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State Banks calls for Banks to accelerate adoption of PayPak Cards for providing low cost and efficient payment solutions to consumers

Deputy Governor, State Bank of Pakistan, Mr. Jameel Ahmad, has emphasized the need for the adoption of domestic payment scheme, PayPak card by banks in order to provide cost effective, ubiquitous and digital payment instrument to consumers. He was addressing senior banking and financial industry executives at the event “PayPak – The Way Forward” held at State Bank of Pakistan head office Karachi on 07th December, 2017.

Deputy Governor, SBP in his speech reflected on the prevailing use of cash and financial exclusion in the country that reduces the overall economic efficiency and hampers the development of financial sector to its realizable potential. Citing key infrastructural gaps in Pakistan for electronic payments, he highlighted that SBP’s key strategic objective is to build modern and robust Payment Systems in the country that enables the provision of cost effective and easily available Digital Financial Services (DFS) to the general public.

The Deputy Governor further talked about the importance of domestic payment schemes in the development of key payments infrastructure by incentivizing both consumers and merchants while providing interoperability. While highlighting full support of SBP to the adoption of PayPak cards by all banks for issuing and acquiring, he encouraged banks to devise strategies for increasing the uptake of PayPak cards. He advised banks to step up efforts for rationalizing the cost of digital transactions by reviewing Merchant Discount Rate, increasing access points, and ensuring the safety and security of payment instruments to safeguard consumers’ money.

Syed Irfan Ali, Executive Director SBP also talked about the importance of collaboration and partnerships of banks with non-bank such as Fintechs to provide efficient and affordable payment solutions to consumers. He advised all banks to comply with SBP’s guidelines of EMV compliance to payment card security by stipulated timelines as no exemption or relaxation will be allowed to any bank beyond 30th June, 2018.

Mr. Ameer Karachiwala, Chairman of 1Link Board of Directors also spoke about the vision of PayPak cards and its significance in achieving SBP’s strategic objective of financial inclusion and modernizing payments system. CEO 1Link, Mr. Najeeb Agrawala in the beginning also briefed about the initiatives of 1Link in facilitating digital payments in Pakistan like IBFT and bill payments solution and future initiatives such as QR 1 and various affiliate programs.
