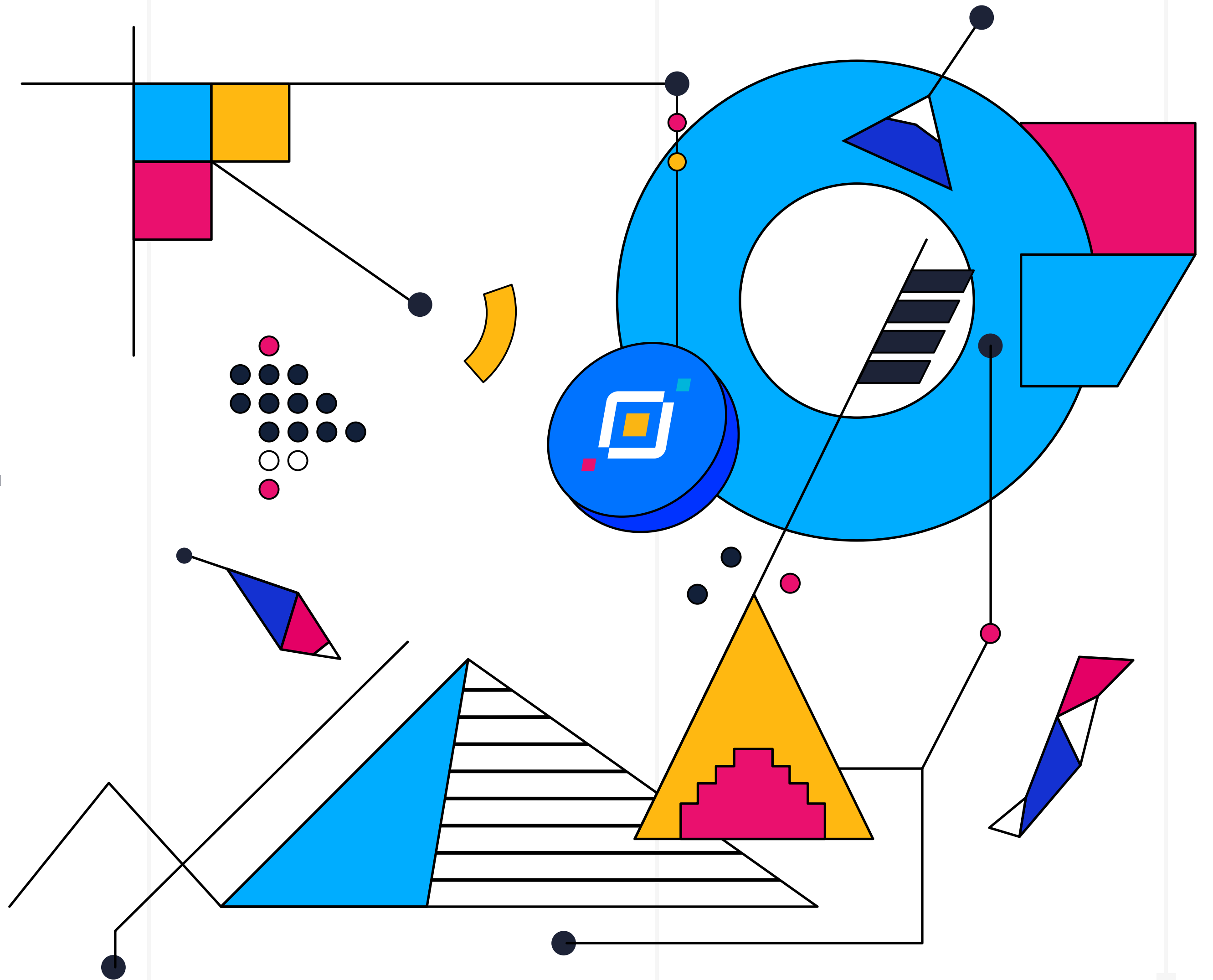




Regulatory Landscape and Licensed
Institution Analysis

SEA Crypto & Payment Ecosystem Report – Philippines 2025

Presented by: PlatON & TOPOS



Executive Summary

The Philippines is emerging as a critical window for observing the convergence of digital assets and traditional finance. With 52% of the population holding cryptocurrencies while 44% of adults remain unbanked, this apparent contradiction reveals a unique path of financial development in emerging markets: digital assets are not enhancing an already sophisticated financial system, but directly filling fundamental service gaps.

The market exhibits a clear dual-track structure. In traditional electronic payments, GCash holds a de facto monopoly with 89% market share and 94 million users, while Maya has carved out a different path through its digital banking strategy, accumulating 5.4 million banking customers. The cryptocurrency sector develops independently, with Coins.ph serving 18 million users and launching its PHPC stablecoin, while PDAX focuses on institutional business. The convergence point of these two tracks is stablecoins—reducing cross-border remittance costs from 4.5% to 1-2% and settlement time from 3-5 days to minutes, a significant efficiency gain for the 1.83 million overseas Filipino workers contributing \$38.34 billion in annual remittances.

The regulatory framework is pragmatic and flexible. BSP manages 13 local VASPs, strictly maintaining monetary sovereignty boundaries; CEZA oversees 24 offshore licenses, supporting international business innovation. This differentiated approach protects financial stability while preserving innovation space. However, Philippine law clearly designates the peso as the sole legal tender domestically, fundamentally limiting stablecoin applications—cross-border settlement is viable, but mass retail payments face restrictions. The implementation of a 12% digital services tax and increasingly detailed regulatory requirements indicate regulators are seeking a balance between innovation and risk control.

Infrastructure constraints coexist with market opportunities. 34.3 million unbanked adults, 2% B2B payment digitalization rate, and 90% of SMEs yet to achieve digital transformation point to vast untapped markets. However, the geographic dispersion across 7,641 islands, unstable rural networks, and frequent natural disasters pose serious challenges to service reliability. Traditional financial institutions are beginning to experiment—UnionBank issued PHX to connect rural bank networks, multiple banks are jointly preparing the PHPX stablecoin, and GoTyme Bank plans to launch digital currency services, though large-scale adoption remains distant.

Key development trends are taking shape. The full implementation of Open Banking in 2026 will reshape the competitive landscape, Project Agila CBDC pilot continues to advance, and the stablecoin ecosystem is rapidly maturing. True transformation will not be radical replacement but gradual integration—stablecoins addressing specific pain points like cross-border payments and financial inclusion without challenging fiat currency status. The successful deployment of the QR Ph unified payment standard and expansion of the InstaPay real-time clearing network lay the foundation for digital financial infrastructure upgrades.

The Philippine experience offers valuable insights for Southeast Asian markets. In environments with underdeveloped traditional financial infrastructure, new technologies enable leapfrog development possibilities, but such development must proceed with understanding of local market characteristics and respect for regulatory boundaries. The market's true value lies not in simply replicating mature models, but in exploring unique paths suited to emerging markets.

Preface

About PlatON

PlatON is an open financial infrastructure initiated and promoted by the LatticeX Foundation. Built on it, Topos offers payment and clearing system solutions for financial institutions and payment service providers. PlatON is constructing a payment "highway" that bridges traditional finance and the digital economy. Equipped with financial-grade capabilities such as high-frequency transaction processing, rapid settlement, and multi-asset smart contracts, it supports global demands including cross-border payments, institutional clearing and settlement, and compliant digital asset management.



