

INTERNATIONAL
Herald Tribune Business

iht.com Business Culture Sports Opinion
 AMERICAS EUROPE ASIA/PACIFIC AFRICA/MIDDLE EAST | TECH/MEDIA STYLE HEALTH
 TRAVEL PROPERTIES BLOGS SPECIAL REPORTS AUDIONEWS

Morning home delivery - save up to 65%

SEARCH Advanced Search

AP Interview: Uganda teams up with US company to give rural areas access to electronic banking

The Associated Press

Published: October 20, 2007

NEW YORK: Uganda's finance minister wanted to give more than 90 percent of the population of his homeland access to the banking system and financial services to try to spur economic growth, especially in poor rural areas. But his government did not have the know-how or the money to do it.

So finance chief Ezra Suruma has teamed up with an American company to bring modern electronic banking to millions of Ugandans, especially in rural areas where 85 percent of the country's estimated 26 million people live.

"It means money that was under the mattress and buried and hidden in the roofs comes out and people have access to it," Suruma said in an interview Thursday. "People are amazed at the amount of money in rural areas."

Like many developing countries in Africa, Asia and Latin America, Uganda's banking system is centered in the capital and big cities, with few — if any — banking services in rural areas.

"What we're trying to do in Uganda, is to expand our financial system so that more than 90 percent of the population would have access to financial services," Suruma said. "We have six million households, five million in rural areas, and we want them all in the banking system. Our vision is that the whole country will become monetized."

Today in Business

[Merrill chief's merger proposal irked the board](#)

[Countrywide Financial swings to loss of \\$1.2 billion on weakening mortgage market](#)

[ICBC to buy \\$5.6 billion stake in South African bank](#)



389 are already operating. Each is owned by its members who decide on loans and interest rates and oversee repayments. which are "very good." he said.

- E-Mail Article
- Listen to Article
- Printer-Friendly
- 3-Column Format
- Translate
- Share Article
- Text Size - +

Allianz. Financial solutions from A-Z for life's important moments.

A B C D E F G H I
 J K L M N O P Q R
 S T U V W X Y Z

[Click here to explore](#)

Most E-Mailed

24 Hours | 7 Days | 30 Days

1. UN issues 'final wake-up call' on population and environment
2. A crucifix on his neck, monk escapes Myanmar
3. Photos show cleansing of suspect Syrian site
4. A party on board as Singapore Airlines introduces A380
5. Saudi king tries to grow modern ideas in desert
6. James Watson, DNA pioneer, retires as lab chief after racial remarks
7. French ministry blocks return of mummified Maori head
8. U.S. mortgage toll could keep soaring
9. Humanity is putting Earth, and itself, at risk, UN environment report says
10. US investigating generic antidepressant after complaints



But Suruma was not satisfied because people still had to travel to towns, and the associations were very basic, credit was limited, and they did not have the technology and infrastructure to link into the national banking system, which limited prospects for growth.

"The only way for us to find the credit was to solve the problem of non-access to financial services," he said.

So the government established a public-private partnership with New York-based Map International, which this month launched a system to link the members of the cooperatives to the national banking system using debit cards with identifying photos and fingerprints, he said.

Michael Landau, the company's chairman, said just as the government is bringing roads to rural areas, Map International is providing "a turnkey solution" by bringing the infrastructure to rural areas that have very limited financial services.

"With this link they leapfrog and become a full-service banking institution able to provide credit, debit cards and electronic bill payment," Landau said Friday. "These people will have gone from possibly having a savings passbook to having access to one of the most sophisticated personal banking systems."

At the same time, Suruma said, a phased program is beginning to open accounts at the government-owned Post Bank for more than 600,000 government employees, and the Map system will enable them to have immediate access to their paychecks.

He said the government pays out over US\$1 billion (€700 million) annually in salaries, benefits and pensions to its citizens which he hopes will now go through the Map system and allow people to be paid quickly, efficiently and in a transparent fashion.

In the past, Landau said, it could sometimes take weeks to receive a check, and cost high fees to cash it because of the scarcity of local banks, especially in rural areas.

Within several months, Landau said, customers will be able to access their new bank accounts using mobile phones and pay bills online.

"Map International's vision is to assist developing countries in transforming their economies by giving all citizens easy and efficient access to the most modern financial tools," he said. "This will enable people especially in rural areas to save, spend and borrow money efficiently, which will spur unprecedented local economic growth."

Like credit card companies, he said, "we will make money from transactional fees."

Landau said Map International is starting a similar system to the one in Uganda in Peru, and will add Ghana and Tanzania to its network in the first quarter of 2008.

1 | 2 [Next Page](#)

[Home](#) > [Business](#)

[Back to top](#)

The world's top 10 most liveable cities

Also in Monocle's Quality of Life survey:

- [Urban Manifesto: Factors that make a great city](#)
- [Munich: The world's most liveable city](#)
- [25 examples of good urban design](#)

Blogs: Managing Globalization

Join the IHT's Daniel Altman in a lively discussion of the day's economic news with an eye on globalization.



Ads by Google

Offshore Bank Warning

10 things you must know before you open offshore account. Free report.

www.offshorebankingalert.com

International Banking

Form an offshore bank account in minutes. Reliable, trusted service.

www.OffshoreCompany.com

ACH Banking

Find An ACH Processing Provider Now Fill Out Our Form & Get Free Quotes

www.ProposalPortal.com

Financial services

Total Funding, Support, & Webtech 25+ years of Banking Experience

www.SterlingResourceFunding.com



- News:** [Americas](#) | [Europe](#) | [Asia - Pacific](#) | [Africa & Middle East](#) | [Technology & Media](#) | [Health & Science](#) | [Sports](#)
- Features:** [Culture](#) | [Style & Design](#) | [Travel](#) | [At Home Abroad](#) | [Blogs](#) | [Weather](#)
- Business:** [Business Home](#) | [Market Data](#) | [Marketplace by Bloomberg](#) | [Your Money](#) | [Funds Insite](#) | [Currency Converter](#)
- Opinion:** [Opinion Home](#) | [Email the Editor](#) | [Newspaper Masthead](#)
- Classifieds:** [Classifieds Home](#) | [Properties](#) | [Education Center](#)

- Company Info:** [About the IHT](#) | [Advertise in the IHT](#) | [IHT Events](#) | [Press Office](#)
- Newspaper:** [Today's Page One in Europe](#) | [Today's Page One in Asia](#) | [Publishing Partnerships](#)
- Other Formats:** [IHT Mobile](#) | [RSS](#) | [AudioNews](#) | [AvantGo](#) | [Netvibes](#) | [IHT Electronic Edition](#) | [E-Mail Alerts](#) | [Twitter](#)
- More:** [Daily Article Index](#) | [Top 10](#) | [Hyper Sudoku](#) | [IHT Developer Blog](#)

Search

Subscriptions
[Sign Up](#) | [Manage](#)

- [Contact Us](#) | [Site Index](#) | [Archives](#) | [Terms of Use](#) | [Contributor Policy](#) | [Privacy & Cookies](#)

Copyright © 2007 the International Herald Tribune All rights reserved