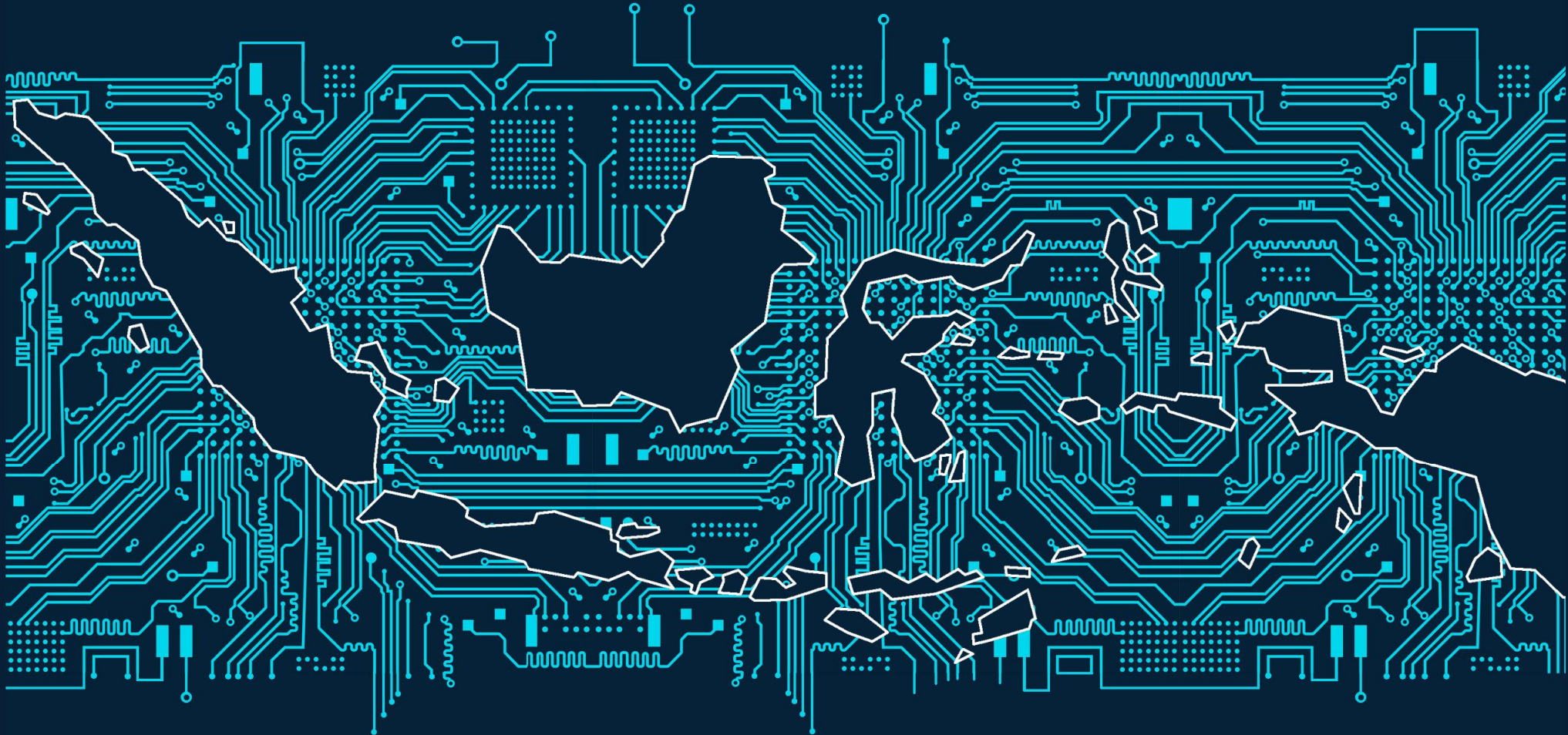


Indonesia Payment Systems Blueprint 2025

Navigating the National Payment Systems in Digital Era



Digital Ecosystem and Finance Ecosystem 2025

Opening up access for **83.1 million unbanked people** and **62.9 million MSMEs** to formal economics and finance in a sustainable manner through digitalization