Preface

About TOPOS

TOPOS delivers a comprehensive suite of on-chain payment solutions designed for various use cases. Built on the PlatON infrastructure, TOPOS provides secure, efficient, and compliant payment solutions for financial institutions and payment service providers, enabling seamless integration between traditional finance and blockchain-based payment systems.



Solutions

Token Lifecycle Management System

- Complete token issuance, distribution, and management infrastructure for digital assets

Cross-border Remittance System

- Efficient international payment rails enabling instant, low-cost global transfers

On-chain Payment System

- Blockchain-native payment infrastructure for real-time settlement and transparency

Customized On-chain Wallet Solution

- White-label wallet infrastructure tailored for institutional and enterprise needs

Table of Contents

Navigate through the comprehensive analysis of Indonesia's digital currency and payment industry regulatory framework

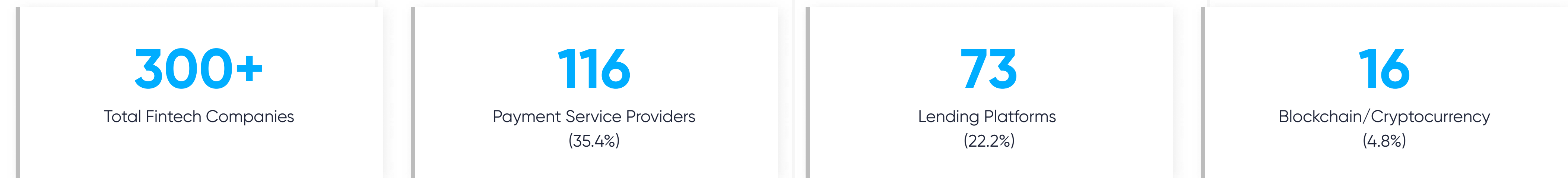
01	Philippine Fintech Landscape	05
02	Philippines Overview	06
03	Digital Currency Market Analysis	07
	3.1 Market Size and Adoption Status	07
	3.2 Major Trading Platforms and Competitive Landscape	08
	3.3 Digital Currency Regulatory System: BSP and CEZA Dual-Track System	10
	3.4 Stablecoin Development Status	15
	3.5 Stablecoin Application Scenarios and Market Adoption	16
04	Electronic Payment Market Analysis	18
	4.1 Market Size and Growth Momentum	18
	4.2 Market Structure and Major Players	19
	4.3 Core Payment Institution Analysis	20
	4.4 Technology Innovation and Infrastructure	29
05	Regulatory Development and Compliance Framework	30
	5.1 License Types	30

	5.2 KYC Tiers and Operational Restrictions	30
	5.3 Key Compliance Requirements	31
06	Key Milestones and Policy Developments	33
	6.1 Financial Inclusion Progress	33
	6.2 Central Bank Digital Currency Pilot	33
	6.3 Internet Transactions Act Implementation	34
	6.4 Government Blockchain Initiative	34
	6.5 Digital Economy Tax Policy	35
07	Market Opportunities and Challenges	36
	7.1 Market Opportunities	36
	7.2 Major Challenges	37
08	Future Outlook	38
	8.1 Digital Currency and Payment Convergence Trends	38
	8.2 Evolution of the Regulatory Environment	38
	8.3 Prospects for Stablecoins in Cross-border Payments	39
	8.4 Key Directions for Fintech Innovation	39

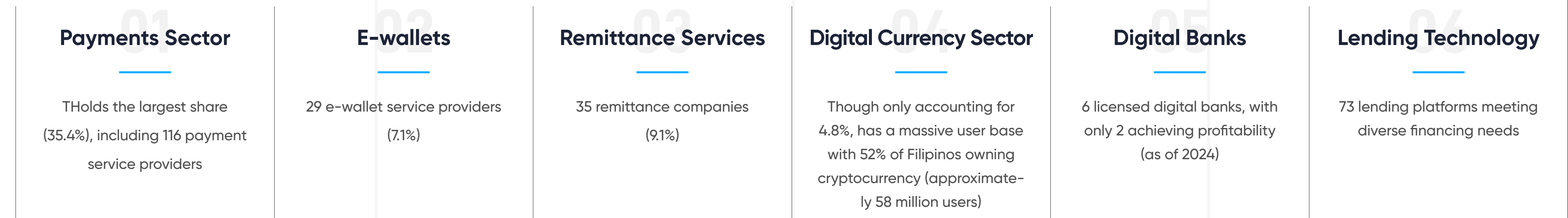
01 / Philippine Fintech Landscape

2024 Fintech Map

The Philippine fintech industry continues to thrive in 2024, with over 300 fintech companies active in the market. These companies span multiple segments including payments, lending, digital currencies, and wealth management, forming one of Southeast Asia's most dynamic fintech ecosystems.



Key Sector Distribution



02 / Philippines Overview

Economic and Demographic Statistics

112.7M

Total Population (July 2024)

5.6%

GDP Growth Rate (Full Year 2024)

\$461.6B

Total GDP (2024)

48.61%

Urbanization Rate

Digitalization and Financial Inclusion Indicators

65.75%

Smartphone Penetration
(2024)

97.5M

Internet Users
(January 2025)

83.8%

Internet Penetration

12.79M

Cryptocurrency Users
(Projected 2026)

Key Finding

According to the latest 2024 survey, 52% of Filipinos own cryptocurrencies such as Bitcoin and Ethereum, placing the Philippines second globally in cryptocurrency adoption, behind only South Africa (65%). This represents significant growth from 45% in 2023, demonstrating strong adoption momentum.

03 / Digital Currency Market Analysis

3.1 Market Size and Adoption Status

The Philippine digital currency market exhibits a unique development trajectory. As of 2024, the country ranks second globally in cryptocurrency adoption, behind only South Africa.

52%

Population Owning Cryptocurrency

58 Million

Cryptocurrency Users
(Estimated)

#2

Global Adoption Ranking
(2024)

\$1.1B

Projected 2026 Market Service
Revenue*

Adoption Rate Growth Analysis



The 2024 survey shows that 52% of Filipinos own cryptocurrencies such as Bitcoin and Ethereum, a significant increase from 45% in 2023. This places the Philippines second globally in cryptocurrency ownership, demonstrating strong adoption trends.

Market Service Revenue Note



\$1.1B (1.1 billion USD) refers to the projected total cryptocurrency market service fee revenue in 2026 (not transaction volume), including exchange fees, wallet service fees, withdrawal fees, DeFi platform income, and various other cryptocurrency-related service charges. This reflects the commercial value scale of the entire cryptocurrency ecosystem.

3.2 Major Trading Platforms and Competitive Landscape



Coins.ph (Betur Inc.)

