Financial Infrastructure in 2021: secure and efficient

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The monitoring of the local financial infrastructure is an additional contribution of Banco de la República (the Central Bank of Colombia) to the country's financial stability. One of the outputs of this monitoring is the Payment Systems Report, which from this edition onwards changes its name to Financial Infrastructure Report, in order to reflect the issues addressed here in a comprehensive way.

This 2022 edition includes several changes resulting from a comparative study of financial infrastructure reports prepared by other central banks. These changes seek to make the report smoother and easier to read, including the main messages and key numbers for the different stakeholders to which it is addressed.

The report shows that the financial infrastructure continuously kept its services, showing overall good performance during 2021. Additionally, the resilience of the Central Counterparty Risk of Colombia (CRCC in Spanish) and the Deposit Accounts System, also known as the large-value payment system (CUD in Spanish), to extreme situations was validated based on stress tests with international standards (focused on liquidity risk and credit risk).

Regarding retail payments, according to transactional information, the value-in-use of electronic instruments increased during 2021 compared to 2020 (credit and debit cards, checks, and transfers). The use of debit and credit cards for payments increased at similar levels to those of the year previous to the pandemic. In turn, wire transfers continued to grow.

Although the 2022 *Banco de la República* Survey results show that cash continues to be the payment instrument most used by the public for regular payments (similar behavior to other countries), the perception of its use significantly decreased to 75% (87% in 2019). Similarly, in retail, cash continues to be the preferred instrument for its customers. Nevertheless, in this measurement, several retail channels such as hair salons, drugstores, and restaurants, joined the group that has traditionally received electronic payments for a value higher than 10% of their sales (hypermarkets and gas stations).

Furthermore, for nearly 50% of the population, cash payments are lower than before the pandemic, which is consistent with the transactional increase of the electronic payment instruments recorded in 2021.

Banco de la República continues to monitor technological developments that have broadened and modernized the supply in the international and local payments market as these are subjects of interest to the industry providing clearing and settlement services. This report presents the PIX (the system created by the Brazilian Central Bank) case in Brazil for instant payments, the projects being carried out on the possible issuance of a Central Bank Digital Currency (CBDC) for cross-border payments, and an approach to the Fintech ecosystem in Colombia focused on companies providing payment services.

Leonardo Villar
Governor

Fuente: https://www.banrep.gov.co/en/news/financial-infrastructure-2021-secure-efficient