

Digital Literacy Program and E-Payments Campaign

Rural Bankers Association of the Philippines
67th Annual National Convention

26 June 2020



BANGKO SENTRAL NG PILIPINAS



Local Digital Landscape

159%

SIM penetration



58%

Unique mobile user penetration



67%

Filipinos are active internet users

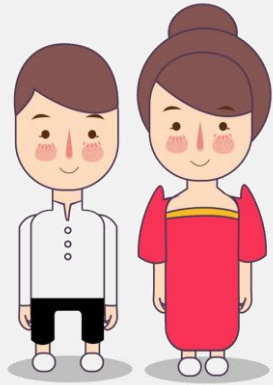


Average time spent on internet

9 hours and 45 minutes per day



Financial Services



23%

of Filipino adults
have an account

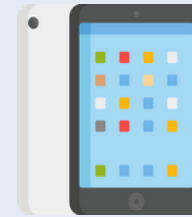
39%

of borrowers obtain their
loans from informal sources

68%

of savers keep their
savings at home

E-money transactions



119 M, PhP 546 B inflow
406 M, PhP 544 B outflow



28%

mobile banking
penetration



Digital payments

20% out of USD 118 B (value)
10% out of 4.4 B (volume)

Sources:

BSP Financial Inclusion Survey (2017); Financial Inclusion Dashboard (Q3 2019)

Better than Cash Alliance (2018)

World Economic Forum (2018)



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BSP Policies Enabling Digital Inclusion



Democratized access to a transaction account

- ✓ 119 banks offering Basic Deposit Accounts to 3.1 million depositors with total deposits of P2.7 billion (Q3 2019)
- ✓ 43 e-money issuers have opened 50.8 million e-money accounts (2018)



Efficient retail payment system

- ✓ 55 PESONet banks generating 12 million transactions amounting to P1.2 trillion (2019)
- ✓ 31 InstaPay banks generating 34 million transactions amounting to P260 billion (2019)



Expansive network of low-cost touch points

- ✓ 11 banks with 17,000 cash agents that offer a full range of transactions such as deposits, withdrawals and bills payment (2019)
- ✓ 96% of cities and municipalities have at least one access point (Q3 2019)