Market Leader

Stablecoin

- **User Base:** 18 million+ registered users
- **Founded:** 2014
- **Valuation:** Acquired by Gokongwei Group (2022)
- **Features:** Launched PHPC peso stablecoin, Asia's first dual license holder
- **Services:** Digital wallet, exchange, remittance, bill payment, supports 90+ cryptocurrencies



PDAX

Institutional Platform

- **User Base:** 800,000+ users
- **Founded:** 2018
- **Funding:** \$67.1 million
- **Features:** Prime institutional services, projected annual trading volume of \$6 billion
- **Support:** 70+ cryptocurrency trading pairs, including exclusive OTC tokens



Maya Philippines

Digital Bank

- **Evolution:** Smart Money → PayMaya → Maya
- **User Base:** 5.4 million banking customers
- **Valuation:** \$1.4 billion (2022)
- **Deposit Size:** ₱ 39 billion
- **Features:** VASP + Digital Bank dual license



BloomX

B2B Specialist

- **Focus:** Blockchain remittance solutions
- **Founded:** 2015
- **Transaction Volume:** \$250 million+
- **Settlement Speed:** 15 minutes
- **Features:** B2B remittance services, Bi-nance technology partner

3.2 Major Trading Platforms and Competitive Landscape



UnionBank

Bank VASP

Stablecoin

- **Innovation:** First traditional bank to obtain VASP license
- **Featured Projects:** PHX stablecoin, Bitcoin ATMs
- **Blockchain Network:** Connects 35 rural banks
- **Technology Investment:** \$58 million annually for digitalization



Zybi Tech (Juan Cash)

Pioneer

- **Brands:** JuanCash + JuanExchange
- **License Obtained:** May 2019 (early licensee)
- **Business Model:** Digital wallet and exchange combination
- **Market Position:** Localized digital financial services



GoTyme Bank

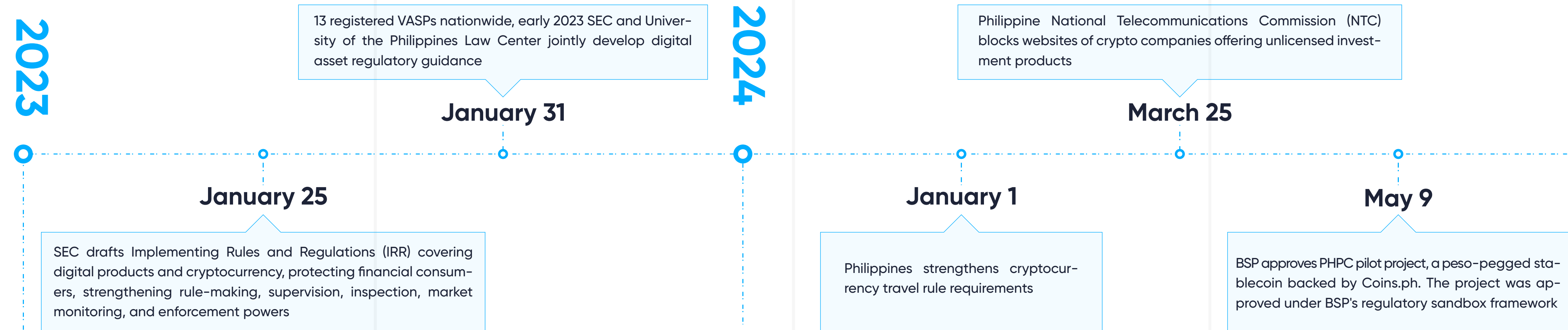
Emerging Force

- **Ownership:** 60% Gokongwei / 40% Tyme
- **Customer Base:** 5.3 million (2024)
- **Deposit Size:** ₱ 24 billion
- **Digital Currency Services:** Launching Q1 2025

3.3 Digital Currency Regulatory System: BSP and CEZA Dual-Track System

The Philippines implements a unique dual-track regulatory system for digital currencies, a model that is relatively rare globally. BSP supervises institutions serving the local market, while CEZA specifically manages offshore businesses, forming a complementary yet strictly separated regulatory framework.














Key Regulatory Milestone Timeline



BSP Framework (Serving Local Market)

- **Service Target:** Philippine local residents
- **Minimum Capital:** ₱ 10-50 million
- **Registration Fee:** ₱ 100,000
- **Annual Fee:** ₱ 300,000
- **Business Scope:** Fiat-cryptocurrency exchange, digital asset custody, transfer services
- **Current Status:** New VASP license applications suspended until September 2025 (EMI and OPS license applications remain open)

13 BSP VASP Licensed Institutions

Company Name		Status	Main Business		Features
	Coins.ph (Betur Inc.)	Active	Digital wallet, exchange, remittance		18M+ users, PHPC stablecoin
	PDAX	Active	Institutional trading platform		Prime services, \$6B annual trading
	Maya Philippines	Active	Digital bank + payments		5.4M banking customers
	BloomX	Active	B2B blockchain remittance		15-minute settlement
	Direct Agent 5 (SurgePay)	Active	Comprehensive financial services		PHMU stablecoin, 1800+ outlets
	Moneybees Forex	Active	OTC trading		26+ trading points nationwide
	TopJuan Technologies	Active	Blockchain mobile wallet		EMI + VASP dual license
	XenRemit	Active	Cross-border payments		Instant transfers, weekend availability
	UnionBank	Active	Traditional bank innovation		PHX stablecoin, Bitcoin ATMs
	GoTyme Bank	Preparing	Digital bank		Launching Q1 2025
	Zybi Tech (Juan Cash)	Confirmed	Digital wallet		JuanCash + JuanExchange, licensed May 2019
	ABA Global (COEX STAR)	Ceased Operations	-		Removed January 2025
	WIBS PHP (DO PAY)	Ceased Operations	-		Market penetration difficulties

CEZA Offshore License System (Serving Non-Residents)

Regulatory Framework (Updated as of 2024)

- **Service Target:** Non-Philippine residents only (strict offshore business model)
- **Minimum Investment:** \$1 million (to be completed within 2 years)
- **License Fee:** Up to \$100,000
- **Business Scope:** Digital currency trading, token issuance (DATO), blockchain financial services
- **License Cap:** 25 Principal Licenses
- **Actually Issued:** 24 Principal Licenses + 6 Regular Licenses (as of March 2019)
- **Regulatory Update:** Early 2024 collaboration with LegalBison to update Offshore Fintech License Regulatory Rules (OFTLRR)
- **Self-Regulatory Organization:** Asia Blockchain and Crypto Association (ABACA) assists in implementing regulatory rules

License Type Descriptions

- **Principal License:** Allows operation of offshore virtual currency and fintech solutions within the economic zone, can issue sub-licenses
- **Regular License:** Divided into two sub-types
 - OVCE (Offshore Virtual Currency Exchange): Specifically for offshore cryptocurrency trading operations
 - FTSBE (Fintech Solution Business Enterprise): For fintech business operations

Major CEZA License Holders (24 Principal Licenses - Data as of March 2019)

Principal License Holding Institutions:

- **Golden Millennial Quickpay Inc.**
 - Hong Kong registered, CEZA's first FTSOVCE license holder, focusing on cross-border payment solutions
- **Ultra Precise Investment Ltd.**
 - Bangkok, Thailand registered, one of the first three licensed institutions, providing digital asset investment services
- **Liannet Technology Ltd.**
 - Hong Kong registered, one of the first three licensed institutions, blockchain technology development
- **OKCoin Philippines Technology**
 - OKEx Philippine subsidiary, Tim Draper investment, one of the major trading platforms
- **Sino-Phil Economic Zone Agency**
 - Sino-Philippine economic zone agency, promoting China-Philippines digital economy cooperation
- **Formosa Financial Holdings**
 - Taiwan-funded financial holding company, providing comprehensive digital asset services
- **Dragon Empire Developments**
 - Comprehensive financial development company, involved in various digital asset businesses
- **IPE Global Pte. Ltd.**
 - Singapore fintech service provider, focusing on cross-border financial solutions
- **Zipmex Pte. Ltd.**
 - Leading Southeast Asian digital currency trading platform (Note: Financial difficulties after 2022)
- **Cezex Trading Ltd.**
 - OVCE regular license, focusing on cryptocurrency spot and derivatives trading
- **FAFA Internet Blockchain (China) Co.**
 - Chinese blockchain technology company, providing enterprise-level solutions

