



DE SURINAAMSCHЕ BANK

Catalyzing Financial Evolution

Reshaping the Payment Landscape in Suriname

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Agenda



Current Payment Landscape in Suriname and challenges



DSB Online Banking statistics



Opportunities for Financial Evolution (long & short term)



Regulatory environment



Conclusion



Q&A

Current Payment Landscape in Suriname



The current payment landscape in Suriname is dominated by cash transactions, but there is a growing trend towards digital payments.



However, the infrastructure for digital payments is still developing, and there is a need for innovative solutions to reshape the payment landscape.

Challenges of the Suriname Cash-economy

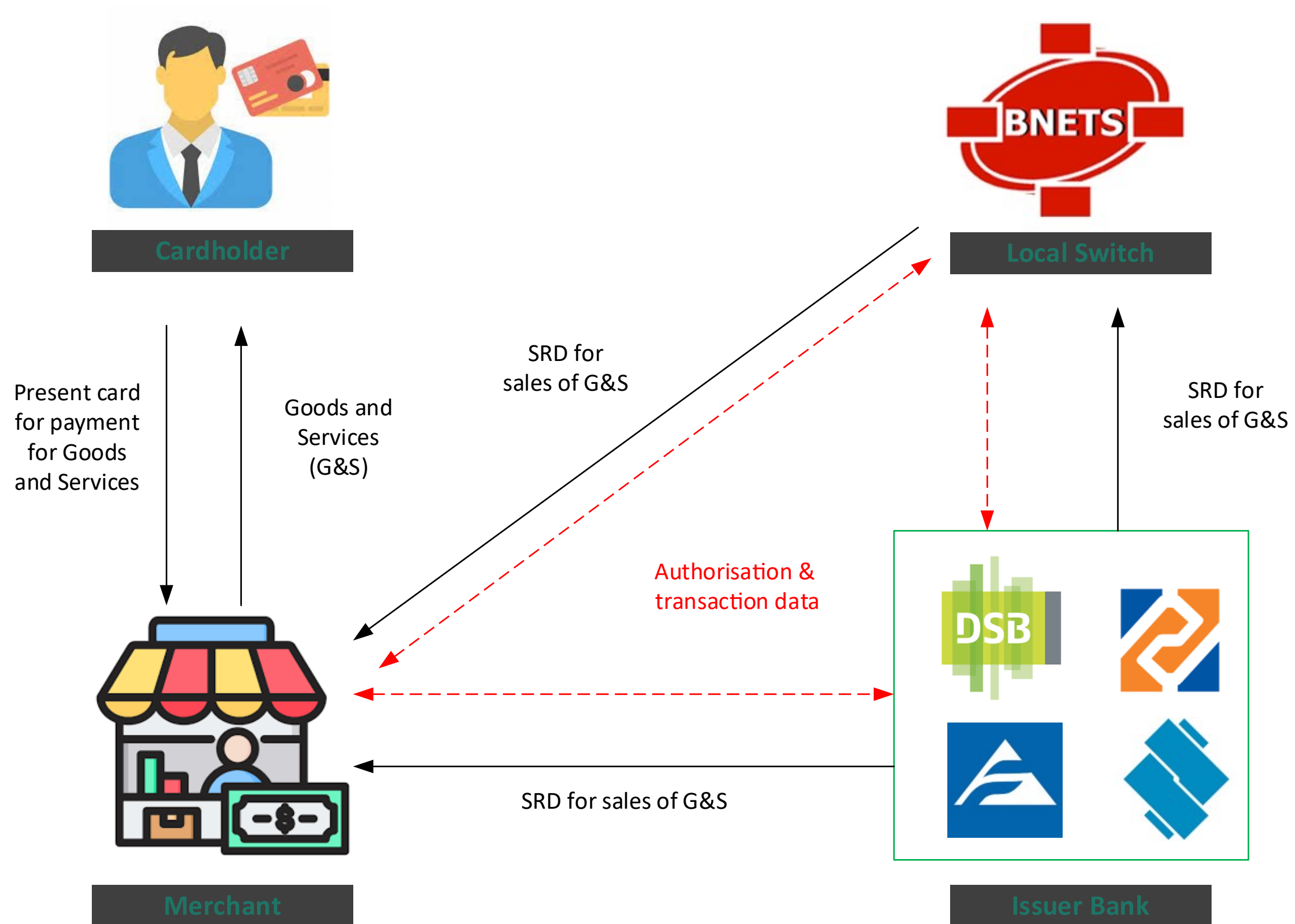
Increased risk of Money laundering

Long waiting lines ATM's and Branches

ATM's get empty very fast due to high inflation (highest SRD denomination is worth only USD 2.50)

High costs for Banks: resources, equipment, security, rent, insurance, utilities, money transfer, storage etc.

