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The document is a supplement to the following official and peer reviewed CGAP publication:

- [Safeguarding Rules for Customer Funds Held by EMIs](#), CGAP Technical Note, December 2018

SAFEGUARDING RULES FOR CUSTOMER FUNDS HELD BY EMIs: COUNTRY EXAMPLES

December 2018

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The table below shows related regulatory provisions of a select number of countries on customer funds safeguarding.¹ Information in the table uses the original text from the English language version of regulations except for Brazil, Colombia, El Salvador, Indonesia, and WAEMU, where our own English translations of relevant regulations are used. It is not intended as legal guidance or opinion, and reference should always be made to the original text. To the best of our knowledge, we considered the state of regulations as of September 2018.

Country	Fund Safeguarding Measures	Institutions Covered
Bangladesh (Bangladesh Mobile Financial Services Regulations, 2018)	(i) Aggregate of virtual balances in all MFS accounts of an MFS provider must at the end of the day be in agreement with or be less than the total real cash balances in nominated trust cum settlement accounts of the MFS provider with scheduled commercial bank(s) and invested amount in Government Securities. This shall be monitored by the MFS providers on daily basis and any shortfall shall be immediately reported to the Payment Systems Department, Bangladesh Bank. Banks holding equity of the MFS providers are supposed to be entitled with the role of a custodian. The MFS providers may, if necessary, choose other scheduled commercial bank(s) to be their custodian notifying PSD of BB in advance. Balances and transactions at the custodian end must at all times remain separate from and never be co-mingled with other operational accounts of the MFS providers. (ii) Bank(s), providing mobile financial services without forming a subsidiary and MFS account holders are under deposit insurance coverage of Bangladesh Bank, will be waived from investing in Government Securities. (iii) a) Bank(s), providing mobile financial services without forming a subsidiary but MFS account holders are not under deposit insurance coverage of Bangladesh Bank; b) MFS provider under subsidiary model need to maintain the balance of all MFS account in a trust cum settlement account and need to invest not less than 25% of the physical cash balance in Government Securities on the basis of calculation on the last working day of June and December each year. Remaining cash balance has to be kept in the trust cum settlement account with scheduled commercial banks. (Article 7.5)	Mobile Financial Services Provider

¹ Rules and requirements related to safeguarding of e-float funds may be issued as regulations, guidelines, instructions, decree, or a circular depending on the country context.

