



BANK OF PAPUA NEW GUINEA

PRESS RELEASE

Private Sector Cheques to be Discontinued by 31st December 2023

The National Payments Council (NPC) chaired by the Acting Governor of the Bank of Papua New Guinea (BPNG), announces that the use of private sector cheques will be discontinued by 31st December 2023. The NPC is comprised of senior executives from BPNG, Financial Institutions, and the Government.

Despite the improvement in clearance times to currently two (2) days, following the launch of the Kina Automated Transfer System (KATS) in 2013, cheques are still considered a higher risk for fraudulent use and cause longer processing times and inconvenience when dishonoured. The government is also shifting towards electronic payments, but the use of government cheques will not be affected by this decision.

In line with promoting the use of digital payment options, PNG is implementing the National Payments Strategy Developments (NPSD) to foster greater financial inclusion with safe and convenient digital payments. This move aims to lower the cost of payments to customers and provide easier access to funds without cash handling or waiting for cheque clearance. BPNG is urging customers to use mobile and internet banking to leverage the convenience and efficiency of these technological innovations, as it eliminates the need for additional costs incurred when travelling to a bank or ATM to access cash or deposit cheques.

The public is encouraged to contact your respective bank or financial institution for more information on the discontinuation of cheques and the payment alternatives they will be making available to you.

Authorised by: **Ms Elizabeth Genia, AAICD**
Acting Governor