



BANKERS ASSOCIATION OF LESOTHO
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PRESS RELEASE: Central Bank of Lesotho Announces the Launch of LeSwitch Card Stream, Starting with ATMs

A few months ago, the Central Bank of Lesotho proudly launched the National Payment Switch, LeSwitch, with the Instant Payments Stream. This significant step in the modernization of Lesotho's payment infrastructure has enabled individuals and businesses to transfer funds instantly across participating Fintechs. The Instant Payments Stream has transformed day-to-day transactions, making them more efficient, reliable, and accessible.

Building on this success, the Central Bank of Lesotho is excited to announce the next phase of LeSwitch: the go-live of the Card Stream, beginning with ATM transactions. This development allows cardholders to withdraw and access their funds at ATMs nationwide, regardless of their bank, ensuring seamless, real-time access to their money. This marks another milestone in Lesotho's journey toward a fully integrated, modern financial ecosystem.

Benefits of the LeSwitch Card Stream:

The introduction of the Card Stream will bring multiple advantages to consumers, businesses, and the financial sector at large:

1. Seamless ATM access across Banks: Cardholders will be able to use any ATM in Lesotho, regardless of their bank, allowing for greater flexibility and convenience.
2. Lower Transaction Costs: With the switching of domestic ATM transactions happening locally through LeSwitch, transaction fees are expected to reduce over time, benefiting both consumers and banks.
3. Improved Speed and Security: Transactions through LeSwitch will be processed quickly and securely, ensuring that customers can access their funds without delays or concerns over safety.
4. Economic Growth and Modernization: By enabling instant and cost-effective access to funds, LeSwitch fosters greater participation in the financial system, promoting a cashless society and contributing to broader economic growth.
5. Wider Financial Inclusion: By simplifying access to ATM services and, soon, point-of-sale and online transactions, LeSwitch empowers more Basotho to engage with formal financial services, including those who previously had limited access.

Looking Ahead:

This initial launch of the Card Stream focuses on ATM transactions, but the Central Bank is committed to expanding this service soon to point-of-sale terminals and e-commerce platforms, further improving access to fast, secure, and convenient card payments. Once fully operational, the Card Stream will support retail payments and online transactions, making it easier for businesses and consumers alike to transact in an increasingly digital economy.

What LeSwitch Will Not Do:

While the National Payment Switch will transform the payment landscape, it is essential to clarify its limitations:

- LeSwitch will not replace global card schemes like Visa or Mastercard for international transactions. It will focus on domestic payments, allowing local transactions to be processed efficiently within Lesotho.
- LeSwitch will not eliminate cash, though it promotes the adoption of cashless transactions. The goal is to provide more efficient, convenient digital options, not to mandate a complete shift away from cash usage.
- LeSwitch will not instantly solve all payment challenges. As with any system, its full potential will be realized through continued upgrades, collaboration with banks and fintechs, and public awareness.

The Central Bank of Lesotho remains committed to driving innovation in the national payment system and building a financial ecosystem that is secure, inclusive, and future-focused. LeSwitch is an essential step in that journey, and we encourage all Basotho to take advantage of these new capabilities.

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