Financial Sector

Real Sector



OPEN
API



BI-FAST



QRIS



IPI



BI-RTGS



DATA
HUB



PAYMENT
ID



SANDBOX
2.0



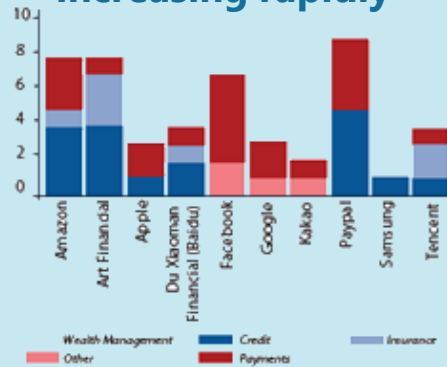
ELEKTRO
NIFICATION



Indonesia Payment System Blueprint 2025 – Policy Context

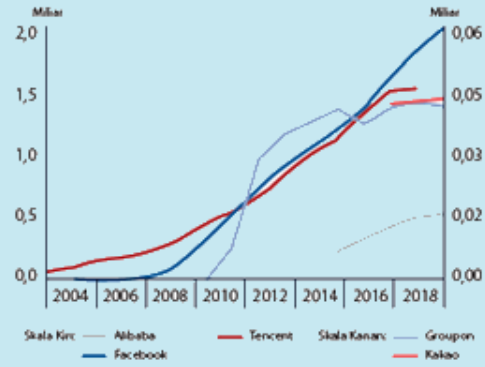
Indonesia Payment System Blueprint 2025 comes as a solution to response the digital challenges

1 Digitalization of the economy and finance is increasing rapidly



Sumber: BigTech in Finance: Market Development and Potential Financial Stability Implications, Financial Stability Board August 2019

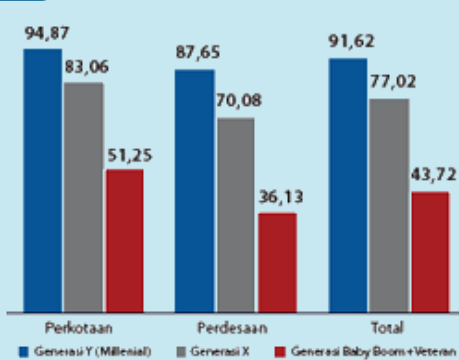
Types of Big Tech Financial Services



Sumber: BIS Annual Economic Report 2019

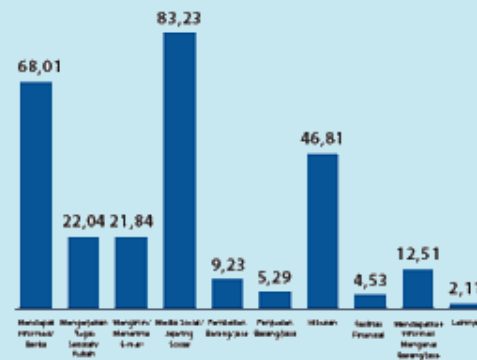
Number of Big Tech Active Users

2 Digital technology changes human behavior, both as consumers and workers



Sumber: Survei Sosial Ekonomi Nasional 2017, BPS

Percentage of Smartphone Users (%)



Sumber: Survei Sosial Ekonomi Nasional 2017, BPS

Purpose of Using Internet Access By Indonesian Millennials (%)

Lesson Learned



SINERGY



TRANSFORMATION



INNOVATION

RESPONSE

BANK INDONESIA
BANK SENTRAL REPUBLIK INDONESIA

Indonesia Payment Systems Blueprint 2025
Bank Indonesia: Navigating the National Payment Systems in Digital Era



Indonesia Payment Systems (IPS) Vision 2025

1

IPS 2025 reinforces **the integration of national digital economy and finance** in assuring the proper functioning of central bank mandate in money circulation, monetary policy, and financial system stability as well as financial inclusion

2

IPS 2025 fosters **digital transformation within the banking industry** to sustain banks role as a primer institution in the digital economy and finance through the implementation of open-banking standard as well the deployment of digital technology and data on their financial product and services

3

IPS 2025 assures **interlink between fintech and banks** to contain the escalation of shadow banking risk through the regulation of the use of digital technology (e.g. API), business relation, and business ownership

