



## **MEDIA RELEASE**

### **Central Bank Commences Implementation of National Switch**

Today, 5 May 2017, the Governor of the Central Bank, Mr Abraão de Vasconcelos, held a ceremony today to mark the beginning of the implementation phase of the National Switch project. The National Switch will integrate ATM, Point of Sale, and Mobile banking functionality across all five licensed commercial banks in Timor-Leste.

Following an international tendering process, the Central Bank has selected the developers of the Multibanco payment network in Portugal, SIBS International, to supply the new system in Timor-Leste. Representatives from SIBS International were present at the ceremony.

The first phase of the National Switch project will allow holders of debit (ATM) cards issued by commercial banks in Timor-Leste (or Visa cards issued by foreign banks) to use any ATM or Point-of-Sale device in Timor-Leste to withdraw cash or make payments for goods and services. The system will also support credit cards when these are issued by local banks.

The National Switch will also be integrated with the three mobile phone networks to offer a range of payment services through smart phones, including top-up of pulsa, transaction history enquiries, and the ability to make payments via phone to other individuals and businesses,

The Central Bank is in discussions with the government to develop applications for the National Switch that will allow citizens to make payments to the government for taxes, customs duties and other government fees and charges. The objective is to allow people to pay their taxes and other government charges without the need to visit a bank.

It is expected that these developments will provide Timor-Leste with one of the most modern payment systems in the world. This will provide the Central Bank, which has a statutory responsibility to support economic development, with technology that will allow Timorese throughout the nation to have access to advanced banking and payment services, and thereby promote financial inclusion and economic development.

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