

PHILIPPINE PERSPECTIVE ON DIGITAL FINANCIAL SERVICES

GIGI GATTI
GRAMEEN FOUNDATION
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A man in a white shirt and yellow apron is holding a large bunch of green bananas. He is standing in a wooden structure, possibly a market or a processing area. The background is slightly blurred, showing more of the structure and some greenery. The text "OUR MISSION" is overlaid on the image in a large, white, sans-serif font.

OUR MISSION

To enable the poor, especially the poorest,
to create a world without poverty.

GRAMEENFOUNDATION.ORG

INTEGRATED SOLUTIONS

Agriculture Financing
Health Financing



Enabled by technology, human networks and capital

- CKW Uganda
- CKW Latin America

- Financial Services Incubation
- Financial Services Acceleration

- Mobile Midwife
- Improving delivery of health services



3 MOST IMPORTANT DEVELOPMENTS

Digital Financial Services - mix of financial and payment services that are delivered and managed using mobile or Web technologies and a network of agents

Regulatory Framework

- BSP Circulars 240 and 269
- BSP Circulars 649 and 704

EMI Licensing

- 2004 - Bank-based model (SMART/BDO)
- 2005- Non-bank based model (Gcash)

Pawnshops as Financial Agents

- Trusted intermediaries for financial transactions
- Non-exclusivity of financial services
- Strategic locations

||| CURRENT STATE OVERVIEW

Healthy regulatory framework for m-banking

High Mobile Ownership and SMS usage

Low integration of information services with MFS

Lack of interoperability for MFS providers

Low density of agents in rural areas

Agent liquidity challenged

High over-the-counter transactions

Low merchant acceptance



MOVING TO TRANSFORMATIONAL, ADDICTIVE DFS

Functioning Agents

- Telco-agnostic agents
- Liquidity management
- Rural-based

Regulatory Environment

- BSP & NTC
- Global learnings
- Strengthen financial education

Sector Level Information Exchange

- Risk experiences
- Emerging technologies
- Agent challenges