



Webinar on Digital Payment Study of ILO-WWB

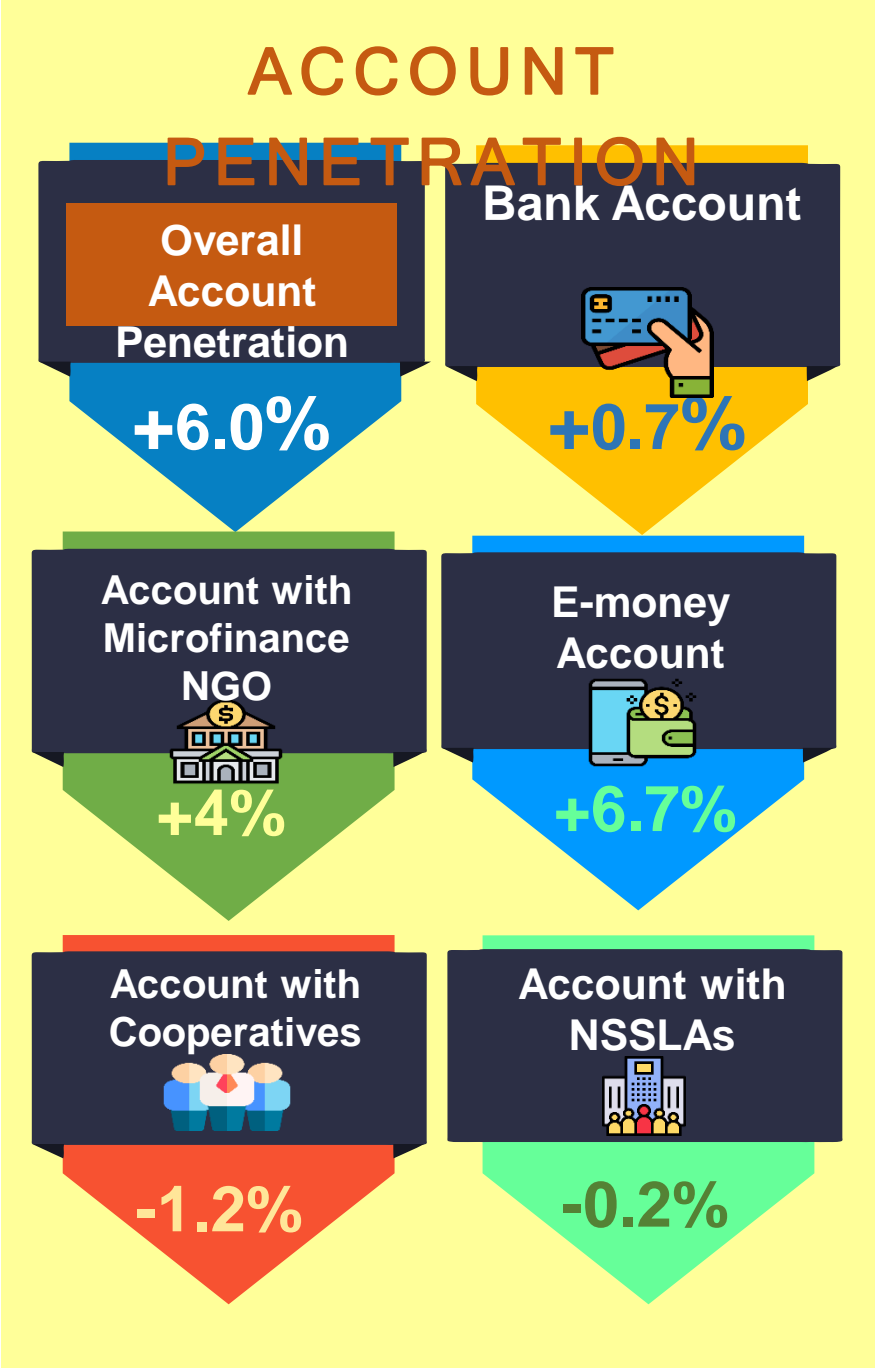
DIRECTOR ELLEN JOYCE L. SUFICIENCIA
FINANCIAL INCLUSION OFFICE
STRATEGIC COMMUNICATION & ADVOCACY
BANGKO SENTRAL NG PILIPINAS

