

# GhIPSS Update

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## MESSAGE FROM THE CEO



**Archie Hesse**  
CEO, GhIPSS

I wish to take this moment to thank you for your support and trust over the last quarter during which we witnessed continued improved performance over the same period the previous year. Combined transaction volumes on all our services increased by 86% from 28.8 million in Q1 of 2021 to 53.7 million in 2022. Details of this performance are captured in this edition.

In our last edition, we pledged to work together with you to improve our service offerings to the public as well as deepening the usage of digital payments for this year.

With your cooperation, we embarked on some infrastructure enhancement projects in the first quarter with the objective of increasing the capacity of our real-time and card payments platforms. We enlist your support to bring these projects to a successful conclusion to enable us deliver the expected benefits to the industry. The first quarter

also witnessed some momentum for GhQR as the industry continued the user experience activations and also welcomed new members to the platform.

In the months ahead, together with your collaboration, we intend to drive the uptake of gh-link cards and explore new opportunities in this space. We are currently working with our technology partners on gh-link contactless to open up new opportunities in retail, transport/transit and other sectors. The GhQR Experience Fair will continue in the coming months as we grow the number of users on the platform.

On the bulk and batched payments front, the ACH direct credit Near Real Time (NRT) which credits banks accounts in a maximum of 15 minutes is a potential game changer for salaries payments and similar bulk disbursements. With your partnership, we intend to develop this market fully.

As you are already aware, the industry-wide mobile wallet service is currently under implementation with a live pilot among industry players. Plans are underway to roll out this service to the general public in the coming months.

I will like to once again, thank you for your support. We look forward to working closely with you this quarter and beyond.

Enjoy the rest of the Quarter.

Thank You

1



Ghana Interbank Payment & Settlement Systems Limited

**15TH ANNIVERSARY**



**GhIPSS @ 15.  
Hurray!**

It's our anniversary Month.

# GhIPSS 2022 QUARTER ONE INDUSTRY PERFORMANCE REPORT

There was a positive growth of all services across the various platforms in the first quarter of 2022 as illustrated in Figure 1 below. This growth trend has been successfully maintained since 2020, reflecting the increasing usage of the various electronic services provided by GhIPSS. The total volume of transactions recorded in this quarter, increased from 28.8million transactions in the first quarter of 2021 to 53.7 million transactions in the first quarter of 2022. This represents 86.2% growth over 2021 quarter one transactions. Similarly, the total value of transactions also increased by 30.45% from Ghs 76.2 billion in 2021 to Ghs 99.4 billion in 2022.

