








Central Bank of Kenya

National Payments Strategy

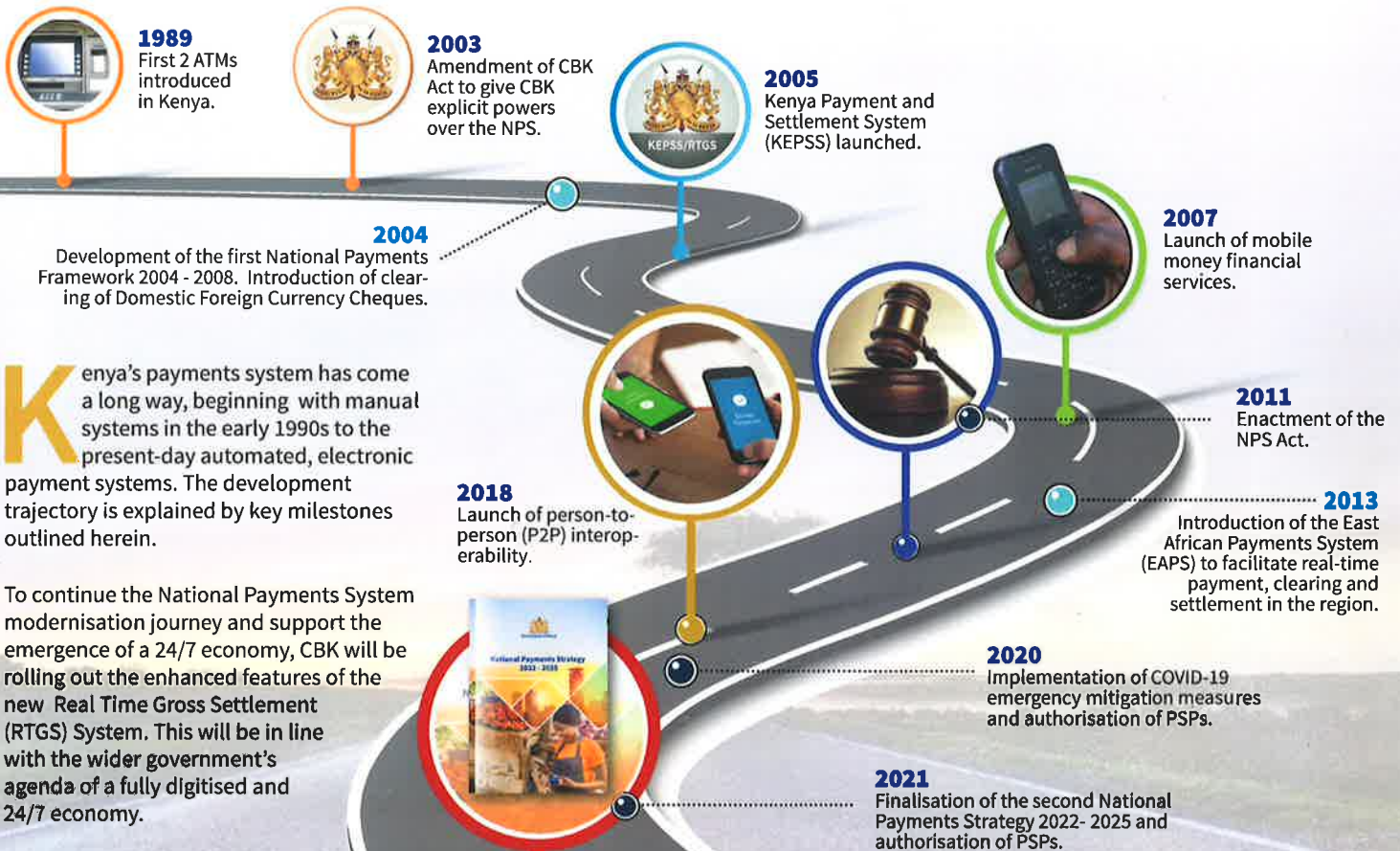
2022-2025



The National Payments Strategy (“the Strategy”) sets out the vision and strategic objectives for Kenya’s Payments System for the next four years. The Strategy is anchored on the vision - *A secure, fast, efficient and collaborative payments system that supports financial inclusion and innovations that benefit Kenyans*. Implementation of the Strategy will be guided by the following principles:

 <p>Trust</p>	<p>A resilient system that safeguards all payments and channels in an increasingly digital world</p>	 <p>Usefulness</p>	<p>Availability of feasible options resulting from collaboration among different players in the payments ecosystem</p>	 <p>Innovation</p>
<p>A system which guarantees that payments will be made and received in a timely and reliable manner</p>	<p>Security</p> 	<p>A system that meets customer needs, especially among the financially excluded, in a cost-effective manner</p>	<p>Choice</p> 	<p>An ecosystem that produces customer-centric and value adding solutions which also compete on the global stage</p>

Summary of the Journey to Modernise Kenya’s Payments System



Kenya’s payments system has come a long way, beginning with manual systems in the early 1990s to the present-day automated, electronic payment systems. The development trajectory is explained by key milestones outlined herein.

To continue the National Payments System modernisation journey and support the emergence of a 24/7 economy, CBK will be rolling out the enhanced features of the new Real Time Gross Settlement (RTGS) System. This will be in line with the wider government’s agenda of a fully digitised and 24/7 economy.



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The Strategic Objectives



Ensuring a resilient and robust payments infrastructure

Payments services facilitate economic activities and support livelihoods. Therefore, the benefit that Kenyans will draw from the future payments ecosystem will depend mostly on the degree to which payments services, innovation and infrastructure are able to translate into tangible improvements in the performance of business enterprises and households. Thus, collectively we should champion, facilitate and undertake oversight activities in order to ensure that current and future services contribute to the betterment of lives of ordinary Kenyans, and the wider societal objectives of inclusive and sustainable growth.



A resilient and robust payment infrastructure is vital not only for purposes of Monetary Policy but also for mitigating a wide variety of financial shocks such as those arising from the COVID-19 pandemic. Some key initiatives in this strategy, that are expected to contribute towards enhancing the resilience and robustness of the payments infrastructure are:

1. Ensuring **implementation of full interoperability** in the payments industry – this will promote and strengthen the digitalisation of all payment channels;
2. Reviewing the existing **legal and regulatory framework**;
3. Promoting adoption by the payments industry of **best international standards**;
4. Promoting the roll out of the new **Real Time Gross Settlement (RTGS) System** enhanced features in line with the wider government's agenda of a fully digitised and a 24/7 economy for Kenya;
5. Implementing a **further cheque value capping policy** and progressively exploring the possibility and merits of phasing-out of cheques in future;
6. Continue promoting the integration of **regional and Pan African payments infrastructure**; and
7. Continue exploring the **usefulness of new forms of digital money** and their use cases for Kenya.