

## **SBP, PTA sign MoU to promote Mobile Banking in Pakistan**

The State Bank of Pakistan (SBP) and the Pakistan Telecommunication Authority (PTA) signed a Memorandum of Understanding (MoU) in Karachi today.

The MoU was signed by Mr. Inayat Hussain, Executive Director, State Bank of Pakistan and Dr. Muhammad Saleem, Director General, Commercial Affairs, Pakistan Telecommunication Authority in the presence of SBP Governor, Mr. Yaseen Anwar and PTA Chairman, Dr. Mohammed Yaseen.

The main objective of MoU is to develop an appropriate technological & regulatory framework through a consultative process to strengthen the Mobile Banking with a view to supporting the provision of banking services as authorized by SBP.

Under this collaboration, PTA and the SBP will act as facilitators by means of regulatory oversight and issuance of license/designation to Third Party Service Providers (TPSP) and setting the performance benchmarks through standardized Service Level Agreement (SLAs) between the telecom operators/TPSPs and the authorized financial institutions for carrying out financial transactions in a prudent manner through Mobile Banking means, under the relevant legislative structure.

The MoU is meant to develop a cohesive regulatory framework, in consultation with all the stakeholders and to assist each other, in achieving the common objective of providing the low cost Mobile Banking services.

In order to coordinate for smooth implementation of mobile banking and to resolve any disputes among the stakeholders, a SBP-PTA Joint Coordination Committee shall be constituted comprising the following:

- Four officials from SBP which shall include, the Executive Director (BPRG), Director-Banking Policy & Regulations Department, Director-Payment Systems Department and Director- Information Systems & Technology Department.
- Three officials from PTA including Director General (Commercial Affairs), Director General (Law & Regulations) and Director General (Services).
- The Committee would be jointly headed by the Executive Director (BPRG), SBP and Director General (Commercial Affairs), PTA.

To monitor the progress, representatives of both the parties shall meet on a quarterly basis and suggest measures to improve or further expand the framework as and when the need arises.

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