

EFFORTS TO BOOST ELECTRONIC PAYMENTS IN EGYPT

NATIONAL COUNCIL FOR PAYMENTS



On the 14th of February 2017, President Abdel Fattah El Sisi issued decree No. 89 for 2017 to establish the National Council for Payments. The main tasks of the council are reducing the use of the banknotes outside the banking system, developing national payment systems and achieving financial inclusion.

MORE NON-CASH PAYMENTS OF FINANCIAL DUES TO GOVERNMENT AGENCIES

A ministerial decision was issued to oblige people dealing with various government agencies to pay their financial dues including tax and customs through one of the electronic payment methods. The decree will be applied starting the 1st of January 2019. The payment methods are classified as follows:

MORE THAN EGP100K

Electronic payment



EGP5K-100K

Checks



LESS THAN EGP5K

Cash



MEEZA CARD

The Central Bank of Egypt (CBE) plans to roll out a national debit card, named “Meeza,” by December 2018. It will be used to electronically pay for government services and deliver payments to civil servants and subsidy recipients.

The CBE’s target is to issue 20 million cards within the coming 3 years.

ADOPTING NEW INNOVATIONS

By mid-2019, Contactless Payment will be offered for small transactions.

Egyptian authorities are studying the provision of digital micro-finance through mobile phones.

The CBE is currently issuing license for QR Code Payments, where consumers scan the QR code displayed by the merchant with their phones to pay for their goods.

MOBILE PAYMENTS

CBE REGULATIONS

The CBE issued in November 2016 new regulations that aim at making mobile payments a key platform for the provision of all types of electronic payment and collection services in Egypt*. According to the regulations:

1- Money transfers are available:

- Between different mobile wallets in different banks.
- Between the user's mobile wallet and his / her bank account in the same bank.



2- Each mobile phone number is linked to only one mobile wallet, and every user is allowed to open up to three wallets in all banks providing the service in Egypt.

3- Organizations and merchants are able to pay or collect funds through their mobile.



4- Only licensed banks are allowed to issue e-money, after acquiring a license from the CBE, and within the limits up to 5% of its paid capital or EGP50 million.

5- Mobile wallets are limited to Egyptians only, and transfers are allowed only in Egypt and only in local currency (Egyptian Pound).



6- Natural persons are allowed to receive international transfers directly to their mobile wallets (in local currency).

200K MOBILE WALLETS IN A YEAR

The CBE obligated all banks having a license to provide mobile payment services to achieve a target of 200k mobile wallets within a year of applying the new regulations.

In case of non-compliance, the CBE pointed out to the possibility of withdrawing licenses from those banks.

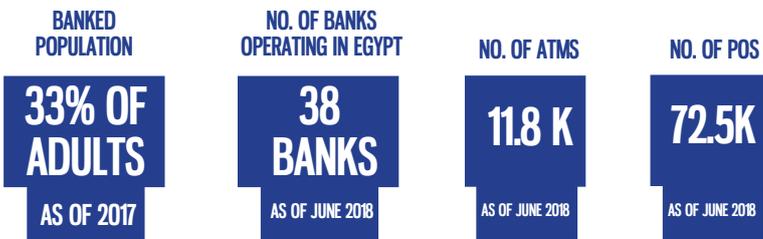
In a move aimed at spreading the mobile payment services on a large scale and increasing its activation, the National Council for Payments decided to extend the discount on mobile payment fees by 50% till the end of March 2019.

ACTIVATED WALLETS WITHIN BANKS



*A new version of these regulations will be finalized by the end of this year.

STATISTICS



Sources:
 Ministry of Communications and Information Technology
 Central Bank of Egypt
 News