



External Relations Department

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Annual review of payment systems shows significant growth in key performance indicators

During FY16, Payment Systems in Pakistan have shown significant growth in key performance indicators. It is encouraging to witness consistent upward trend in volume and value of payments through digital/electronic channels which compliment the SBP vision to promote digital payments in the country.

The volume and value of Large Value Transactions through RTGS reached 930,501 and Rs. 231.7 trillion respectively during FY16 showing an increase of 21% and 29% in volume and value respectively from the FY15. Though the volume of paper based transactions have decreased by 6 % during the year, they still constitute approximately 38% of volume of total retail payments. On the other hand, the use of e-Banking channels has shown bullish trend as evident from increase of e-Banking transactions by 16% in volume and 4% in value. Likewise, Real-time Online Banking transactions also rose 135.4 million by volume and Rs. 32.3 trillion by value showing an increase of 19% in volume and 2% in value of e-banking transactions during the period under review.

The use of Alternate Delivery Channels (ADCs) such as ATMs, POS terminals, Internet and Mobile Banking also showed rising trend as of June 16 as 39.2 million transactions valuing approximately Rs.200 billion were carried out at POS terminals as compared to 32.1 million transactions valuing Rs.172 billion which showed a surge of 22% in volume and 16% in value as compared to the previous year. Likewise, Internet and Mobile banking also showed steady growth. The Internet Banking rose to 18% in volume & 10% in value whereas Mobile Banking showed an increase of 8% in volume and 5% in value during the period under review.

Payment System infrastructure also showed phenomenal growth during the period under review. The number of branches increased from 11,937 to 13,179 whereas total number of ATMs installed in the country increased from 9,597 to 11,381 during the year. On the other hand, 9,586 POS terminals were added to the network totaling 50,769 POS terminals as on June 30, 2016.

Going forward, SBP is working on a two pronged strategy for effectively enabling the adoption of electronic/digital payments by the general public in Pakistan. Firstly, the



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expansion of infrastructure at three different levels: instruments (like cards and wallets), access points (like ATMs, POSs, and mobile devices) and central payment processors (like switches and gateways). Secondly, the strengthening of regulatory and oversight frameworks for ensuring the safety and soundness of these payment infrastructures which, in turn, will enhance the trust and confidence of ordinary consumers on these alternate payment methods.