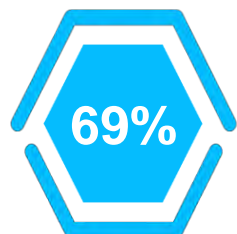


Financial Inclusion in the Philippines



SIGNIFICANT IMPROVEMENTS FROM 2017-2019		
14%	27%	Account Ownership almost doubled among the poorest (Class E)
37 pt	16 pt	Income Gap in account ownership between Class ABC and E narrowed
1%	8%	Uptake of e-money account grew
18%	39%	Increase in the use of payment accounts for payment transactions

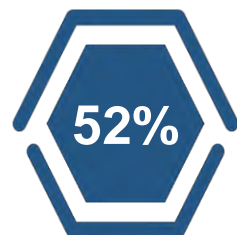




**Filipino
Adults have
mobile
phones**



**Filipino Adults
have internet
access**



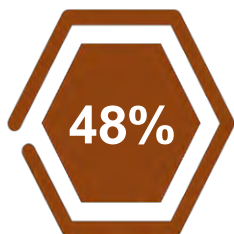
**Filipino
Adults have
smartphones**



**Used the
Internet for
Financial
Transaction**



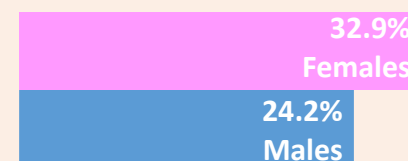
**Mobile Phone
Owners used
their mobile
phones for
Financial
Transactions**



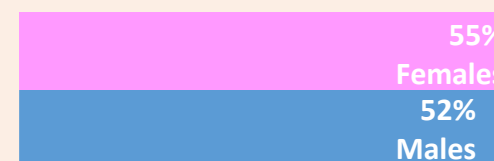
**not using the
internet for
financial
transactions cited
lack of awareness
as the primary
reason.**

Women's Economic Participation and Access to Digital Financial Services

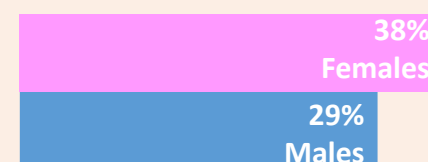
29% of Filipino
Adults have
Accounts



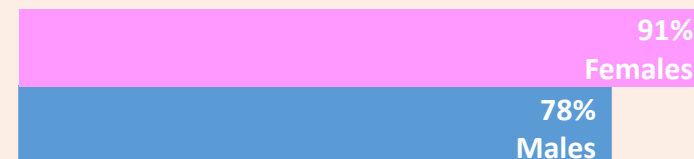
53% of Filipino
Adults have Savings

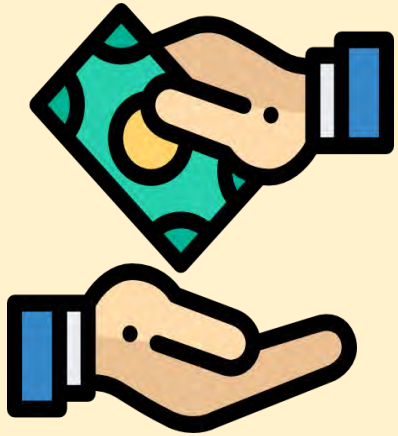


33% of Filipino
Adults have
Outstanding Loans



85% of Filipino
Adults makes
Payments





Cash is the preferred channel of payment.

