

BotswanaPost e-gov. Initiatives



PosoCard Payment System



Introduction of PosoCard

BotswanaPost has automated the payment process of social service benefits through the introduction of the PosoCard which runs on the Universal Electronic Payment System (UEPS) platform.

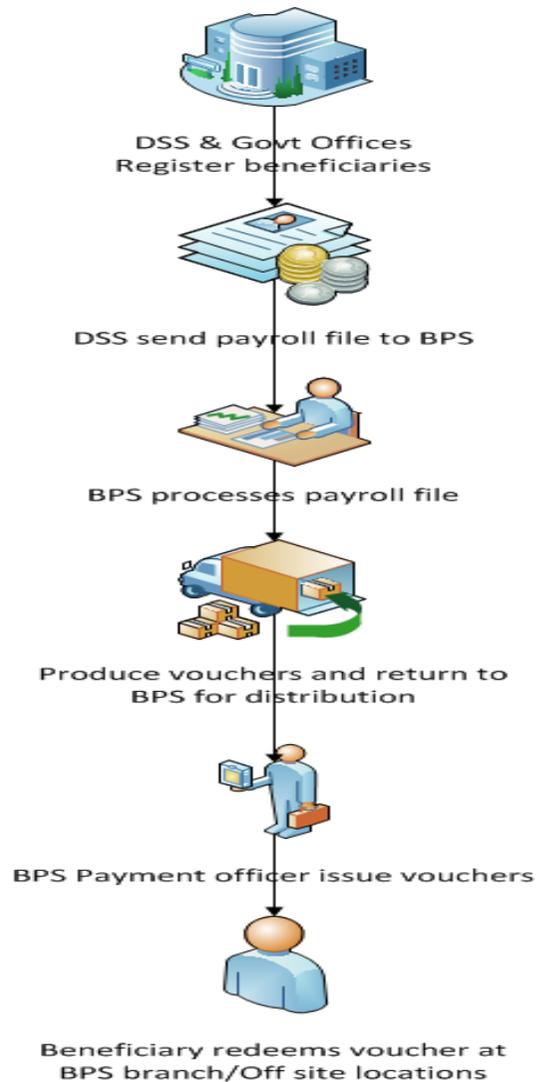
PosoCard has replaced the voucher system that provided grant administration to social service beneficiaries, and has allowed them to:

- Receive social service benefits
- Save social service benefits
- Withdraw their social service benefits anywhere across the postal network
- Use to purchase goods at selected merchants (to be introduced at later stage)



