

Maybank ties up with China UnionPay Merchant Services to tap into China's card payments collection market

Maybank has signed a memorandum of understanding (MOU) with China UnionPay Merchant Services (China UMS) to tap into the burgeoning card payments market in China. This market is estimated to be worth at least RMB14 trillion per year and is growing at some 26% annually.

Maybank is the first Malaysian bank to sign such an agreement with China UMS which will also see it boosting its cash management business in China. China UMS is the leading issuer of Point of Sales (POS) terminals in China currently with a market share at about 40%.

Under this MOU, Maybank will be able to offer its clients comprehensive collection and payment solutions including Point of Sales (POS) machines, online payment solutions, ATM solutions and other professional services from its tie-up with China UMS.

At the same time, Maybank customers will enjoy preferential rates by China UMS when they sign up for its POS terminals or online payment gateway to enable card payments by purchasers of their products. These Maybank customers can also enjoy faster collection of card payment proceeds that will be directly credited into their Maybank accounts after clearing by China UMS.

This tie-up is expected to benefit Maybank's existing corporate customers involved in retail business in China such as automotive distributors, food & beverage outlets, departmental stores and hotels.

The signing of the MOU was held at the Maybank Shanghai Branch between Maybank and China UMS. Representing Maybank were Datuk Cheong Kwee Heng, CEO, Greater China and Mr John Wong, Group Head, Transaction Banking while China UMS was represented by Mr Zhang Yong Tao, Vice President and Mr Liu De Wei, General Manager of Marketing Department.

"Apart from deepening our Point of Sale (POS) business, this strategic partnership is also beneficial for both parties to jointly explore new markets and enhance our service and product offerings by leveraging on the strengths and resources of each other. For Maybank, this is a significant and strategic step in reaching out to the promising China market," said Datuk Cheong Kwee Heng.

"Servicing the banking industry has always been our focus. We are more than willing to share and provide our professional services in Point of Sale (POS) terminals, online payment platforms, self-service terminal platforms, and other top-class service experience to Maybank for their clients," says Mr Zhang Yong Tao.

Maybank has four branches in Greater China - namely Shanghai, Beijing, Hong Kong and Kunming and has been actively involved in the wholesale banking segment in these locations. Cash Management has been a growing business within this segment as corporate customers leverage Maybank's Regional Cash Management System (RCMS) to actively manage their liquidity positions as well as monitor and manage payments to and from their accounts in real time.

Transactions via Maybank's regional cash management system - Maybank2E-Regional Cash - by clients in Greater China grew by 75% in 2015 since its official launch in 2014, and is expected to increase by 100% by end 2016 following this tie up with China UMS.

China UMS has established 40 subsidiaries in 30 provinces around the country and set up 316 business departments in secondary prefectures and cities. As at September 2015, China UMS was serving close to 5 million merchants, maintaining 6 million Point of Sale (POS) terminals, and operating 25,000 Automated Teller Machines (ATM) across China.