

## **BIBD DRIVES SMART NATION GOAL WITH BRANCHLESS BANKING INITIATIVES**

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### **FOR IMMEDIATE RELEASE**

April 13, 2019 (Saturday) - When Brunei ushered in the age of the digital and cashless economy around a decade ago, Bank Islam Brunei Darussalam (BIBD), the nation's largest bank, was among the first financial institution to envision the future of the banking ecosystem and began pioneering branchless banking initiatives.

Branchless banking, a concept which seemed far-fetched in the Sultanate just a few years ago, has now become a new standard and a crucial component in offering financial services and products.

Branchless banking is defined as the delivery of financial services outside conventional bank branches - this means customers are able to complete all their banking needs without ever having to go to the bank and this is made possible through technologies such as online, over the phone, through point-of-sale systems, and ATMs, among others.

So the days of stepping foot into a bank to open up a bank account or apply for financing may soon be a thing of the past, thanks to emerging technologies.

Brunei's high internet and mobile usage - 93% of the population having internet and access with 83% connecting to the internet through their phones - means there are still plenty of opportunities to serve the unbanked and underserved segment.

BIBD's branchless banking initiative exercises a whole-of-nation approach which allows for the implementation of BIBD's state-of-the-art digital technologies in industries beyond the banking sector to enable the expansion of a larger digital audience.

This amplification of a wider customer experience will provide opportunities for all mobile users to avail of the technology which will promote mass adoption of a robust digital ecosystem in Brunei and enables increased de-cashing of the economy through secure, innovative and documented digital payments.

Towards this goal, BIBD has introduced a range of game-changing innovations for Brunei, which includes BIBD NEXGEN Wave, BIBD QuickPay for QR code payments, BIBD vCard or Virtual Mastercard, its Mastercard Contactless and Visa payWave - which makes up its suite of BIBD NEXGEN solutions.

Aligned with Brunei Wawasan 2035, BIBD NEXGEN showcases the bank's intent to transform conventional banking to the fintech age, creating that branchless banking proposition.

The BIBD NEXGEN platform fully supports Brunei Darussalam's smart nation initiatives and AMBD's digital roadmap to encourage and utilise a digital payment ecosystem to embrace a digital transformation that provides benefits to both users and payment service providers.

### **BIBD's branchless banking new features via Progresif Pay 2.0**

Progresif Pay is Brunei's first ever mobile wallet which was introduced in 2018 as a result of a collaboration between BIBD and local telco firm Progresif.

Powered by BIBD NEXGEN, Progresif Pay enables consumers and businesses in Brunei carry out cashless transaction with their smartphones similar to popular e-wallet apps like China's AliPay and Malaysia's Mpay.

The digital wallet can be used to pay bills, transfer money to friends and family members, and sign up for BIBD's virtual mastercard for online purchases, all without the need of a bank account. The wallet allows users to store up to B\$3,000 digitally.

The mobile application was updated in March this year and received major improvements and additions of features including QuickPay, eCredits and 'Tap and Go' (BIBD Wave).

Progresif is also set to sign an agreement with a local university in the near future which will see the establishment of Brunei's first ever cashless campus via the use of Progresif Pay.

“We have updated the Progresif Pay app, which includes QuickPay, eCredits and ‘Tap and Pay’ features (BIBD Wave). We are very proud that that the service is well-received in the market and we have created a boost in usage,” said Dr Gyorgy Ladics, BIBD’s Chief Operations Officer.

He added: “These are the features that will help create a cashless campus, the QuickPay is a key enabler that allows students to pay cashless while eCredits will help them to buy things online. This is a simple solution designed for day to day needs and provides users with easy access to financial services through a digital app. All you need is a Brunei sim card.”

“The app comes with top security features which includes biometric, OTPs and PINS. This goes to show the bank prioritises security and safety of our customers and Bruneians who are using our innovative solutions.”

### **Seeking more alliance to drive branchless banking aspiration forward**

Progresif Pay is one example of a successful alliance between a local bank and a telco provider that promotes BIBD’s branchless banking initiative and BIBD is keen to expand and explore similar partnerships within and beyond Brunei as the bank shifts up a gear to further drive its branchless banking ambition.

Dr Ladics said, “The cooperation between BIBD and Progresif brings a unique value proposition to the customers in Brunei and a great example for creating digital customer proposition using the strength and values of both companies.”

Meanwhile, BIBD Head of Retail Banking Group, Hajah Nurul Akmar binti Haji Md Jaafar commented, “As BIBD NEXGEN platform supports the ecosystem of branchless banking, alliances is a very critical element in order to successfully execute and implement our BIBD NEXGEN initiative, so beyond telco, we need alliances with reputable international players that will allow our customers to carry out digital transactions

beyond the shores of Brunei and that will also elevate our position as we aspire to become the best Islamic bank in Asia-Pacific,”.

“We need international alliances for our services and products to be at par with international financial institutions or even the global financial technology disruptors so we will align our initiatives to keep up with the standard of global industry players,” she added.

**Promoting financial inclusion in Brunei and inculcating a digital payments culture among the younger generations to support Brunei’s smart nation aspiration**

“With BIBD being the largest bank and Brunei having a large young population, we are innovating our products and services to ensure financial inclusion at an early stage as a pathway to support the nation’s aspiration towards a smart nation. In other words, we are preparing these products for access to the younger population so they can use all these products and innovations not only for awareness but usage and then develop the habits to use digital or cashless banking solutions, so we can support the country’s smart nation goal,” said Hajah Nurul.

“The Vision 2035 entails the development and creation of highly-skilled human assets so we are hopefully trying to future proof the human assets of Brunei so that they can, at the onset, already start utilising our digital platforms - we are inculcating the culture of digital payments,”.

“People say that Brunei being a small nation, lacks the capacity to launch digital initiatives and innovations, but BIBD was amongst the earliest to welcome and embrace the digital era of the world since 2014 with our initiatives,” Hajah Nurul said.

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### **About BIBD**

BIBD is the largest financial institution in Brunei Darussalam, leading the market in terms of assets, financings, and deposits, with a vision to become globally recognised as the benchmark Islamic Finance Institution.

BIBD is headquartered in Bandar Seri Begawan with the largest network of branches and ATMs located strategically in all four districts of Brunei Darussalam.

In 2018, BIBD was ranked second strongest bank in South East Asia and top ten Asia by The Asian Banker. BIBD is one of the safest banks in the world and holds an impressive credit rating of A- by Standard & Poor's, the highest for a Bruneian bank and among the highest in the region. BIBD has been named the "Best Retail Bank in Brunei" by The Asian Banker for six consecutive years from 2013 to 2018.

For more information on any of BIBD's other products or services, please log on to the BIBD website at [www.bibd.com.bn](http://www.bibd.com.bn), visit your nearest BIBD branch or get in touch with the BIBD Contact Centre at 2238181.