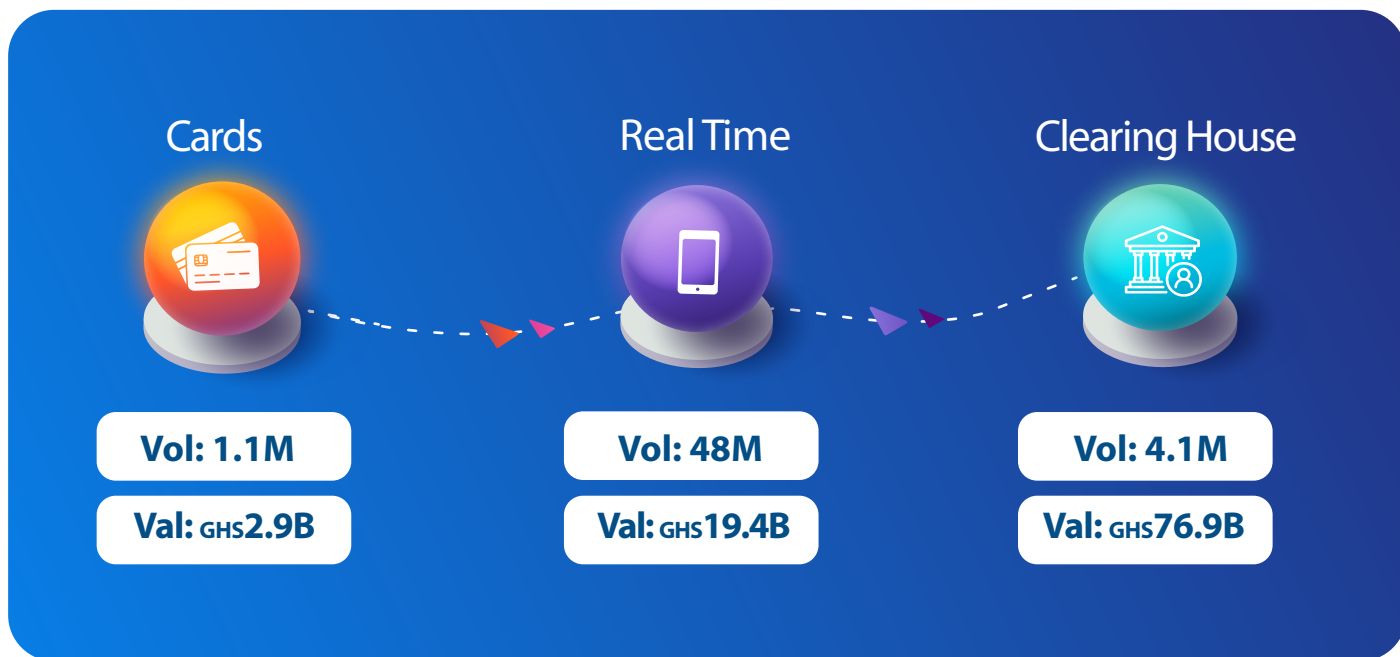
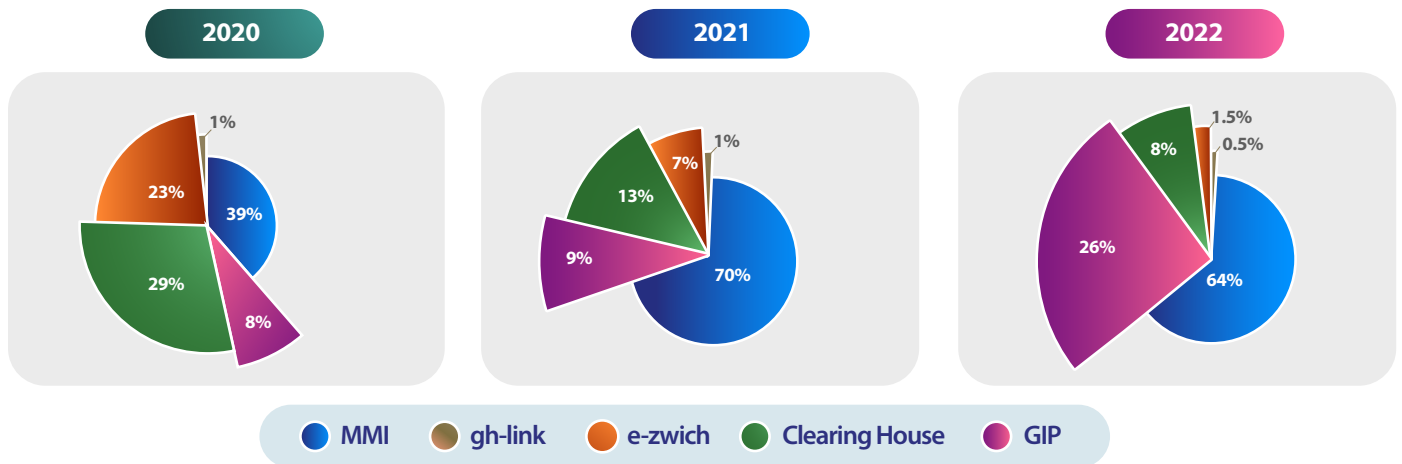


FIGURE 1: 2022 Quarter One Performance Summary

The highest platform growth was on the GhIPSS Instant Pay platform which increased by 166% in value and 412% in volume. Cheque processing and e-zwich transactions both recorded increases in value of 8% and 42% respectively, this however, was not reflected in the volume of transactions. The volume of Cheque declined by 5% from 1.3 million cheques in 2021 to 1.4 million transactions. This decline is as a result of the digitization of government payments such as tax payments which is typically done using cheques and the decline in the use of bankers draft for the payment or SHS fees. e-zwich on the other hand, declined by 52.32% from 1.9 million transactions in 2021 to about 900 thousand in 2022. The decline in the volume of e-zwich transactions could be attributed to the consolidation of payments by Institutions that use the e-zwich platform for payments of allowances to beneficiaries of government social intervention programs like NABCO.

