

## Kenya: I&M Bank launches e-commerce license

NAIROBI: Visa, in partnership with I&M Bank of Kenya, recently launched its e-commerce license. Visa currently has four million cardholders (50% Kenyan) in the East African market and has worked with Kenya's I&M Bank to ensure it was compliant with international standards.



Speaking at the launch of I&M Bank's e-commerce license, Victor Ndlovu, Visa's country manager of sub-Saharan Africa said, "E-commerce is one of the most important facets of the Internet to have emerged in recent times. E-commerce allows people to carry out business without the barriers of time or distance. One can log on to the Internet at any point of time, be it day or night and purchase or sell anything one desires with a single click of the mouse."

Ndlovu also pointed out that the direct cost-of-sale for an order taken from a website is lower than through traditional means (retail-, paper-based) as there is no human interaction during the online electronic purchase order process.

The venture has attracted interest from several of Kenya's larger banks including Barclays, Standard Chartered, Coop Bank and Equity Bank. "We believe our commitment to making banking services more accessible will stimulate the already robust drive towards a modern electronic payments industry in Kenya," commented Ndlovu. "This will have significant social benefits for the people of this wonderful country, promote economic growth and improve efficiencies in government service and delivery, particularly to those people who exist on the very margins of society."

Kenya's improved internet connectivity has contributed to the smooth launch of e-commerce although access to stable lines and computers is still a challenge. Statistics from recent years indicate that phone line penetration density is relatively low, with about 4 and 1.6 lines in every 100 people in urban and rural areas respectively. However, Ndlovu is upbeat about the East African market in general. "Although e-commerce is currently only viable in Kenya, we predict that within the next six months, progress will be made in neighbouring countries. Kenya is a very mature market and sets a good example for e-commerce business opportunities in the region."