4

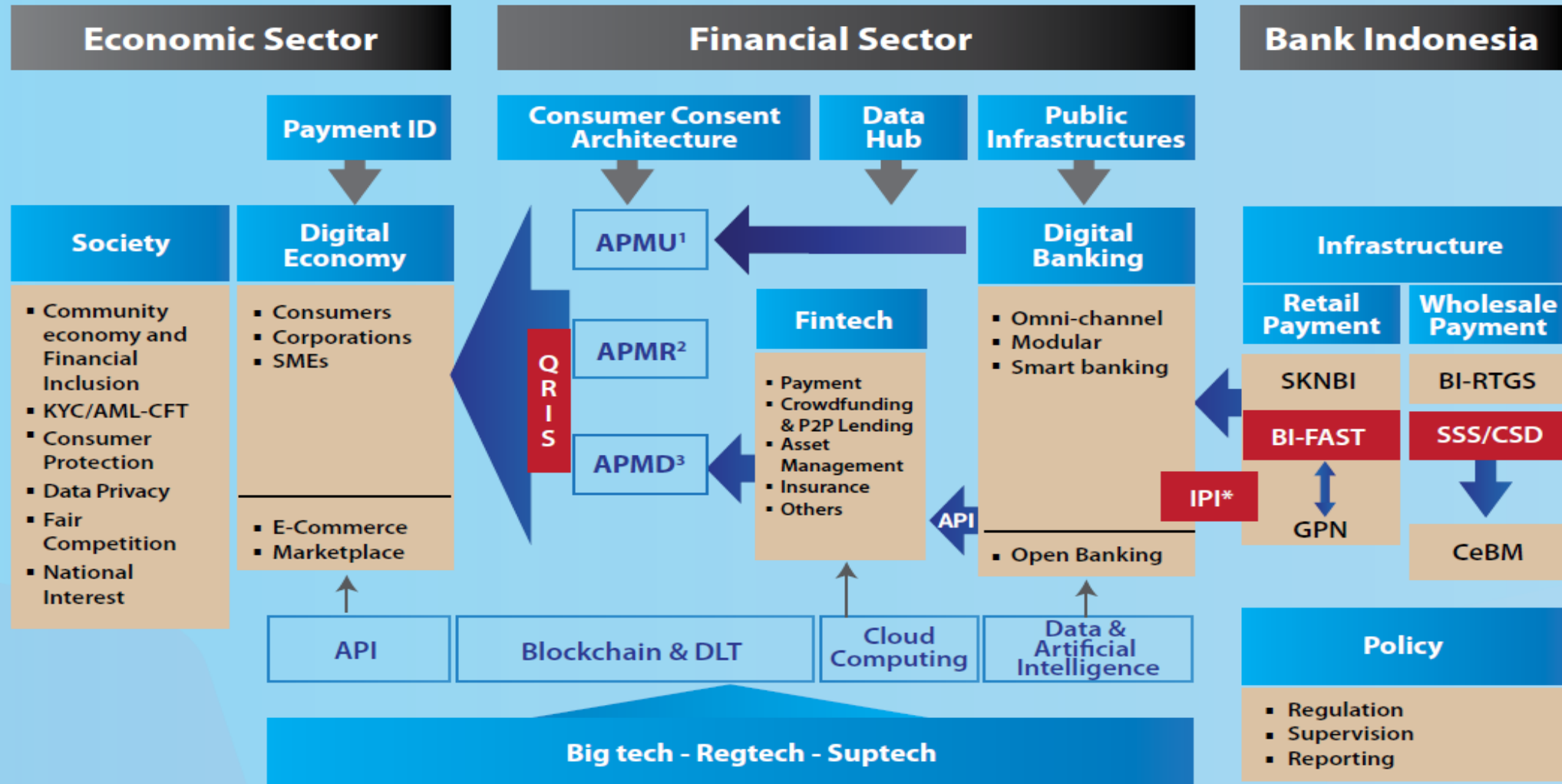
IPS 2025 strikes **the balance among innovation, consumers protection, integrity, and stability as well as fair competition** through the implementation of digital KYC & AML-CFT, data/information/public business openness, and the deployment of Reg-tech & Sup-tech for reporting, regulatory and supervisory

5

IPS 2025 safeguards **national interest on cross-border use of digital economy and finance** through the obligation of domestic processing for all onshore transactions and domestic partnership for all foreign players under the consideration of reciprocity principle

