

Bank Rakyat issues first credit card

By Laalitha Hunt

PETALING JAYA: Bank Kerjasama Rakyat Malaysia Bhd (Bank Rakyat) targets to secure about 200,000 subscribers within two years for its first credit card, due to be launched by the first quarter of 2008.

Managing director Datuk Kamaruzaman Che Mat expressed confidence that the timing was right to venture into the credit card market and Bank Rakyat aimed to market the yet-to-be-named *syariah*-compliant Islamic credit card to all its eligible members, its existing 2.5 million customer base and the general public.

"We are optimistic that within the next five years we would be able to secure about one million subscribers for our card. The local credit card industry had 9.53 million subscribers as at Sept 30 and the Islamic credit card market only contributes about 1% of the total credit card transactions, or RM369mil currently.

"Our entry would help spur the growth of this market further," he said after signing an agreement with Silverlake System Sdn Bhd chairman Goh Peng Ooi yesterday.



Datuk Kamaruzaman Che Mat (left) and Goh Peng Ooi

Under the agreement, Silverlake will provide the data centre, technology infrastructure, its Islamic credit card application software and credit card operations services that include card member servicing, authorisation, billing and statements and payment processing.

"We are the first in Asia-Pacific to adopt such a business model which would enable us to focus on providing the best product features and marketing activities, hence providing faster approval and superior service to cardholders.

"It is our hope that this partnership will help position Bank Rakyat as the leading Islamic credit card provider," Kamaruzaman said.

Meanwhile, Bank Rakyat received the *Most Outstanding Islamic Retail Banking* award in conjunction with the fourth Kuala Lumpur Islamic Financial forum on Tuesday.

Bank Rakyat intends to open three new branches by year-end and about five branches next year.