<p>Brazil (Central Bank of Brazil, Circular 3681, 4 November 2013 and Circular-Letter 3893, 7 August 2018)</p>	<p>Institutions that issue electronic money should deposit the e-float (defined as the daily sum of the balances of e-money customer accounts, plus the funds in transit related to transactions pending settlement) in a non-interest bearing reserve or settlement account at the central bank, called “Account Corresponding to Electronic Money—CCME.” They can invest the funds in government bonds (denominated in domestic currency and with maturity up to 540 days) by negotiating in the interbank secondary market. When the institutions are not eligible for a reserve or settlement account at the central bank, they must deposit it in any bank’s reserve account at the central bank. The bank can be chosen freely by the e-money issuer each day, when the daily reconciliation is done. If the issuer is a bank, the e-float must be maintained in cash, no investments allowed, except in the case of e-money products with defined purposes such as food and transportation.</p> <p>The e-float is registered by the central bank’s accounting system in a sub-account created solely to identify this type of funds, while the issuer maintains the control of each customer’s account balance.</p> <p>Circular Letter 3893/2018 sets operational instructions for the electronic fund debit and credit movements in the reserve/settlement account for issuers that have access to the real time gross settlement system and for those that do not. The issuer must assign a Director responsible for compliance with the general rules pertaining to payment accounts, which includes e-money accounts (Circular 3680/2013), two staff members responsible for the management of the CCME, and 3 staff members who will be responsible for carrying out manual procedures during any contingency affecting the central bank’s or the issuer’s payment systems.</p>	<p>Institutions that Issue Electronic Money</p>
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<p>Colombia (Law 1735, 21 October 2014, Decree 1491, 13 July 2015, Circular Basica Juridica, Chapter IV, Title V Part II, Resolution 1/2018 of Fogafin)</p>	<p>SEDPEs issue “electronic deposits,” which are a type of demand deposit in the name of individuals or legal entities, and those for individuals must apply simplified customer due diligence requirements for account opening. When electronic deposits offer cash out services, they must be commercialized as “electronic money deposit” (otherwise, they are commercialized as “transactional electronic deposit.” SEDPEs are required to maintain customer funds equivalent to all electronic money deposits either as deposits at the central bank (in accounts in the name of SEDPEs) or as demand deposits at credit institutions. Daily reconciliation is required. Cash management to replenish cash at agents may not be counted toward the requirement to safeguard the funds equivalent to the total collected from the clients.</p> <p>SEDPEs report monthly on the investments done with all assets, including the deposits to back electronic money deposits, and daily on the daily balance of electronic money accounts and transactions.</p> <p>SEDPEs are allowed but are not obliged to pay interest on electronic money deposits. The electronic money deposit accounts must be terminated if they remain without balance for 3 months.</p> <p>All electronic money deposit balances are covered by deposit insurance managed by the Guarantee Fund for Financial Institutions up to 50 million Colombian Pesos per person, per SEDPE. For such coverage they need to pay a one-time membership fee equivalent to 0.0115% of the SEDPE’s capital and an annual premium of 0.15% of the total electronic deposits, calculated based on the average balance every quarter.</p>	<p>Entities Specialized in Electronic Deposits and Payments (SEDPEs)</p>
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<p>El Salvador (The Law to Facilitate Financial Inclusion, NASF 05/2016 of the Financial Superintendence, and CD 28/2016, of the Central Bank)</p>	<p>Electronic money providers (including financial institutions and banks) should maintain customer funds equal to 100% of outstanding e-money liabilities in the Central Bank of El Salvador, in an account (“Cuenta de Respaldo”) that does not pay interest and is under the name of the electronic money provider. The provider cannot do any investments with the funds as any withdrawal from the account is controlled by the Central Bank. The Central Bank has legal power to control the total amount of electronic money issued in the country and at individual providers, so that no e-money is issued before equivalent funds are deposited in the central bank.</p> <p>The electronic money provider is allowed to create electronic money in excess of the liabilities to consumers, after depositing an equivalent amount at the Central Bank. The amount that is not subscribed by customers, but already created in the provider’s system is held by the provider itself. The electronic money provider may request (using automated tools) the Central Bank to debit the account when the total electronic money “abilitated” in the provider’s system is to be reduced. The Central Bank verifies the outstanding e-money in the e-money provider’s platform, using a system named “Electronic Money Control System—CODE,” which includes a direct interface with the provider’s own systems.</p>	<p>Electronic Money Provider</p>
<p>Ghana (Guidelines for E-money Issuers in Ghana, 2015)</p>	<p>E-money issuers (EMIs) shall keep 100% of the e-money float in liquid assets. The liquid assets shall remain unencumbered and may take the form of: a) Cash balances held at universal banks² in Ghana and withdrawable on demand, provided that such balances shall be held separately from balances relating to any other operations of the Dedicated EMI; or b) Any other liquid asset prescribed by the Bank of Ghana. (Article 16.1)</p> <p>The e-money float of every e-money issuer shall: a) Not be commingled at any time with the funds of any natural or legal person other than the e-money holders on whose behalf the funds are held; b) Be held in either individual or pooled accounts with one or more universal banks in Ghana (Article 17.1)</p>	<p>Dedicated Electronic Money Issuers</p>

² “Universal bank” means a bank, excluding rural and community banks, licensed by the Bank of Ghana to carry out the business of banking (Article 3.x)