- **Hong Kong Yuen Shing Hong Ltd.**
 - Hong Kong trade finance background, digital trade finance services
- **Rare Earth Asia Technologies**
 - Asian rare metals tokenization trading platform
- **Tanzer Holdings**
 - Investment holding company, involved in digital asset management
- **Asia Premiere International**
 - International financial service provider, 7th OVCE principal license holder
- **Orient Express Global**
 - Global payment and remittance services
- **White Ranch Limited**
 - Digital asset investment fund
- **Galaxy Plus Developments**
 - Blockchain development and consulting services

- **Tiger Wheel Ltd.**
 - Gaming and entertainment token platform
- **Cr8tiv Solutions Management**
 - Creative industry blockchain solutions
- **Digifin Technologies**
 - Digital financial technology service provider
- **Escudar Co.**
 - Digital asset security and custody services
- **Bird Mouse Co.**
 - Payment processing and e-commerce solutions
- **Monetium Co.**
 - Stablecoin and payment infrastructure provider

Note:

CEZA licenses only allow serving non-Philippine residents and cannot involve Philippine peso or local users. To serve the local market, a separate BSP VASP license must be obtained. This dual-track system ensures a balance between local market protection and international business development.

3.4 Stablecoin Development Status

The Philippine market currently has several major peso-pegged stablecoin projects, representing important explorations in cryptocurrency localization:

PHPC Stablecoin


[Coins.ph](#)
[Regulatory Sandbox Pilot](#)

- **Issuer:** Coins.ph (18 million+ registered users)
- **Regulatory Status:** BSP-approved regulatory sandbox pilot project
- **Technical Architecture:** Dual-chain deployment on Polygon and Ronin
- **Use Cases:** Gaming payments, cross-border remittance, daily transactions
- **Features:** First BSP-approved retail stablecoin, offering 8% p.a. HODL yield
- **Reserve Backing:** 100% backed by cash, time deposits, and short-term money market instruments

PHMU Stablecoin

[Direct Agent 5/SurgePay](#)

- **Issuer:** Direct Agent 5 (SurgePay)
- **Technical Features:** 1:1 Philippine peso pegged, dedicated Layer 1 blockchain
- **Network Coverage:** Planned expansion to 1800+ outlets
- **Target Market:** OFW (Overseas Filipino Workers) remittance market
- **Partner:** GuruFin (technology provider)

PHX Stablecoin

[UnionBank](#)

- **Issuer:** UnionBank
- **Application Project:** Project i2i (island-to-island) blockchain network
- **Service Scope:** Closed-loop system connecting 35 rural banks
- **Technical Foundation:** Permissioned Ethereum network
- **Transaction Types:** Interbank clearing, rural bank remittance
- **Features:** Philippines' first bank-issued stablecoin

PHPX Stablecoin (Planned)

[Multi-bank Joint Issuance](#)

- **Initiators:** UBX (UnionBank subsidiary) + Just Finance
- **Participating Banks:** Rizal Commercial Banking, Cantilan Bank, Rural Bank of Guinobatan
- **Technology Platform:** Hedera DLT network
- **Main Uses:** Cross-border payments, trade settlement, remittance services
- **Features:** First multi-bank jointly issued stablecoin

3.5 Stablecoin Application Scenarios and Market Adoption

Cross-border Remittance Innovation

1-2%

Stablecoin Remittance Cost
(vs Traditional 4.5%)

Real-time

24/7 Transfers
(vs Traditional 3-5 days)

\$39B

2024 Total Remittances
(8% of GDP)

1.83M

Overseas Filipino Workers
(OFW Population)

Major Remittance Corridors:

 **coins.ph** ×  **stables**

Coins.ph × Stables Money

Australia-Philippines PHPC remittance corridor,
reducing costs by 80%

 **OCBC** ×  **UnionBank**

OCBC × UnionBank

Singapore-Philippines PHX real-time transfers,
serving Southeast Asian corridor

 **PayPal** ×  **GCash**

PayPal × GCash

PYUSD stablecoin integration, connecting 430
million global users

Gaming Ecosystem Integration

PHPC has become the official peso stablecoin on Ronin chain (world's largest gaming blockchain)

Supports in-game revenue cash-outs, NFT trading, Play-to-Earn economic cycles

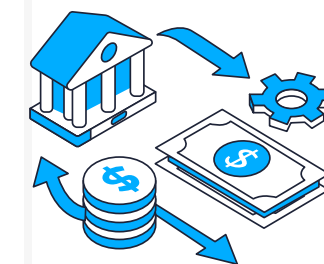


Covers millions of Filipino players in popular Web3 games like Axie Infinity and Pixels

PHPC/RON trading pair launched on Katana DEX, providing liquidity support

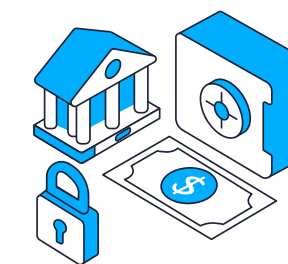
Financial Services Innovation

Digital Bank Integration



- **Maya Bank:** 5.4 million users can directly exchange stablecoins
- **GoTyme Bank:** Launching crypto services Q1 2025
- **UnionDigital Bank:** 750,000 users connected to PHX network

Rural Financial Inclusion



- **Project i2i:** Connecting 35 rural banks
- **No SWIFT needed:** Reducing small bank access costs
- **Instant settlement:** T+0 settlement improving capital efficiency

Merchant Payment Scenarios



- **QR Ph Integration:** Unified payment standard interconnection
- **E-commerce Platforms:** Shopee, Lazada testing integration
- **Offline Retail:** 1800+ SurgePay outlets support PHMU

04 / Electronic Payment Market Analysis

4.1 Market Size and Growth Momentum

The Philippine electronic payment market is experiencing robust growth, having exceeded government-set digitalization targets.

\$136B

2024 Monthly Average
Transaction Value

57.4%

Share of Retail Transaction
Volume

59%

Share of Retail Transaction Value

3.3B

Monthly Transaction Volume

Key Achievement

In 2024, electronic payments account for 57.4% of retail transaction volume, far exceeding the government's 52-54% digitalization target. This represents a 4.6 percentage point increase from 52.8% in 2023, accounting for 59% of total retail transaction value.

4.2 Market Structure and Major Players



GCash (G-Xchange, Inc.)

