



**Bank of Zambia**

**REMARKS BY  
THE DEPUTY GOVERNOR – OPERATIONS, BANK OF ZAMBIA  
ON THE INTEGRATION OF ZAMPAY WITH VISA AND MASTERCARD  
AT  
ZAMTEL HOUSE  
LUSAKA**

**29 APRIL 2019**

The Chief Executive Officer-Zamtel  
Representative from the Bank of Zambia present  
Zamtel Executive Management Team  
Distinguished Invited Guests  
Members of the Press  
Ladies and Gentlemen

My colleagues and I from the Bank of Zambia are delighted to join Zamtel Mobile Money this morning as you launch the integration of ZamPay to the Visa and MasterCard platforms. This innovation is a welcome continuation of the commendable effort that ZAMTEL has made in the recent past to expand the use of digital based payments in the country. A good example of this effort by the company was the launching in 2017 of the mobile money solution called 'Zamtel Kwacha'. However, what makes today's launch exciting, is that customers on ZamPay will now be able to electronically transfer money from their bank accounts to their ZamPay wallets and vice versa.

This innovation is truly indeed transformative as it will ease the process of transacting which in turn will positively impact on people's day to day lives because of the efficiency and convenience gains that it will bring about. Money transfer will now become easier going forward much more than it has ever been before.

The significance of the solution provided by the integration of ZamPay to the Visa and MasterCard platforms becomes more evident if we consider that one of the challenges that customers currently face when using mobile money arises from the poor integration of systems between the banks and the mobile money service providers. Customers quite often have to walk to mobile money outlets in order to deposit money in their mobile money wallets before they can engage in further transactions. This is clearly inconveniencing to say the least. With the integration of ZamPay to the Visa and MasterCard platforms, this challenge will become something of the past since the loading of cash from your bank account into your wallet can be done in the comfort of your home. The efficiency and convenience in payments and the safety which comes with the fact that customers will also no longer be required to move with physical cash to make a deposits into their wallets basically changes the financial sector landscape in a way we have not seen before.

ZAMTELs commitment to innovation that we see in the new products that it is putting out into the market is commendable. We would like to see you become, in your own space, champions in the provision of digital solutions in order to improve the experience of your customers and even more importantly to contribute to the achievement of our very ambitious financial inclusion targets that the Bank of Zambia and other financial sector regulators have set.

The use of digital technology to access financial services has become, for most of us, an everyday feature that is beginning to define how we spend, send and save money. An ever

increasing number of people is now paying bills, transferring money and accessing their bank statements using their computers or mobile phones. The growth in digital financial services (DFS) has given millions of consumers (who previously had little or no access to a bank accounts) access to financial services for the first time. This trend is unstoppable and one of the consequences of this advancement will be an eventual reduction in the use of cash.

Given the state of advancement in technology based payment methods that we have so far achieved in Zambia, the use of cash in effecting payments is probably now much higher than it needs to be. The current reliance on cash and hence the presence of huge amounts of cash in circulation today is owed to people still preferring to move with cash as opposed to using alternative payment methods. But dealing in cash is neither safe nor efficient and what the digital payments methods are offering is the opportunity to take away some of the risks and inconveniences associated with the use of cash. Electronic payments solutions are convenient in terms of time management as they also reduce the trouble and risk of carrying huge amounts of money particularly when making high value transactions.

While digital innovations are unlikely to completely wipe out the use of cash as a payment method any time soon, innovations such as the ZamPay, VISA and MasterCard platform, give customers a real choice of making payments for their goods and services without having to withdraw cash from their bank accounts or wallets. It is, however, my prayer the Zamtel Mobile Money will ensure that this product is priced in a manner that makes it affordable to customers and also address the limited coverage of the mobile networks in order to encourage the widespread usage of technology based solutions to even the rural areas of the country.

My appeal to the members of the public is please take advantage of these innovations because it is no longer necessary to move around with huge sums of money as alternative electronic channels of conducting transactions are now available in the market.

To assist in increasing knowledge among members of the public, the Bank of Zambia has been carrying out sensitization campaigns to create awareness of the benefits of using electronic payment solutions in our daily transactions. We are confident that through these awareness campaigns, the uptake of electronic methods of paying by members of the public will grow and with it an improvement in the delivery of financial services by both the bank and non-bank financial institutions. Accordingly, the Bank of Zambia has prioritised the promotion of digital financial services (DFS) as an alternative to the use of cash. To this end, the Bank constituted a working group on DFS in order to promote and sensitise the general public on the advantages of using such products in their day to day activities. We trust these measures will yield the right results going forward.

As I conclude, I once again wish to congratulate the management and staff of Zamtel Mobile Money who have worked very hard to ensure that this integration is realized. I would like to assure you that the Central Bank is committed to providing an enabling

environment to support the digital journey and we are confident that it will in turn contribute to economic growth.

I would like to declare the ZamPay integration with VISA and Mastercard Platforms as officially launched.

I thank you