GhIPSS performance in March has historically been positive as it is the period where large payments such as annual tax returns and company bonuses are processed. Figure 2 illustrates the comparative performance of the various platforms in the first quarter of the past three years. It shows the growing contribution of MMI and GIP to GhIPSS overall performance. These services together currently account for 90% of all transactions processed by GhIPSS. In 2020 and 2021, MMI (Wallet to Wallet) transfers recorded the most growth but in 2022 the growth is from Account to Wallet and GhQR transactions. Growth in GIP Account to Wallet transactions is driven by the growth in the number of GhIPSS partners which has reached 60 institutions with the coming onboard of Emergent Payments and Junipay.

VOLUME



VALUE

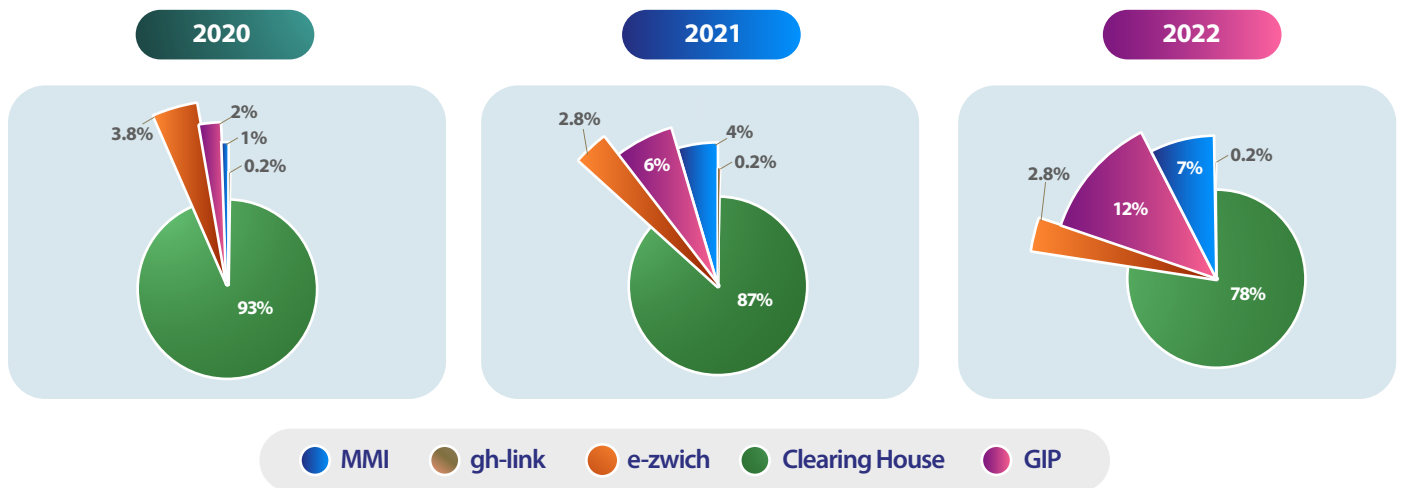


FIGURE 2: Comparative Percentage growth analysis of product performance – 2020 - 2022

GhQR service also performed particularly well this quarter following the successful experience fair held on the Osu Oxford Street and the coming on board of MTN Mobile Money. MTN Momo and G-Money have played key roles in boosting GhQR transactions. MTN Momo brought with it a large customer base that is familiar with merchant payments while G-Money has invested in acquiring strategic merchants. Out of the 60 thousand GhQR transactions processed in Q1 of this year, MTN Momo accounts for 77% while G-money accounts for 66%. While real-time services have grown rapidly in the last three years, the data also shows the continuing dominance of the clearing house when it comes to the value of transactions processed. In the clearing house, cheques are still used predominantly for high value payments especially by large corporates. We also see significant growth in the use of ACH Direct Credit Services for corporate payments, in this quarter these transfers increased by 44.08% in value from Ghs 15.2 in 2021 to Ghs 21.9 billion and 18.9% in volume from 2.11 million in 2021 to 2.51 million.

The volume and value of transactions recorded in the first quarter of this year is a possible indication of the growing confidence in electronic payment platforms. All things being equal, it is expected that transactions will continue to grow in subsequent quarters. In the coming months, GhIPSS will continue to partner all platform participants to promote awareness and encourage usage. With 2022 being the company’s year of Service Excellence, there various planned activities to ensure the continuous growth of all services.

