

## Banking agent regulation in five different countries

	<b>Brazil</b>	<b>Bolivia</b>	<b>Colombia</b>	<b>India</b>	<b>Peru</b>
Date of regulation	1999 (CMN 2640/99), 2000 (CMN 2707/2000), 2002 (CMN 2953/02), 2003 (CMN 3110/03 and CMN 3156/03)	2007 (Circular 535/2007)	2006 (Decreto 2233)	RBI Circulars DBOD.No.BL.BC.58/22.01.001/2005-2006, DBOD.No.BL.BC.72/22.01.009/2005-2006, DBOD.No.BP.40/21.04.158/2006-2007 <sup>1</sup>	2005 (Circular 2147-2005) –abrogated.  2008 (Resolución 775-08)
What third parties can work as agents?	Any enterprise.	Any legal entity or person, solvent and without negative credit history.	Any legal entity or person that serves the general public.	NGOs/MFIs set up as a nonprofit trust or society, cooperative societies, Section 25 nonprofit companies, post offices.	Any legal entity or person serving the general public and without negative credit history.
What kind of approval is needed from the Central Bank before contracting an agent outlet/retail chain?	Approval of agents providing “banking services” (i.e., account opening, deposits, withdrawals, and not just bill payments).	Notify only	Approval of bank’s agent contract, none thereafter.	None specified in regulation. In practice banks notify Central Bank.	Approval only for first agent contract signed, then notify only for each new agent.
Does the bank have to sign a contract with each agent or each network manager?	With each agent or with network manager owning or subcontracting a group of agents.	With each individual agent. Regulation does not mention cases of network managers.	With each agent or with network manager owning or subcontracting a group of agents.	With each agent or with network manager owning or subcontracting a group of agents.	With each agent or with network manager owning or subcontracting a group of agents.
Is the agent required to work exclusively for one bank?	No	Yes	No <sup>2</sup>	No	No
If not, can the agent sign one master contract with an acquiring bank through which it channels other banks’ transactions?	Not mentioned in regulation	No	No	No	Not mentioned in regulation

<sup>1</sup> “Financial Inclusion by Extension of Banking Services—Use of Business Facilitators and Correspondents,” RBI Circular dated 25 January 2006, as amended 22 March 2006. “Guidelines on Managing Risks and Code of Conduct in Outsourcing of Financial Services by Banks,” RBI Circular dated 3 November 2006.

<sup>2</sup> But the agent has to have a bank account with each bank for which it processes transactions.

### Banking agent regulation in five different countries (cont'd)

Is bank responsible for all transactions conducted at the agent towards its account holders?	Yes	Yes	Yes	Yes	Yes
Does transaction settlement have to happen in real time?	No, within 48 hours	Yes	Yes	No, data has to be sent at the end of day or next working day.	Yes
Can agents conduct KYC check to open accounts?	No, agent can only fill out account opening forms and collect copies of identity and other documents.	Yes	No, agent can only fill out account opening forms.	No, agent can only fill out account opening forms and collect copies of identity and other documents.	No