



Promoting the Use of DFS during Pandemic

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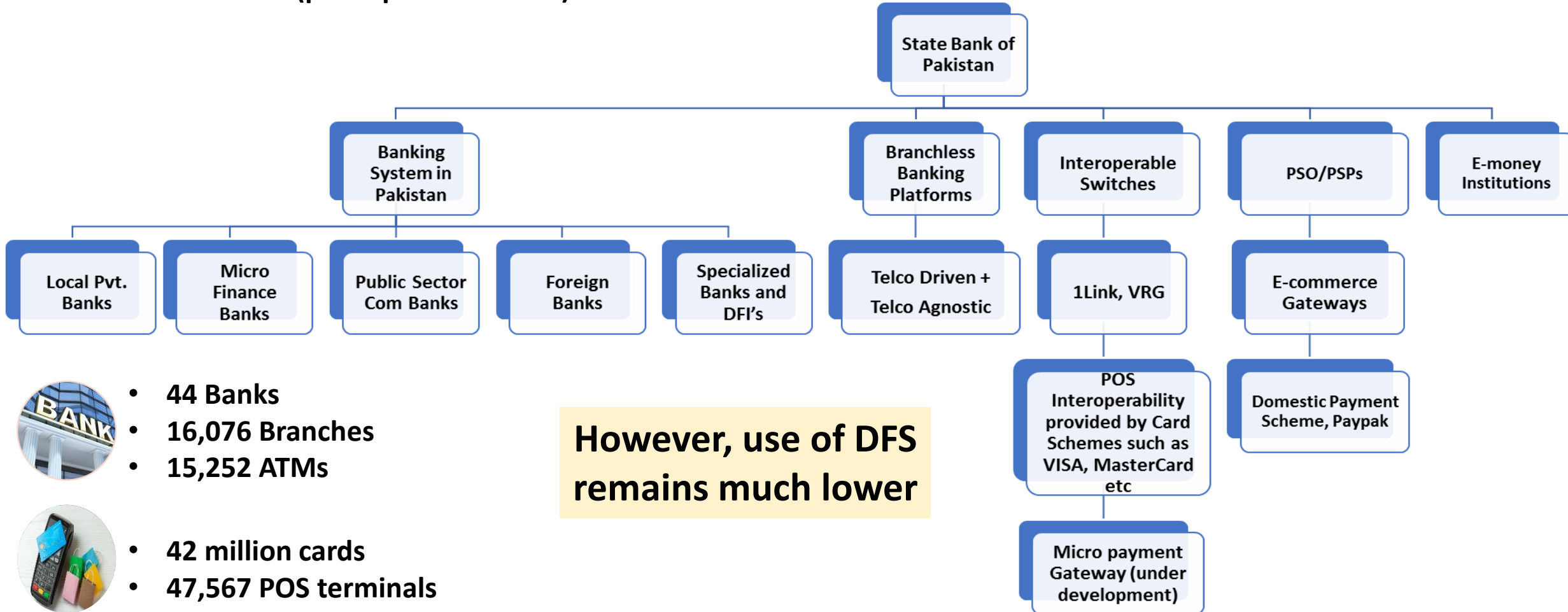
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Country Landscape

Population 212 million
GDP: USD 284 billion (per capita USD 1388)

Mobile Phone Subscribers 165 million
Internet Users 78 million



However, use of DFS remains much lower



- 44 Banks
- 16,076 Branches
- 15,252 ATMs



- 42 million cards
- 47,567 POS terminals

Policy Response to Covid-19 for Digital Financial Services

Objective:

- To support social distancing initiatives by enabling general public to adopt digital financial services
- Capitalize on Covid-19 situation to promote DFS

Areas of Intervention:



Changes to KYC and authentication requirements



Promotion of digital payments



Consumer protection measures

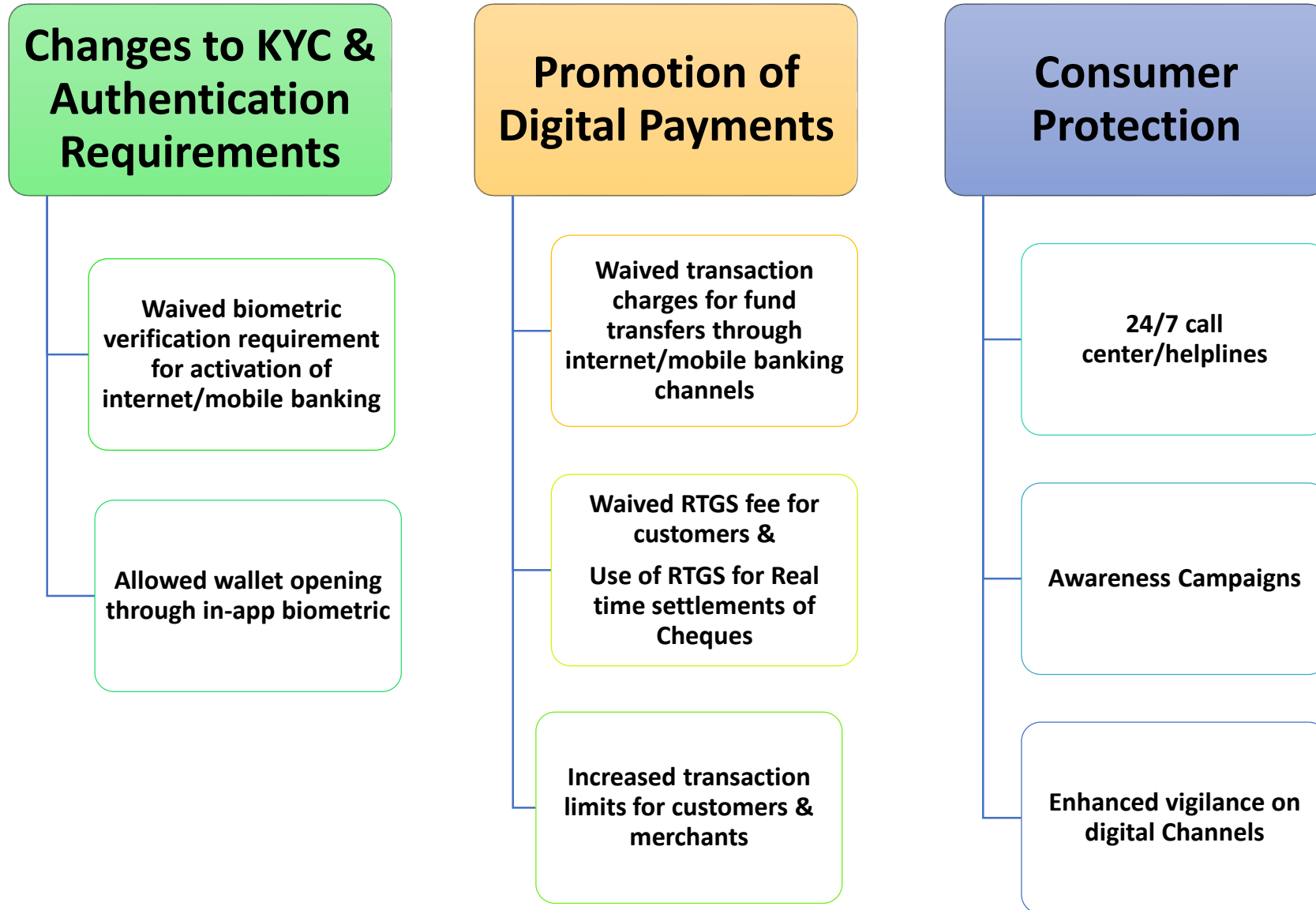


Accelerated Licensing of DFS Providers



Cybersecurity of Payment Systems

Regulatory Measures during Covid-19



Accelerated Licensing of DFS Providers during Covid-19

Reduced
processing
time for
applicants



Pilot approval granted to
one EMI

In-principal approval
granted to another EMI

Allowed commercial launch
to one White-label ATM
Operator

SBP Instructions on Cyber Resilience during Covid-19

Work from Home

- Least Privilege and Need-to-Know-based Access Control
- user and device authentication
- encryption and antimalware technologies
- network segmentation and tier-based access control