Overview Local Card Payment Landscape



Challenges of the Card Payment Landscape



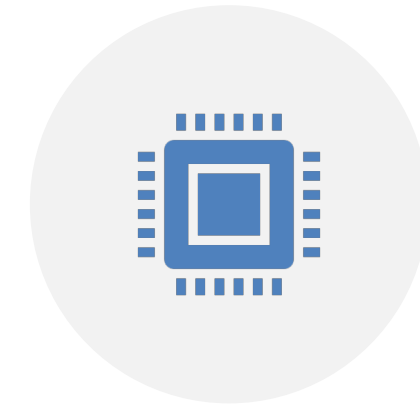
GLOBAL ACCEPTANCE



NO E-COMMERCE
TRANSACTIONS



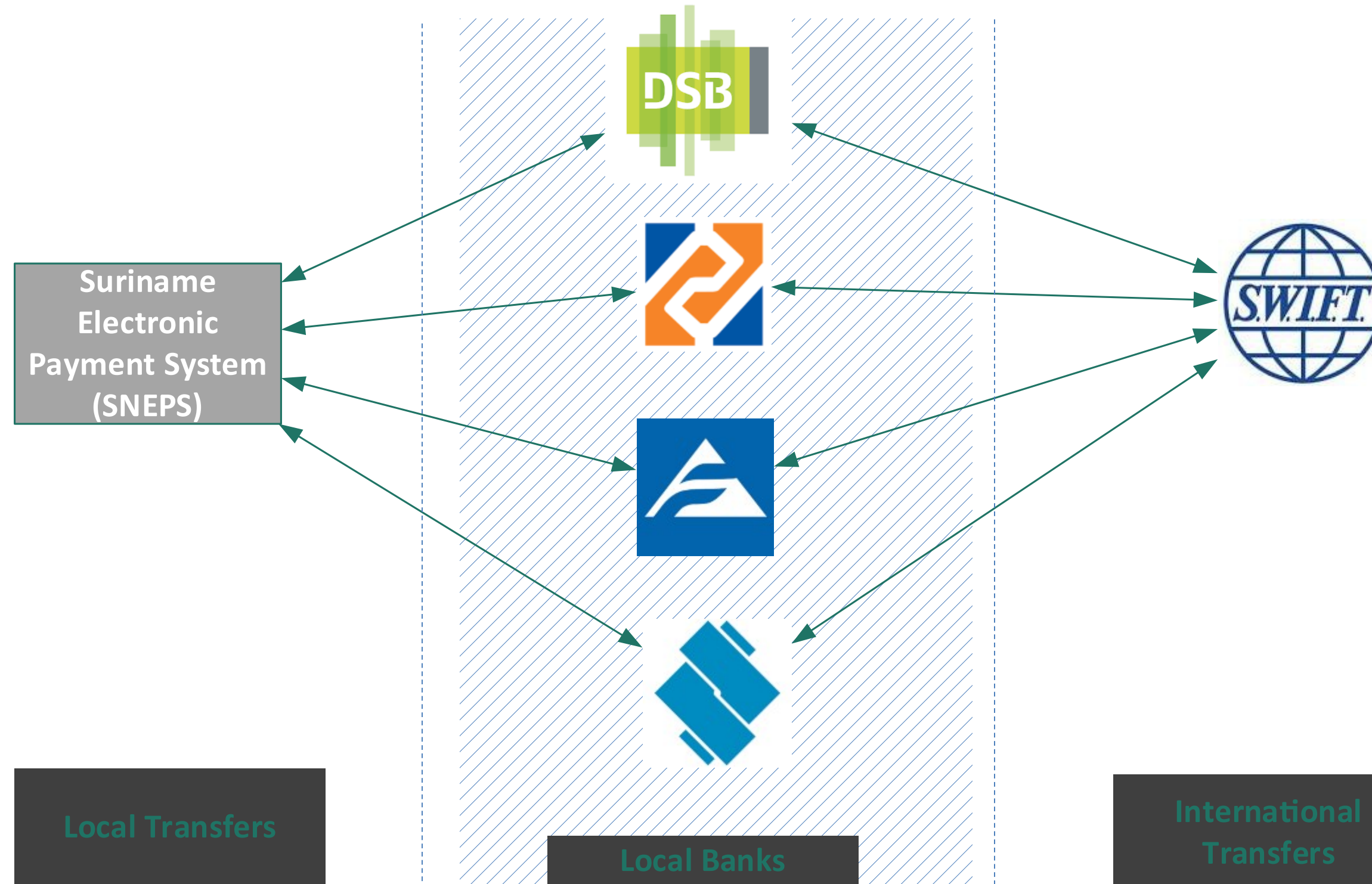