<p>(Letter sent by the Payment Systems Department of the Bank of Ghana to the banks, December 2016)</p>	<p>(a) The sum total of e-money held with one universal bank on behalf of a given electronic money issuer shall not exceed 25% of the net-worth of the bank. (b) A universal bank shall not hold electronic money float in aggregate not more than 40% of its net-worth. (c) A bank which violates (a) and (b) shall pay to the Bank of Ghana a penalty calculated as the base rate of the bank and a risk premium of 5% of the excess exposure (d) Banks holding float account balances in excess of the approved limits shall invest the excess in 91-day Treasury bills within one week after the occurrence of the excesses in the name of the electronic money holders and the details of the investment communicated to the Bank of Ghana. (The letter sent by the Payment Systems Department of the Bank of Ghana to the banks, December 2016).</p>	
<p>India (Guidelines for Licensing of Payments Banks, 27 November 2014) (Operating Guidelines for Payments Banks 6 October 2016)</p>	<p>Apart from amounts maintained as Cash Reserve Ratio with Reserve Bank of India (RBI), a payments bank will be required to invest minimum 75% of customer funds in Government Securities/Treasury Bills with maturity up to one year that are recognized by RBI as eligible securities for maintenance of Statutory Liquidity Ratio and hold maximum 25% in current and time/fixed deposits with commercial banks for operational purposes and liquidity management. (Guidelines for Licensing of Payments Banks, Article 5).</p> <p>Large Exposure limits (for investments in deposits of scheduled commercial banks) The exposure in this regard to an individual scheduled commercial bank shall not be more than 5% of the total outside liabilities of the Payments Bank (Operating Guidelines for Payments Banks, Section 1.2).</p>	<p>Payments Banks</p>
<p>Indonesia (Bank Indonesia Regulation Number 20/6/PBI/2018 on Electronic Money, 04 May 2018)</p>	<p>Issuers are required to place Float Funds in line with the following conditions:</p> <ol style="list-style-type: none"> a. at least 30% of the Float Fund in: <ol style="list-style-type: none"> 1. cash, for Issuers which are in the category of commercial banks with the highest required level of capital 2. demand deposits (giro) at banks that fall into the category of commercial banks with the highest required level of capital, for <ol style="list-style-type: none"> a) an issuer which is a bank but not in the category of commercial banks with the highest required level of capital; and b) an issuer which is a non-bank institution; and b. a maximum of 70% of the Float Fund in: <ol style="list-style-type: none"> 1. securities or financial instruments issued by the Government or Bank Indonesia; or 2. an account at Bank Indonesia (Article 48.2). 	<p>Issuer</p>

<p>Jamaica (Guidelines for Electronic Retail Payment Services, 2013)</p>	<p>Custodian Account Based Payment Service is a pre-funded electronic retail payment service that may be offered by authorized entities to allow customers to effect payment from pre-funded accounts. A requirement of each Custodian Account Based Payment Service is that the aggregate balances of all customer funds be held in specialized trust accounts with one or more licensed DTIs, referred to as a “Custodian Account”. (Article 4.6.1)</p> <p>Issuers that are authorized to operate Custodian Account Based Payment Services:</p> <ul style="list-style-type: none"> a. may issue e-money by accepting physical money from customers; b. may convert e-money into physical money for e-money account holders (cash-outs) on their request, directly or through appointed agents; c. shall operate a custodian account/s with a deposit taking institution/s regulated by the Bank; and d. shall maintain the cumulative sum collected from all electronic retail payment service account holders in the custodian account/s at all times. (Article 16.1) <p>Issuers of Custodian Account Based Payment Services shall open a custodian account(s) at one or more DTI(s) regulated by the Bank and shall deposit funds collected from electronic payment service customers into this account(s). (Article 17.1)</p> <p>If an issuer opens multiple custodian accounts with more than one deposit taking institution, the issuer shall clearly define the set of accounts related to each custodian account. (Article 17.3)</p> <p>The issuer operating the Custodian Account Based Payment Service, shall have no claim to the funds lying in the custodian account in the case of bankruptcy/close of business of the issuers. (Article 17.9)</p>	<p>Issuer</p>
<p>Kenya (National Payment Systems Regulations, 2014)</p>	<p>A payment service provider shall— (a) establish a Trust; (b) ensure all monies received are held in a Trust Fund; (c) ensure the balances in the Trust Fund shall not at any time be less than what is owed to customers; (d) not transfer the funds to its own account used for normal business operations; (e) not commingle the funds with the funds of any person other than payers and payees on whose behalf the funds are held; and (f) employ appropriate risk mitigation strategies to ensure that the funds held in the Trust Fund are sufficiently diversified and placed in commercial banks licensed under the Banking Act or Government of Kenya securities. (Article 25.3)</p> <p>A payment service provider shall ensure that the funds held in Trust Fund complies with the limits provided for under the Fourth Schedule of these Regulations or as advised by the Central Bank of Kenya from time to time. (Article 25.4)</p> <p>Fourth Schedule:</p> <ul style="list-style-type: none"> - If the amount in the Trust Account is below Kes 100 Million, Strong-Rated Bank - If it is above Kes 100 Million, Max. 25% of Total amount in trust account, Min. 2 strong rated banks 	<p>Payment Service Providers (which includes electronic money issuers)</p>

