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Introducing: **USAID/E-PESO**

Rural Banker's Association of the Philippines Annual Conference

May 19, 2015

Partnerships for Growth (PFG) GOAL

To achieve a sustained and more inclusive growth trajectory for the Philippines

E-PESO GOAL

Contribute to PFG goal by advancing **financial inclusion** by facilitating the rapid adoption of electronic payment use and development of electronic payment ecosystem

TIMELINE: March 2015 to March 2020

IMPLEMENTING PARTNERS:





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E-PESO Vision for 2020

Financial inclusion deepened as a rapid, wide-spread increase in electronic payment usage by 2020

E-payments ecosystem poised for continued growth and innovation



Supporting the Ecosystem

Inclusive & Interoperable National Retail Payments System

1 Platforms

Customers of one account can send money to customers of another account (cross-network, not off-network transactions)

2 Agents

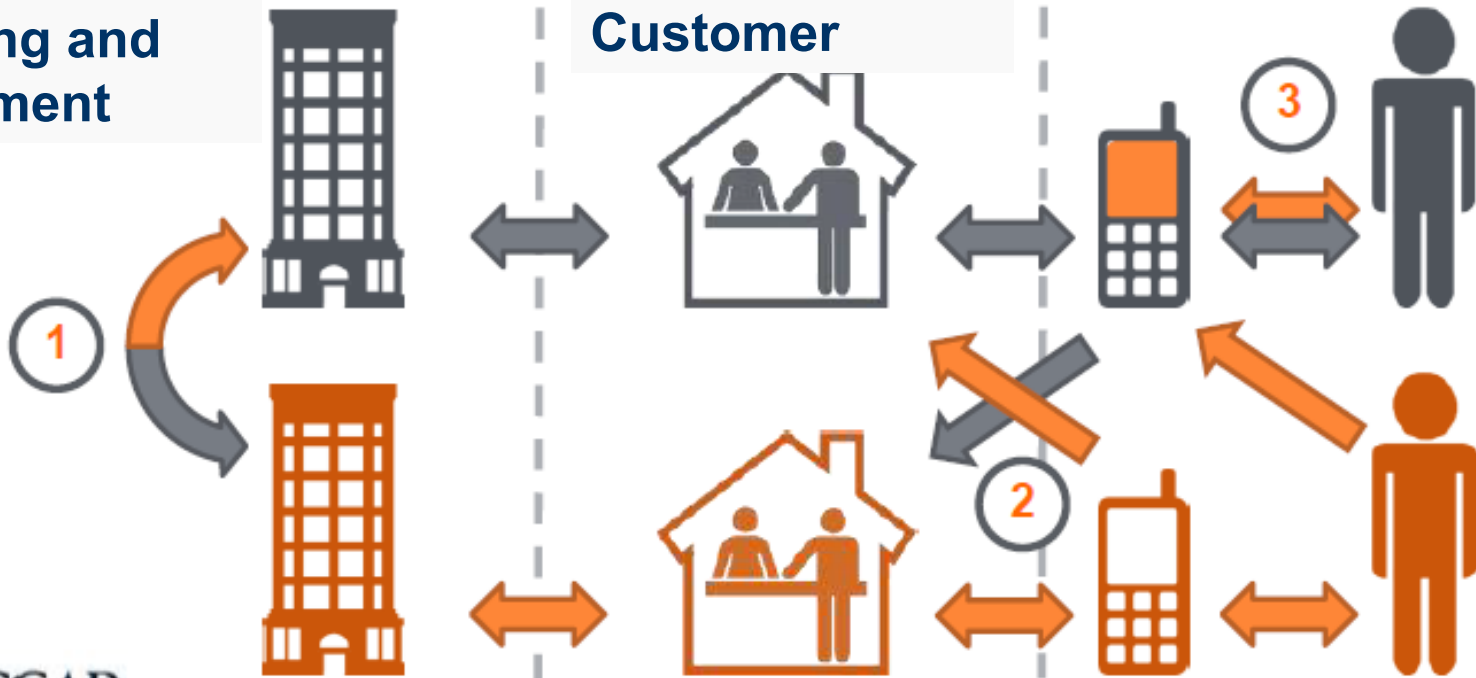
Agents of one service serve customers of another service

3 Customer

Customers can access their account through any SIM

Clearing and Settlement

Interface with Customer



Partnering with E-PESO

- **Partnerships with “model institutions”**
 - Ability to influence the e-payments space
 - Large customer/user base
 - Linkages to agent, OTC, or vendor networks
 - Connections to MSMEs
- **E-PESO will support BSP to guide implementation of the National Retail Payment Systems**

Year I Geographic Focus Areas

Batangas

Quezon City

Valenzuela

Pulilan

Iloilo

Cagayan de Oro

Zamboanga

Tacloban



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National Retail Payments System

- **NRPS implementation led by BSP**
 - **Goals:**
 - Improving interoperable operations that make transfer between accounts easier and unify ATMs, mobile money, and electronic point of sale
 - Enabling entry of new providers and more active agents enabled
 - **Status:**
 - Glide Path developed in 2014
- **Major players:** banks, electronic money issuers, agent networks, point of sale providers
- **Rural banks = last mile**





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Benefits to Rural Banks

- **Integration into overall National Retail Payment System**
- **Cost savings**
- **Improved security**
- **Opportunity to increase customer base and/or add new revenue streams**

Example #1: Loan Disbursement/Payment & Salary Payments

Cantilan Bank Inc. Rural Bank

- Savings deposit product using a CBI ATM card



Example #2: Mobile Point of Sale Devices

LOBE CHARGE

- Anyone with a smart phone or tablet can accept a card transaction
- Lowers cost of point of sale device and e-payment infrastructure costs



Example #3: Automated Fare Collection System

- Joint venture between Metro Pacific Investment Corporation and Ayala Corporation
- Will create corridors for e-payment expansion along MRT and LRT lines
- Full launch in September 2015





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Thank you

For more information, please contact:

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