NO TRIGGER FOR
INNOVATION &
SECURITY



ADAPTION OF EMV
CHIP & CONTACTLESS

Overview Local/International Transfers

Landscape



Challenges of the Transfers Landscape

01

No real-time low value ACH transactions between local banks

02

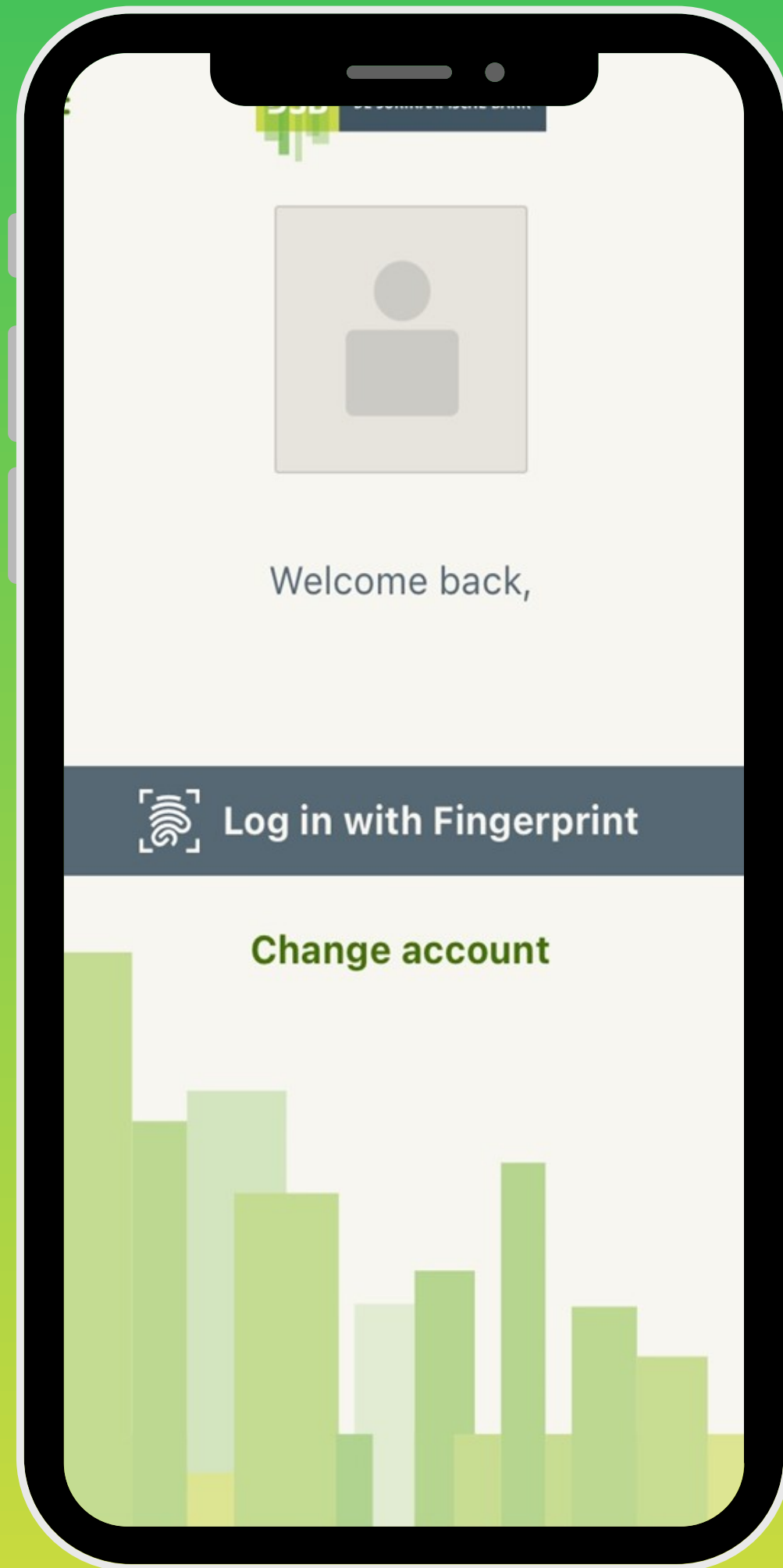
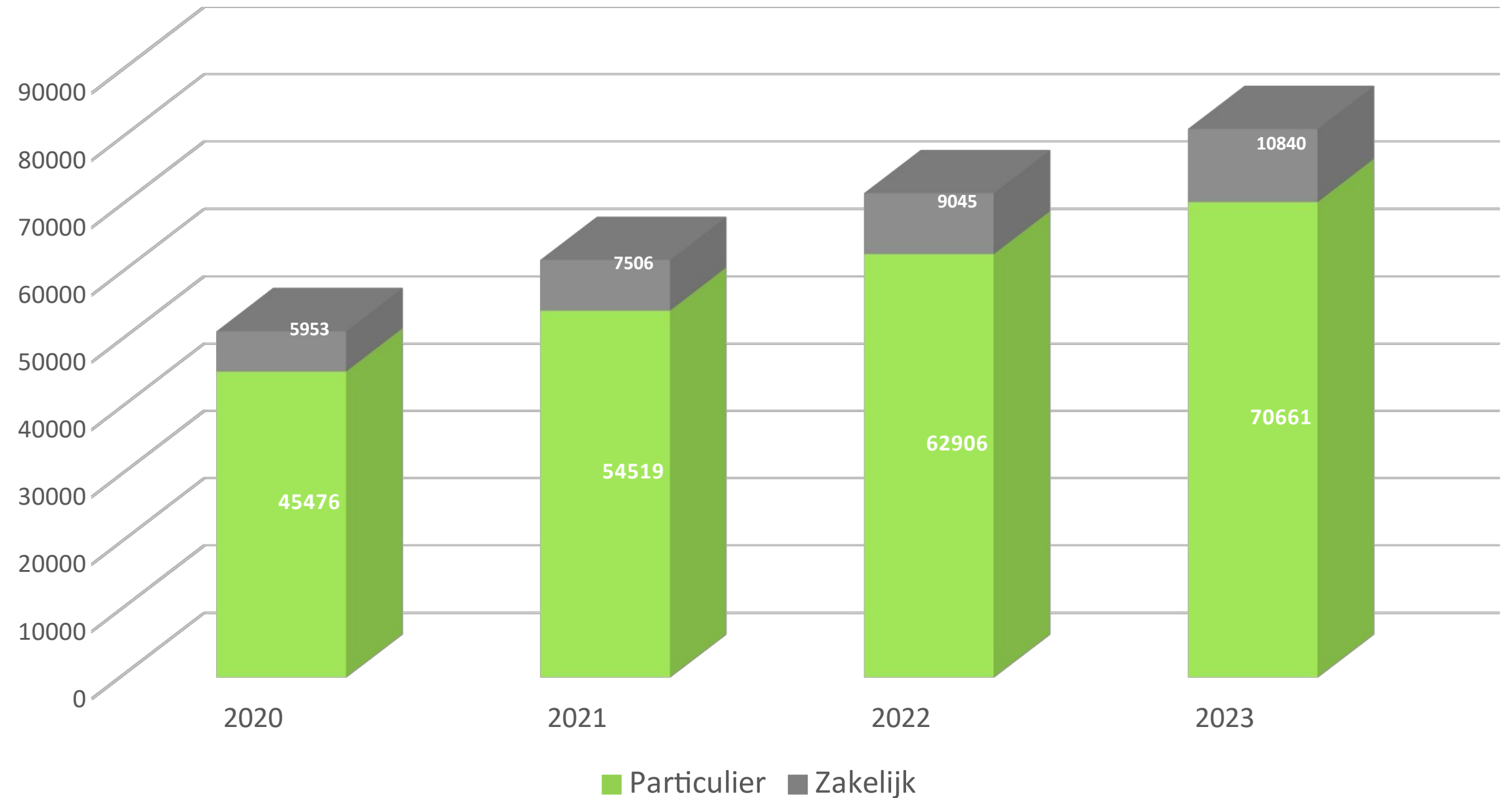
No real-time transactions between mobile banking apps and existing digital wallets

