

# RM2b reason to migrate to e-payment

BY YEOW POOI LING

MIGRATION to e-payments can help the country save some RM2bil, said Ahmad Hizzad Baharuddin, the director of Bank Negara's payment systems department.

Research done in other countries shows that migration to e-payments could provide savings of about 1% of gross domestic product (GDP). Based on Malaysia's 2004 GDP, this came to about RM2bil, he said.

Hizzad was speaking at a media briefing in Kuala Lumpur yester-

day on the Payment Systems Forum and Exhibition 2005, organised by Bank Negara, on Nov 28 and 29.

He said e-payment was more efficient and safer than cheques as it provided immediate availability of funds.

The usage of e-payment, currently at about 4%, was expected to increase further, he said.

Hizzad said Bank Negara planned to encourage more use of debit cards in particular, as the risk was lower and the cost cheaper compared with credit cards.

There are about 10,000 debit



Ahmad Hizzad Baharuddin

cards terminals available and 12,000 cards in circulation nationwide but the usage was only about 0.2% last year.

"We need to provide more incentives to encourage consumers to use debit cards," Hizzad said.

At the upcoming forum, international experts, financial sector players, senior government officers and representatives from the public sector will discuss strategies and share experiences on various issues involving the migration to e-payments.

The focus areas will include challenges and benefits of migrating to e-payment, developing common payment standards, fraud and security of e-payment, as well as enhancing consumer awareness of such instruments.

The forum will feature 25 speakers, including 16 from Singapore, Hong Kong, Ireland, Finland, Norway, Australia, the United States and the Philippines.

Bank Negara governor Tan Sri Dr Zeti Akhtar Aziz will deliver the keynote address.