



EDBS/KH/C/22/2021  
25<sup>th</sup> May 2021

**Chief Executive Officer**  
All Retail Banks  
Manama  
Kingdom of Bahrain

Dear Sir/Madam,

**Re: Requirements to Incorporate Merchant Category Codes for Internal Fund Transfers**

Further to the measures taken by CBB to ensure the adoption of ISO 18245 dealing with Merchant Categorisation Codes (MCCs) for representation of payment transactions within the Kingdom of Bahrain, licensees to whom this circular is addressed must start the process of assigning MCCs to all new and existing business customer/merchant accounts.

Assigning MCC codes will ensure that all internal fund transfers into these business customer/merchant accounts are captured for the purpose of proper representation of the payment transactions. Licensees must therefore introduce new processes and implement the necessary changes to the core banking and other technology applications or systems in order to capture the MCC in a separately identified data field such that the data can be made available to customers and also shared through API interfaces with relevant Account Information Service Providers.

Licensees must ensure that all new and existing business customer/merchant accounts have been assigned an MCC by 30<sup>th</sup> September 2021.

If you have any questions in this regard, please contact your normal supervisory point of contact.

Yours faithfully,

  
**Khalid Hamad Al-Hamad**

cc: Bahrain Association of Banks  
External Audit Firms