03

Long waiting times and high costs for (small) international transfers

DSB Mobile Banking Stats

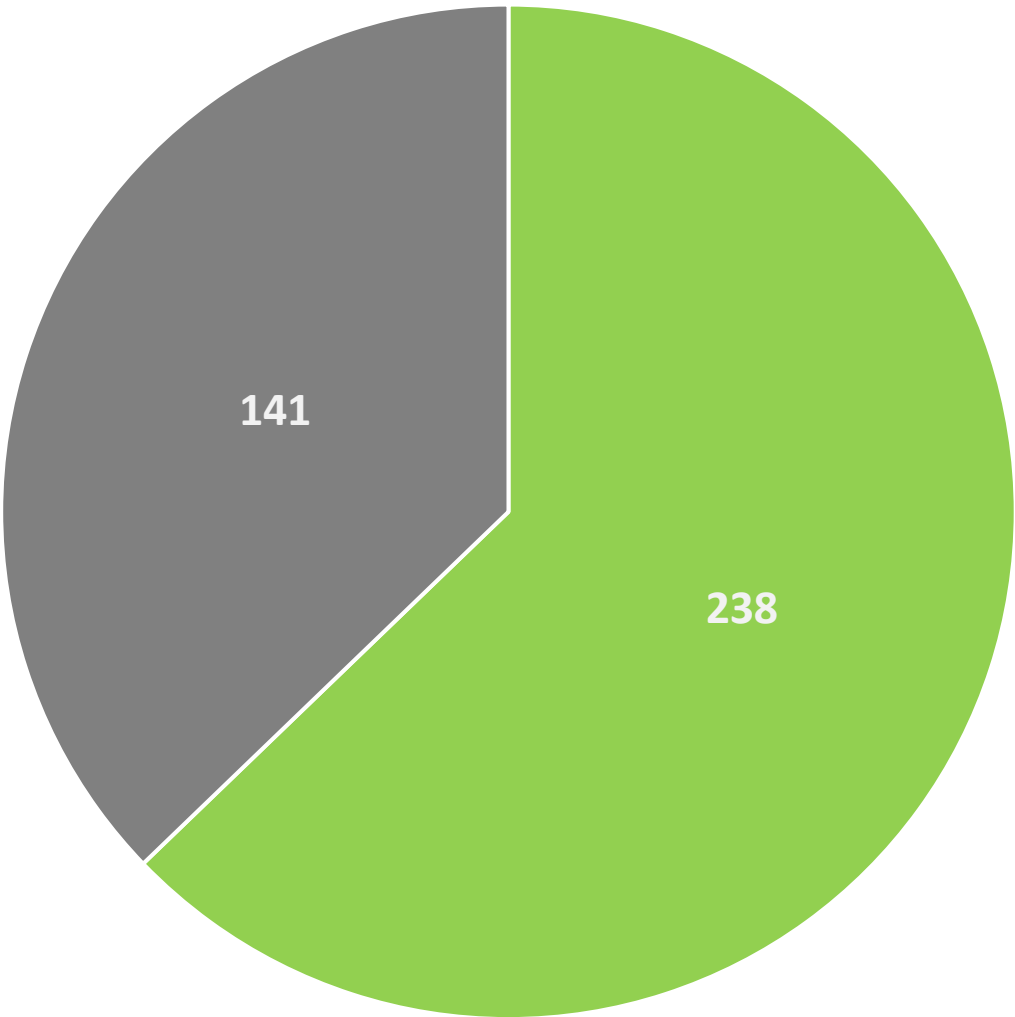
Online Banking users



DSB Mobile Banking Stats

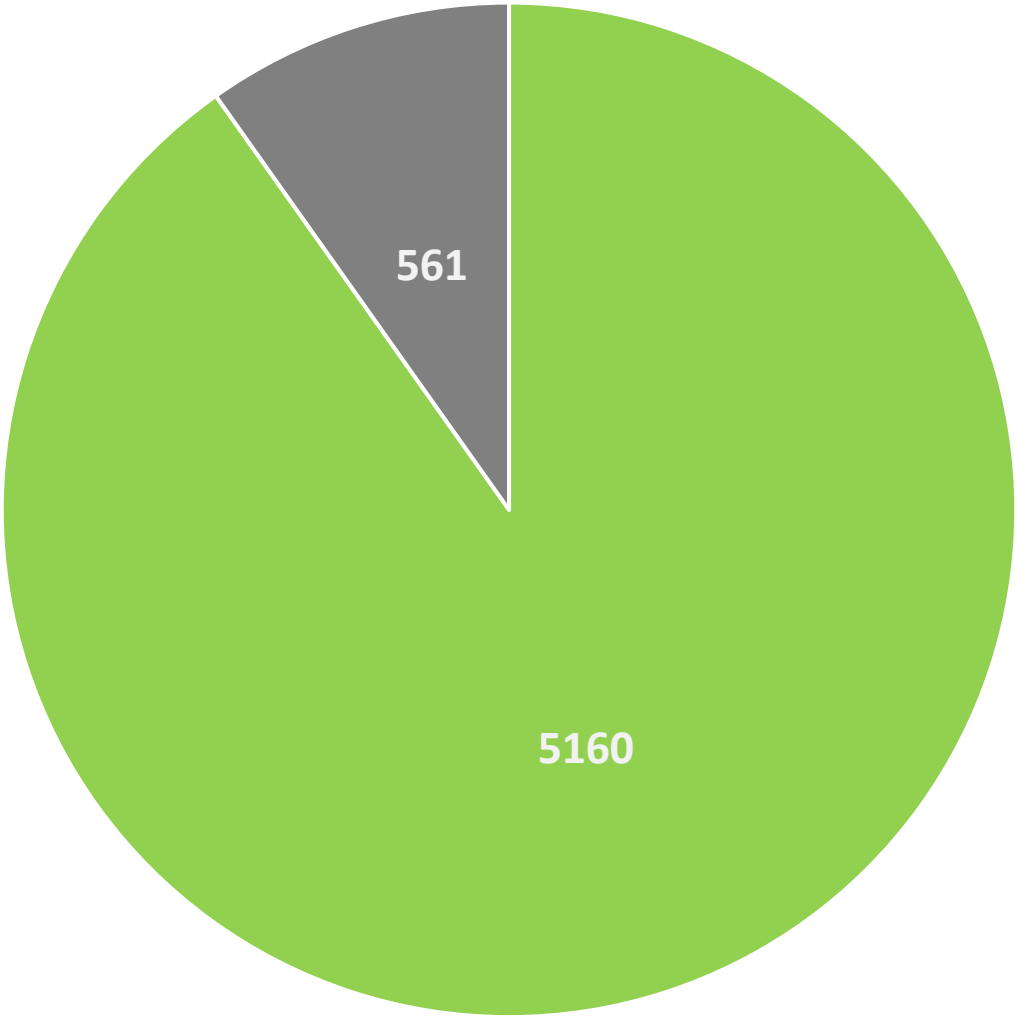
Period: sept - nov 2023

Opening of Time deposits

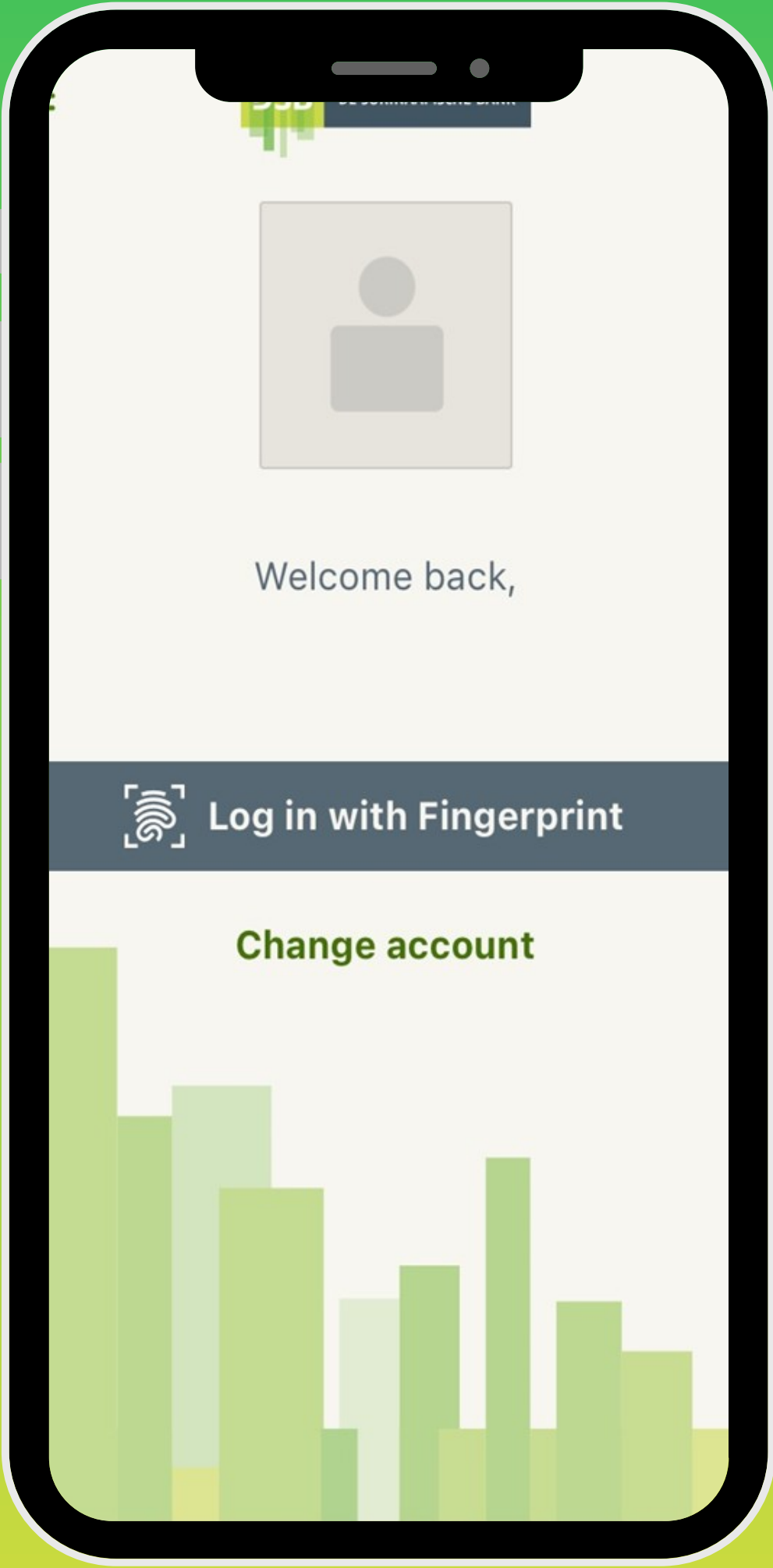


■ Mobile Banking
 ■ Internet Banking

Account opening



■ Mobile Banking
 ■ Internet Banking



Opportunities for Financial Evolution

From Closed Loop to 4-Party Scheme

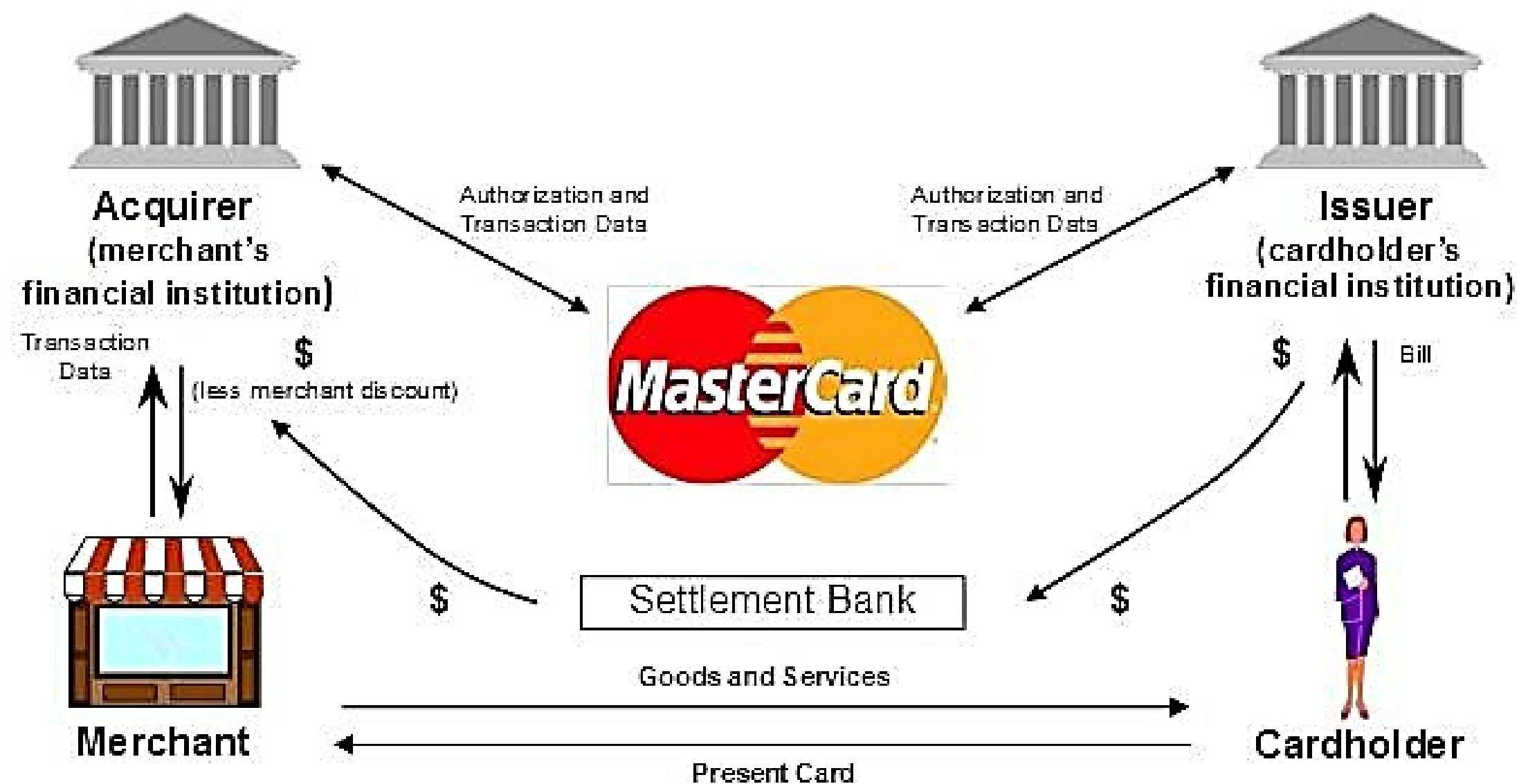
Pro's:

- E-commerce (debit/credit cards)
- Contactless payments (Apple / Google pay)
- Debit cards can be used internationally
- Acceptance of international cards

Cons:

- Interchange fees
- Compliance costs (Scheme mandates)

Typical Point of Interaction Card Transaction



Source: harvard.edu

Opportunities for Financial Evolution

Introduction of an Instant Payment Platform (Use Case 1)

