



CASE STUDY
transpay



United Nations Federal Credit Union (UNFCU)



More than
3x
growth

UNFCU's volume of M-Pesa transfers to Kenya using Transpay's cross-border bank deposit network more than tripled within three months of launching.

* M-Pesa is a registered trademark of Vodaphone. UNFCU is not affiliated with M-Pesa or Vodaphone.

How UNFCU Partnered With Transpay to Offer Direct Funds Transfer to M-Pesa Accounts in Kenya, Launching a Popular and Fast-Growing New Service for Its Members

Executive Summary

The United Nations Federal Credit Union (UNFCU) came to Transpay by Mastercard seeking to streamline the process of sending funds from UNFCU accounts to registered Kenya M-Pesa accounts.* The original payments structure required credit union members to send funds from their UNFCU account to a local Kenyan bank account, then from the local bank account to an M-Pesa wallet.

Enter Transpay, with a solution. By implementing Transpay's API, UNFCU enabled members to send funds directly from their UNFCU account into their M-Pesa wallets. The new one-step process is saving UNFCU members time and money, as well as providing peace of mind which is central to the credit union's purpose.

In the first few months since launching, UNFCU has seen rapid adoption of the new service by its members. For \$1 USD, with no hidden or additional fees, members can send up to 70,000 Kenyan shillings to an M-Pesa wallet. What used to take three to five days is now accomplished usually within 24 hours.

The UNFCU Story

With a mission of "serving the people who serve the world," UNFCU serves more than 130,000 members of the United Nations (UN) community in every corner of the globe. With more than \$5.3 billion USD in assets, UNFCU is one of the largest credit unions based in the U.S. Because about two-thirds of its members are located outside of the U.S., a key focus and core competency of UNFCU is mobile and Digital Banking.

"You might have a member who is a French national based in Africa and whose child is going to school in Canada," says Bill Thomas, First Vice President of Member Operations, who oversees payments, cards, and a 24/7 contact center. "We have to meet all of this member's needs so that this member can pay bills in France, pay tuition in Canada, and also use UNFCU accounts while on mission in Africa. Having to securely manage and support all the different channels globally is very unique to our organization."

Challenges

Given the mobile and international nature of its membership, UNFCU places a high priority on enabling members to move funds efficiently, with reasonable rates and low fees.

"That's one of the reasons we decided to partner with Transpay," says Thomas, "so we can take advantage of some of the distinct benefits that Transpay offers that we can then pass along to our members."

When UNFCU came to Transpay, Thomas was seeking a solution for a particularly complex situation. The UN operates a large office in Nairobi, the capital city of Kenya, a country with a popular payments channel for sending low-value mobile payments called M-Pesa. M-Pesa is a mobile phone-based financial wallet widely used to make daily transactions and it works in real time.

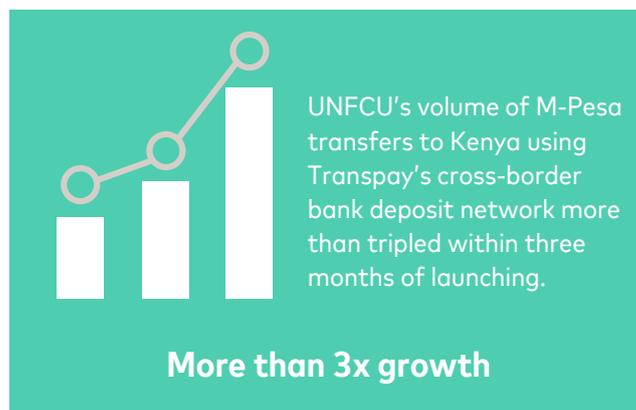
"It was clear to us that members with a UNFCU account, wanting to use M-Pesa, needed a one-step process," says Thomas.

Solutions, Results and Future Plans

Working with Transpay, UNFCU created a new channel for members to directly transfer funds from their U.S.-based UNFCU accounts to registered Kenya M-Pesa digital wallet accounts. For a small fee of \$1 USD, members can send up to 70,000 Kenyan shillings (approximately \$670 USD) to their M-Pesa accounts. There are no additional fees and the transfer is effected very quickly, according to Thomas. UNFCU is now the first credit union in the U.S. to offer its members the ability to transfer funds directly and securely to M-Pesa accounts.

Why was Transpay able to solve UNFCU's M-Pesa challenge? Thomas believes it has everything to do with Transpay's network.

"Transpay is well integrated into the local clearing systems within countries," Thomas explains. "Members are receiving payments quicker than ever before, and many times it's within 24 hours. Additionally, members can transfer funds in Uganda Shillings, which is especially beneficial because the UN has a significant presence in Uganda."



"We've seen significant growth through this channel as members realize that it's almost as easy to do business through their UNFCU accounts as through their local bank accounts," says Thomas.

UNFCU's volume of M-Pesa transfers to Kenya using Transpay's network more than tripled within three months of launching. The experience with Transpay has been positive and one that UNFCU is looking to expand, according to Thomas.

"When we're looking at our volumes for particular currencies to expand our global footprint, we're regularly in conversation with Transpay," Thomas says. "To the extent of their available currencies, we always want to see where we can leverage Transpay's services to the benefit of the credit union and our members."

UNFCU has expanded its partnership with Transpay by adding another service, this one to enable payments to India – "a country where many UNFCU members send money home," adds Thomas.

Federally insured by NCUA. Your savings are federally insured to at least \$250,000 and backed by the full faith and credit of the United States Government & National Credit Union Administration, a US Government Agency.

About UNFCU

UNFCU offers a full suite of banking products and services designed for the mobile lifestyle of the global UN community. Headquartered in New York, UNFCU was founded in 1947 by 13 UN staff members. Today, UNFCU has more than 130,000 members worldwide with representative offices in Austria, Italy, Kenya, Switzerland, and Uganda. In 2015, UNFCU launched the UNFCU Foundation with a mission to sustain the path out of poverty through healthcare and education for women and children. To learn more, visit www.unfcu.org.

About Transpay

Transpay provides businesses with a scalable and secure cross-border mass payout service, making it easy to send funds to vendors, business partners, freelancers and others in over 140 countries. Transpay is a service provided by Transfast, which became part of the Mastercard family in July 2019, joining one of the most widely recognized and respected technology companies in the world.

Together, we're making payments safe, simple and smart.

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