

CBN Committed to Effective Electronic Payments System – Sanusi

Governor of the Central Bank of Nigeria (CBN), Mallam Sanusi Lamido Sanusi, CON, says the Bank remains committed to realizing the vision of providing Nigeria with a secure, robust and accessible payment infrastructure.

Mallam Sanusi disclosed this recently in a keynote address to the CBN/Gartner event held at the Protea Hotel Oakwood Park, Lekki, Lagos.

Describing the payments system as an important component of services that banks render to Nigerians, Sanusi emphasized the importance of effective, efficient and safe service delivery to the Nigerian banking populace.

Speaking on the theme: "Secure, robust & accessible payments infrastructure," the CBN Governor disclosed that the Bank had taken deliberate actions in recent times to focus attention towards electronic payments as a veritable option for efficient payments service towards the promotion of rapid financial inclusion and increased economic activities.

According to him, "The success of a country's payments system is evinced by perceptions of its security, robustness – that is, the ability to cater for a wider range of preferences – and its ready access to the end-user".

Speaking further, Sanusi said that the Cash-lite policy was introduced to, among other things, meet FSS2020/Vision 2020 requirements for regional and international integration and modernize the payments system in Nigeria. "This is just one step towards the credible, reliable, & efficient payments system that is CBN's dream," he added.

Reviewing the previous payments system, the CBN Governor recalled that the financial system in Nigeria was largely characterized by a cash dominant and weak electronic payments platform. He, however, expressed satisfaction that there is now greater speed in financial transactions, hugely attributable to the evolution of Information Technology, which he described as being key to the transformation in payments system.

"That information technology is a key part of this transformation is almost a misnomer – IT is the very fabric of such transformation. Far from being merely a support function to operations, IT has evolved as a key enabler of competitive advantage, innovation and security," Sanusi declared.

The CBN Governor also disclosed that the presidential directive of 2009 that electronic payments should be adopted for all government staff salaries, suppliers and contractors helped to add verve to the acceptability of electronic payments among Nigerians. This, he noted, prompted the apex Bank to up the ante towards ensuring that safe and qualitative payments services are rendered to Nigerians at reasonable cost while at the same time guaranteeing adequate consumer protection.

Further to this, he said the CBN, in collaboration with the Bankers' Committee in 2010, embarked on a shared services programme to drastically reduce the industry's cost to serve with attendant positive impact on lending rates and bank charges.

Describing the banking sector as one that was hitherto conservative, the Central Bank Czar stressed that, "Even conservatism can take advantage of carefully evaluated innovative solutions".

He therefore advised bankers and their stakeholders to continually embrace the advantages to be gained through technology application in order for them to remain relevant in the scheme of financial matters.

"CIOs must learn business skills and CEOs, CFOs and other C-level executives in an organization must be, if not IT-savvy, at least IT aware," he emphasized.

He assured that the CBN, as the apex financial institution in Nigeria, would continue to play the leading role by bringing together stakeholders through various forums, for the purpose of creating financial awareness.

While commending the Gartner Inc. for collaborating with the CBN to organize the forum, he said the Bank would ensure that the forum becomes a regular feature in Nigeria.

Participants at the event included Chief Executive Officers (CEOs) of Deposit Money Banks and Discount houses and other executive officers as well as representatives of Microfinance banks, stakeholders in the private sector (oil & gas, telecoms, IT consulting, etc.) and Government Ministries, Departments and Agencies.

The forum, which was aimed at bringing world-class industry information and technology advice to the Nigerian financial sector as well as to boost the professional image of the CBN as a leader for Nigeria's financial sector.

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