# Driving Economic and Social Benefits with the gh-link EMV Card



The gh-link EMV card scheme is a bank's best option to reduce the cost of issuing cards and offer customers international security at an affordable price. With the anticipated shift to the use of ATM cards due to the introduction of the electronic levy tax, there is a need for strategic decisions to ensure adequate provisions are made for cost-sensitive customers. The cost and benefit of issuing and acquiring the gh-link card is one of its key advantages.

The gh-link card scheme is designed to make joining, acquisition, maintenance, and transactional costs less expensive and easy to deploy. Chargeback cycles takes 10 days making it easy for banks to resolve customer disputes and make the necessary refunds. The Card again protects customers' transaction data, as card transactions are processed in Ghana. While international cards play a role in the cards payments space, the use of domestic cards within Ghana should be embraced and encouraged. The gh-link card is arguably the most cost-effective card scheme on the Ghanaian market today.

## Why Banks Should Embrace the Domestic Card Scheme

**1. Lower cost:** As retail banking margins come under increasing pressure from increased competition and the impact of the COVID-19 pandemic, cost control has become necessary. Research has shown that in most markets less than 5% of cardholders transact internationally. However, the International Card Schemes charge assessment fees on 100% of transactions regardless of where transactions originate. Research has also shown that transaction costs from managing domestic schemes average only 45% of the cost of using International Cards for in-country payments. All domestic card transactions are carried out and processed in-country, making a material difference to overall bank cost. It also reduces the cost for customers who patronize these cards.

**2. Fee structure:** The fee structure for the gh-link card scheme differs from that of International Schemes. Unlike International Card schemes, banks do not have to pay quarterly fees to GhIPSS. Again, the one-off joining fee for the gh-link platform is much lower.

**3. Settlement:** All gh-link transactions are processed and Settled in Ghana, resulting in a lower cost of Settlement and maintenance for banks.

**4. Security of data:** Banks are responsible for the security of their customers' transaction data. This gives banks control over the security and use of their customer data. With the gh-link card scheme, customer purchase data stays within the boundaries of the country. Sensitive data like customer spending patterns are not shared across the

country's borders.

**5. Participation and governance benefits:** For many countries, there is a rising concern that using International cards for domestic payments exposes banks to external political interference.

**How can Financial Institutions Support the Successful Development of the gh-link Scheme?**

**1. Join the gh-link Scheme:** For Ghana to successfully develop the gh-link domestic card scheme, all licensed Financial Institutions should, as the first step, join the gh-link Network. They should also issue domestic cards, as directed by the BoG and present these gh-link cards as options to customers who require payment Cards.

**2. Acceptance Network:** To make the gh-link cards attractive, Financial Institutions would have to deploy POS and ATM terminals and certify their cards to be accepted on online platforms. The nationwide spread of these channels will make the scheme visible and attractive to customers and Merchants.

**3. Customer Education:** Financial Institutions will have to educate their customers on the availability of the card, its benefits, the various use cases, and channels available to the customers.

The success of Ghana's domestic card schemes depends on the support of all partners. For further information on gh-link card acquiring and issuing, kindly contacts the Cards & Verified Payments Units of GhIPSS on: Tel: 0302-610780 Ext 315 / 313 / 312 / 314 or via email: [cardpayments.support@ghipss.com](mailto:cardpayments.support@ghipss.com)

**CURRENT gh-link ISSUING BANKS:**



**CENTRAL BANK**



**CURRENT SAVINGS AND LOANS**



**Reference:**  
<https://www.anthemis.com/wp-content/uploads/2014/06/National-Payments-Schemes-Report.pdf>



## IDENTIFYING A POTENTIAL CARD CUSTOMER

The gh-link EMV Card is Ghana's trusted domestic card. The Card scheme rides on the gh-link platform, which interconnects all banks and financial institutions within Ghana. In line with the global trend of Countries developing their domestic card schemes, the gh-link Card provides Ghanaians with a secured "home grown" card that reduces the cost of acquiring and using an ATM card.