Configuration of Indonesia Digital Economy and Finance 2025

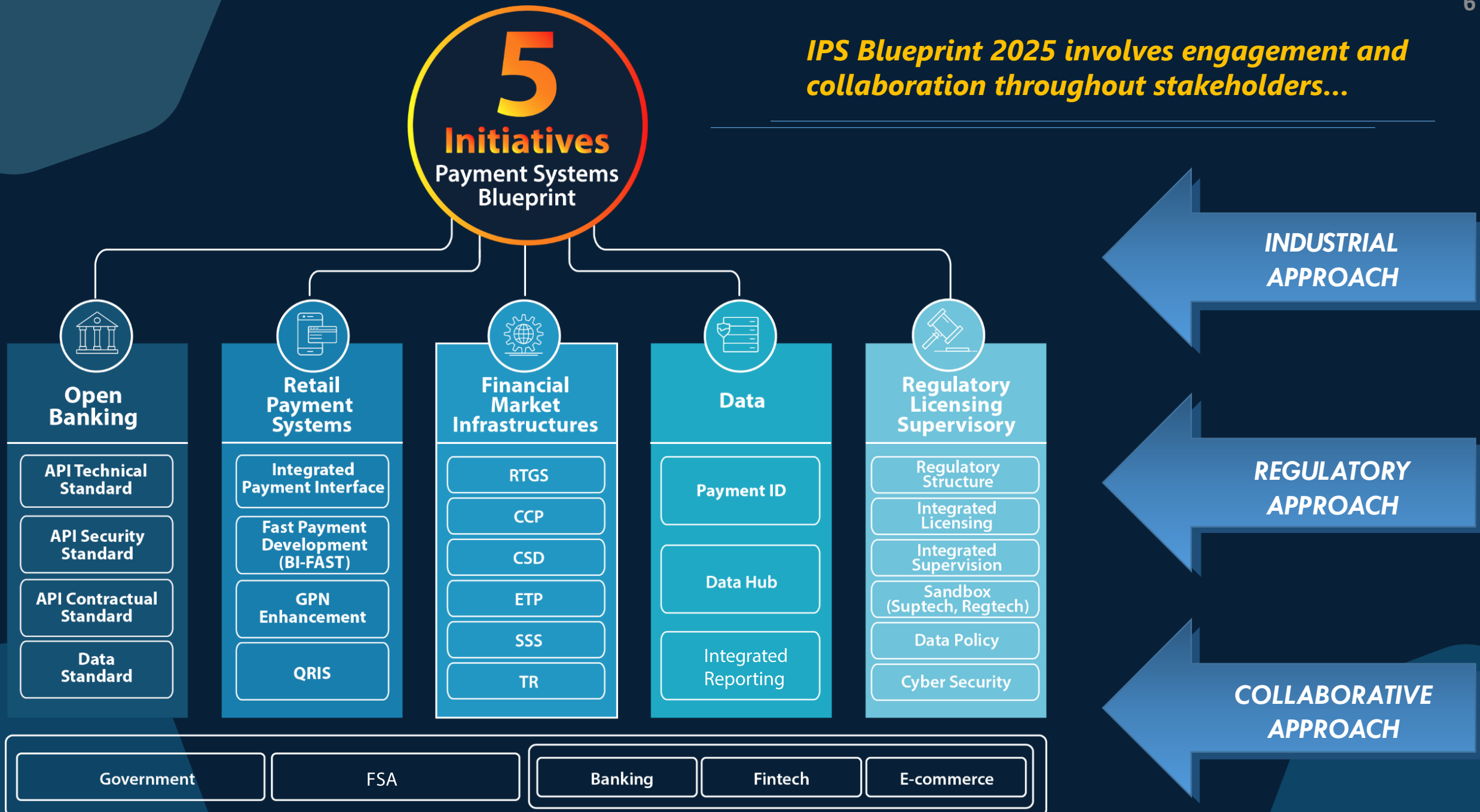
IPS 2025 reinforces the integration of national digital economy and finance in assuring the proper functioning of central bank mandate in money circulation, monetary policy, and financial system stability as well as financial inclusion



¹APMU: Currency based payment; ²APMR: Deposit-account based payment; ³APMD: Non deposit-account based payment

**Integrated Payment Interface*

IPS Blueprint 2025 involves engagement and collaboration throughout stakeholders...

