



External Communications Department

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SBP issues revised Regulations for Electronic Money Institutions

State Bank of Pakistan has issued revised Regulations for Electronic Money Institutions (EMIs) with the aim to enhance outreach and scope of these innovative fintech-enabled payment companies. The updated regulations now allow EMIs to offer their customers, including minors and freelancers, increased monthly wallet limits, offer new payment services such as Payments Aggregation, Bill/Invoice Aggregation, Payment Initiation, Account Information, Escrow Services for domestic e-commerce transactions, Services via APIs to FIs/Fintechs/TPSPs and Inward cross border remittances to their customers.

Since the issuance of earlier EMI Regulations in 2019, there has been increasing interest by local and foreign fintech companies to work as an EMI in Pakistan. Till date, State Bank has given approval to four (04) EMIs to launch commercial operations while six (06) EMIs are at different licensing stages. As of March, 2023, these EMIs have opened close to 1.6 million e-money wallets with total outstanding e-money of Rs. 2 billion.

The revised Regulations issued on June 21, 2023 are in line with SBP's vision of encouraging non-banking fintech companies' entry into payments space to promote digitization in the financial sector and accelerate level of outreach of EMI operations for achieving the objective of boosting adoption of digital financial services. The new regulations, issued after detailed consultation with existing and prospective EMIs and relevant stakeholders, would allow customers to avail improved services from these regulated e-money providers.

SBP expects that the revised regulations would attract more fintech companies from Pakistan and across the globe to enter into the EMI business in Pakistan and provide innovative, affordable and improved payment services thus increasing digital financial inclusion in Pakistan.

Detailed instructions are available at: <http://www.sbp.org.pk/psd/2023/C3.htm>