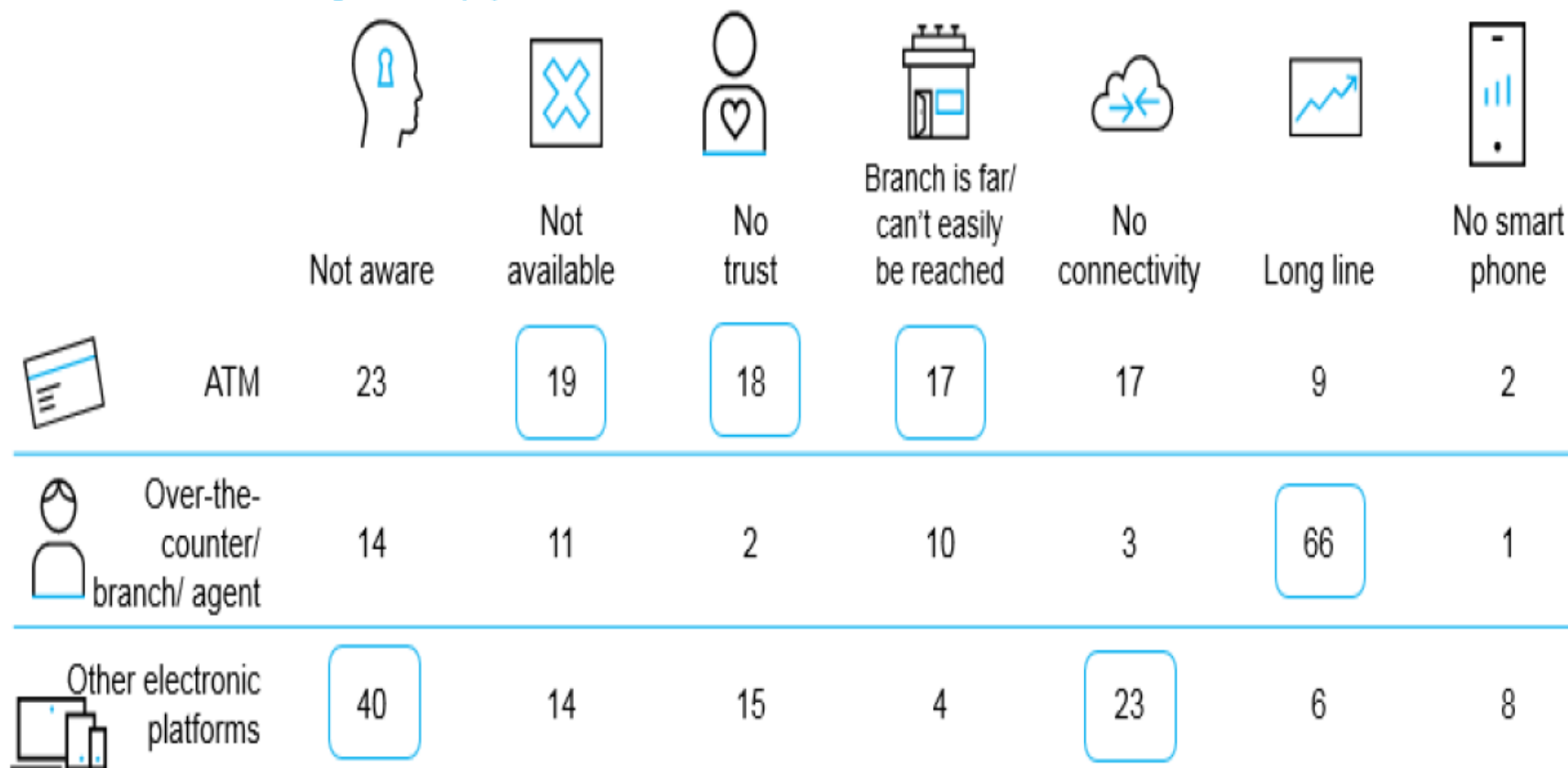
Strengthened financial consumer protection

- ✓ Risk-based, flexible consumer protection risk management system
- ✓ Clear consumer protection standards of conduct
- ✓ Expanded reporting on complaints data
- ✓ Upcoming deployment of chatbot for complaints handling



