The UNCDF Pacific Islands FinTech Innovation Challenge
Questions for Implementing Partners – Home Finance Company Limited

Questions:

1. **What is the current market scenario in the country with respect to addressing a particular problem statement (Eg: what is the current market scenario in terms of digitizing customer service in Fiji)?**

   During and post-Covid, there has been a tremendous demand and need for digital services in Fiji. This is because it provides customers and businesses alike assurance of business continuity during such events. The ever-increasing mobile telecommunication market and the exposure of individuals to online facilities have also contributed to this need. There have also been government legislations passed that have provided support to the digitalization of certain services in Fiji.

2. **Who are the target audience in the specific market (eg: SMEs, women)? What is the proportion of this population that is expected to be served through the implemented solution?**

   The target audience would be for all retail customers and business customers. Having a payment gateway will allow them to conduct online selling and buying.

3. What percent of the population already uses/has access to mobile phones, internet, etc. (if the solutions involve these infrastructure)?

   Information can be found on: https://datareportal.com/reports/digital-2021-fiji

4. Is there necessary supporting digital infrastructure that is already available to implement the solution (eg: necessary supporting infrastructure for automation of customer services)?

   We currently have a new payment system; however, we will have to relook at the need for additional infrastructure once the finalised solution has been confirmed.

5. Are there similar products in the market already? If yes, what are they?

   Yes, there are already existing payment gateways available in the market. Other bigger Banks have their existing Group Internet Payment Gateways provided by 3rd

party vendors.

6. **Are there other key players in the market for the particular product (to understand competition)? If yes, who are they?**

Yes, the other 3 major banks have this offering. This is predominantly used by larger corporates.

7. **Have there already been any solutions that have been adopted and deployed to solve this issue? If yes, how successful were they and what are the lessons that could be learnt for the new entrants?**

Yes, there have been solutions implemented, however, we are not privileged to the outcome of the implementation as these were done by other banks.

8. **Would you be able to give an idea of the projected volume of transactions in the identified markets?**

From a recent commentary by an e-commerce provider, they encounter on average 60,000 users who visit their online shop. If we were to convert 2% to actual sales, then we would be looking at around 1,200 transactions per month.

9. **What are some of the market rules and regulations/government policies that should be kept in mind while designing a platform/app as a solution to the particular problem statement?**

For any payment solution, it needs the following:
➢ to be PCI/DSS compliant. This is an industry standard.
➢ Should be 3DS
➢ It should be easily deployable to customer sites.
➢ It should be totally secure.
➢ It should be able to take any scheme card or at least the major ones i.e., UPI, VISA and MASTERCARD.
➢ It should be able to interface with any payment platform i.e. Paypal, Apple pay, Weepay and Alipay (non-exhaustive).
➢ Ability to be put onto both SME and Corporate sites of any business line. i.e travel booking (aviation industry), hotel booking, rental booking etc.
➢ It should have logging features which allows analysis of traffic coming through the gateway.
➢ It should have reporting features to allow for analysis of customer transactions:
   o currencies used.
   o most popular purchase.
   o frequency of purchases.
   o This should allow reporting by card, by customer, by product type, by transaction value, by currency and by location of customer at the time of the purchase.
   o Fees generated by the gateway.
➢ Allow for invoicing capability inclusive of a global tax calculation
➢ Ability to charge a monthly or annual fee, also a fee based on number of transactions.

> ➢ Should allow the flexibility for us to be able to either input rates for currencies or point to a site for rates to be used for various currencies.
> ➢ API compatible to allow for better and easier interfacing with any platform. Have a full client library and SDK so enhancements may be done easily.

10. What are the operational challenges in development and implementing the solutions that has to be kept in mind? (legal, institutional, operational, technological)

The challenges one would face would be:

- Having the solution accepted by the respective schemes
- Ensuring that the solution is able to integrate with relevant systems
- Infrastructure on the client side
- Clients may use different technological platforms, hence integration may pose a challenge
- Clients may be based in other countries with different tax calculations, fee structure and regulatory requirements.

11. Are there any possible collaborators in the market?

Yes, there are. Our current payment system vendor has an Internet Payment Gateway solution. They are called BPC Technologies

12. What are the possibilities of market expansion?

Within the Pacific region, the possibilities of expansion would be high given that we are still developing our payment platforms.

We would like the IPG to be a package which can also be used by the bank to sell to other providers who then can provide this to their clients. This may not be always done directly by the bank.