Share Threat Information

- Establish Cyber Threat Intelligence Units (CTI-U)
- Deploy Emergency Response Teams (ERTs)
- Participate in information-sharing communities
- Subscribe to threat intelligence platforms within the country

Educate Staff

- Online training of employees to exercise caution in handling suspicious emails

Emergency Cash Payments to the Poor during Covid-19

- 12 million families
- Represents over 80 million people
- Rs. 12,000 (US \$75) per family
- Total budget Rs. 144 billion (US \$900 million)



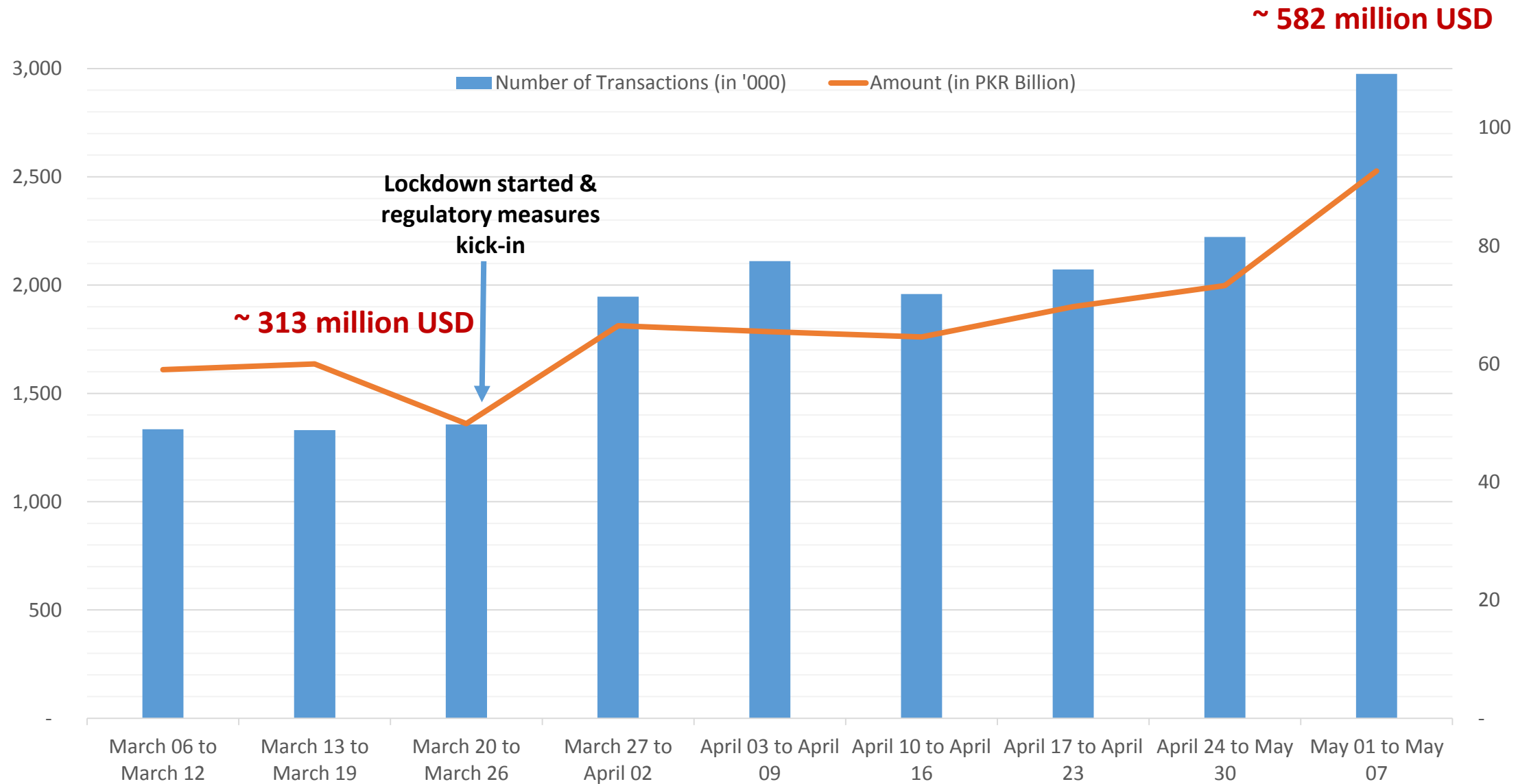
People in-need can register by sending an SMS to a dedicated number

