



Number: 26/2/6404

Date: 17 Shawwal 1441 Hijri

Corresponding to 9 June 2020

Circular to all Banks and Electronic Payment and Money Transfer Companies Operating in the Kingdom

Within the frame of the Central Bank of Jordan's regulation of the national payments system and its components in a manner that ensures the provision of safe and efficient payment systems and services in the Kingdom, and in belief in the importance of supporting the process of developing and stimulating electronic payment processes and their acceptance in the retail and government payments market; in a way that enhances and meets the needs of all citizens and contributes to the dissemination and delivery of digital financial services to them in a fair, safe and affordable manner and within the frame of achieving high rates of financial inclusion rates consistent with the Kingdom's orientations towards a comprehensive and advanced digital economy

Based on the provisions of Article (34/A) of the Electronic Payment and Money Transfer Bylaw No. (111) for the year 2017 and despite what was stated in Article (16/B) of the instructions for dealing with clients with fairness and transparency fairness in force and its amendments, I, hereby, inform you that the following has been decided:

First: The following words shall have the meanings assigned to them as follows:

<p>(Acquirer) :</p>	<p>The bank or company licensed by the Central Bank to conduct the activity of providing services to collect money electronically through points of sale, ATMs, or any other electronic channels approved by the Central Bank in accordance with the provisions of the Banking Law in force or the provisions of Article (16 / d) of the Electronic Payment and Money Transfer bylaw in force.</p>
<p>(Issuer) :</p>	<p>The bank or company licensed by the Central Bank to conduct the activity of issuing and managing payment instruments in accordance with the provisions of the Banking Law in force or the provisions of Article (16 / A) of the Electronic Payment and Money Transfer bylaw in force.</p>
<p>Payment System) (Operator/Manager :</p>	<p>The bank or company licensed by the Central Bank to conduct the activity of managing and operating the electronic payment system to process and authorize financial transactions on payment instruments by connecting the network of ATMs or points of sale into a unified network in accordance with the provisions of Article (17) of the Electronic Payment and Money Transfer bylaw in force.</p>

(Customer)	:	Payment instrument holder
(Merchant)	:	The person who contracted with the Acquirer for the purposes of accepting payments at points of sale in exchange for the purchase of goods or services or other payment transactions approved by the Central Bank.
Payment) (Instrument	:	Any electronic means approved by the Central Bank that enables the customer to make payments, including withdrawals and cash deposits through ATMs or electronic transfer of funds, in accordance with the provisions of Article (4) of the Electronic Payment and Money Transfer bylaw in force.
(Point Of Sale)	:	The electronic means or tool that the merchant has physically or electronically to accept payment transactions that are provided by the acquirer
Domestic Payment) (Transaction	:	Payment transactions executed at points of sale or cash withdrawals executed by ATMs, using a payment instrument issued by Jordanian issuer within the Kingdom.
International) Payment :(Transaction	:	Payment transactions executed at points of sale or cash withdrawals executed by ATMs, using a payment instrument issued by issuer outside the Kingdom

(Interchange Fee) :	The value paid by the Acquirer to the issuer, directly or indirectly, of the merchant discount rate in exchange for local payments executed at points of sale in accordance with the provisions of this circular.
Merchant) (Discount Rate :	The value paid by the merchant to the acquirer for domestic or international payments in accordance with the provisions of this circular.

Second: The acquirer shall adhere to the following

A) Acquiring a merchant discount rate in exchange for domestic or international payment transactions executed at points of sale, not exceeding the maximum rates set out in the table below, taking into account the classification of sectors, as follows:

Value of MDR%		Sector Classification
International Payment Transaction	Domestic Payment Transaction	
%1.95	%0.80	Government, including the military and civilian consumer corporation
0.80% or 20 piastres	0.80% or 20 piastres	fuel
%2.00	%1.00	Transit and transportation
%2.00	%1.00	Essential services
%2.25	%1.25	Commerce
%2.25	%1.50	Education

%2.50	%1.50	Healthcare
%2.50	%1.50	Tourism
%2.50	%1.50	Information and telecommunication
%2.50	%1.50	E-Commerce
%2.50	%1.50	Other

- B) Paying an interchange fee of (50%) for local payment transactions executed by customers at points of sale, unless otherwise agreed between the acquirer and the issuer.
- C) Non-charging merchants any fees or commissions in any way in exchange for their possession/ownership of points of sale.
- D) Take the measures to ensure that merchants do not collect any commissions from customers (Surcharges) in exchange for payments made at their points of sale other than what approved by the Central Bank.

Third: The issuer must adhere to the following:

- A) Paying a commission equal to (one dinar) for any cash withdrawal transaction executed by the customer through ATMs belonging to the acquirer, so that 70% of the value of this commission paid to the acquirer and the (30%) to the payment system operator/manager unless agreed otherwise.
- B) Subject to the provisions of Paragraph (a) above, the issuer is allowed to charge a commission to the customer (Surcharge) not exceeding (one dinar) in exchange for any cash withdrawal transaction executed by the customer through the ATMs belonging to the acquirer except for the first cash withdrawal transaction in each month.

Fourth: The payment system operator/manager must adhere to the following:

- A) Take measures to ensure settlement of the interchange fees value in accordance with what mentioned in paragraph (B) of clause (Second) above.
- B) Take measures to ensure that the issuer pays the commission values in accordance with what mentioned in paragraph (a) of clause (Third) above.

Fifth: General provisions

- A) This circular enters into force sixty days after the date of its issuance.
- B) Notwithstanding what stated in paragraph (A) of this clause, the merchant discount rate mentioned in paragraph (A) of clause (Second) above shall be applied to the agreements concluded with merchants after the issuance of this circular.

Governor

Dr. Ziad Fariz