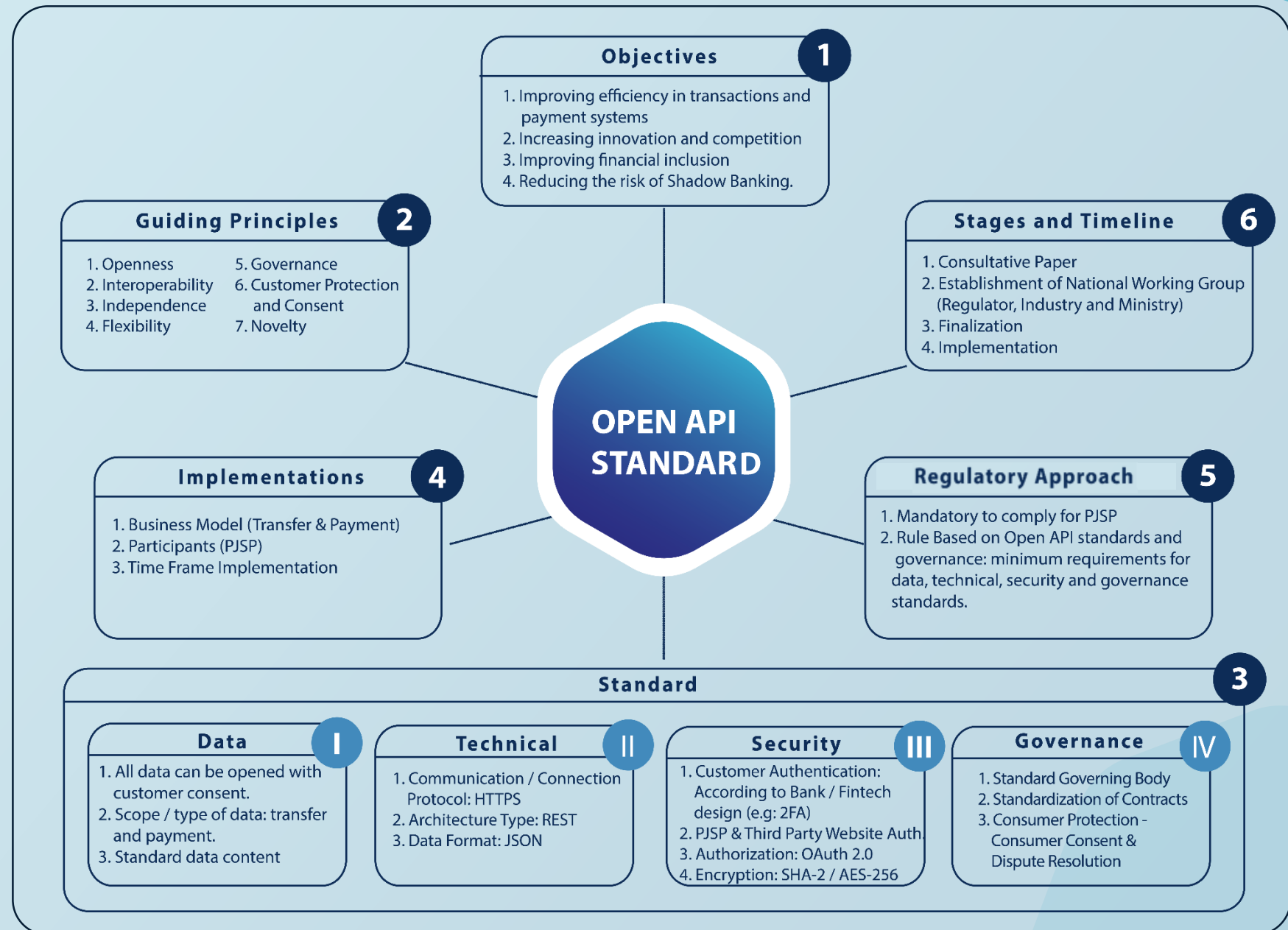


Open API Framework in Indonesia

- The Open Banking Initiative acts as strategic solution to drive digital transformation. Banks are endured to take end-to-end digital transformation.
- The Open Banking initiative will commence through standardizing Open API which comprises data, technical, security, & governance standardizations