Lesotho (Payment Systems (Issuers of Electronic Payments Instruments) Regulations, 2017)	An issuer of electronic payment instruments licensed to issue e-money shall deposit the funds collected from e-money holders into a trust account opened at a bank licensed in Lesotho in accordance with the provisions set out in Schedule 4. (Article 35)	E-Money Issuer (Issuer of Electronic Payment Instruments)
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<p>Liberia (Mobile Money Regulations 2014)</p>	<p>A mobile money provider shall keep 100% of the Float in liquid assets. The liquid assets shall remain unencumbered and take the form of balances held in Trust Accounts with one or more Bank Financial Institutions which may be withdrawn on demand. Such balances shall be held separately from balances relating to any other operations of the Mobile Money Provider and used solely for the purpose of refund or redemption of the outstanding Mobile Money liabilities. Aggregate funds in the Trust Account(s) shall at all times equal or exceed the value of outstanding Mobile Money liabilities. In the interest of protecting Customers and OTC clients from the risk of bank insolvency, after six months from the launch of the Mobile Money Service the sum total of Mobile Money Accounts held in any one bank financial institution on behalf of a given Mobile Money Provider cannot exceed 40% of the net worth of the bank financial institution. Whenever the threshold is exceeded on average for three consecutive months, the Mobile Money Provider must place any excess float in another Bank Financial Institution.</p> <p>The Float shall not be commingled at any time with the funds of the Mobile Money Provider or with the funds of any natural or legal person other than Customers and OTC Clients on whose behalf the funds are held.</p> <p>Mobile Money Providers shall include in their articles of incorporation language to the effect that Mobile Money owed to their Customers and OTC Clients, and their agents, takes priority in the hierarchy of claims in the case of insolvency or liquidation of the Mobile Money Providers. In addition, Mobile Money Providers shall ensure that its current and prospective creditors understand that Customer and OTC Client funds held in Trust Accounts shall remain unencumbered and are not subject to attachment.</p> <p>The bankruptcy or liquidation of the Bank Financial Institution that is holding funds of the Customers and OTC Clients in Trust Accounts does not absolve the Mobile Money Provider from its outstanding obligations to pay back the Customers and OTC Clients. (Article 13)</p>	<p>Mobile Money Providers</p>
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<p>Malawi (Guidelines for Mobile Payment Systems, 2011)</p>	<p>In addition to generic requirements and those spelt in these guidelines the mobile payment service provider shall; (...) 8.7 Maintain a trust account with a bank whose usage shall be restricted to facilitating mobile payment transactions (...) 8.9 Reflect all monetary values relating to transactions in the mobile financial payment service in the trust account at the bank; 8.10 Ensure that the balance on the trust account shall at all times be equal to the total outstanding (un-claimed) balance of all holders of the e-money under the service (Article 8)</p>	<p>Mobile Payment Service Provider</p>
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<p>Malaysia (Guidelines on Electronic Money)</p>	<p>To avoid commingling of funds, the funds collected from users should be deposited and managed separately from the issuer’s working capital funds. (Article 10.1)</p> <p>Large E-money Issuer:³ An issuer of a large e-money scheme should deposit the funds collected in exchange of the e-money issued in a trust account with a licensed institution. Such funds can be used only to refund to users and effect payment to merchants. (Article 10.2(b)) The funds may only be invested in high-quality liquid ringgit assets that are limited to deposits placed with licensed institutions, debt securities issued or guaranteed by the Federal Government and Bank Negara Malaysia, Cagamas debt securities, and other instruments as may be specified by Bank Negara Malaysia (Article 10.2.c).</p> <p>Small E-money Issuer:⁴ For issuers of a small e-money scheme, the funds collected in exchange of the e-money issued, should be placed in a deposit account with a licensed institution, separated from its other accounts, and should be managed by the issuer in a manner akin to a trust account arrangement. Issuer should ensure that:</p> <ul style="list-style-type: none"> a) The funds in the deposit account can only be used to refund users and make payment to merchants, and b) The funds shall not be invested in any form of assets other than as bank deposits. (...) (Article 10.3) <p>Issuers of large e-money schemes who are unable to restrict their activities to e-money business only shall deposit and maintain an additional 2% of their outstanding e-money liabilities in the trust account at all times. (Article 10.2.f)</p>	<p>Electronic Money Issuers</p>
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³ Large e-money issuer refers to e-money scheme with: i) Purse limit exceeding RM200. The maximum purse limit for large scheme is capped at RM1,500 or any amount as approved by the Bank Negara Malaysia; or ii) Outstanding e-money liabilities for 6 consecutive months amounting to RM1 million or more. (Article 5.1.9)

⁴ Small e-money issuer refers to e-money scheme with: i) Purse limit not exceeding RM200; and ii) Outstanding e-money liabilities of less than RM1 million. (Article 5.1.10)