### Who is a potential gh-link cardholder?

From our analysis, potential gh-link cardholders are individuals from all walks of life within various age brackets who need to enjoy seamless banking transactions at an affordable cost. They prefer a payment card that gives them limitless ATM access, high security and ease of use. In addition:

#### 01 The Hustle - free

They are interested in having access to their money at their beck and call. Any time, any day, at their own pace and convenience

#### 02 18 years and Above

They are Both Male and Female customers within the required age bracket for owning a traditional bank account.

#### 03 Bank Customers

They actively own and operate a personal bank account or are thinking of owning one (New entrants)

#### 04 The Price Sensitive

They are conscious of cost and sensitive to pricing and may not be interested in paying any fee aside from withdrawal charges from ATMs of partner gh-link Institutions

### 05 The Literates

They have at least the primary education required to use digital banking products.

### 06 The Nationalists

Most of them hardly travel outside of Ghana and perform all ATM transactions within Ghana.

### 07 The Stress - Free

They appreciate and enjoy convenience at an affordable cost and will choose a less cost-effective payment card with the correct information.

### 08 Non e-zwich Customers

They do not receive any form of allowance on e-zwich

It is important to note that Cardholders rely comprehensively on the advice of banks to make an informed decision on a service that suits their pocket and needs. It is therefore crucial for issuing Institutions to assess the needs of their customers before recommending an appropriate payment card for them.

*Have you started issuing a gh-link card yet? Do you need assistance? Kindly send an email to the Cards & Verified Payments Unit of GhIPSS on [cardpayments.support@ghipss.com](mailto:cardpayments.support@ghipss.com) Tel: 0302-610780 Ext 315 / 313 / 312 / 314*



- Lowest ATM Fees
- Nationwide Acceptance
- World-Class Security

Get gh-link card Instantly from any Universal Bank, ARB Apex Bank and licensed Savings & Loans Companies.



**Ghana's Trusted Payment Card**



# Excerpts from Top Trends 2022 in Payments



*[[ Digital payments' hockey-stick growth is altering the traditional payments instruments mix as the adoption of next-gen payment methods proliferates. ]]*

**Context:** The traditional payments instrument mix (cash, checks, direct debits, and credit transfers) is morphing into a new instrument mix gravitating toward digital payments. Traditional instruments' share of payments is either stagnant (cards) or diminishing (cash). Legacy systems are moving out as customers embrace advanced, more convenient payment options.

Customers are rapidly adopting the new mix – which primarily involves instant and e-money payments (related to digital wallets, mobile payments, etc.) – replacing traditional options.

**Catalysts:** COVID-19 is said to have accelerated customer adoption of digital wallets, mobile payments, and virtual/contactless cards as touch-free, fast, and convenient payments became the norm.

01

Digital payments are now globally ubiquitous, focusing on a feature-rich, hyper-personalized, end-to-end payment experience.

02

E-commerce and m-commerce are now mainstream and prime shopping preferences for customers, making digital solutions the preferred payment method.

03

Retail customers' increasing propensity to share their data with non-banks helps create custom-tailored payment propositions. According to our survey, 86% of customers are willing to share their financial data with non-banks, and 70% are happy if non-banks make payments on their behalf, with their permission.

**In a nutshell,** Digital wallets are expected to overtake cash and card as the most popular in-store payment method. Digital wallets are gaining significant traction in the payments ecosystem through their easy, convenient, and fast payment capabilities.

01

The number of mobile wallets in use is on track to reach 4.8 billion by 2025 (up from 2.8 billion in 2020)– nearly 60% of the world’s population.

02

In the fastest-growing mobile wallets markets – Southeast Asia, Latin America, and Africa & Middle East – mobile wallets are displacing cash and cards.

03

Globally, contactless in-store payments via mobile wallet exceeded in-store cash and card payments for the first time in 2020. And by 2024, digital wallets will account for one in three in-store transactions globally.

## Conclusion

The booming use of next-gen payments is sparking a new payments mix. According to the analysis by the World Payments Report, by 2025, instant payments and e-money payments will account for >25% of global non-cash transactions, up from 14.5% in 2020. Increasing the use of next-gen payment methods – buy now, pay later (BNPL), invisible, biometric, and cryptocurrency – will be pivotal in driving the growth of non-cash payments.

