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Pakistan Targets 120M Digital Banking Users by FY26

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Pakistan has set ambitious goals to accelerate its transition toward a cashless economy, aiming to expand digital financial services significantly by fiscal year 2026. Under the Prime Minister's Cashless Economy Initiative, the government is working to deepen financial inclusion and modernize the payment system nationwide.

According to official targets, the number of active digital merchants is planned to grow to 2 million, up from current levels. Meanwhile, mobile and internet banking users are projected by authorities to increase from 95 million to 120 million. Digital transactions are expected by the government to double, reaching 15 billion annually by FY26.

A major policy priority is to ensure that 100% of overseas remittances are processed through banks or mobile wallets according to government plans. At present, around 80% of remittances are processed digitally, but authorities aim to eliminate cash leakages and strengthen the traceability of these inflows.

The State Bank of Pakistan (SBP) has been tasked with expanding mobile banking access across all segments of society. Dedicated committees under the Prime Minister's directive are driving efforts in digital financial services and fintech adoption, with the goal of improving transparency, accessibility, and ease of use.

Minister of State for IT and Telecom Shaza Fatima emphasized that Pakistan has the digital infrastructure to support this shift, noting more than 143 million broadband users and a robust branchless banking network. She added that mobile wallets reportedly now surpass traditional bank accounts in usage, highlighting the rapid change in consumer behavior.

Private-sector platforms have also played a key role in the expansion of digital finance. Easypaisa, launched by Telenor in 2009, has grown into Pakistan's first digital bank with around 18 million monthly active users and 14 million app users. JazzCash, launched in 2012, currently leads the market with 21 million monthly active users and 15 million app users, maintaining strong reach in rural areas. Easypaisa remains influential in urban centers, continuing to grow despite the ongoing Telenor–PTCL merger.

The widespread adoption of these wallets has been supported by their simplicity. Accounts are linked directly to mobile numbers, and a network of shopkeeper agents provide convenient cash-in and cash-out services. However, Ufone's Upaisa has a relatively smaller footprint, while Zong has not yet entered the digital financial services sector.

As Pakistan moves toward FY26, the government's digital finance targets represent planned initiatives rather than guaranteed outcomes to modernize the economy, improve financial inclusion, and reduce reliance on cash. With coordinated support from the SBP, fintech companies, and telecom operators, digital payments are expected to play an increasingly central role in Pakistan's financial landscape.