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State Bank takes several measures for secured plastic money transactions

The State Bank of Pakistan has taken several measures to enhance security of plastic money transactions in the country with a view to effectively address customer complaints and to ensure continued growth in the fields of e-banking and e-commerce.

It may be pointed out that the misuse of debit/credit cards has opened new chapters of fraud and forgery. In most of these cases, the misuse of cardholders' personal information has occupied a prominent place. Previously, Point of Sale (POS) terminals used to generate transaction slips visibly indicating the cardholder personal information such as name of the cardholder, 16-digit Card Number, date of expiry, etc., which can easily be used for fraudulent purposes. In order to effectively address this issue, the Payment Systems Department of the State Bank of Pakistan in collaboration with commercial banks initiated Primary Account Number (PAN) masking project. Under the project, all the POS terminals have been reconfigured so that they should print only the encrypted transaction slips.

This exercise has been successfully completed and more than 54000 POS terminals placed at various merchant locations (such as petrol pumps, shopping centres etc) across the country were reconfigured for PAN masking. This security feature would definitely enhance the confidence of consumers in Pakistan which eventually help in promoting e-Banking culture in the country. Plastic money users now comfortably can use their Debit/Credit/Smart cards anywhere in Pakistan irrespective of the amount of transaction without fear of disclosing their personal information on transaction slips.

This project was undertaken against the backdrop of rapid development in information and telecommunication technologies coupled with low-cost technology delivery that is enabling new payment systems models which were not possible a decade ago. The financial institutions around the world are rapidly introducing new and innovative e-Banking products and services for their customers. Commercial Banks in Pakistan have also developed various e-Banking products to provide an efficient and effective payment facility to their customers. The State Bank plays a crucial role in proactively promoting a safe and secure e-Banking culture in the country.

It may be mentioned here that e-Banking in Pakistan has recorded phenomenal growth over the years. According to the latest data available, there were 6.4 million cards in circulation of which 24% are credit cards while the rest or 76% are debit cards. Similarly, more than 3200 ATMs and 54000 Point of Sale (POS) terminals have been working seamlessly across Pakistan, thus providing 24/7/365 banking facility to plastic money holders in Pakistan. Such a huge infrastructure supporting card based transactions indicates huge potential for the growth in e-Banking business in Pakistan.