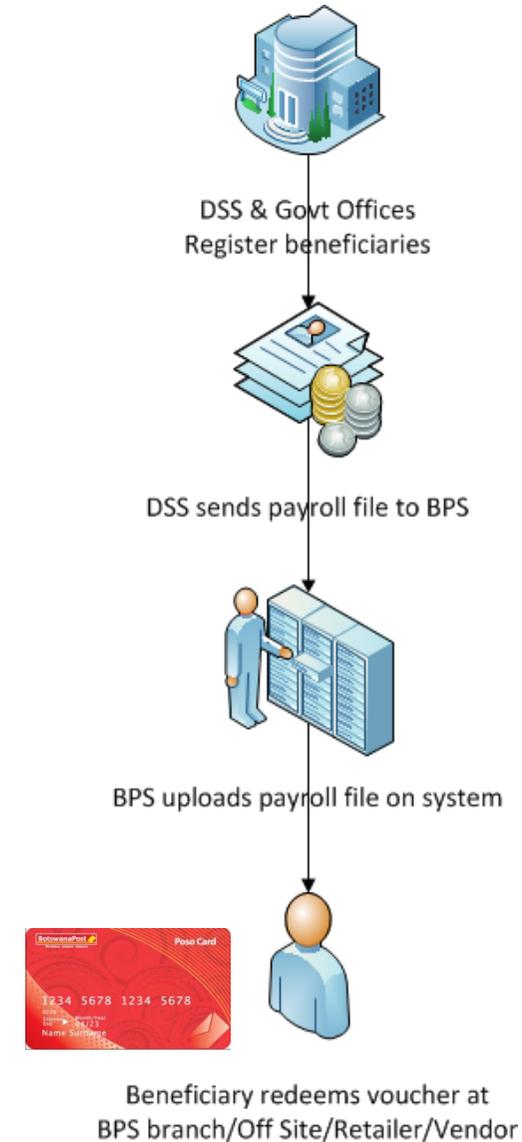
A Comparison of Payment Process

Voucher Process



Versus

PosoCard Process



Challenges and Disadvantages of the Voucher System

- Management of voucher books is a time consuming exercise & costly
- Time consuming reconciliation process
- Cumbersome management process
- Lack of adequate security (Fraud & Theft)
- No appropriate validation
- No opportunity to provide Value Added Services such as: savings, wallet services and commercial transactions (purchases)



PosoCard Advantages

Benefits for Beneficiaries

Convenience

- Social service benefits are available at BotswanaPost branches (and merchant stores that will be communicated later)

Greater Security (Reduced Fraud & Theft)

- If a beneficiary PosoCard is lost or damaged the funds on the cards will not be lost
- Loss of monies due to robbery will be drastically reduced

Biometric Fingerprint Verification

- No one can access the beneficiaries account without fingerprints of the beneficiary or the procurator / proxy

Savings & Banking the Unbanked

- Pensioners will be able to use the PosoCard to save

Future Services

- Beneficiaries will in future be able to benefit from several offers that BotswanaPost develops that are card related, e.g. financial services



PosoCard Advantages

Benefits for DSP

- **Easy Transaction Tracking and Reconciliation Capabilities**
 - Availability of multiple reports tailored to DSS needs
 - Reports will enable DSS to monitor Who was paid, how much they were paid, by which officer, on which day
- **Assurance of 100% authentic real-time transactions in an OFFLINE environment**
 - The registration, enrolment, issuing of smart cards and payment of beneficiaries will take place without need for connectivity to any kind of network
- **Heightened security (Reduction of fraudulent activities)**
 - The use of biometric fingerprint technology for identification of beneficiaries will ensure that the 'right benefit to the right individual'
- **Better management of Beneficiary Database**
 - Use of the card will automatically prove an individuals existence
 - The system can also be configured to cut off beneficiaries after a set time or those DSS wishes to remove from payroll



PosoCard Advantages

Benefits for BotswanaPost

Reduced operational costs (long term)

- No printing of vouchers
- Reduced overtime, lunches, police allowances

Ability to provide additional services on same solution

- Destitute Food Coupons and other social benefits
- Student Placement Allowances
- “Discount Card” for general public to use at Retail Stores
- Sale of valuable database for marketers, CSO, business