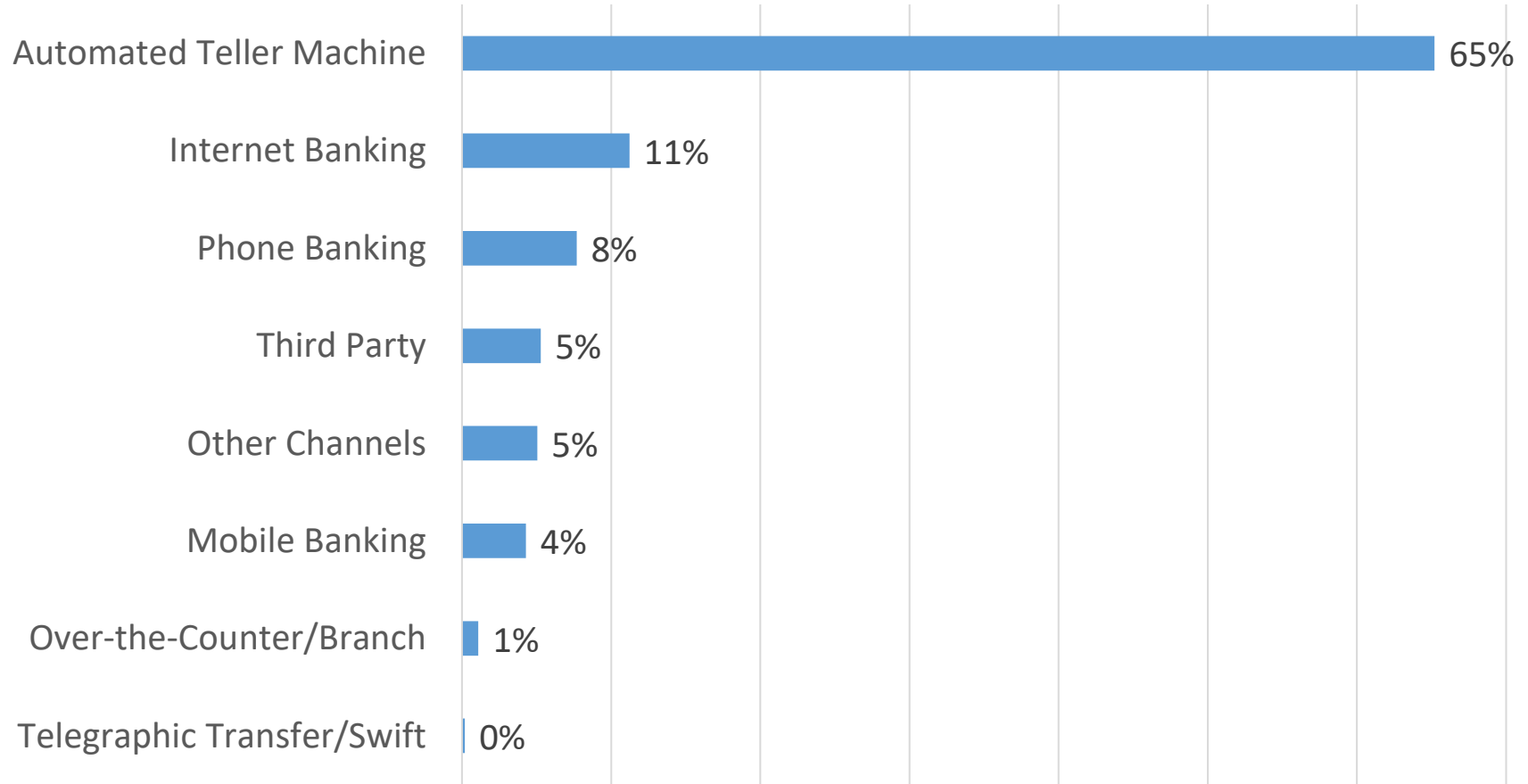
Consumer Perspective on DFS Adoption

Barriers for not using channel (%)

