchants

The platform also offers substantial benefits for fuel merchants. A dedicated email address for each GoPay merchant allows for automated, itemised transaction reports that can be used for daily reconciliations. By ridding their outlets of cash, fuel merchants create a safer trading environment with less risk of fraud and theft. Fuel merchants will also be liberated of cash handling fees and merchant commissions attracted by typical card transactions.

Bank Windhoek aims to roll out the mobile technology to the majority of Namibia's 200 odd fuel merchants, in efforts to create a more streamlined fuel purchasing system.

The risk and expense of carrying cash – and the convenience of a mobile alternative – is forcing African banks to adapt to mobile or die.

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