

Opening Remarks by First Deputy Managing Director Gita Gopinath at “At the Frontier: India's Digital Payment System and Beyond”
June 2, 2022

- Good afternoon and evening to those joining us from India and Singapore, respectively, and good morning to those in Washington D.C.!
- This webinar brings together both domestic and international perspectives on digital payments, and how to manage to reap the benefits while containing risks. This is just the first of a fantastic series of events on digital technologies and digital money in the Asia Pacific region. My colleagues working on India will be able to provide more details of today's event.
- With the rise of digital payments, many of our member countries face a new moment of transformation in payments - a transformation that has only been accelerated by the pandemic. We are seeing payment innovations with the potential for lowering transaction costs, increasing transaction speed, and improving access and transparency. This is a revolution that can lead to significant economic benefits, but also risks. So it's vital that we get it right: learning lessons from what has and hasn't worked, sharing knowledge about effective policy approaches, and carefully considering the risks.
- One of the biggest risks we are concerned about at the Fund is the fragmentation of the international payment system, fractured into different blocs due to geopolitical competition. The disruptions and uncertainty of the war in Ukraine and its economic shockwaves have significantly heightened this risk. Our members are grappling with these developments and are looking for ways to design policies that take into account complex geopolitical and security issues, while trying to minimize their economic impact. We see digital money as a strong catalyst for change, especially for financial inclusion and cross border payments. Opportunities arise for making payments more accessible both domestically and internationally, thus fostering economic integration. The creation of new payment platforms may enable easier and faster flow of digital money across borders, available to more people.
- Digitalization provides an important opportunity for countries to *work together* to develop global public digital platforms—new pieces of payment infrastructure with clear rules—so that everyone can send money at minimal cost and maximum speed and safety, including across borders. It could also connect various forms of money, including central bank digital currencies (CBDCs). If we get it right, these digital platforms can be designed to achieve a good balance between efficiency, security and stability, while avoiding fragmentation.
- In this webinar, we are very grateful to have RBI Deputy Governor Rabi Sankar provide the keynote address on the RBI's broader strategy for the financial sector.
- Following the keynote, Dong He from the IMF's Monetary and Capital Markets department will provide an overview on Digitalization of Money and Payments at a global level. At the IMF, we have bolstered our efforts to analyze the impact of digital money on the international monetary and payment systems. And we are working to propose policy and regulatory solutions. This reflects the

Fund's commitment to constantly learning and adapting to help our member countries deal with evolving economic challenges.

- Chief General Manager of the RBI, Manager Vasudevan, will then provide a focused review of the payments landscape in India, including the potential future role for a CBDC in the Indian context.
- In addition to the IMF and RBI speakers, we have Sopnendu Mohanty, Chief Fintech Officer from the Monetary Authority in Singapore, an innovator in the use of digital payments. We are also joined by Dilip Asbe, Managing Director and Chief Executive Officer, National Payments Corporation of India and Vijay Shekhar Sharma, Founder and Chief Executive Officer, Paytm. We are all looking forward to hearing each of their unique perspectives.
- Let me end by thanking again our regional institute in Singapore and SARTTAC in Delhi for organizing today's event together with the relevant IMF departments. Our regional centers play an important role in promoting knowledge sharing in our member countries, and I am glad that today we can catalyze a discussion on this important topic. This is just the first of a fantastic series of events on digital technologies and digital money in the region. I look forward to the discussion.
- Let me now turn the floor to the moderator, Anne-Marie Gulde-Wolf.