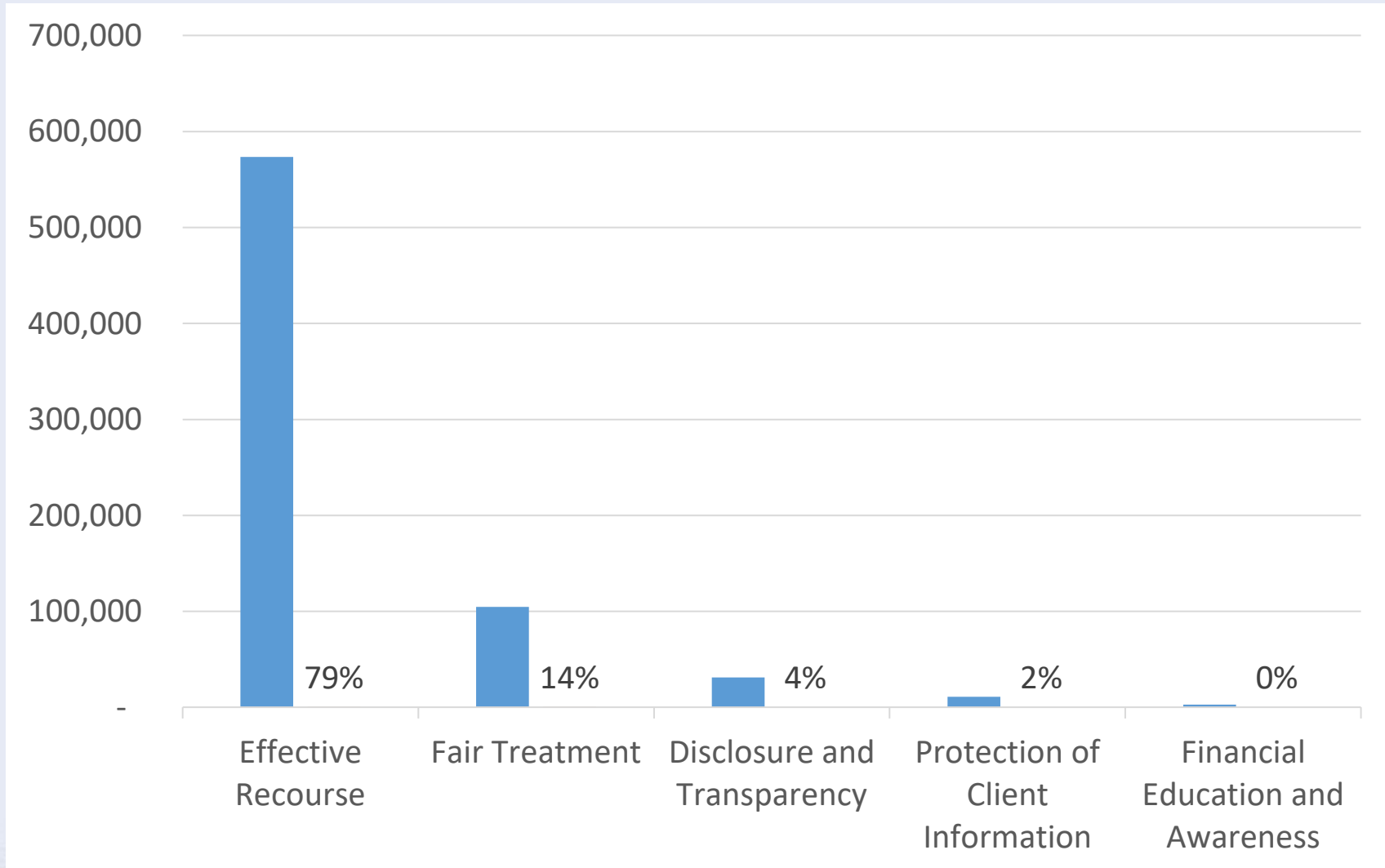


Complaints by Channel

2019



Complaints by Standard of Conduct



Digital Finance Barriers



**Cybersecurity fears,
threat of fraud**



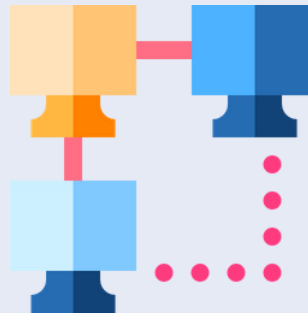
**Data privacy
concerns**



**Product design,
suitability, affordability**



**Inadequate digital
infrastructure**



