



LINCOLN LEGAL SERVICES (MYANMAR) LIMITED

CONVENIENCE TRANSLATION - ACCURACY NOT GUARANTEED

**Republic of the Union of Myanmar
Central Bank of Myanmar**

Letter No. Ma Ba Bha-1/107 (939/2024)

Date: 12 June 2024

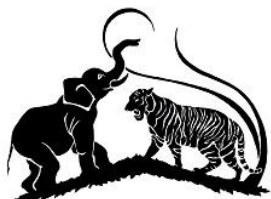
To

Banks offering mobile banking and internet banking
Banks conducting mobile services
Mobile financial services businesses

Subject: Amending and determining the amounts for which digital payments and digital transactions may be carried out

Reference: (1) Regulation on Mobile Financial Services (2016)
(2) Letter no. Ma Ba Bha/Na Dha Ta (Accounts) (455/2020) dated 29-3-2020

1. The Central Bank of Myanmar constantly strives to support the transformation process of the national government towards a digital economy and establishes, supervises and controls policies to develop secure, stable, efficient and competitive payment and clearing systems, to promote non-cash payments and the interconnection of payment systems, to promote the use of payment services by the people, and to underpin a more inclusive financial system in the financial sector.
2. Banks and mobile financial services businesses shall, for the use of digital payments by government departments and the general public, use the CBM-NET System RTGS system for large payments and the CBM-NET System ACH system for small payments, and connect with the currently implemented Digital Payment Switch for payments using QR.
3. For government payments and private payments, the transaction volume specifications prescribed by the referenced letters for convenient payment using a digital payment system for retail transactions have been amended as follows:
 - (a) For payments between individuals (P2P), MMK 1,000,000 per transaction and a maximum of MMK 5,000,000 per day;
 - (b) for categories including gold shops, electronic shops, construction material shops and health care centres when processing payments by an individual to a merchant (P2M), maximum MMK 10,000,000 transaction amount per day;

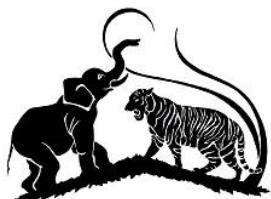


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- (c) to keep the maximum balance of mobile money accounts up to MMK 10,000,000, and if MMK 10,000,000 are exceeded, to connect to the bank account and transfer to the bank account every day;
 - (d) for payments between individuals (P2P) and government payments up to MMK 10,000,000, to connect using Mobile Banking with CBM-NET ACH Function;
 - (e) For payments of MMK 10,000,000 or more, to carry out with CBM-NET System B2B Function;
 - (f) sufficient funds shall be moved into the Debit Cap (ACH Allocation) to enable the use of the CBM-NET (ACH Function) 24/7 by customers;
 - (g) to carry out systematic verification, disclose the purpose of payment and limit the number of transactions in order to prevent the selling/purchasing as a merchant using a consumer wallet (buying and selling goods using person to person payment);
 - (h) to verify the correctness of the registration data for merchants, and banks and mobile financial services businesses shall guarantee that they are real merchants.
4. In order to ensure trust in the system by the public who will use the digital payment system and to protect the public from financial loss, banks and mobile financial services businesses are hereby notified to obtain KYC with complete information according to the directives dated 15-8-2022 and to strictly comply with customer due diligence (CDD) procedures for financial transactions, in order to acquire better knowledge about the customer.
5. It is hereby notified that the amendments in paragraph 3 above shall be strictly complied with from 12-6-2024 and in case of failure to comply, administrative action will be taken according to section 154 Financial Institutions Law.

On behalf of the Governor
Zaw Myint Naing, Vice Governor

[Distribution list omitted.]



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