Market Leader

89% Market Share

- **User Base:** 94 million users (2024)
- **Valuation:** \$5 billion (August 2024)
- **Coverage:** 6 million+ merchants, 2.5 million+ sellers
- **Parent Company:** Globe Telecom (34% ownership)
- **Services:** Mobile payments, QR codes, GSave, GCredit, GInvest, GStocks
- **International Cooperation:** Supported in China, Japan, Middle East, and other regions



Maya Philippines

Second Largest Player

Digital Banking Leader

- **Evolution:** PayMaya (2016), Smart Money (2000)
- **Valuation:** \$1.4 billion (2022)
- **Users:** 5.4 million banking customers (end of 2024)
- **Deposit Size:** ₱39 billion (2024)
- **Loans Disbursed:** ₱92 billion (cumulative to 2024)
- **Features:** Digital bank license, 45% share of P2M transactions
- **Strategy:** Transformation from payment tool to comprehensive digital bank

Digital Banking New Forces

6 Licensed Institutions

- **GoTyme** – 3 million customers (April 2024), ₱24 billion deposits
- **Tonik** – 1.5 million users, 6% annual interest rate
- **UnionDigital Bank** – 750,000 users
- **UNObank** – 1.6 million+ users
- **OFBank** – 75,000 users
- **Maya Bank** – 5.4 million customers (separately detailed above)

Market Concentration Analysis:

GCash dominates the e-wallet market with an overwhelming 89% market share and 94 million users, representing 80% of the Philippine population. While Maya has a smaller wallet market share, it has become the digital banking leader through differentiation strategy, with 5.4 million banking customers and deposits totaling ₱39 billion.

4.3 Core Payment Institution Analysis

The 58 payment institutions presented in this section are core institutions comprehensively selected from 305 OPS (Other Payment System) operators and 43 EMI (Electronic Money Issuer) licensees authorized by the Bangko Sentral ng Pilipinas (BSP).

I. Core E-wallets (6)



01

G-Xchange (GCash)

- BSP EMI-NBFI
- 89% market share, 94M users
- Mobile payments, QR codes, GSave, GCredit



02

Maya Philippines

- BSP Digital Bank+EMI
- 5.4M banking customers
- Digital wallet, digital banking, enterprise payments



03

DCPAY Philippines (Coins.ph)

- BSP EMI+VASP dual license
- 18M users
- Cryptocurrency trading, PHPC stablecoin



04

ShopeePay Philippines

- BSP EMI
- Sea Limited (NYSE: SE)
- E-commerce payments, QR codes, SPayLater



05

Gpay Network PH (GrabPay)

- BSP EMI (August 2018)
- Grab Holdings
- Ride-hailing, food delivery, crypto top-up



06

TagCash Ltd.

- BSP EMI #32
- First blockchain BSP-licensed EMI
- Blockchain wallet, TagCoin, NFT

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II. International Payment Giants (10)



07

PayPal Pte. Ltd.

- Entered early 2000s
- 430M+ global users
- Xoom, PYUSD stablecoin integration



08

Alipay Philippines

- BSP EMI #1
- Ant Group
- Chinese tourist payments, Alipay+ network



09

Wise Pilipinas Inc.

- BSP RTC + Type "C" EMI
- Wise plc (LSE: WISE)
- Multi-currency accounts, mid-market rates



10

2C2P Philippines

- Operates through ECPay
- Founded 2003 (Bangkok)
- Payment gateway, 250+ payment methods



11

dLocal Payments Philippines

- Money service business license (2024)
- dLocal (NASDAQ)
- Cross-border payments, 900+ local payment methods



12

Xendit Philippines

- BSP registered
- \$1B+ valuation
- Payment acceptance, 30+ payment methods



13

True Money Philippines

- BSP EMI
- Ascend Money (CP Group & Ant JV)
- 20,000+ TrueMoney centers



14

Coda Payments

- Payment processor
- \$2.5B valuation (2022)
- Gaming payments, digital content monetization

4.3 Core Payment Institution Analysis

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II. International Payment Giants (10)

 15

Lianlian International

- Payment service license
- HK listed (2598.HK)
- Cross-border payments, 130+ currency support

 16

AsiaPay Payment Technology

- PCI DSS Level 1 certified
- Founded 2000
- PesoPay brand

III. Local Payment Gateways and Processors (11)

 17

PayMongo Payments Inc

- BSP registered + PCI-DSS Level 1
- \$46M funding
- Y Combinator's first Philippine fintech

 18

Paynamics Technologies

- BSP OPS + EMI dual license
- 32,000+ cash reload centers
- BEENOS Japan investment

 19

Dragonpay Corporation

- BSP OPS
- PayPal Platinum Partner
- 20,000+ daily transactions

 20

ECPay

- BSP OPS registered
- Acquired by Mynt 2023
- 490,000+ touchpoints

4.3 Core Payment Institution Analysis

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III. Local Payment Gateways and Processors (11)



21

Starpay Corporation

- BSP EMI + Payment system operator
- Near 10M active users
- 2021 BSP stakeholder award



22

iPay88 Philippines

- Payment gateway operator
- NTT DATA (acquired 2015)
- Regional 38,000+ merchants



23

HitPay Payment Solutions

- 6 APAC jurisdictions regulated
- 20,000+ businesses
- Y Combinator alumni



24

Omni Pay, Inc.

- BSP EMI (first non-bank RTGS access)
- Payment processing, RTGS services



25

NextPay

- BSP EMI
- Digital banking challenger
- Digital wallet, payment services



26

PearlPay

- BSP EMI
- Rural banking advocate
- Rural financial services, payment processing



27

Traxion Pay

- BSP EMI
- Cooperative fintech
- Cooperative payment solutions

4.3 Core Payment Institution Analysis

The 58 payment institutions presented in this section are core institutions comprehensively selected from 305 OPS (Other Payment System) operators and 43 EMI (Electronic Money Issuer) licensees authorized by the Bangko Sentral ng Pilipinas (BSP).

IV. Remittance and Financial Services (10)



28

I-Remit, Incorporated

- BSP EMI (2019) + PSE listed
- Largest non-bank PH remittance
- 8-country offices, 21,000+ payout points



29

Cebuana Lhuillier Services

- BSP remittance agent + Rural bank license
- Est. 1935
- 3,500+ branches, 30M+ customers



30

PalawanPay

- BSP EMI
- Most innovative remittance company
- Remittance, bill payments



31

Lulu Financial Services

- BSP remittance license
- Middle East remittance specialist
- International remittance, forex



32

USSC Money Services

- BSP remittance agent
- Western Union #1 agent
- Western Union services



33

LBC Express

- BSP remittance license
- Logistics remittance giant
- Courier, remittance, bill payments



34

TransferMate

- International remittance license
- B2B payment specialist
- Enterprise cross-border payments



35

Ayannah

- BSP EMI
- Technology-driven remittance
- Digital remittance platform

4.3 Core Payment Institution Analysis

The 58 payment institutions presented in this section are core institutions comprehensively selected from 305 OPS (Other Payment System) operators and 43 EMI (Electronic Money Issuer) licensees authorized by the Bangko Sentral ng Pilipinas (BSP).

IV. Remittance and Financial Services (10)



36

M Lhuillier

- BSP remittance license
- 2nd largest pawnshop network
- Pawnshop, remittance, financial services



37

Western Union/MoneyGram Agents

- BSP remittance agent license
- International remittance agents
- Nationwide coverage

V. Bill Payment and Specialized Services (3)



38

CIS Bayad Center

- BSP OPS
- 20+ year outsourced payment collection pioneer
- 13M+ monthly transactions, 1,900+ billers



39

Peppermint Bizmoto

- BSP OPS
- Agency bill payment
- Mobile bill payments



40

BancNet

- BSP payment system operator
- National ATM network operator
- 120+ bank and FI members

4.3 Core Payment Institution Analysis

The 58 payment institutions presented in this section are core institutions comprehensively selected from 305 OPS (Other Payment System) operators and 43 EMI (Electronic Money Issuer) licensees authorized by the Bangko Sentral ng Pilipinas (BSP).