**Interoperability
issues, new providers**

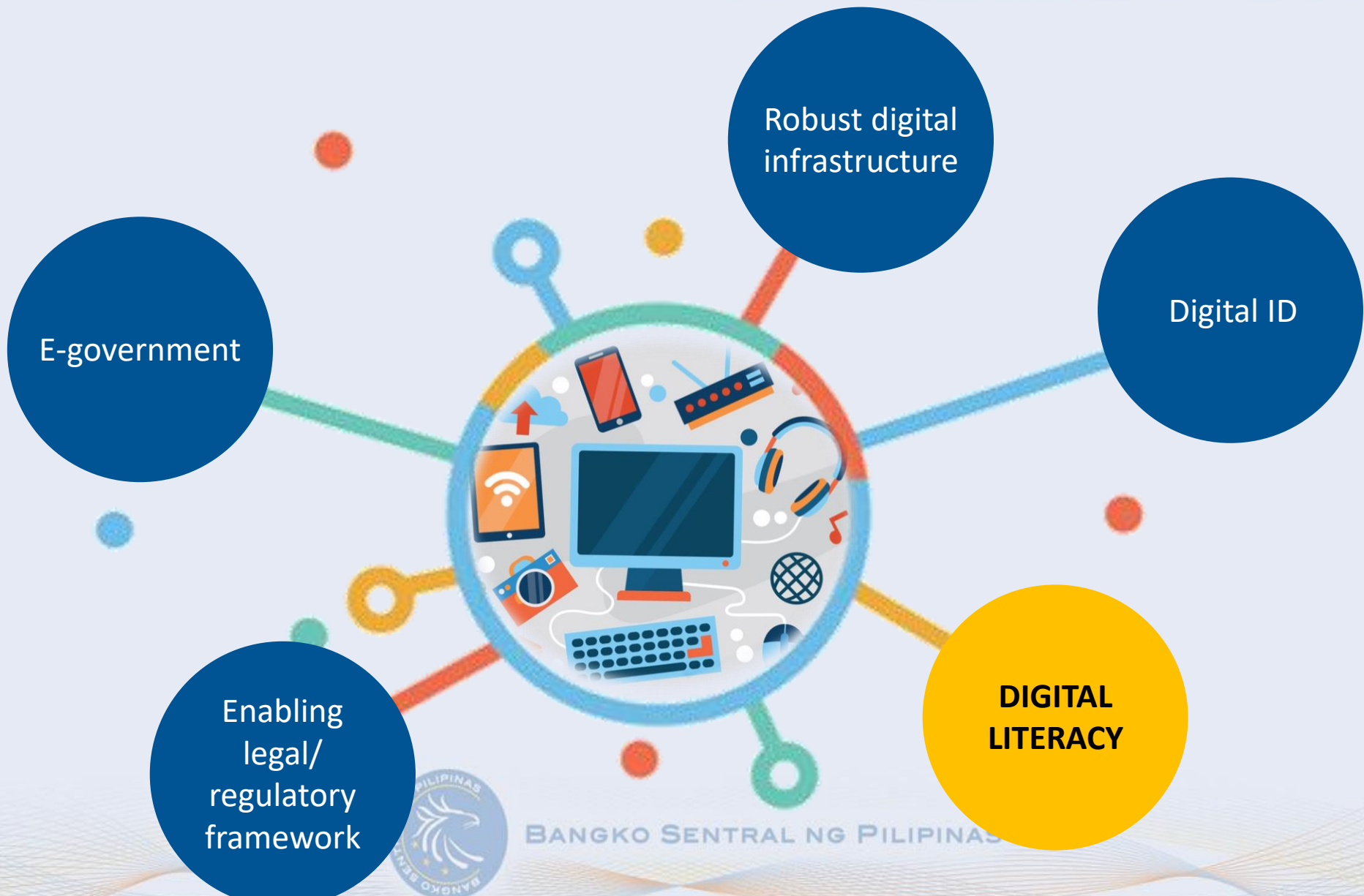


**Absence of, or unclear
legislation or regulation**



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Digital Imperative for the New Economy



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ePayments Pre-ECQ, During ECQ

