COMPANY NEWS

Digital payments to the fore in Singapore

Google Pay, NETS, SmartStream and MasterCard announce new efforts at Singapore Fintech Festival.

One of the biggest themes at the Singapore Fintech Festival is digital payments. It’s a field full of innovation from fintechs, Big Tech, and lenders. DigFin presents some of the biggest announcements.

ATM for rides
NETS Group runs Singapore’s payment rails. The company has a track record of innovating: it was the first in Asia to adopt an electronic debit network, even while global payment companies like Visa and Mastercard still relied on franking. (Franking is referring to postal stamps to confirm a payment was sent by mail.) Other “firsts” followed.

Today the company is now helping Singaporeans use their bank debit and credit cards to pay for transportation, says Jeffrey Goh, group CEO. It has just introduced NetsClick, the first ATM card tokenized for taxi rides, with the user’s bank account debited for the journey. And it just followed this up with allowing bank customers to use contactless ATM cards to pay for rides on the city’s MRT subway system.

OCBC partners with Google
OCBC Bank has entered a partnership with Google to reintroduce the Google Pay app to Singapore. Starting in January 2020, OCBC customers will be able to make C2C or C2B transfers between mobile phones using Google Pay.

Bank customers won’t need an electronic wallet to make mobile payments, says Ching Wei Hong, the bank’s COO. The bank is using the partnership to boost users of Singapore’s new PayNow digital payments network.

Users of Google Pay can also earn rewards when they use it for transferring money or making payments, which go directly to the user’s OCBC bank account.

Google Pay offers a similar feature in India, where it gained rapid adoption on the back of India’s interbank payments system, United Payments Interface (UPI). PayNow, which went live in Singapore in 2017, is a similar peer-to-peer transfer service. The Association of Banks in Singapore estimates the first half of 2019 saw 28 million PayNow transactions worth $4.6 billion. With Google Pay now supporting PayNow-based payments, the company expects volumes to grow rapidly.

Adding A.I. to payments
SmartStream Technologies is developing artificial intelligence solutions to improve banks’ digital payments capabilities, says Andreas Burner, chief innovation officer.

The technology company is applying machine learning and neural networks to identifying patterns in the data that banks already possess. Banks hold the lion’s share of customer data, and SmartStream is helping them access it and make sense of it.

Digital payments solutions enable acquirers, card networks, issuers, gateways, ISOs and others to get a holistic view of their payments. “Our innovation lab is working with banks to understand how to apply machine-learning tools to payments innovations,” Burner said. “Volume, velocity and variation in digital payments is changing at an unprecedented rate.”

The company has established a dedicated practice to collaborate with all participants in a client’s digital payments world, creating innovation solutions to bridge the gaps in the areas that matter to end users – and to build models that can handle exceptions workflows that kick in when a payment fails or doesn’t go as planned.

All aboard the express
Mastercard has launched Fintech Express, a program to work with third-party fintechs to support them as they help grow the digital payments world, says Rama Sridhar, executive vice president for regional digital partnerships and new payment flows. Mastercard’s first partner is Rapyd, a fintech that uses APIs to provide customized payment solutions to regional and global e-commerce companies, among other corporations.

The partnership gives Rapyd access to Mastercard’s product, partnerships, licensing and legal teams, and helps Mastercard service Rapyd’s corporate clientele. This gives the fintech fast licensing as a card issuer, integration into the Mastercard network, and advice. Rapyd will be able to quickly issue cards for its corporate clients in Asia Pacific. Mastercard hopes its Fintech Express platform will attract more payment-oriented fintechs.