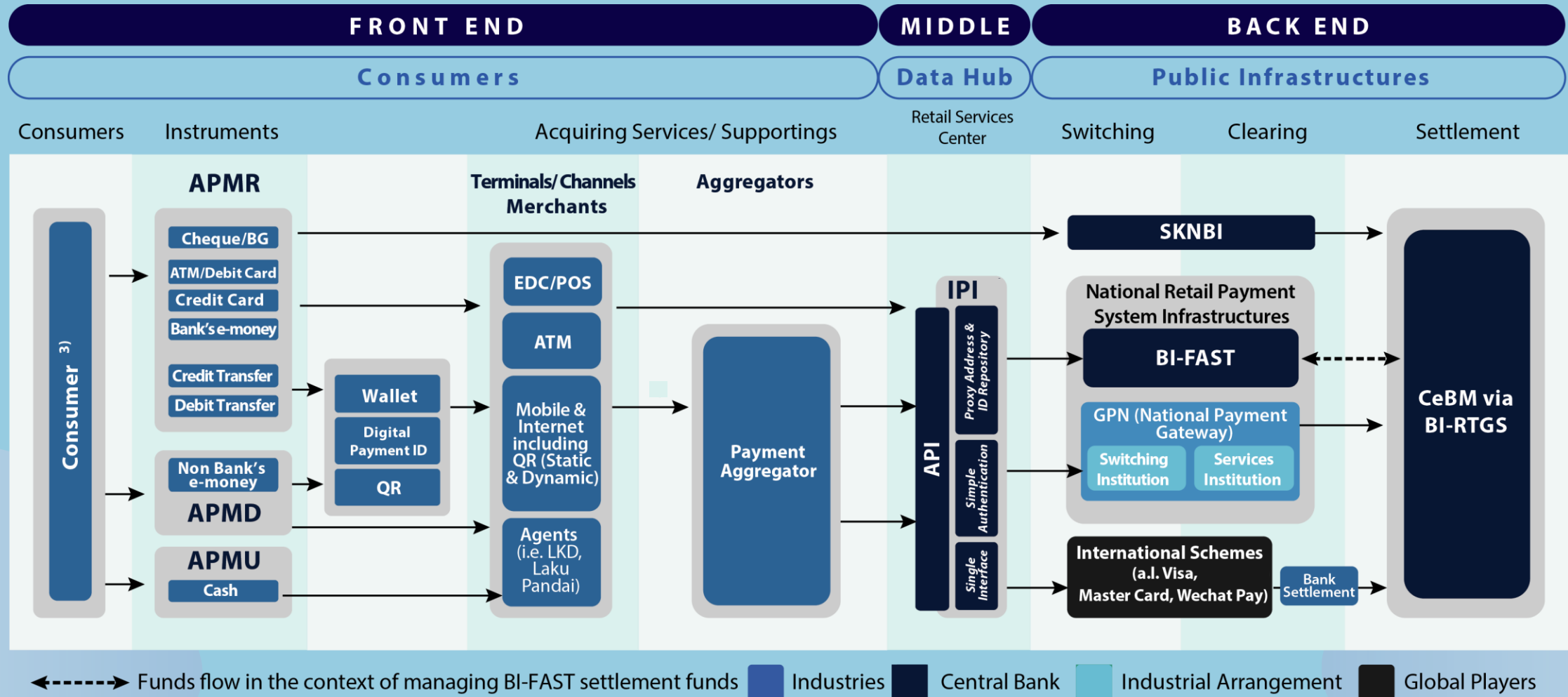
Policy Context

Fosters national digital economy and finance by interlink between fintech and banks to increase efficiency of payment system and to encourage financial inclusion, MSMe