99% of bills payment are over-the-counter/cash



and **1% online**
Only 12% of adults employed in the private sector receive their salary through an account

Cash Transactions in the Government Sector



75%
76%
56%

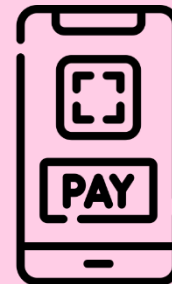
Salaries
Loan proceeds
Benefits

Cash Transactions in the Private Sector



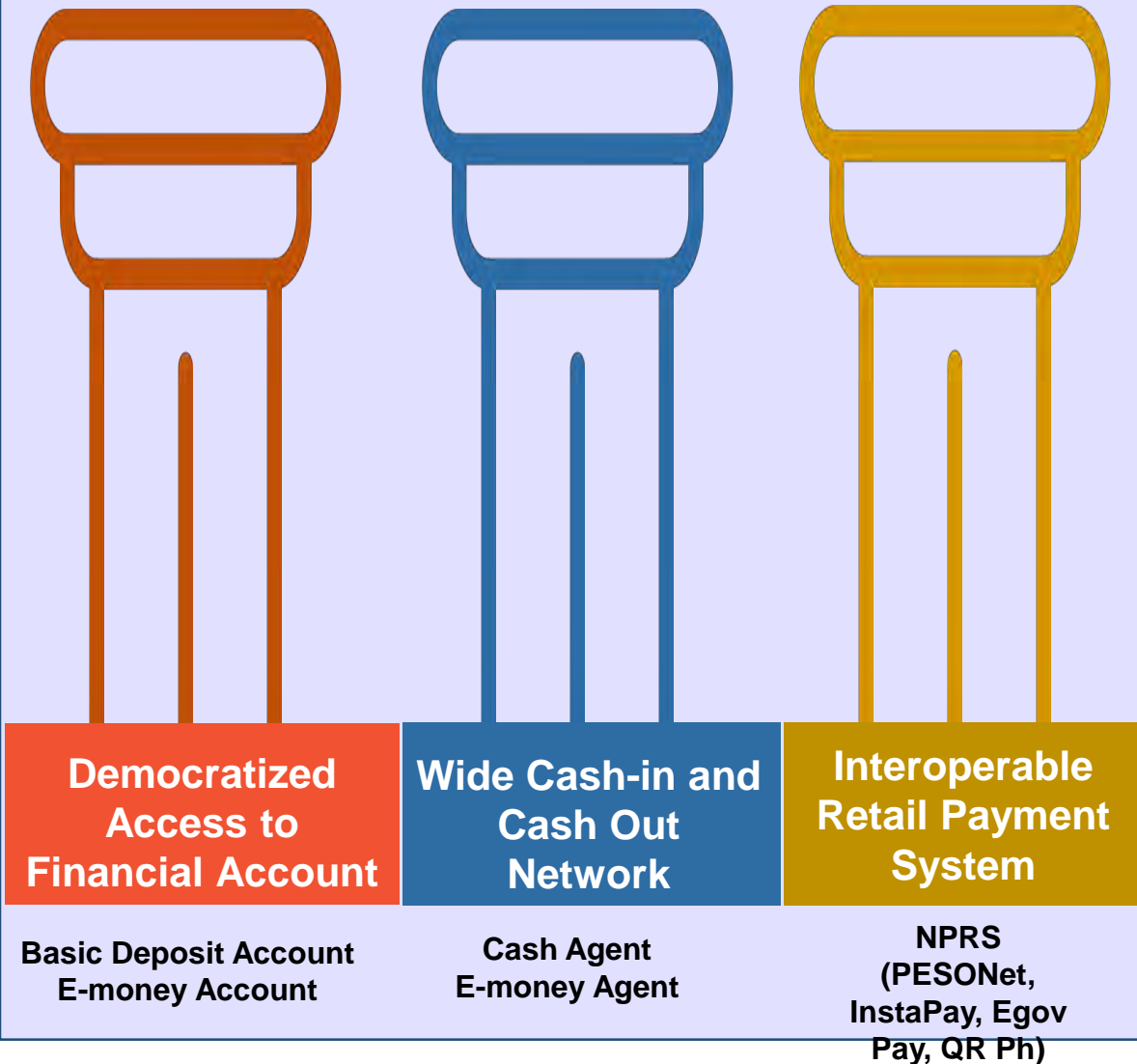
100%
97%
88%

Business Incomes
Loan proceeds
Salaries



BTCA 2018 Report on the Philippines: Women lead in the uptake of digital payments with 27% compared to 23% for men