<p>Myanmar (Regulation on Mobile Financial Services, 30 March 2016)</p>	<p>Every Mobile Financial Services Provider (MFSP) shall keep 100% of the float in a trust account at the bank consisting of liquid assets and it shall remain unencumbered and not be commingled at any time with any others funds of the MFSP. (Article 11)</p> <p>(a) For the purposes of these regulations, liquid assets can consist of (1) current account held at commercial banks in Myanmar approved by the Central Bank, provided that such deposit shall be held separately from cash balances or deposits relating to other operations of the MFSP; and (2) any other asset approved by the Central Bank.</p> <p>(c) The Central Bank may set a limit on the number of MFSP accounts in a pooled account in any one bank held on behalf of a MFSP. (Article 12)</p>	<p>Mobile Financial Services Providers</p>
<p>Namibia (Determination on Issuing of Electronic Money, 2012)</p>	<p>Safe storage of customer funds: In order to ensure that customer funds are protected against loss, e-money issuers shall be required to comply with the following requirements:</p> <ol style="list-style-type: none"> 1. E-money funds received from customers and agents must be pooled and deposited in accounts with one or more licensed Namibian banking institutions. 2. Pooled funds must be held in trust on behalf of the customers and agents of the e-money issuer. Pooled funds held in trust must be legally protected from creditor's claims in the event of insolvency. 3. Except with respect to interest paid under the conditions described below, pooled funds may only be used to fund customer and agent transactions, such as redemptions or other transactions that result in a net reduction in the value of outstanding e-money liabilities. 4. At all times, the aggregate value of the pooled funds must equal at least 100% of the value of all outstanding e-money liabilities. These funds shall be reconciled on a daily basis, with any deficiencies addressed within one business day. (Article 11.2) 	<p>E-Money Issuers</p>
<p>Philippines (BSP Circular No: 649, 9 March 2009)</p>	<p>To further protect the e-money holders and ensure that e-money redemptions are adequately met at all times, the entity should have sufficient liquid assets equal to the amount of outstanding e-money issued. The liquid assets should remain unencumbered and may take any of the following forms:</p> <ol style="list-style-type: none"> 1) Bank deposits separately maintained for liquidity purposes; 2) government securities set aside for the purpose; and 3) such other liquid assets as the BSP may allow (Section 5/D) 	<p>Electronic Money Institutions</p>

<p>Rwanda (Regulation No: 8/2016 of 01/12/2016 Governing the Electronic Money Issuers)</p>	<p>The e-money issuers shall keep hundred per cent (100%) of the e-money float in liquid assets. The e-money issuer shall include in their Articles of Association [language] to the effect that e- money owed to their customers are purely held in trust and will not be encumbered in the case of insolvency or liquidation of the e-money issuer. The liquid assets may take the form of:</p> <ul style="list-style-type: none"> a. Balances held at banks or any deposit taking institution in Rwanda and withdrawable on demand, provided that such balances shall be held separately from balances relating to any other operations of the e-money issuers; b. Short term government securities set aside for the purpose of investment after approval of the Central Bank. The invested money in the government securities shall not exceed the maturity of three months and twenty per cent (20%) of the total outstanding e-money liabilities of the e-money issuer to its e-money holders; c. term deposits with one or more banks with maturity of three (3) months at most. The money deposited on term deposit account shall not exceed 10% of the total outstanding e-money liabilities of the e-money issuer to its e-money holders; or d. Any other liquid asset prescribed by the Central Bank (Article 17) <p>In the interest of protecting e-money holders from the risk of bank insolvency, the sum total of e-money accounts held with any one bank on behalf of a given non-bank e-money issuer shall not exceed 25 percent (25%) of the core capital of the bank computed on quarterly basis. Whenever the threshold is exceeded on average for two consecutive months, the non-bank e-money issuer must place any excess float in another bank.</p> <p>For the purpose of the provisions of the paragraph (2) of this article, the terms and conditions of the trust account shall require the bank holding the trust fund to promptly inform the non-bank e-money issuer when the threshold is exceeded.</p> <p>Cash funds backing the e-money float shall not exceed 25 percent (25%) of that float in a single financial institution. (...) (Article 18)</p>	<p>Electronic Money Issuers</p>
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<p>Sri Lanka (Mobile Payments Guidelines No. 2 of 2011 for Custodian Account Based Mobile Payment Services)</p>	<p>(...) Licensed service providers operating custodian account based mobile payment systems shall operate a custodian account/s with Licensed Commercial Bank (LCB)/s and shall maintain the cumulative sum collected from all e-money account holders in the custodian account/s at all times. (Article 1.3)</p> <p>Licensed service providers operating custodian account based mobile payment systems shall open a custodian account/s at a Licensed Commercial Bank (LCB/s) and shall deposit funds collected from e-money holders in exchange of e-money, in this account. (...) However, when a licensed service provider opens multiple custodian accounts with more than one LCB, the licensed service provider shall clearly define the set of e-money accounts related to each custodian account, and such information shall also be provided to the relevant custodian bank. (Article 6.1)</p> <p>Notwithstanding anything contrary to these guidelines, the custodian bank may be authorized to invest funds in the custodian account, in an interest bearing account. However, licensed service providers shall not have access to funds in the custodian account and shall not use funds in the custodian account as security or collateral at any time. (Article 6.4)</p> <p>The licensed service provider operating the custodian account based system shall have no claim to the funds lying in the custodian account in the case of bankruptcy/close of business of the licensed service provider. (Article 6.9)</p> <p>“Custodian Bank” shall mean LCBs which maintain custodian accounts on behalf of licensed service providers (Article 11.c)</p>	<p>Licensed Service Providers</p>
<p>Tanzania (Electronic Money Regulations, 2015)</p>	<p>An electronic money issuer who is (a) a non-bank or non-financial institution shall be required to open and maintain a trust account in a bank or financial institution. (b) a bank or financial institution shall be required to open and maintain a special account. (Article 26.2)</p> <p>An electronic money issuer shall ensure that the amount of electronic money in circulation in its network is, at all times, equivalent to the funds deposited in the trust account or special account held in a bank. (Article 24.5)</p> <p>An electronic money issuer shall not place more than 25% of its total trust account funds in a single bank; unless the total trust account balances are less than one hundred million shillings. (Article 32.f)</p> <p>The EMI who has more than five hundred million shillings in the trust account shall open another trust account in other bank in accordance with these Regulations. (Article 22.2)</p> <p>A bank shall not hold trust account deposits that exceed fifty per cent of its core-capital. (Article 51)</p>	<p>Electronic Money Issuers</p>