- **Launched by National Payments Corporation of India (NCPI) in 2016 and regulated by the Reserve Bank of India**
- **Facilitates inter-bank peer-to-peer (P2P) and person-to-merchant (P2M) transactions using a UPI ID which is linked to the mobile number of the customer.**
- **As of august 2023 has crossed 10 billion transactions worth US\$ 180 billion, up from 9.9 billion in July 2023.**
- **India has shared its UPI technology with many countries including France, Australia, Singapore and others.**



Opportunities for Financial Evolution

Introduction of an Instant Payment Platform (use case 2)

- **Launched by the Central Bank of Brazil in November 2020**
- **Facilitates instant payments for P2P, P2M, P2Gov using a Pix alias or key (nickname)**
- **Available 24/7, including holidays**
- **As of November 2021, Pix reported more than 6 billion transactions worth US\$682 billion**



Opportunities for Financial Evolution



Opportunities for Financial Evolution

- **Cross Border Peer 2 Peer Payments**

IT'S EASY TO USE

It connects users with different payment networks across the globe – all through one digital hub.



IT'S FAST

24/7/365 access to funds anytime
vs. several days for checks or
ACH transfers to process.

Enables personal
payments to occur
typically **within seconds**.

Mastercard® Send™ for Person-to-Person Payments

Helping financial institutions and other partners simplify person-to-person (P2P) payments for consumers

With Mastercard Send, you can offer P2P solutions that provide the best consumer experience with secure, convenient and near real-time transactions from any account through any device. Consumers can send and receive digital payments typically within seconds*, compared to existing solutions that limit transfers within a closed-loop network or involve ACH, which can take several days.

