



External Relations Department

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Revision of Branchless Banking Regulations

SBP has revamped Branchless Banking Regulations to keep pace with the international branchless banking practices and to achieve the targets set out in National Financial Inclusion Strategy (NFIS) of Pakistan. This regulatory framework outlines the minimum requirements to be adopted by banks offering branchless banking in the market place.

According to revised Regulations, the Board of Directors of banks would be responsible to provide the strategic direction and maintain an oversight while senior management will institute necessary internal controls and ensure adherence to applicable laws and regulations.

Scope of alternate delivery channels and technologies has been expanded through revised Regulations to include 3G and 4G spectrum, POS terminals, internet banking and ATM/debit cards etc. for providing branchless banking services.

The transaction limits for Level-0 and Level-1 branchless banking accounts have been increased to encourage opening of more branchless banking accounts for the objective of financial inclusion. Branchless Banking Level -3 accounts have been merged with Level – 2 accounts for facilitation and operational ease of customers and the banks.

Level 1 Accounts shall be opened either through traditional account opening process or through Biometric Verification System. Further, State Bank has also allowed opening of remote accounts for Level 0 customers to promote financial services among all segments of society.

State Bank has also introduced Person to Inter Bank Funds Transfer (IBFT) service with and without biometric system. The limit for Person to Person (non account holders) transactions conducted through biometric verification system has also been increased.

State Bank of Pakistan has always promoted financial inclusion in the country by expanding outreach of banking services to all segments of the society. In this regard, SBP has launched NFIS in 2015 wherein a target of 50% growth in bank accounts by adult population by the year 2020 has been set out to enhance the outreach of basic financial services to unbanked/underserved population. Branchless Banking is the main driver and most effective tool for achievement of targets set in NFIS.