Eligibility is determined against a pre-defined criteria

Cash payments are done after biometric verification through more than 18000 banking agents

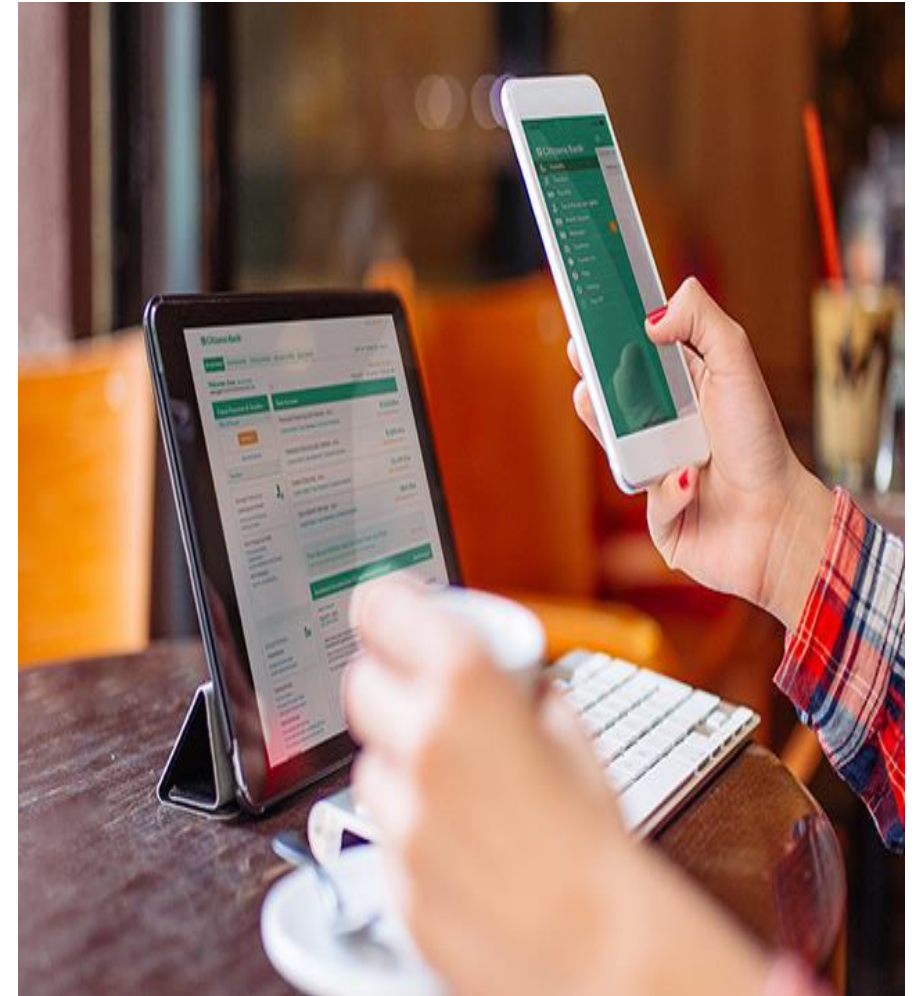
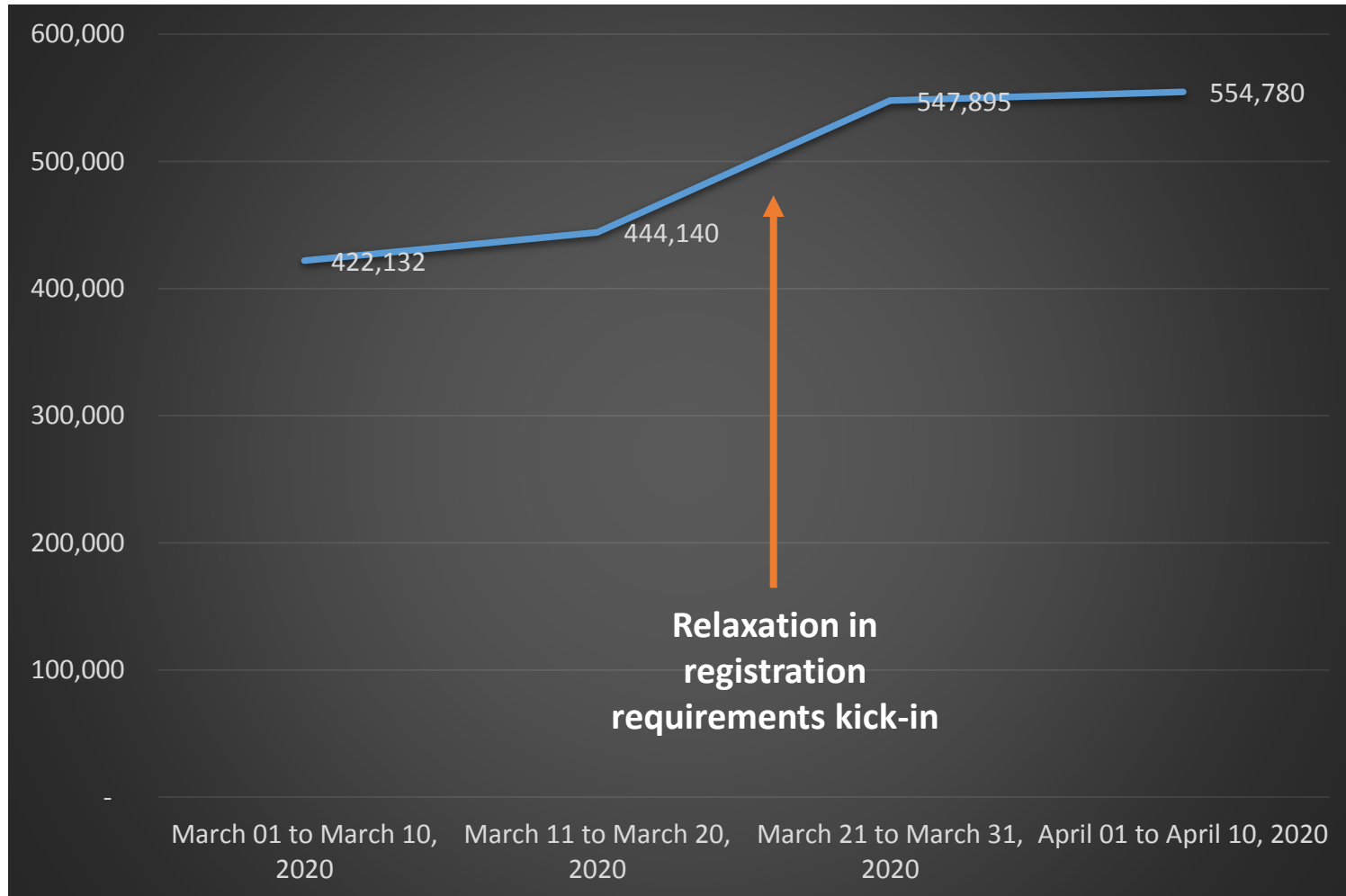
Impact of Regulatory Measures

Fund Transfers using Digital Channels



Internet & Mobile Banking User Registrations

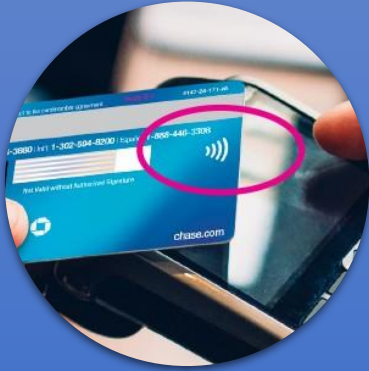
Actual Number of bi-weekly activations



Social Engineering Frauds during Covid-19



Upcoming Developments



Promotion of contactless payments

- Work-in-process to promote contactless payments



Cloud computing services for Payment Institutions

- Software-as-a-Service deployments allowed to a licensed EMI on experimental basis
- Policy framework under development



Payment Apps Security Framework

- To promote security-by-design in payment apps

