



No cash? No bank account? No problem.



Gemalto helps the South African banks and the National Department of Transport to remove cash from the system.

Public transport is popular in South Africa, with 45 million trips taken each day by minibus, taxi, train and bus. Cash is often a problem for commuters and transport operators, as it needs to be kept secure. Therefore, South Africa's National Department of Transport (NDOT) wanted to remove cash from the system. It also wanted to improve fare collection, cut operating costs and introduce innovative and improved fare structures. What's more, it wanted to create a system that every citizen, including those without bank accounts, can access. To achieve this, the company needed to find a partner that could provide the right technology and could accommodate various fare structures, such as distance-based tap-on and tap-off payments.

“This is a new era of card convergence with multiple services increasingly being combined on a single product that maximizes convenience for the end user.”

Customer:

South African banks (Standard Bank and ABSA)

Sector: Transit

Situation:

The National Department of Transport wanted to improve the experience for its citizens by removing cash from the system.

Solution:

Gemalto provided a card that would enable South African citizens to travel on public transport without having to carry cash. It also provides commuters with a more secure and enjoyable way to travel.

Benefits:

Improves commuter experience

Acquires new customers

Provides financial growth

Finding the right partner

NDOT recognised that the right technology was vital to improving the experience for citizens using public transport. Gemalto helped banks to meet the NDOT requirements, by providing the right experience and the right technology. The company has over 15 years' experience and the widest range of technologies in the industry, having completed contactless ticketing projects for numerous cities around the world.

To help NDOT achieve its aims, Gemalto acted as a key player in driving South Africa's contactless deployment. The partnership has already resulted in the delivery of 130,000 "Muvo" cards for the eThekweni Municipality bringing safe, affordable and seamless public transport to eThekweni. Commuters can load funds onto their cards at sales points across the city of Durban, including a mobile unit for purchasing a Muvo card. Now, NDOT can adapt its fares accordingly, thanks to the card's ability to reflect the profiles of individuals. The solution is also delivered to citizens of Johannesburg, Pretoria, Cape Town, and will be soon deployed for Gautrain, the train connecting Johannesburg to the international airport.

Improves commuter experience

NDOT provides its customers with a better quality of service, as it processes payments much more efficiently. Travellers and staff don't have to fumble for change, so there are fewer queues and disruptions to travel schedules. Furthermore, security on public transport has improved considerably as citizens no longer need to carry cash. Mike Hughes, Business Development Manager of Beyond Payments, Standard Bank's innovation and new business division, says: "The new card showcases the innovative value we strive to offer our customers by integrating the transit ticket inside a banking card – secured with bank-strength security – along with a payment wallet."

Acquires new customers

As well as adding value for existing account holders, the "Muvo" card is attracting new customers. This includes many individuals who have previously been excluded from mainstream banking, and don't have a current bank account. According to research, 81% of commuters have no objection to adopting the Muvo card once paper coupons are discontinued*.

Supports financial growth

Contactless cards mean transactions can increase considerably, reducing the need for micro payments. It also positions NDOT as innovators and leaders in the transport industry. Thanks to the success of NDOT, Standard Bank is looking to expand contactless payments into other markets. "We are looking to extend EMV contactless payments to a number of different market sectors including events, schools and university campuses, as well as other players in the transport sector," says Hughes.