Source: mastercard.com/send

Opportunities for Financial Evolution (short term)

- **Card Virtualization**



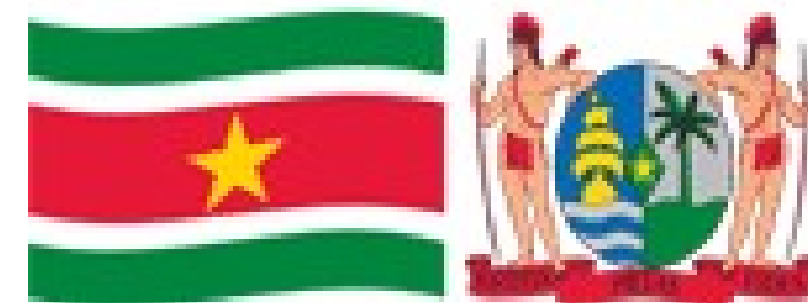
Regulatory Environment

Guidelines for:

- **Ensuring a robust and secure payment landscape**
- **Ensuring access to payment transactions in an increasingly digital world**
- **Strengthening the payment landscape in a dynamic international environment**



REPUBLIEK SURINAME



Source: DNB visie op betalen 2022 - 2025

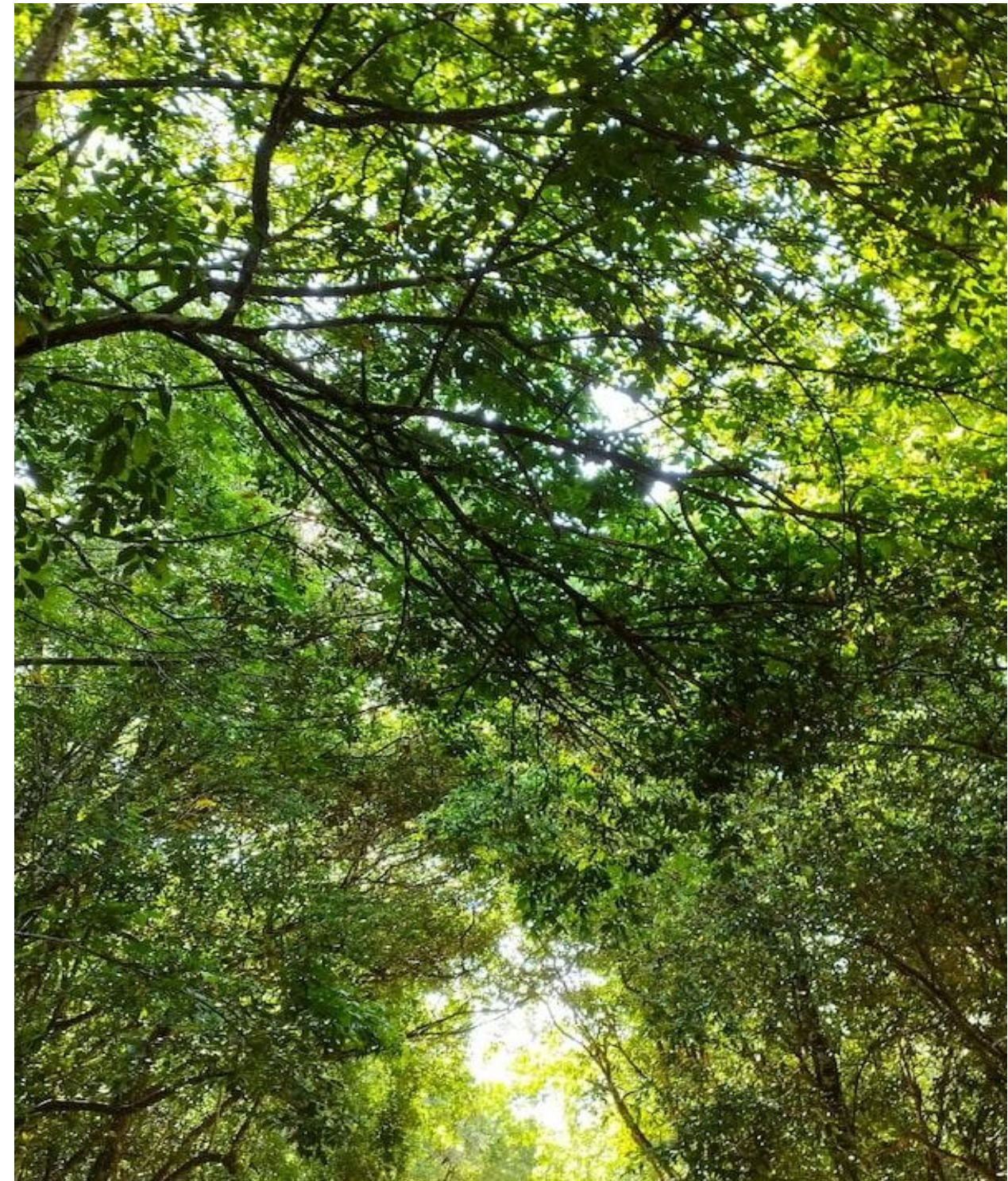
Conclusion

Challenges:

- **Limited access to banking services in rural areas**
- **Need for Consumer education on digital payments**

Opportunities:

- **Increasing adoption of smartphones**
- **Potential for partnerships with local businesses**



Questions?
