

20120102 Central Bank of Bahrain: Bahrain to Implement IBAN Early Next Year

Source: Central Bank of Bahrain

From 31st January 2012, all bank customers in Bahrain need to use an IBAN when making or receiving electronic payments through banks within Bahrain or overseas. This means a person wishing to make a payment or receive funds, both, locally and internationally, has to provide the recipient's IBAN and not the existing bank account number. Any party expecting to receive a payment has to provide the IBAN to the sender of the payment.

IBAN is basically an account number, which is created using the international ISO standard for numbering bank accounts. The following diagram shows a sample of an IBAN for Bahrain.

"The IBAN is specially designed to identify a bank account locally as well as internationally. Furthermore, the IBAN standard contains a mechanism to check the accuracy of the IBAN of the recipient. All these features reduce errors when writing the account number of the recipient and thereby minimizing delays in processing fund transfers" said Mr. Ahmed Buhijji, Director of the Banking Service Directorate of the Central Bank of Bahrain.

Concluding, Mr. Ahmed Buhijji said that "Further information on IBAN can be obtained from any retail bank or from the Central Bank of Bahrain's website (<http://www.cbb.gov.bh>)".

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