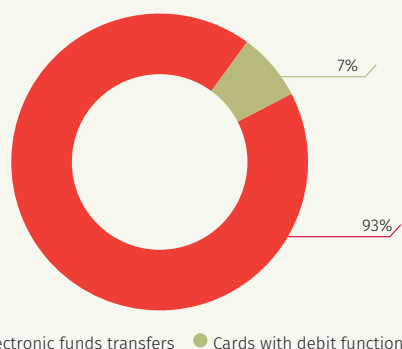


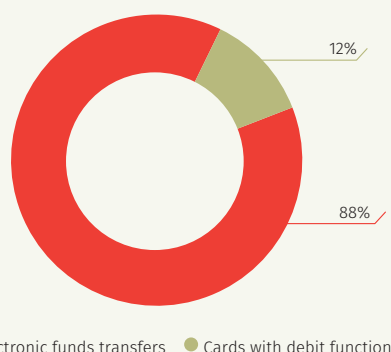
In Focus 4: Transactional Use of Electronic Deposits

Graph A
Payment Instruments, Electronic Deposit

1. Value



2. Number



Source: Commercial banks and Sedpes.

At the end of 2011, the national government recognized electronic deposits offered by credit institutions as demand deposits in the name of individuals or legal entities,¹ different from checking and savings accounts. This was done to encourage electronic payments, transactions and collections. Later, and to strengthen access to transactional financial services, in 2014 the law recognized companies specialized in electronic deposits and payments (Sedpes) as new financial entities.²

A description of the transactional use of this means of payment, which has been implemented mainly through mobile wallets, is included in this report every two years, as is customary. These replicate physical wallets on a mobile device, allowing users to employ instruments such as electronic funds transfers and debit cards for their payments. Mobile wallets are used through the Internet and mobile phone payment channels.

According to commercial banks and Sedpes, payments (purchases) made in 2021 via electronic deposits, using the aforementioned payment instruments, amounted to COP 35.4 t and to 423.3 m transactions (the daily average is COP 96.4 b and 1,159,614 transactions). Electronic deposit transactions accounted for 0.72% of the value and 35% of the number of intrabank transfers.

In terms of origin, 99% of the value and the number of transactions pertained to individuals and 1.0% to legal entities.

Transactions with transfers accounted for around 93% in terms of value and those with debit cards (debit or prepaid), 7%. As for the number of transactions, electronic funds transfers represented 88% and cards, 12% (Graph A).

Electronic funds transfers were the most widely used instrument and, by type, intrabank transfers accounted for 79% of the value and interbank transfers, 21%. In terms of number, intrabank transfers represented 82% and interbank transfers, the remaining 18%. This make-

¹ Electronic deposits create the need to take advantage of technological advances for electronic transactions. Special conditions are established such as simplified opening procedures, limits on amounts, rules for the use of channels, means of handling and risk management.

² Decree 4687 of 2011 and Law 1375 of 2014.

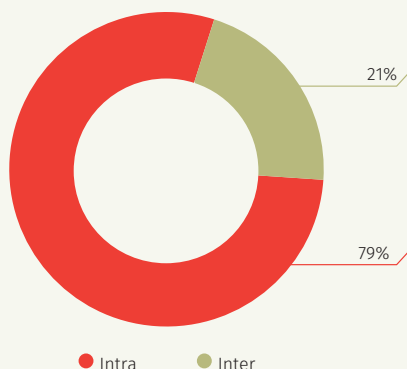
up of transfers indicates the transactional use of mobile wallets has developed within closed schemes (Graph B).

Regarding transactions in Colombian pesos, by range, those up to COP 500 thousand accounted for 73% of the value, followed by the range between COP 500,001 and COP 1,000,000, with 16%. By number of operations, 98% were in the range up to COP 500,000 (Graph C).

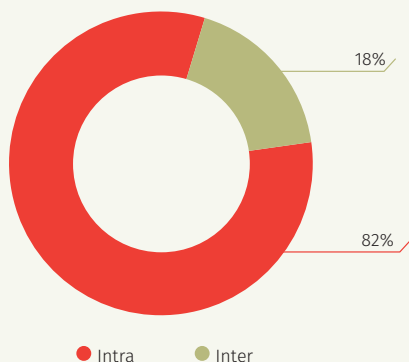
Accordingly, it is possible to conclude that electronic deposits in Colombia are used more by individuals than by legal entities. Likewise, in terms of payment instruments, transfers are used in the majority of their purchase transactions (mainly intrabank, which indicates that mobile wallets have been developed in closed schemes) for a high percentage of payments that under COP 500,000.

Graph B
Payment Instrument, Electronic funds transfer

1. Value



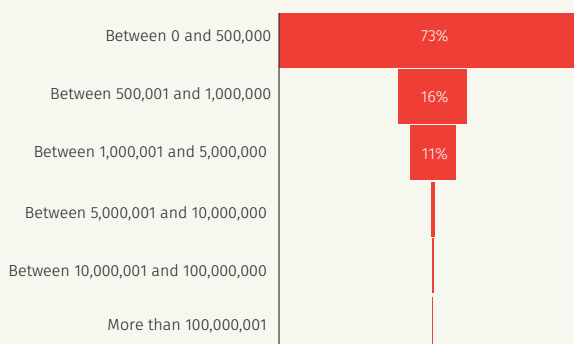
2. Number of transactions



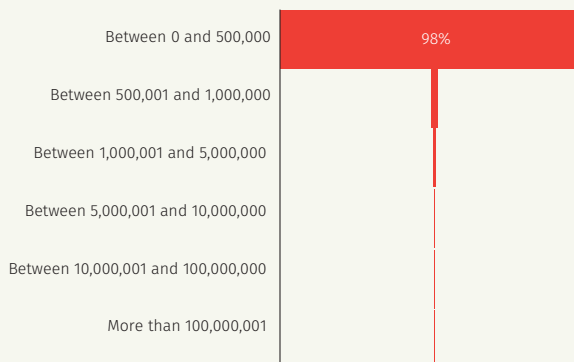
Source: Commercial banks and Sedpes.

Graph C
Payment by Range in Pesos, Electronic Deposit

1. Value



2. Number of transactions



Source: Commercial banks and Sedpes.