

Final Press Release

The Central bank of Oman Launches the new Automated Teller Machine (ATM) and Point of Sale (POS) National Switch - OmanNet

H.E. Hamood Sangour Al-Zadjali, the Executive President of the Central Bank of Oman expressed his pleasure to announce launching of the new Automated Teller Machine (ATM) & Point of Sale (POS) National Switch – called OmanNet. OmanNet replaces and consolidates two earlier Switches in Oman (Al-Shamel and Al-Watani) into one central solution under the management of CBO. It enables migration of all financial institutions onto the common state-of-art technology platform with the highest international security standards. Apart from facilitating greater speed, efficiency and cost-effectiveness, OmanNet provides two additional services: Mini Statements and Account to Account transfer at all the ATMs and for those Banks who support this functionality.

The Central Bank of Oman formalized Payment System Strategy for National Payment Systems (NPS) in the year 2003. The strategy brings out the CBO vision of the NPS and lays down a clear roadmap. Treating the NPS as integral part of the financial stability objectives, the best international standards have been adopted as a benchmark for setting up and operating the payment systems. The operational efficiency, robustness, credit and operational risks minimization and business continuity set-ups are the quintessential ingredients in design of every component of the NPS. The CBO has already operationalised the first three modules of NPS – Real Time Gross Settlement (RTGS), Automated Clearing House (ACH) and Electronic Cheque Clearing (ECC). Introduction of the ATM&POS National Switch (OmanNet) is the latest offering and the one which will directly & positively impact wider society members including banks, customers and merchants.

The CBO Executive President added that as a strategic policy decision, OmanNet will be directly connected with the national switches of all other GCC countries on gradual basis, which will facilitate greater efficiency, leverage and robustness to

the services. Oman residents will be able to access their accounts seamlessly through the ATMs in any of the GCC countries, and similarly the residents of all other GCC countries will also be able to directly access their banks accounts through any ATM in Oman.

H.E. elaborated by saying that "This was a significant investment in the Electronic Payments infrastructure of Oman. We have invested in the best technology to acquire a world-class system which will keep pace with future developments also. It provides real-time message switching for intelligent transaction authentication, authorization and routing capabilities. The state of the art Base24-eps has shown itself to be capable of supporting very large systems and was an appropriate choice. Apart from ACI solution, CBO has used the excellent services of HP, CIT Global, the consultancy arm of the CBO and IMTAC and, as local partner, for Project Implementation."

The Senior Vice President and Chairman of the EFT Project Committee, Mr. Iqbal Ali Khamis said "A common ATM Switch for the entire country is going to benefit everybody. Customers will be able to use their bank cards at any ATM or Point of Sale terminal in the country regardless of the issuing bank. There will be uniform transaction tariff, operating rules & regulations which are determined by CBO. This will leverage the use of payment cards in the Sultanate and will gradually promote a cashless society."

The Senior Manager and Deputy Chairman of the EFT Project Committee, Mr. Hilal Ali Al Barwani acknowledged the contributions made by all the stakeholders towards implementation of this huge project and particularly appreciated the team spirit, co-operation and stake shown by all the people directly working on the Project at the CBO and the participant banks. He added that the switch will benefit many other entities in future while dialogues start soon after EMV phase is rolled out next year.

Speaking on behalf of the IMTAC, HP, ACI consortium, the Project Manager, Mr. John Russell said: "It has been a great honor for us to work on this project of national importance and to play our part in taking the CBO's vision through to implementation". On her part, Mrs. Nashwa Afifi, General Manager - CIT Global

Middle East said " CIT Global has ensured selecting the specifications of the project from the beginning and went through implementation of the newly implemented financial OmanNet Switch with banks. We do appreciate the trust of the CBO in our capabilities and the fruitful cooperation that resulted in a successful launch of the OmanNet Switch."

As a second phase of the Project, EMV compliance both at level one and level two will be taken up. However, transition from magnetic stripe base to chip base infrastructure may take some time to complete. Timelines will have to be agreed with the stake holders and then scrupulously followed.

Over the next 12 months, new services may be launched by OmanNet giving added convenience, speed, security and service.