VI. E-commerce and Platform Payments (5)



41

Lazada Philippines

- E-commerce platform payments
- #2 e-commerce platform, Alibaba
- LazWallet, COD

ZALORA

42

Zalora Philippines

- E-commerce platform payments
- Fashion e-commerce leader
- Online payments, COD



43

foodpanda Philippines

- Platform payment services
- Delivery Hero
- Food delivery payments, pandapay



44

SM Mart

- Retail payment services
- Largest retail group
- SM Pay, gift cards



45

Robinson's

- Retail payment services
- #2 supermarket chain
- Member payments, gift cards

4.3 Core Payment Institution Analysis

The 58 payment institutions presented in this section are core institutions comprehensively selected from 305 OPS (Other Payment System) operators and 43 EMI (Electronic Money Issuer) licensees authorized by the Bangko Sentral ng Pilipinas (BSP).

VII. Innovative Fintech (13)



46

BillEase

- BSP financing company + OPS
- BNPL buy now pay later
- \$31M+ funding



47

Brankas

- Open banking service provider
- Open banking APIs
- Multi-country Southeast Asia



48

Spenmo

- B2B payment platform
- Enterprise expense management
- B2B payment automation



49

Plentina

- BSP financing company
- AI-driven credit
- Smart credit scoring



50

GHL/NTT DATA

- Acquiring institution license
- POS acquiring, payment processing
- Southeast Asia regional



51

Razer/Fiuu

- Payment processor
- Gaming payment specialist
- Game top-ups, virtual currency



52

PDAX

- BSP VASP license
- Leading crypto exchange
- Cryptocurrency trading



53

JuanCash

- BSP EMI (ceased)
- Operations ceased
- Former: mobile wallet

4.3 Core Payment Institution Analysis

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VII. Innovative Fintech (13)



54

TendoPay

- Acquired
- Acquired by Tonik
- Former: BNPL services



55

Atome

- BNPL service provider
- Installment payments
- 9 Southeast Asian countries



56

POSIBLE

- POS service provider
- Community POS network
- Retail POS solutions



57

Toktokwallet

- BSP EMI
- Super app wallet
- Comprehensive payment services



58

SpeedyPay

- BSP EMI
- Hybrid model EMI
- Online and offline payments

Market Insights

These 60 institutions represent the core forces of the Philippine payment ecosystem:

- GCash continues to dominate the e-wallet market
- International payment giants (PayPal, Alipay, Wise, etc.) are deepening market penetration through localization strategies
- Traditional remittance companies (I-Remit, Cebuana Lhuillier, LBC) are actively pursuing digital transformation
- Innovative business models like BNPL (BillEase, Atome) and open banking (Brankas) are rapidly developing
- Multiple companies hold both EMI and OPS dual licenses, with business boundaries becoming increasingly blurred

4.4 Technology Innovation and Infrastructure

QR Ph Unified Payment Standard

QR Ph, fully deployed on June 30, 2023, enables interoperability between different payment platforms, allowing merchants to accept payments from all platforms with a single QR code. Maya holds a 45% share in P2M transactions, while the Paleng-QR Ph Plus project covers 151 local government units, successfully extending electronic payments to traditional markets.

InstaPay and PESONet Dual-Layer Clearing System

InstaPay handles small real-time transfers (capped at ₱50,000) with transaction volume growing 67.8% in 2024; PESONet handles large batch settlements, adding a third batch settlement window in July 2024. The two systems have 120+ participating institutions, building the Philippines' 24/7 payment network.

National Digital Identity Infrastructure

The PhilID system has registered 86.7 million people (77% of population), issued 50.8 million physical cards, and when integrated with financial institution KYC systems, reduces account opening time from days to 15 minutes. The eGovPH platform integrates online services from 273 government agencies, supporting one-stop fee payment directly connected to GCash and Maya.

Island Financial Network Innovation

Addressing the geographical challenges of 7,641 islands, UnionBank's Project i2i connects 35 rural banks via blockchain, GCash deploys 63,000+ agent points covering 99% of cities and 96% of towns, and USSD/SMS offline payment technology ensures transactions can be completed even without network connectivity.

Open Finance PH Open Banking Framework

The 18-month pilot project launched in 2024 involves 10 major banks, establishing standardized API specifications and third-party service provider certification systems. Applications including account aggregation, smart credit scoring, and direct enterprise financial system integration have been realized, with full mandatory implementation planned for 2026.

05 / Regulatory Development and Compliance Framework

5.1 License Types

License Type	Minimum Capital	Core Business	Key Restrictions
EMI (Electronic Money)	₱10 million (~\$180,000)	E-wallet, P2P transfers, remittance	Requires 100% reserves, cannot lend
OPS (Payment Operations)	₱10 million (~\$180,000)	Payment gateway, acquiring, tech services	Cannot hold customer funds
Remittance License	₱100 million (~\$1.8 million)	Cross-border remittance, forex exchange	Requires physical outlets, strict reporting

5.2 KYC Tiers and Operational Restrictions

Three-Tier KYC System (Including Transaction Limits)

Level 1 - Basic KYC (90% of users)

- **Requirements:** Mobile number + name, birthdate, address
- **Single transaction limit:** ₱50,000 (~\$900)
- **Monthly limit:** ₱100,000 (~\$1,800)
- **Suitable for:** Daily consumption, small transfers


Level 2 - Intermediate KYC

- **Requirements:** ID + facial recognition + income source
- **Single transaction limit:** ₱50,000 (~\$900)
- **Monthly limit:** ₱500,000 (~\$9,000)
- **Suitable for:** Merchant collections, active users

Level 3 - Full KYC

- **Requirements:** Video verification + wealth source proof
- **Single/monthly limit:** Unlimited (large transactions must be reported)
- **Suitable for:** Corporate accounts, high net worth customers


Required Payment Infrastructure Integration



QR Ph

Mandatory


Unified QR code standard, covering 6M+ merchants, integration cost ~\$50,000



InstaPay

Recommended

Real-time transfer network, 120+ member institutions, annual fee ~\$20,000



PESONet

Optional

Batch settlement system, suitable for B2B large payments

Other Operational Requirements

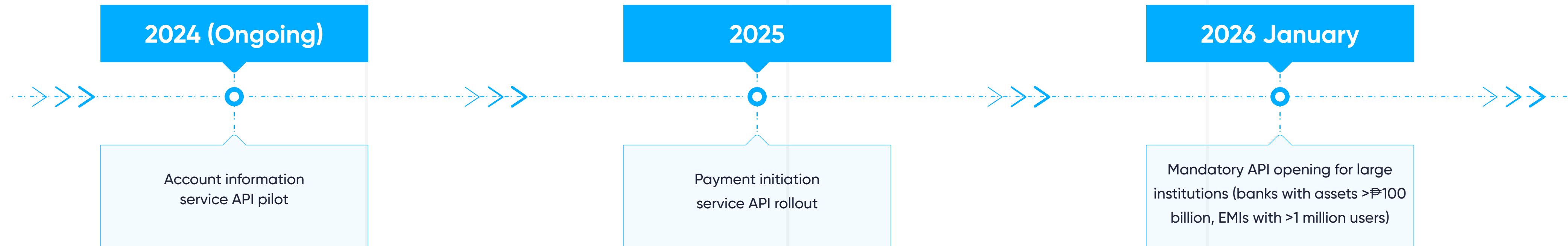
12% digital services value-added tax (implemented October 2024)

5.3 Key Compliance Requirements

Core Compliance Items

Compliance Item	Specific Requirements	Violation Consequences
Suspicious Transaction Reporting	Report to BSP within 24 hours for amounts above ₱500,000	Maximum ₱10 million fine + license revocation
Customer Fund Protection	100% reserves + segregated accounts	Criminal liability + full compensation
Data Localization	Transaction data must be stored within Philippines	₱1 million fine per violation
Cross-border Transactions	Comply with FATF travel rule (from \$1,000)	International sanction risks

Open Banking Roadmap



Strategic Opportunity:

After full Open Banking implementation in 2026, third-party service providers can directly integrate with major platforms' open APIs. It's advisable to prepare technical integration capabilities in advance.