Three Pillars of Digital Finance



Digital Payment Transformation Roadmap 2020-2023

STRATEGIC OUTCOMES

50% of total retail transactions volume is digital
70% of Filipino adults are financially included

Innovative and responsible use of data for consumer empowerment and benefit

PILLARS

DIGITAL
PAYMENT
STREAMS

DIGITAL
FINANCE
INFRASTRUCTURE

DATA
GOVERNANCE AND
STANDARDS



Democratized Access to Financial Account

**130
Banks**

Offering Basic
Deposit
Accounts

**6.2
Million**

Depositors

**₱4.5
Billion**

Aggregate
Amount of
Deposits

As of Q3 2020



Wide Cash-in and Cash Out Network

17,000+

Cash Agents

54,000+

E-money
Agents

12,000+

On-site ATMs

10,200+

Off-site ATMs

91%

LGU have
access to
Agent

As of Q1 2020



Interoperable Retail Payment System

67

PESONet
Participating
Institutions

52

InstaPay
Participating
Institutions

**5.5
Million**

Volume of PESONet
transactions
(376% Y-o-Y Growth)

**30.6
Million**

Volume of InstaPay
transactions
(459% Y-o-Y Growth)

As of December 2020

COORDINATING EFFORTS TO PROMOTE DIGITAL PAYMENT

Payment of Wages Through Transaction Accounts



The BSP collaborated with the DOLE for the issuance of Labor Advisory No. 26-20 to encourage private sector employers to use transaction accounts for the payment of workers' wages.

Account Based Distribution of SAP 2nd Tranche



The BSP provided technical assistance to the DSWD in the implementation of account-based distribution of the SAP second tranche.

Automated Fare Collection System



The BSP supports the Automated Fare Collection System (AFCS) initiative of the DOTr which aims to promote cashless payments in the transport sector.

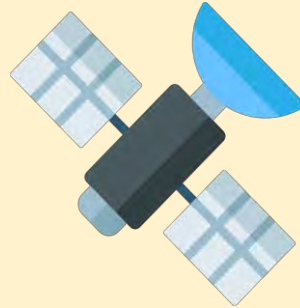
DIGITAL FINANCE INFRASTRUCTURE

PhilSys



The BSP is also actively involved in the implementation of the Philippine Identification System (PhilSys) as Chair of the Inter-Agency Committee (IAC) on Use Case, with financial inclusion as one of the priority use cases

ICT Policy Reforms



As Chair and Secretariat of the Financial Inclusion Steering Committee (FISC), BSP moved for the FISC's endorsement of proposed legislative initiatives that would increase digital connectivity throughout the country: Proposed EO on Liberalized Access to Satellite for Internet Connectivity and Open Access for Data Transmission Bill

QR Ph

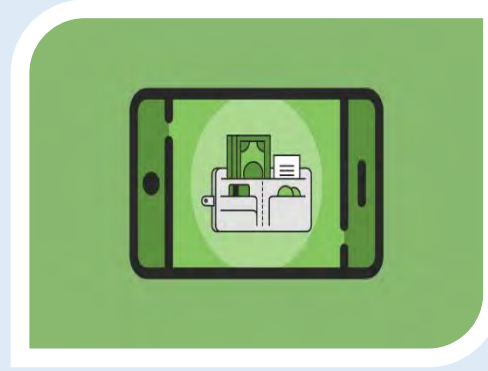


To extend the use case of QrPH from only P2P, the BSP is set to launch the P2M QR in April 2021 to allow merchants to receive payments through QR codes, regardless of where their transaction accounts and those of their customers are maintained. This will benefit not only large businesses but also the small unbanked vendors such as tricycle drivers, market vendors, and sari-sari store owners and provide an alternative to physical coin usage.

REGULATORY INITIATIVES



Digital Banks



**Review of
e-money
Regulatory
Framework**



Open Finance

CONSUMER EMPOWERMENT AND EDUCATION



**Financial Consumer
Protection Bill**



BSP Online Buddy



**E-safety and
E-payment Campaign**

**BANGKO SENTRAL NG PILIPINAS
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