*Credit: <https://worldpaymentsreport.com/resources/top-trends-2022-in-payments/>*

# GhIPSS Upcoming Webinars and Training Programs for 2022

Webinar	Date	Target Audience	Delivery Mode
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Merchant Acquiring for gh-link and GhQR	24th August	Bank Staff	Online
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Training	Date	Target Audience	Delivery Mode
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Managing Fraud and risk on Electronic Payment Systems	23rd – 24th June	Bank Staff	In - Person Training
Managing e-zwich Agent business - Accra	13th – 14th July	e-zwich Agents	In - Person Training
Managing e-zwich Agent business - Takoradi	19th – 20th July	e-zwich Agents	In - Person Training
Managing e-zwich Agent business - Kumasi	25th – 26th July	e-zwich Agents	In - Person Training
Managing e-zwich Agent business - Tamale	28th – 29th July	e-zwich Agents	In - Person Training
Refresher on new ACH Direct Debit Mandate Exchange Portal	9th – 10th August	Bank Staff	In - Person Training

For further information, kindly contact your Relationship Manager or send an email to [training@ghipss.com](mailto:training@ghipss.com).

# Financial Institutions

GONE LIVE ON GhQR

## BANKS



## MOBILE MONEY OPERATORS



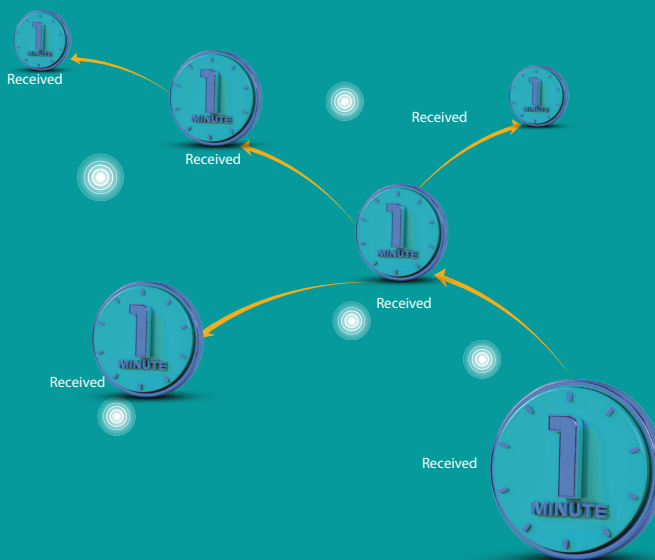
## FINTECHS



GhQR

Eye fast keke!

# ACH Near Real Time: A game changer for Bulk Payments



Even before the onset of the pandemic, most corporate institutions were clamouring for electronic payments solutions. The COVID-19 pandemic has, however, infused some urgency for this demand, especially in the area of bulk & batched payments.

A common refrain from businesses that continue to make table-top payments despite the apparent risks is the argument that making payments with physical cash is faster and more convenient. For others, it is the ability to control when payments are made to recipients.

Financial Institutions can leverage the ACH Direct Credit Near Real-Time payment solutions to support corporate institutions in their payments digitization drive.

- ACH Direct Credit, Near Real Time (NRT) solution provides corporate institutions with a real-time payment experience. ACH Direct Credit NRT allows businesses to credit bank accounts of their beneficiaries within **15 minutes** of sending funds transfer files to a paying bank. It is ideal for paying salaries, suppliers, pensions, commissions and any bulk payments that customers of financial institutions may require.

- ACH DC NRT further improves the speed of making bulk payments in Ghana and provides customers of financial institutions with additional choices for making bulk payments. Compared to the existing Express &

Standard ACH Direct Credit, the Near Real-Time Service provides customers with a faster bulk payment option.

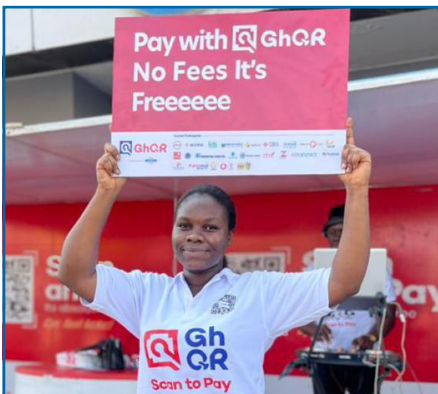
- Most corporate institutions will find ACH DC NRT extremely useful because, besides the transparency and certainty of payments it provides, it also provides unrestricted banking hours for making bulk payments across different banks. This means that customers can make near-instant bulk payments when the need arises.
- Also, because NRT allows banks of businesses or corporate institutions to represent returned payment details within the same session, companies can correct all payment errors for re-presentation without fear of missing payment timelines. This process makes ACH DC NRT suitable for businesses because regardless of the error, they still have the opportunity to meet their payment timelines.