74% growth in volume

instaPay

PESONet

42% growth in value

24% decline in volume

ATM
Withdrawals



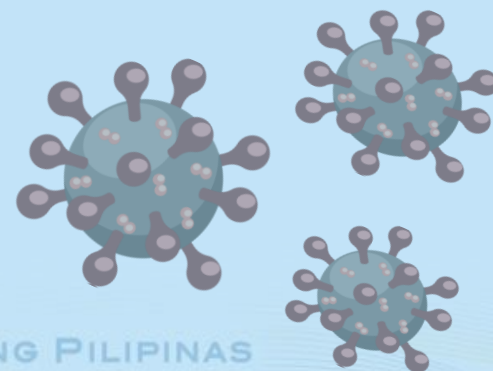
13% decline in value

67% decline in volume

Checks



62% decline in value



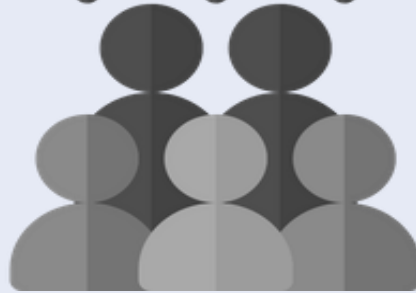
ENTRAL NG PILIPINAS

Note: 76 days pre-ECQ versus 76 days during ECQ

Sources: BSP FinTech Sub Sector, Philippine Clearing House Corporation and Bangko

Digital Literacy Program

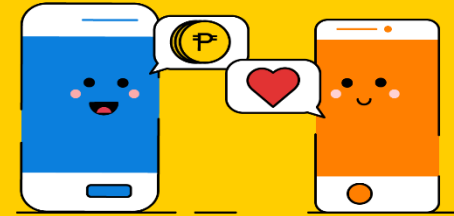
BUILD TRUST
INCREASE USAGE



#SafeAtHome
sa E-Payments!

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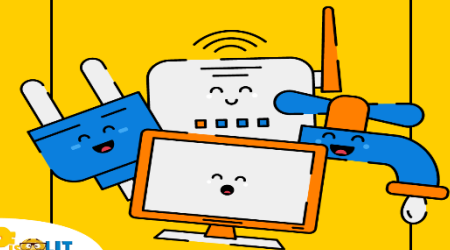
Madali Magpadala with Love
with E-Payments



How to be secure
with E-Payments



Utility Bills ba?
Pwede nang E-Payments yan!



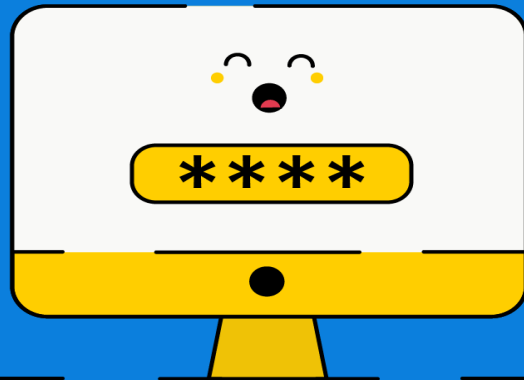
<https://www.facebook.com/PisoLit>

<https://instagram.com/piso.lit>

<https://twitter.com/PisoLit>

ePayments Campaign

**Fight scammers and hackers.
Keep personal information confidential.
Transact only in legitimate websites.**



**Fight Phishing Scams.
Verify calls, texts and emails.
Do not click links.**



Program Partners

United States Agency for International Development

Bankers Association of the Philippines

Bank Marketing Association of the Philippines

Credit Card Association of the Philippines

FinTech Alliance Philippines

Information Security Officers Group

Philippine Payments Management Inc.

BSP Financial Education Partnerships

29 Million
Learners

800,000+
Teachers

2.3 Million
OFWS

1 Million
Civil Servants*

14 Million
Filipinos Abroad

140,000
Armed Forces

1.9 Million
Fisherfolk

1.4 Million
MSMEs

10 Million
CCT/UCT Beneficiaries

1,000+
DTI Negosyo Centers



*Excludes DepEd teachers

Financial Health for Filipinos

An individual is financially healthy when he or she:



Plans and prioritizes needs over wants



Balances income and expenses



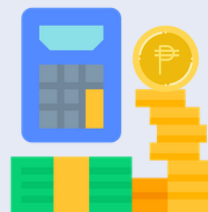
Uses a range of financial tools, products and services



Manages and recovers from financial and economic shocks



Manages existing debts and has access to potential resources



Builds wealth and maintains reserves



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Positive Consumer Experiences with Rural Banking Services



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Thank you.

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