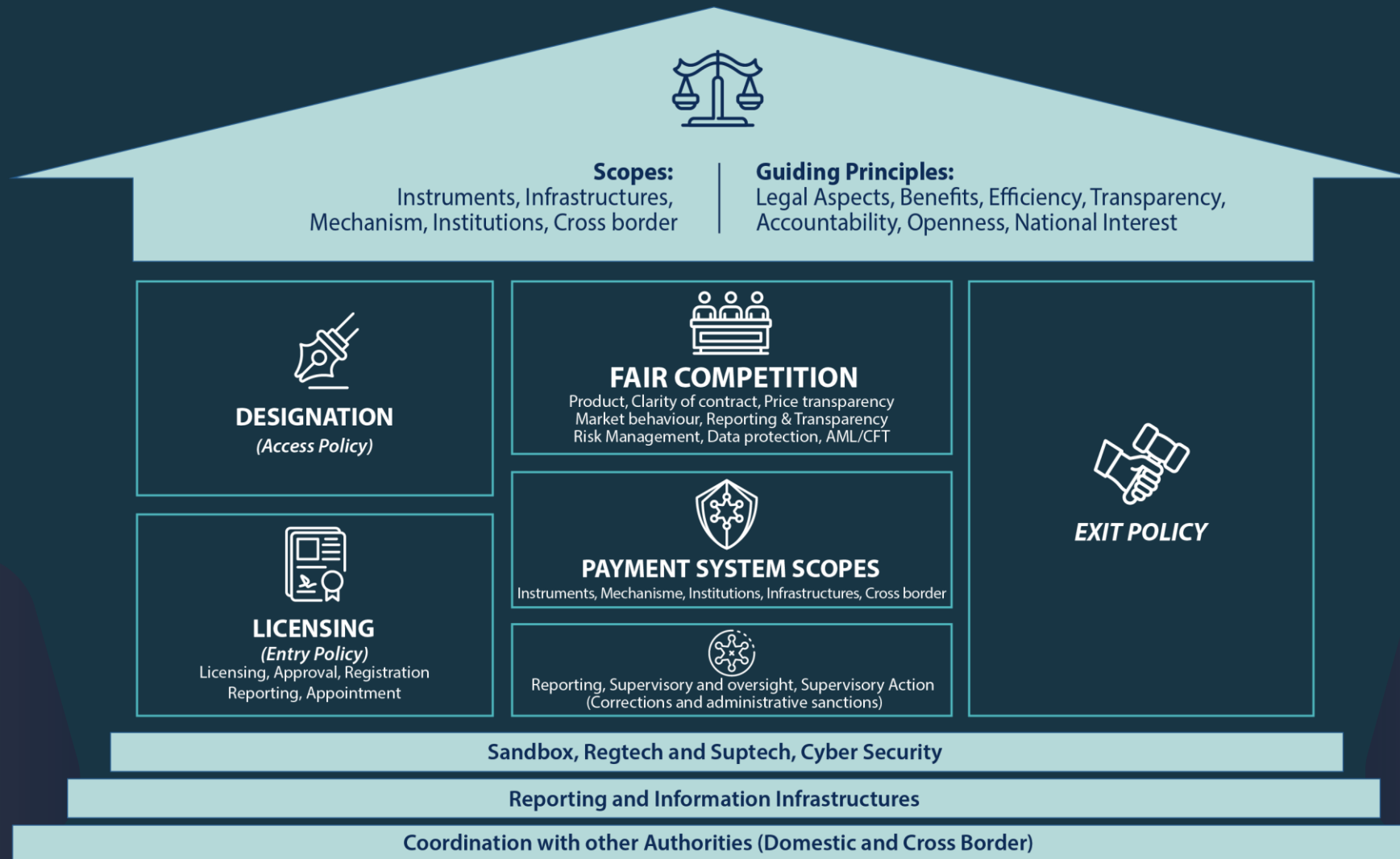
Retail Payment System Configuration

- Modernization of Retail Payment System Infrastructure aims at developing fast, efficient and secure infrastructures by utilizing the latest innovations.
- The end state will be the presence of real-time, infrastructures that operate 24/7 efficiently inexpensive, safe, and able to serve various payment transactions between customers by utilizing Payment ID.



