

'Interswitch making banking easier'

With Interswitch, customers do not have to travel long distances to their bank. Jacky Achan spoke to Apollo M. Sebunya on their operations

Q: What is Interswitch about?
A: Interswitch is a Pan-African, integrated, transaction and payment processing company. It provides shared, integrated e-payment solutions for financial and non-financial institutions. It enables electronic payments to facilitate e-commerce and provides value-added services, as well as real-time online electronic reporting and monitoring to various corporate organisations.

Q: What more products and services do you offer?
A: Interswitch provides a shared platform to financial institutions for ATMs, point of sale, web, mobile apps and agency network

Q: What are the advantages of Interswitch services?
A: With the Interswitch shared platform, financial institutions are able to reach a wider customer base and customers are able to access various services like cash withdrawal, checking account



A lady withdraws cash from a Cairo Bank ATM using a dfcu card. With the Interswitch shared platform, financial institutions are able to reach a wider customer base

balance, paying bills, buying airtime and even carrying out mobile money withdrawals at over 420 ATMs and 350 point of sale (POS) agent locations nationwide.

This also means a bank's reach also becomes wider, without them necessarily having to spend on it to establish their physical presence. Besides, they earn revenue when customers of different banks use their machines.

Q: Is it a requirement of the Central Bank for banks to

use Interswitch?

A: Currently, it is not mandatory to join the switch, which explains why some banks are not part of the network.

Q: What are the charges involved for using Interswitch services?

A: ATM withdraw transactions range from sh1,000 to sh1,500, depending on the card holder's bank, while sh300 is charged for balance inquiries as a standard. Airtime purchases for TV and

mobile, over the various channels, are free, while a small fee is levied for bill payments of electricity and water.

Q: Using Interswitch, how fast can one move money from one bank to another?

A: All transactions are instant.

Q: What remedies are in place for online fraud?

A: Interswitch is working with the member banks to improve the security on the system by introducing internationally approved security features that cannot easily be hacked into by fraudsters.

Almost all member banks have upgraded their systems to EMV and, going forward, magstripe cards will be a thing of the past.

There are also other security measures that we integrate with systems to enable users have control over verification of transactions on a secondary platform, like one's own mobile phone.

Q: What are the future plans to make this service bigger?

A: Our plan is to consolidate the switch into a one-stop platform for all financial institutions in Uganda. It will enable them to serve their customers across the country, using the various channels with the best integrated security. We have integrated with Kenya and Tanzania to serve individuals across the region.

We are also rolling out a pan-African card scheme called Verve that will enable holders from the country to access service across five African countries.

About Interswitch

One innovation that has eased services in the banking industry is the Interswitch, an integrated payments and transaction processing system. Interswitch, which was licensed in 2011, has so far hooked 15 banks onto a network that allows customers of any of the banks to access money from the other banks.

Prior to Interswitch, there was Bankom, which only connected five banks in the eight years it existed. When Interswitch bought 61% of Bankom shares and changed the name, more banks were connected to the network.

Percy Lubega, the head of business development at Finance Trust Bank, one of the banks connected to Interswitch, explains that it has eased business for the banks, but also enhanced service delivery to customers. The customers do not have to travel long distances to their bank. The nearest bank on the network can do.