06 / Key Milestones and Policy Developments

6.1 Financial Inclusion Progress

The Bangko Sentral ng Pilipinas (BSP) has achieved significant milestones in advancing financial inclusion. As of Q2 2022, the number of adult bank accounts reached 47.6 million, with the unbanked population decreasing to 31.3 million, demonstrating continued improvement in financial coverage. The rapid development of digital payment infrastructure has been particularly notable, with the QR Ph system reaching ₱32.7 billion in transaction value in Q1 2023, a year-on-year increase of 159.8% and quarter-on-quarter growth of 22.8%, reflecting explosive growth that demonstrates strong market demand for unified payment standards.

To enhance national financial literacy, BSP launched the Pinansiyal na Talino at Kaalaman (PiTaKa) campaign, a financial education program specifically targeting Overseas Filipino Workers, aimed at helping this crucial demographic that generates nearly \$40 billion in annual remittances better manage and utilize digital financial services. Meanwhile, the rollout of the national digital identity system PhilID is accelerating, with 86.7 million people registered (77% of total population) and 50.8 million physical cards issued. This infrastructure, when integrated with financial insti-

tutions' KYC systems, reduces account opening time from days to 15 minutes, greatly improving financial service accessibility.

In terms of institutional cooperation, the collaboration between Traxion and LAND-BANK exemplifies traditional banks working with fintech companies, integrating digital banking expertise with traditional banking service networks to provide broader financial service coverage for both rural and urban areas.

6.2 Central Bank Digital Currency Pilot

The BSP's launch of Project Agila in 2022 marks an important step in the country's exploration of Central Bank Digital Currency (CBDC). This pilot project focuses on wholesale CBDC applications, aiming to understand the potential and challenges of digital currency in interbank payments, securities trading, and cross-border payments. The project selected Hyperledger Fabric as the underlying blockchain technology, reflecting regulatory authorities' emphasis on security and controllability.

The participating institutions form an impressive lineup, including BDO Unibank, Bank of China Manila Branch, Land Bank, Rizal Commercial Banking, Union Bank, and Maya Philippines, among other major financial institutions. These participants represent different perspectives from traditional and digital banks, and their practical experience will provide valuable reference for future CBDC design and implementation. While Project Agila remains in the experimental phase, it lays an important foundation for the Philippines to maintain competitiveness in the digital currency era.

6.3 Internet Transactions Act Implementation

The Internet Transactions Act (ITA), signed into law on December 5, 2023, represents milestone legislation for Philippine digital economy development. The act not only aims to promote e-commerce transactions and encourage innovation but more importantly establishes a legal framework for protecting consumer rights and data privacy. A key feature of the ITA is its extraterritorial jurisdiction clause, which requires any entity targeting the Philippine market, regardless of where registered, to comply with Philippine law, providing legal basis for cross-border e-commerce regulation.

Under the ITA provisions, the newly established E-Commerce Bureau will be respon-

sible for implementation, policy formulation, compliance supervision, and law enforcement. All electronic marketplaces, digital platforms, e-commerce, and online merchants must ensure transaction transparency, protect user data privacy, and comply with relevant laws and regulations. For dispute resolution, the act requires platforms to establish internal remedy mechanisms, and the Department of Trade and Industry (DTI) must develop an online dispute resolution platform, providing convenient rights protection channels for consumers. Penalties for violating the ITA are severe, with fines up to ₱1 million, providing deterrent force to ensure market participants' compliant operations.

6.4 Government Blockchain Initiative

The eGOVchain project launched by the Department of Information and Communications Technology (DICT) represents the Philippine government's first attempt in blockchain application. Unlike public-facing Web3 applications, eGOVchain focuses on interdepartmental data management and information sharing, using decentralized distributed ledger technology to modernize operations, improve efficiency and transparency, and reduce bureaucratic delays and corruption risks.

The launch of this project reflects the government's recognition of blockchain technology's potential and determination to apply it to public service improvement. By

first applying blockchain technology within government, DICT hopes to accumulate experience and lay the foundation for future application of this technology in broader public service areas. The implementation of eGOVchain is not just a technical upgrade but an important component of the government's digital transformation strategy, marking the Philippines taking substantive steps in building digital government.

6.5 Digital Economy Tax Policy

The 12% digital services value-added tax implemented from October 2024 marks the formal incorporation of the Philippine digital economy into the mainstream tax system. This policy implementation has dual significance: on one hand, it increases operating costs for digital service providers, which may be passed on to end users; on the other hand, it also means electronic payments and digital financial services have gained the same legal status and recognition as traditional financial services.

In the cryptocurrency sector, the government has implemented a maximum 15% capital gains tax, bringing regulatory clarity and fiscal discipline to the rapidly growing digital asset market. While tax policies may affect market activity in the short term, in the long run, a clear tax framework helps attract more compliant insti-

tutional investors to enter the market, promoting healthy industry development. The implementation of these tax policies also reflects the government's efforts to strike a balance between promoting innovation and ensuring tax fairness.

07 / Market Opportunities and Challenges

7.1 Market Opportunities

Vast Space for Financial Inclusion

The Philippine financial services market still has enormous untapped potential. Currently, approximately 34.3 million adults (44% of the adult population) lack bank accounts, and more notably, 76% of the population either lacks bank accounts or is severely underserved by financial services. In rural areas, this situation is particularly pronounced, with about 70% of savings still kept in cash at home, not only increasing security risks but also limiting effective fund utilization. This status quo provides broad market space for fintech companies, particularly in providing basic financial services, micro-savings, and insurance products.

SME Digital Transformation Demand

The Philippines has 999,000 micro, small, and medium enterprises, accounting for 99.52% of total enterprises, but only 10% have achieved advanced digitalization. More prominently, B2B payment digitalization is only at 2%, with the vast majority of businesses still relying on cash and checks for transactions. This inefficient payment method not only increases transaction costs but also constrains business develop-

ment speed. With the rapid development of e-commerce and the rise of social commerce, small merchants on platforms like Facebook and Instagram urgently need convenient collection methods. This significant gap between demand and supply creates considerable growth opportunities for payment service providers.

Cross-border Remittance Market Transformation Opportunities

Cross-border remittance is a crucial pillar of the Philippine economy, with total remittances reaching \$38.34 billion in 2024, accounting for 8.3% of GDP. Currently, 75% of remittances have been digitalized, but there remains room for optimization. Traditional remittance methods cost up to 4.5% and take 3-5 days to arrive, while digital remittances can reduce costs to 1-2% and achieve delivery within minutes. The 1.83 million Overseas Filipino Workers (OFWs) form a stable and continuously growing customer base with strong demand for cheaper, faster remittance services. With the maturation of stablecoins and blockchain technology, the cross-border payment sector is undergoing profound transformation, providing opportunities for innovative fintech companies to leapfrog traditional players.