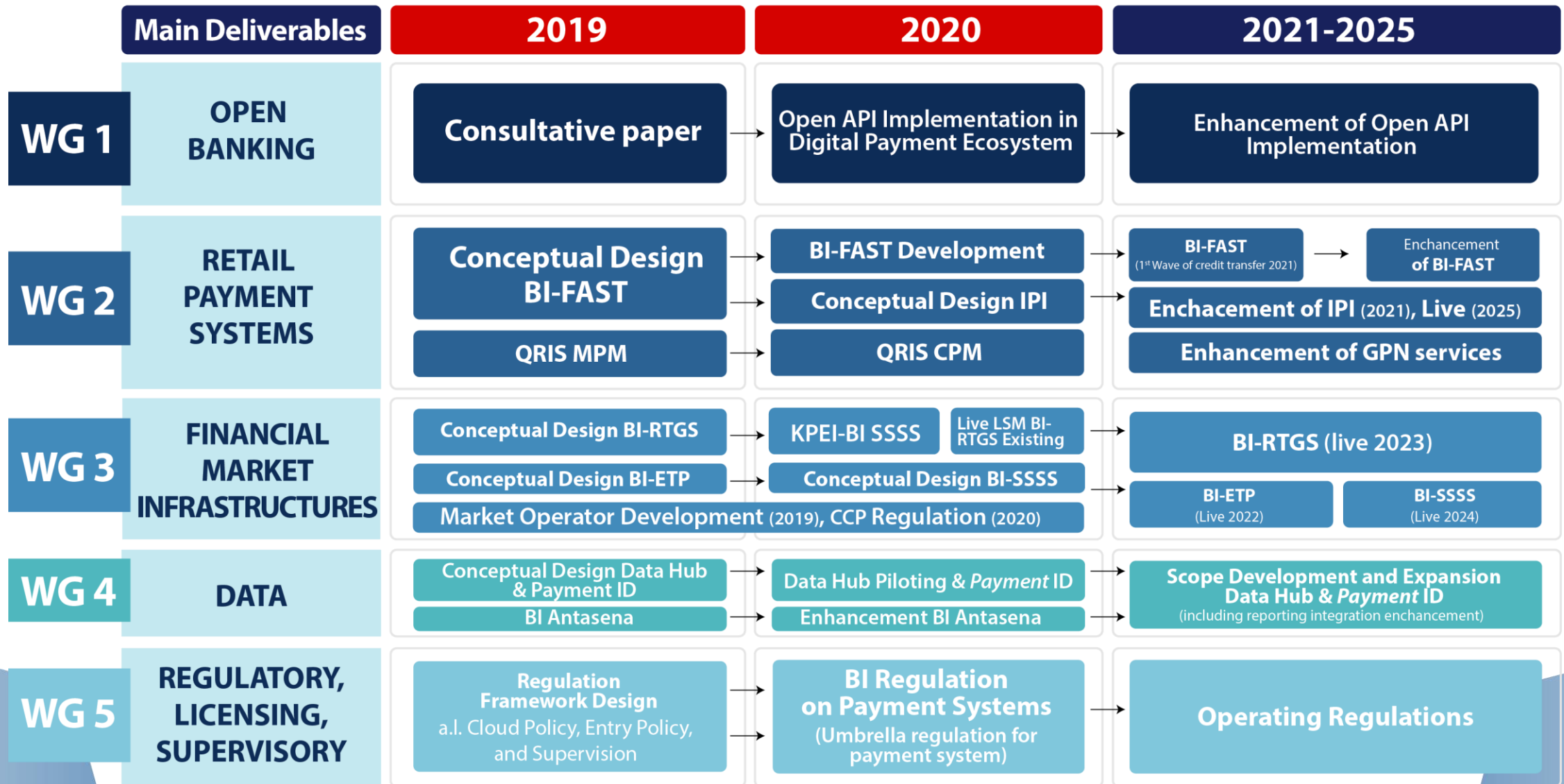
Payment Systems Regulatory, Licensing and Supervisory Framework

- The new regulatory structure aims at integrated entry policy, supervision, and reporting mechanism of PSPs in accordance with best practices and sound business practices principle.
- Regulation in payment systems will be directed toward a more structured, proportional, forward-looking, and agile process.



Roadmap and Timetable IPS Blueprint 2025

Quick Wins



Next Agenda

The Implementation of IPS Blueprint 2025 requires strong commitment and collaboration from the banking industry



- 1 Conduct digital end-to-end transformation** to maintain and improve competitiveness.
- 2 Fosters the implementation of standard API** through harmonization process with all banking industry and PJSP
- 3 Make a cooperation and productive collaboration** between bank and a reciprocal fintech, including exchange of customer-based payment transaction data.
- 4 Conducts investment planning** in the future according to infrastructure development in Bank Indonesia

Thank you
