THE PHILIPPINES EXPERIENCE – WHAT’S NEXT?

OmniPay’s Plans Going Forward
• Brief Profile of OmniPay
• Using ID cards to support financial inclusion
• Using G2P to support financial inclusion
• Building a micropayment network with sari sari stores
• New technologies to be deployed
Corporate Background
• Incorporated in 2009
• Approved and regulated by Bangko Sentral ng Pilipinas (BSP) as a Non-Bank Financial Institution (NBFI)
• First NBFI approved by BSP as Electronic Money Issuer (EMI)

Affiliations
BancNet | JCB | UnionPay

Services Offered
Customizable Prepaid Cards
Multi-functional for payments, disbursements, payroll, remittance, loyalty and others

Payment Processing & Acquiring
• eCommerce
• POS terminals
• ATM
• Agent network

Sample Co-Branded Cards

Key Milestones
• Launched the first JCB Prepaid Card in the Asia Pacific Region
• Launched the first UnionPay Prepaid Card in the Philippines
• Launched the first UnionPay Card Product with e-commerce capabilities outside of China
• Became the first EMI-Affiliate of BancNet
• Launched the LandBank UnionPay and JCB prepaid cards in partnership with Land Bank of the Philippines
Combination Prepaid & ID Card System

ID Card System
- Timekeeping (linked to Biometric System)
- Hospital & Medical Benefits
- ID to avail of Local Government Services
- Discount Card in Business Establishments

Payment Card (P2G/P2B)
- Government Taxes
- Remittance (P2P)
- Online Shopping
- Purchase at Stores
- Withdraw cash from ATMs
- Cash-in/cash-out at Agent outlets
- Prepaid airtime top-up
- Bills payment

Government Payment Facility (G2P)
- Payroll for Regular Employees, Consultants and Job Order Personnel
- Allowances and Bonuses
- Financial Assistance and Subsidies
Dual Wallet & Financial Assistance Tracking

SBR cardholder
Applies for financial Assistance

LGU approves & credits the SBR Card

OmniPay POS terminals at LGU-accredited establishments

Balance A for Financial Assistance (FASST)

Balance B for citizen’s load balance (I-LOAD)

SBR cardholder Loads via CICO

Card usage at non-LGU-accredited establishments

FASST Balance
I-LOAD Balance
Pantawid Pamilyang Pilipino Program

• Provides cash grants to beneficiaries provided that they comply with the set of conditions required for education and health
• Administered by the Department of Social Welfare and Development
• Php 50+ billion per year to be disbursed by Land Bank of the Philippines
• Number of beneficiaries/households approximately 5 million
• Geographic coverage over 41 thousand barangays
• Migration to prepaid cards over next 18 months
G2P Prepaid Card Ecosystem
Extending the G2P Prepaid Card Ecosystem

- Over 1 million sari sari stores nationwide
  - Estimated 42 thousand larger “Community” Stores
  - Wholesale to smaller stores in its vicinity
  - Greater liquidity
  - More sophisticated technologically and financially
  - Approximately half are “Professional” with fairly regular store hours

Key Challenges
- Connectivity
- Technical aptitude
- Customer education
- Store operations
- Regulatory compliance
- Sustainability
- Tax
G2P Prepaid Card with Sari Sari Store Network

Enable Sari Sari Stores to Support Financial Inclusion

- FMCG
- CICO
- LBC
- eCPAY
- Lhuillier
- P&G
- Tao

EMV Chip mPOS
- Connectivity via smartphone
- Mobile app with cash and inventory management
- Multiple pilots scheduled for Q2, 2016
For 2016: Smartphone-based Payments

- QRPay: Quick Response Code
- Aptus: Host Card Emulation
Beyond 2016: Smartphone-based Biometric Authentication

- Morpho: Contactless Fingerprint
- Agnitio: Voice