With NRT, banks have the opportunity to make a unique business case to their corporate clients in both the formal and informal sectors. For many unbanked businesses, spontaneity is a big deal: the ability to respond quickly to a business deal that drops out of the blue and make payment almost immediately.

***For further information about ACH Direct Credit NRT Service, kindly contact the Bulk Payments Unit of GhIPSS via email...[rm@ghipss.com](mailto:rm@ghipss.com)***

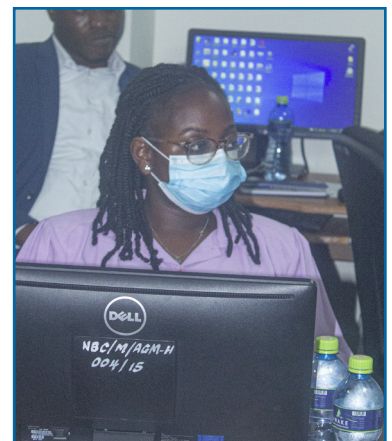
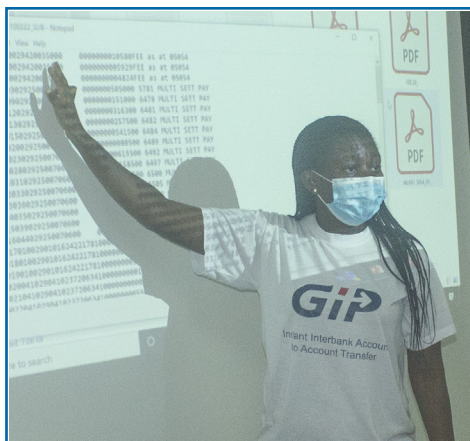
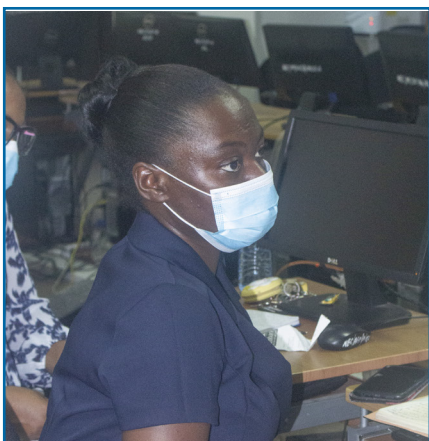
# 1. GhQR Independence Day Activation on the Oxford Street

Images from the GhQR Independence Day Activation held on the Oxford Street in collaboration with some of the banks live on GhQR



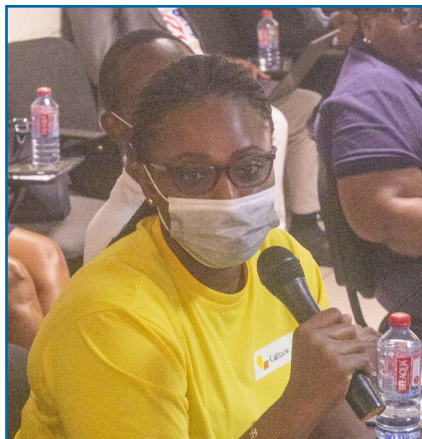
## 2. GhIPSS organizes Training on Managing e-zwich Operations and Understanding e-zwich reports.

Below are images from the training programs held at the Banking College on the 15th -18th March and 24th - 25th March, 2022.



### 3. GhIPSS organises an industry engagement on gh-link Cards

GhIPSS held a stakeholder engagement to discuss the development and promotion of the gh-link card. The event was held at the Apex Bank Conference room on the 19th May, and had participants from all the issuing and acquiring institutions. Below are some images from the event:









## CONTENT CONTRIBUTORS

NAME	UNIT
Melissa Baba Benjamin Asafo - Adjei Nana Anima Bampo Mary Dei Sarpong Diana Plange	PMO (MIS & Enterprise Intelligence) Cards & Verified Payments Client Services Cards & Verified Payments Real Time Payments



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