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UEPS is adapted to country
with limited of deficient
telecom infrastructures

Iraq to implement Net1's UEPS

Net1 UEPS Technologies has signed a contract with a consortium comprising the Iraqi government and local Iraqi banks for the use of Net1's UEPS technology in Iraq. Under the contract, Net1 will provide a customized UEPS banking and payment system to the consortium.

The consortium, International Smart Card LLC, selected Net1 as its partner to assist with the challenges currently encountered with the payment and distribution of cash disbursements in Iraq. It is expected that the UEPS technology will also be utilized by Iraqi citizens living abroad, via bank branches in other countries.

The deployment of the UEPS will provide a ubiquitous platform for retail payment transactions in Iraq by providing interoperability between automatic teller machines, point of sale devices and bank branches. The UEPS technology will provide offline and online transaction processing solutions to enable affordable products and services to be offered to Iraqi citizens irrespective of where they reside. Projects identified include the payment of social grants to war victims, employee salary/wage payments, banking products and financial services.

Net1 expects to commence this project in the Q4/2008 and expects to generate revenue from this contract in Q1/2009. Under the agreement, Net1 will receive ongoing transaction and license fees, as well as payments for the provision of outsourcing services and the sale of hardware.

Net1, a South African company providing smart card technologies and systems primarily targeting the “un-banked” and “under-banked” populations of emerging countries who have no or limited access to traditional banking facilities. Net1 has recently been appointed as the supplier of the national payment system in Ghana E-Switch (*cf.* Smart Insights #07-27).