Reporting Capabilities

- Easy Reconciliation Capabilities - multiple reporting capabilities

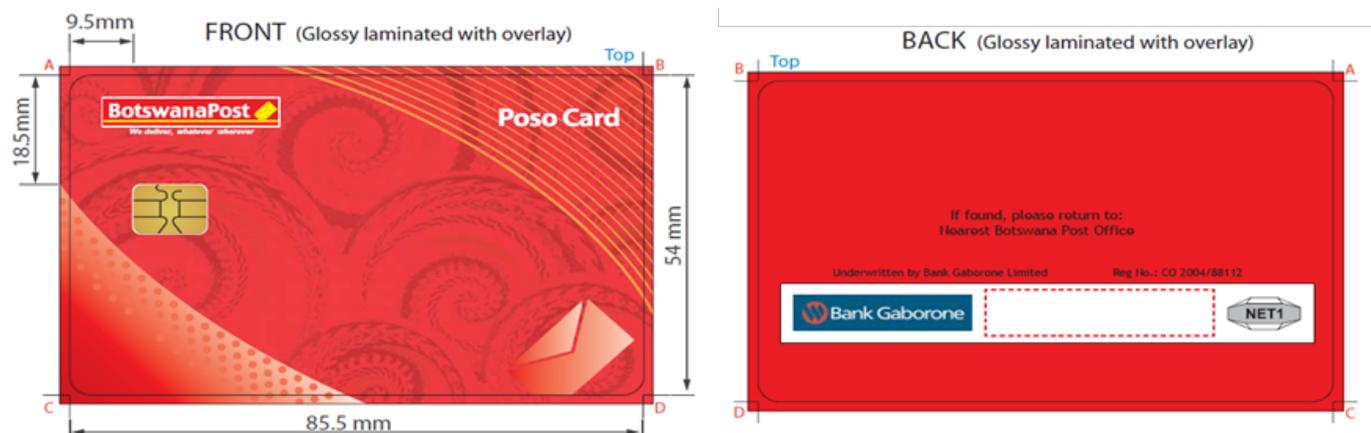


How Does the PosoCard Payment System Work?

The PosoCard Payment System provides the capability to load value to the microchip, to biometrically authorise every transaction from the PosoCard at a BotswanaPost Point of Sale device and then to settle the transactions to a central host computer (System Host) located in a secure premises.

SIMPLY PUT, THE PosoCard SYSTEM IS A METHOD OF LOADING VALUE, SPENDING VALUE AND SETTling THAT VALUE.

A PosoCard is a PVC card (that looks like a bank card) which has a microchip embedded into the surface of the card. The chip has the capacity to store information including the personal details as well as the fingerprints of the beneficiary. The card has various “wallets” which are used for different purposes. One of the wallets is the “Social Benefits Wallet”.



Portable System Tool Kit

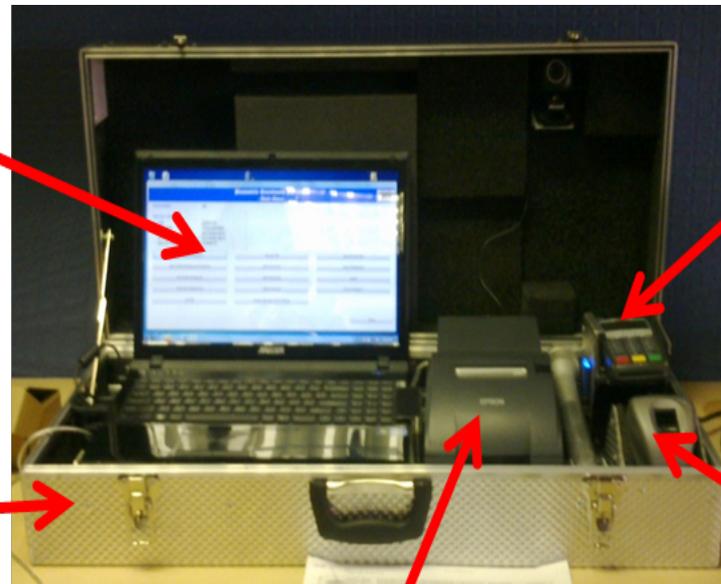
Below is the tool kit used for Registration, Enrolment and Smart Card Issuing:

Laptop / Desktop
PC for data entry

Card Reader for
swiping and data
entry

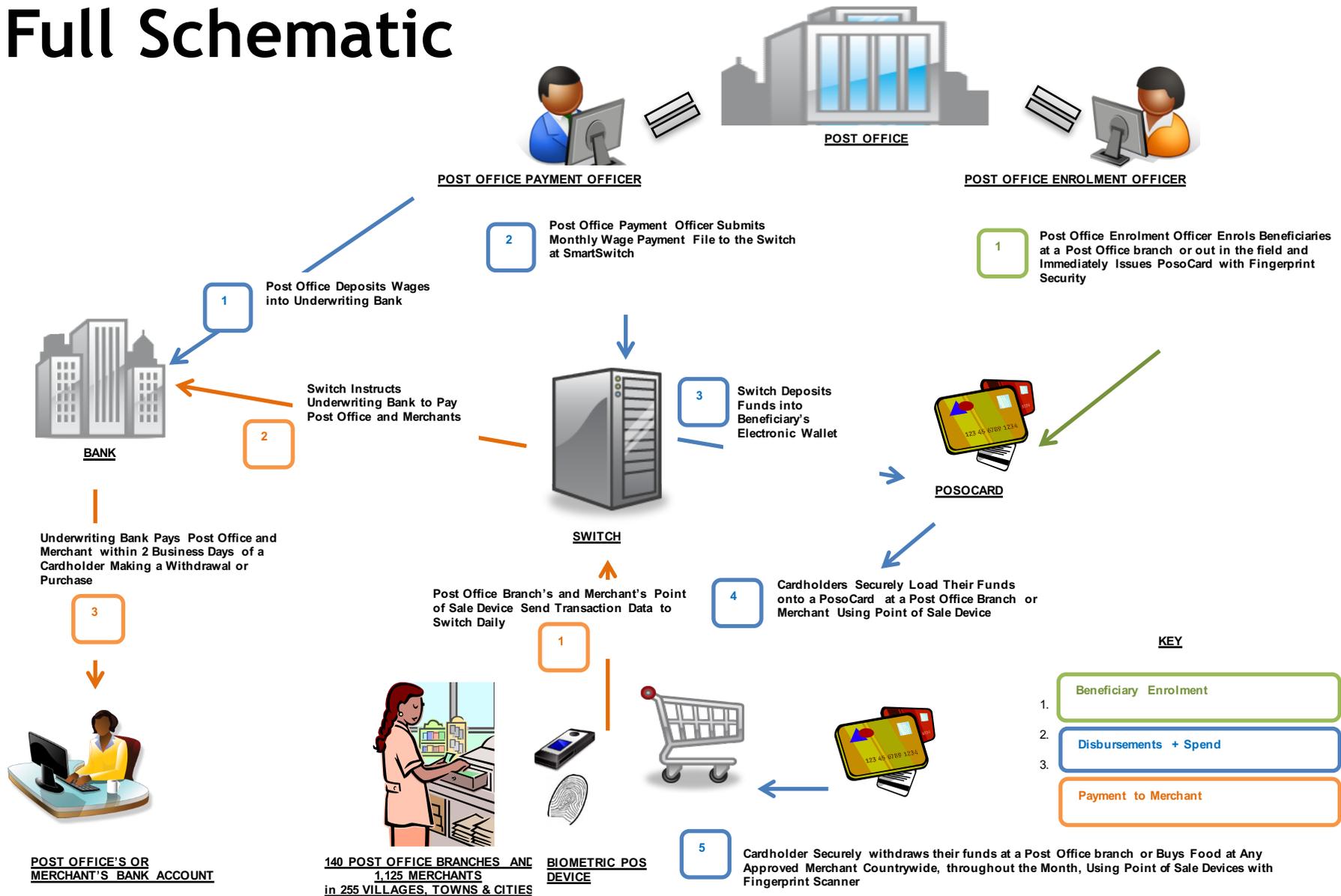
Protective
Aluminium casing

Biometric
Fingerprint
Scanner



Printer

PosoCard Payment System - Full Schematic



Planned Value Adds

1. Merchant Payment Access

- Through the SmartSwitch Botswana partnership, the Post will provide beneficiaries access to merchant services where they will be able to enjoy the following:
 - Receive Grant Payments
 - Use their cards to swipe and purchase goods from merchant stores
- Currently there are more than 1000 merchant outlets to be explored

2. VISA/ MasterCard

- Currently the PosoCard is running on a closed loop system, meaning it cannot perform other commercial transactions such as ATM withdrawals and access to credit
- The Post is intending on opening the system and have it run on either VISA or MasterCard, this will in turn reposition the Post and lure in more commercial clients such as:
 - Payment of Salaries
 - Payment of Student allowances
 - Commercial Loyalty Cards etc.

3. Transport Payment Card (NFC)

- The Post has intension of introducing a transport card system where citizens and residents will make monthly/ yearly subscriptions to PosoCard.
- This will in turn help the government collect taxes seamlessly as a lot monies are currently not declared by industry players



Thank You

