

SBP adopts measures to promote digital payments

KARACHI: In order to curtail the risk of spread of coronavirus (COVID-19) and limit the physical interaction of citizens at bank branch level, the State Bank of Pakistan (SBP) has waived all bank charges for online fund transfer services and the transactions charges on Real Time Gross Settlement (RTGS) System for customers.

In the wake of the recent outbreak of COVID19, the SBP is undertaking a number of measures to contribute towards meeting the challenges faced by society to remain safe from this pandemic and its potential impact.

Given the pivotal role of financial sector in providing services to the general public and particularly the businesses, SBP after consultation with stakeholders has instructed banks to take specific measures to provide their services seamlessly taking due care of reducing the risk exposure amid coronavirus.

Banks, Microfinance Banks (MBFs) and Payment System Operators (PSOs) are advised by SBP to implement COVID-19-related measures with effect from March 20, 2020. The objective of these measures is to reduce the need for visiting bank branches or the ATMs and to promote use of Digital Payment Services such as internet banking, mobile phone banking etc.

As per SBP's directives, banks/MFBs will waive the transaction charges on RTGS customer transfers. In this regard, SBP has also waived charges on such transactions with immediate effect till further instructions.

In addition, banks/MFBs have been asked to waive all charges for customers using their online fund transfer services including Intra and Interbank Fund Transfers (IBFT) till further instructions.

Further, it has been decided that fee earned on all online Bill Payment Services including utility bill payments, mobile top-ups and collection of taxes and duties will be shared equally between banks/MFBs and the PSO concerned.

Financial industry has been instructed to immediately facilitate education fee and loan repayments through internet banking or mobile devices. All banks, MFBs, PSOs, Payment System Providers (PSPs) will make arrangements on urgent basis to enable digital collection of all challans/invoice based payments such as education fee and offer loan repayments facility through online/digital channels, SBP directed.

Thus people can transfer money through mobile phones or internet banking avoiding the need to visit a bank branch or an ATM without incurring any cost. SBP has advised banks to facilitate their customers in using online banking while taking all necessary precautions to ensure the safety and security of customers' funds.

To facilitate banks/MFBs, the requirement of biometric verification for customers to activate internet and mobile banking is also suspended till further instructions. However, banks/MFBs will ensure customer authentication and verification using appropriate measures and safety and security of customer transactions.

Moreover, they will also ensure that call centres/helplines are available 24/7 for instant customer support. Financial institutions have been asked to run awareness campaigns through different channels to educate customers to use internet banking or mobile phones, limit use of currency notes and restrict branch visits.

Anticipating any frauds in the wake of digital transactions, SBP has advised financial industry to increase vigilance on digital channels and increase monitoring on cyber threats.

COVID-19 has challenged human life globally and all the countries are struggling to find out solutions; the key approach, so far, has been to take precautionary measures. SBP also expects that all these measures will help to continue meeting routine financial service needs of bank customers.

SBP is working with stakeholders to continuously assess the situation and will take every possible measure to improve the safety of public.

Banks/MFBs/PSOs are also advised to ensure 24/7 availability of all their alternate delivery channels (ADCs) including ATMs, POS, internet banking, payment gateways, mobile banking and call centres for customers.

Banks/MFBs/PSO/PSPs will enhance vigilance on digital channels and increase monitoring on cyber threat actors taking advantage of the situation to conduct email, ransom ware attacks, phishing etc.

In this regard, all 1Link member banks/MFBs are advised to urgently deploy Fraudulent Transaction Dispute Handling (FTDH) system and strictly adhere to timelines for resolution of fraudulent transactions.