<p>Turkey (Law on Payment and Security Settlement Systems, Payment Services and Electronic Money Institutions, 2013)</p>	<p>The electronic money institution is obliged to transfer the funds collected in return for issuing electronic money to a separate account to be opened at the banks described on the Law Nr. 5411 and keep them on this account during the term of use. Pursuant to this paragraph, the banks holding the funds shall block the amount deposited by the electronic money institution at their accounts held at the Central Bank of Turkey for the term of use. (Article 20.3)</p>	<p>Electronic Money Institutions</p>
<p>WAEMU (BCEAO Instruction regarding E-Money Issuance, 2015)</p>	<p>E-Money issuers must promptly deposit funds received from e-money clients in accounts specifically for this purpose at one or more banks or MFIs. This e-money “float” is to be separately identified in the accounts of the issuer and depositary institution and the total value held by each issuer must be at least equal the amount of e-money outstanding at all times. The placement of these funds is prescribed. An issuer must place at least 75 percent of the value of all its e-money in circulation in sight/demand deposits, beyond this threshold, funds may alternatively be placed in time deposits, T-bills, and corporate securities (of listed companies). The BCEAO e-money instruction does not require placement of the funds in a specially structured account (trust or escrow) to isolate them from claims on the issuer.⁵</p>	<p>Electronic Money Issuers</p>
<p>Zambia (The National Payments System Directives on Electronic Money Issuance, 2015)</p>	<ol style="list-style-type: none"> 1. An e-money institution shall hold customer funds in trust on behalf of its customers 2. An e-money institution shall maintain the Holding Account at a commercial bank 3. The aggregate value of the Holding Account shall at least equal to the total outstanding e-money liabilities at all times (...) 8. The Holding Account shall be maintained in such a way as to show that it is an account which is held for the purpose of safeguarding customer funds in accordance with this Directive and shall not be co-mingled with other operational funds 9. The Holding Account shall be used only for holding customer funds for the purpose of facilitating customer transactions and paying legitimate charges or fees of the E-Money Institution for services provided to customers 10. An E-money institution shall not in any way invest or intermediate funds held in the Holding Account (Article 17) <p>Holding Account means a bank account held in trust in which an e-money issuer holds all the funds received from customers and agents which represent the outstanding e-money liabilities. (Article 4)</p>	<p>E-Money Institution</p>

⁵ Meagher P., “Regulatory Framework for Digital Financial Services in Cote d’Ivoire: A Diagnostic Study” (Washington, D.C.: CGAP, 2017).