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இலங்கை மத்திய வங்கி
CENTRAL BANK OF SRI LANKA

Communications Department

30, Janadhipathi Mawatha, Colombo 01, Sri Lanka.

Tel : 2477424, 2477423, 2477418

Fax: 2346257, 2477739

E-mail: dcommunications@cbsl.lk, communications@cbsl.lk

Web: www.cbsl.gov.lk

Press Release

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Sri Lanka Launches its National Card Scheme

The Central Bank of Sri Lanka together with LankaClear (Pvt) Ltd., (LCPL) achieved a significant milestone in the country's payment landscape by launching the National Card Scheme (NCS). NCS, will be operated by LCPL in partnership with the international payment card operator JCB International of Japan. Initially, a debit card will be issued under this card scheme. Additionally, the NCS cards will be accepted across over 4,800 ATMs Island wide connected to LankaPay network to facilitate cash withdrawals.

The first LankaPay-JCB co-badged debit card issued by MCB Bank went live via acquiring banks of the Common Point of Sales (CPS) Switch, namely, Cargills Bank and Commercial Bank of Ceylon. Seylan Bank will also join CPS on a non-commercial basis. Customers of MCB Bank who have been issued with LankaPay-JCB co-badged debit cards can now use all Point of Sale (POS) terminals operated by these banks.

The NCS, initiated in 2017 by LCPL under the direction of the Central Bank of Sri Lanka, aims to bring in greater autonomy to the country's payment infrastructure and reduce the current outflow of foreign exchange as service fees when making local currency payments. Enabling financial inclusion is one of the prime objectives of NCS. With the launching of the NCS, financial institutions will be able to offer card based payment solutions to their customers at a lower cost. Accordingly, customers of financial institutions catering largely to the underserved segments of the market, who account for the most number of cash based transactions in the country, will benefit from card-based solutions offered by NCS, allowing them to enjoy the benefits of payment technology advancements.

With the above initiative, Sri Lanka can now boast of a payment card issued under national card scheme that meets international standards, which is accepted both locally and

internationally. The EMV-enabled smart chip card has all security features available for payment cards at present. All local currency transactions of LankaPay Cards shall be routed locally via LankaPay National Payment network, while the foreign currency transactions shall be routed via the JCB International switch.

As the second phase of the NCS, the “LankaPay 2in1” card will be introduced. This will be a chip based NFC card - with additional stored value functionality for retail payments including public transport. Further, it is expected to issue a credit card as well as support e-commerce transactions under the NCS initiative.

Expressing his views at the launch, Dr. Indrajit Coomaraswamy, the Governor of the Central Bank stated that "this is indeed a momentous occasion for Sri Lanka as the country launches its national card scheme, meeting international standards which will bring immense benefits to Sri Lankan consumers due to its lower cost that enables financial inclusion". The Governor congratulated the MCB Bank for being the first bank to issue the LankaPay NCS card and thanked Cargills Bank, Commercial Bank of Ceylon and Seylan Bank for joining the CPS and facilitating POS transactions of NCS. Further, he commended LCPL for implementing NCS and CPS and taking a pivotal role in expanding the national Payment Infrastructure.”

While acknowledging the significance of this initiative Mr. Anil Amarasuriya, Chairman – LankaClear said, “Payment card industry in Sri Lanka has been dominated by international card operators, thus far, and as a result the banking and financial sector is highly dependent on these operators to facilitate card operations. NCS will take this burden away by switching all local transactions locally to provide a much lesser cost structure to the banks. From a macro point of view, NCS is envisaged to save valuable foreign exchange to the country since transactions among local banks will be routed via LankaPay network. We are honoured to be an integral part of this national initiative and appreciate the support and continuous guidance provided by the Central Bank in rolling out this project”.

