

## Financial inclusion and the role of mobile banking in Colombia: developments and potential

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### Abstract

Colombia has a low level of financial depth. Efforts have been made by governments and the private sector in recent years to encourage the development of models which might provide enhanced access to financial services. These financial inclusion plans are based on creating access channels that can reduce high transaction costs for agents. They use the high level of coverage available through mobile telephony, the gradual development of banking correspondents and regulatory modifications to provide easier access to financial services. Against this background, this work has a twofold objective: first, to analyse recent experiences in the regulatory field with respect to mobile banking in Colombia; and second, to explore the potential for greater development of these programs. The work uses microdata analysis for Colombia to confirm the gradual progress being made in the country, identifying the huge possibilities for promoting an even greater level of financial inclusion.

Keywords: Mobile Banking, Financial Inclusion, Colombia.

JEL: G21, O16.