



External Communications Department

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SBP releases Second Quarterly Payment Systems Review for FY 24

State Bank of Pakistan (SBP) has released its Quarterly Payment Systems Review for the second quarter of the fiscal year 2023-24. This report showcases significant progress in Pakistan's payment ecosystem and provides a comprehensive overview of digital payments landscape of the country.

The user base of the payments infrastructure experienced growth in the second quarter of fiscal year 2023-24. Mobile and Internet Banking remains the preferred mode of digital transactions for Pakistanis. Mobile and Internet Banking Users reached 16 million and 11 million indicating a quarterly growth rate of 8% and 5%, respectively. Encouragingly, the number of e-wallets registered with EMIs also increased by 15% to 2.7 million during the quarter marking a more than twofold increase in last four quarters. In addition, over 67 million m-wallets were registered with Branchless Banking (BB) service providers.

During Q2-FY24, retail transactions processed by Banks, MFBs and EMIs, witnessed a quarterly growth of 15%, a significant increase compared to the 5% growth in the previous quarter. During the quarter under review, volume of digital transactions constituted 82% of the overall retail transactions, compared to 80% during the previous quarter. However, in terms of value, over-the-counter (OTC) transactions constituted 85% share of the overall retail transactions. In the same quarter, more than 90% of the retail fund transfers and 73% of bill payments/mobile top-ups were conducted using digital channels. Last quarter, this share was 88% and 68% respectively.

Raast (Instant Payment System) and PRISM (Real Time Gross Settlement System) significantly contributed to the digital financial services nationwide. Raast, an instant payment solution in Pakistan, played a pivotal role by facilitating 107 million funds transfer transactions free of cost, totaling more than PKR 2 trillion in Q2-FY24. In the same quarter, RTGS processed 1.5 million large-value payments, amounting to PKR 273 trillion. Breaking down the values of RTGS, 29% were attributed to funds transfer settlements, 70% to government securities settlements, and 1% to clearing transactions settlements.

Pakistan's payments infrastructure consists of 33 Banks, 11 Microfinance Banks (MFBs), 5 Payment System Operators/Service Providers (PSOs/PSPs), 5 Electronic Money Institutions (EMIs), the Real-Time Gross Settlement System PRISM, Raast Instant Payment System, and various Fintechs. As of the end of the 2nd quarter of the fiscal year 2023-24, Banks and MFBs were offering their services through a network of 18,178 branches, 18,441 ATMs, 121,987 POS machines, and E-commerce payment gateways serving 7,630 registered e-merchants. In addition, 16 banks and MFBs were also providing Branchless Banking (BB) services, broadening the accessibility of banking services.

For details: <https://www.sbp.org.pk/psd/pdf/PS-Review-Q2FY24.pdf>