7.2 Major Challenges

Infrastructure Limitations

Although the Philippines has an internet penetration rate of 83.8% and smartphone penetration of 65.75%, infrastructure issues remain significant constraints on digital financial development. Rural areas lack adequate network coverage, with many remote islands having no stable mobile signal. Feature phones still maintain considerable market share among low-income groups, limiting the promotion of advanced financial services. Additionally, frequent typhoons and natural disasters cause unstable power supply, severely affecting digital service continuity. These infrastructure challenges require fintech companies to consider offline functionality and low-bandwidth adaptation in product design, increasing development and operational complexity.

Regulatory Compliance Pressure

The Philippine regulatory environment is rapidly evolving, bringing both benefits of standardization and increased compliance costs. The 12% digital services value-added tax starting October 2024 directly increases operating costs, while increasingly strict anti-money laundering and KYC requirements necessitate significant resource investment in compliance systems. Cross-departmental regulatory coordination needs improvement, as companies may need to simultaneously meet requirements from multiple regulatory agencies like BSP, SEC, and NTC, adding com-

plexity and uncertainty to compliance. For overseas institutions, understanding and adapting to the Philippines' unique regulatory framework requires time and accumulated professional knowledge.

Market Competition Landscape Challenges

The current market structure exhibits high concentration characteristics, with GCash holding a monopolistic position. Its massive user base and extensive merchant network create powerful network effects, making it difficult for new entrants to challenge its position. As the market gradually saturates, customer acquisition costs continue to rise, while severe product homogenization makes differentiated competition difficult. The entry of international giants like PayPal, Alipay, and Grab further intensifies competition. In this environment, new entrants need to find niche markets or innovative service models to secure survival space.

Security and Trust Challenges

The rise of cybercrime and financial fraud threats is eroding user trust in digital financial services. The development of deepfake technology presents unprecedented challenges to identity verification, potentially making traditional KYC methods unreliable. Meanwhile, user demands for data privacy protection are increasing, requiring companies to balance convenience and security. Interoperability issues between systems also affect user experience, with barriers still existing for transfers between different platforms. These technical and trust challenges require companies to continuously invest resources in security upgrades and user education.

08 / Future Outlook

8.1 Digital Currency and Payment Convergence Trends

The Philippine payment market is experiencing deep convergence between digital currencies and traditional payment systems. The mainstreaming of stablecoins is particularly notable, with local peso-pegged stablecoins like PHPC, PHMU, and PHX moving from experimental phases to large-scale commercial deployment, driving innovation in daily payment scenarios. These stablecoins excel not only in reducing cross-border remittance costs but also in finding unique applications in gaming payments, e-commerce settlements, and other areas. Meanwhile, the Project Agila pilot project paves the way for future implementation of wholesale CBDCs, signaling the Philippines' ambitions in digital currency innovation.

Cross-chain interoperability is becoming a key direction for technological development. As the value island effect of different blockchain networks becomes increasingly apparent, market demand for cross-chain value transfer is growing rapidly. DeFi applications are also beginning to take root in the Philippines, with decentral-

ized financial services like lending and savings moving from concept to practice, providing new options for populations underserved by traditional financial services. This technological convergence is not simple addition but creates entirely new financial service models and user experiences.

8.2 Evolution of the Regulatory Environment

The improvement of the regulatory framework will be a major theme for Philippine fintech development over the next two years. VASP license applications are expected to reopen in September 2025, but the anticipated stricter requirements reflect regulatory authorities' efforts to balance innovation promotion with risk prevention. SEC's digital asset securities rules are expected to be released soon, providing legal basis for security tokens and asset tokenization. The tax system is also gradually improving, with the 15% cryptocurrency capital gains tax already implemented. While this clear tax framework increases transaction costs, it also provides certainty for institutional investors to enter the market.

The cross-border payment regulatory framework is expected to be established by 2026, laying the foundation for the Philippines' participation in regional financial integration. The evolution of regulation is not simply tightening or loosening but moving toward more refined and differentiated approaches, with different types of financial services facing different regulatory requirements. This regulatory specialization contributes to healthy industry development.

8.3 Prospects for Stablecoins in Cross-border Payments

Stablecoins are reshaping the Philippines' cross-border payment landscape. Project Nexus, expected to go live in 2026, will connect the Philippines to a regional payment network including Singapore, Malaysia, Thailand, and India, with stablecoins expected to play an important role in this network. Currently, stablecoin remittance costs are only 1-2%, far below the traditional 4.5%, and can achieve real-time settlement with 24/7 service. These advantages are attracting increasing user adoption.

In specific application scenarios, the OFW remittance market is the most direct ben-

eficiary. The 1.83 million overseas Filipino workers generate \$38.3 billion in annual remittances and have urgent demand for low-cost, high-efficiency remittance services. B2B trade settlement is another important area, particularly for trade with countries having weak traditional banking services, where stablecoins provide a reliable alternative. The rapid development of cross-border e-commerce also creates application scenarios for stablecoins, with platforms like Lazada and Shopee requiring more flexible payment solutions for cross-border transactions. Additionally, with the recovery of Philippine tourism, payment demands from tourists from China, South Korea, and other countries also provide opportunities for stablecoin applications.

8.4 Key Directions for Fintech Innovation

In the coming years, Philippine fintech innovation will focus on several key areas. Embedded finance is rapidly expanding at a 47.2% annual growth rate, with market size expected to reach \$1.94 billion in 2024. This model of seamlessly integrating financial services into non-financial platforms is changing how consumers access financial services. Whether it's installment payments on e-commerce platforms,

insurance services in ride-hailing apps, or transfer functions in social media, embedded finance is making financial services ubiquitous.

The advancement of the Open Finance PH pilot project will drive API economy development. As banks and large financial institutions are required to open their APIs, third-party developers will be able to build innovative financial applications, breaking existing market monopolies and creating opportunities for small and medium-sized fintech companies. The application of artificial intelligence in financial services will also accelerate, with the NAISR 2.0 strategy promoting AI applications in risk assessment, customer service, fraud prevention, and other areas.

Regulatory Technology (RegTech) and Supervisory Technology (SupTech) will become new growth points. With increasingly complex regulatory requirements, platforms like ASTERisC are helping financial institutions improve compliance efficiency and reduce compliance costs. Green finance is also beginning to receive attention, with sustainable development goals driving financial innovation toward more environmentally friendly and socially responsible directions. These innovation directions are not isolated but interwoven and mutually reinforcing, collectively shaping the future landscape of Philippine fintech.

About This Report

The "SEA Crypto & Payment Ecosystem Report – Philippines 2025" is jointly published by PlatON and TOPOS, providing comprehensive analysis of the Philippines' digital currency and payment market regulatory landscape and licensed institution ecosystem.

The report is based on in-depth research of 335 fintech companies, 60 core payment institutions, 17 BSP VASP licensed institutions, and 24 CEZA offshore license holders.

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Thank You

If we've missed you out in our Fintech Map or if you'd like to speak to us, kindly reach out to:

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