

Settle app: turn your phone into a wallet

In this day and age, where technology and digitalisation have had a great impact on society, the new app Settle embraces digitalisation on a financial level. Amid the unprecedented global crisis caused by the coronavirus pandemic shifting from cash transactions to digital money and digital transactions is not only encouraged but has become a means of shielding public health.

Maria Gregory interviews Chief Executive Officer of JCC Nicodemos Damianou

What is the Settle application? When and where has it been implemented?

The Settle app can be used to transfer money to anyone with a mobile phone securely and reliably; it's that simple. With Settle you can truly turn your smartphone into a wallet. Settle goes beyond contactless payments where only a card acceptance terminal is available and allows users to store credit and debit card information or maintain a Settle balance so that they can quickly repay friends when they owe them money, or simply send money to anyone if they so wish to. But that's not all; Settle is an ecosystem. It allows transfer of funds between people – what is called P2P payments – and the payment of goods and services to businesses. With Settle for Business any business can start accepting payments in a number of forms, quickly and securely. This covers face-to-face payments, with Settle Anywhere, quick order payments with Settle Quick, and eCommerce or in-App payments by integrating the Settle API, which allows unlimited flexibility for any environment and any payment scenario.

The technology behind Settle was developed and is owned by Auka, a Norwegian company that is one of the leading Fintechs in the Nordics regarding mobile payments. Auka was the company that implemented and introduced mCASH in Norway back in 2014; mCASH was subsequently merged into Vipps, which is now used by 75% of the population and 103,000 merchants in Norway, a leading economy in digital payments. Settle, is the result of years of experience in mobile payments in Norway, and is brought to Cyprus through a partnership between Auka and JCC. Today it is live in Norway, Croatia and now Cyprus. Auka plans to launch Settle in other European countries in 2020, with Greece being one of the first countries to target.

How friendly to the user is Settle and what is the procedure to sign up for an account?

Simplicity is a key characteristic of Settle, both during the initial setup and during its everyday

use. Frictionless UX (user experience) is a foundation of the technology behind Settle, following in-depth research by Auka on users to simplify use the app. Creating an account to start using Settle is very simple. Settle can be downloaded from the Google Play store and the Apple Store. You only need to register your mobile phone number, accept the relevant terms and conditions and you are ready to start sending and receiving money with Settle. For users who have not verified their identity, they can use Settle immediately for up to 50 euros per transaction. For amounts higher than 50 euros, a user needs to validate their identity. This takes a short video of the front and back of the identity document of the user and a selfie. All in 2-3 minutes, through the app itself.

Who can benefit from using this application and what makes it stand out from other digital money transfer apps?

As noted before, Settle is built on award-winning technology and a beautiful design, however that's only half the story. Who is behind the product and how solid and reliable it is, is the other half. As JCC, we are very happy to have partnered with Auka, because this provides us and the Cypriot market with the ability to learn from mature markets in electronic payments and really progress in digitizing our everyday payments, both from a consumer and a business point of view. Bank of Cyprus is the first confirmed partner bank for Settle in Cyprus, which means that the bank will support Settle and introduce it to its customers. However, it is good to clarify that all consumers can use Settle irrespective of their bank. With Settle money is available instantly and ready to use. As a consumer using Settle, you can either select a contact from your phone or enter a mobile phone number to send money to any person. If the recipient is not yet using Settle, they will receive an SMS prompting them to simply download the app to instantly access their money. You can also remind a friend that they owe you money through the Request to Pay feature in Settle. In the same manner they

send money to a person, consumers can select a merchant from the list of enrolled businesses in the app, and pay any amounts due for products or services received. Alternatively, consumers can scan the QR code presented to them at a merchant location or through a merchant website, to pay. This makes Settle suitable for a number of scenarios where cash is today the dominant method of payment, such as deliveries or taxis. Settle will soon be coming to a number of businesses and organisations including charities. For any payment you make through Settle you can access an electronic receipt within the app that you can download, share or print at any time. An important characteristic of the app is that you have the ability to exchange messages with anyone, including text, images and videos to complement your transactions. It is very important here to stress that the Settle API is a very powerful tool for businesses who want to explore the full power of mobile payments. It allows integration of Settle in virtually any environment including merchant loyalty applications, vending machines, cashier systems and e-commerce platforms, to make acceptance of payments both reachable to any consumer and data rich. At the same time, Settle enables the transmission of advertising to Settle users, which makes it a powerful communication tool for any business. The European perspective of Settle is another characteristic that sets it apart from other local solutions. With the planned launch of Settle pan-European, Settle users will be able to exchange money with other users across countries.

Why is there the need to shift from cash transactions to digital money transactions?

Similar questions about cash vs digital payments are asked a lot and a simple answer is that digital money is much safer than cash. Now, sadly with the pandemic of the coronavirus already at full stretch, there is another safety reason for the use of digital money over cash that we can all cite to answer this question. Avoiding the exchange of cash is now an



obvious and responsible thing to do to protect each other.

The banking and payments industry is struggling with the impact of the coronavirus outbreak, but fears about transmission and consumer behaviour are already leading to important questions about the long-term impact on cash and digital currency. Although it is too early to talk about any permanent shift in payment methods, I believe that this will be a wakeup call for those markets where cash is the dominant way of transacting, that they need to take measures to move to digital payments; Cyprus is one of those markets.

Moving our payments to digital though has many other benefits. These include the reduction in fraud, the higher handling cost for cash, higher transparency and reduction in tax evasion, but also efficiency, convenience and trackability of expenses. Many governments are launching programmes to promote digital payments over cash in an effort to promote financial integrity.

Settle should be viewed as one additional tool in our efforts to reduce the use of cash in society, and a very effective one as well, being modelled on successful solutions in markets where cash is no longer king. People need a truly cross-bank, reliable solution to send money to each other, and this is it.

Is Settle compatible with all banks across the island, and how safe and reliable is the use of Settle on a global scale?

Absolutely. Yes, Settle is compatible with all Banks across Cyprus. You can use

Settle to add your debit and credit cards irrespective of the issuing bank and to send money to any recipient with no charge. You can also pay out the money you have accumulated in your Settle wallet at any time to any Bank account in Cyprus, by entering the IBAN number of the account.

Regarding security and reliability, this is part of the DNA of JCC and a key factor in selecting a partner with Auka to introduce Settle in Cyprus. The presence of JCC as the local partner for Settle is a guarantee that no consumer or business should have to worry about the safety of their transactions.

In short, this is a payment scheme running under EMI licensing of the EU and the Central Bank of Cyprus, and strictly following all Payment Card Industry security standards and regulations. The technology on which it is implemented is state of the art in terms of the integrated security mechanisms built into the system and very robust in terms of anti-money laundering and screening practices. It strictly follows all PSD2 strong customer authentication standards and as such it enables biometric authentication and keeps card and account data inaccessible and hidden through tokenization of that data. No one can ever have access to your card information, for example, through Settle, because it simply doesn't exist anywhere in unencrypted form.

What all of this means from a consumer standpoint, is that it is easier for someone to steal your physical wallet and access your cash and cards, than gain access to your Settle app!