

12<sup>th</sup> January, 2005.

**State Bank invites feed back on draft Payment Systems  
and Electronic Fund Transfers Act, 2005**

The State Bank of Pakistan has drafted a Payment Systems and Electronic Fund Transfers Act, 2005 which is aimed at providing stability in the financial system of the country through an efficient and well functioning payments system that will not only reduce the systemic and operational risks but will also lower the transaction costs and help in the efficient use of financial resources.

The proposed Act covers the operation of payment systems, including the clearing and settlement obligations of the parties involved, supervisory role of SBP in this regard, documentation requirements by the participants, liabilities of parties in Payment Systems and any legal proceedings in case of any conflict. This Act also covers the Real Time Gross Settlement (RTGS) system, currently under implementation at the central bank.

A draft copy of the Act has been placed at SBP's website ([www.sbp.org.pk](http://www.sbp.org.pk)).

The State Bank invites feedback/ suggestions/ comments/ recommendations on this Act from banks and other stakeholders. All the stakeholders are requested to please give their comments at the email address: [feedback.lsd@sbp.org.pk](mailto:feedback.lsd@sbp.org.pk) latest by March 11, 2005.

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