

Sanjay Malhotra: Opening remarks - "High-level dialogue on forging economic resilience through digital public platforms"

Opening remarks by Mr Sanjay Malhotra, Governor of the Reserve Bank of India, at the "High-level dialogue on forging economic resilience through Digital Public Platforms", Washington DC, 14 October 2025.

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It is a pleasure to welcome all of you to this High-Level Dialogue on Forging Economic Resilience through Digital Public Platforms (DPPs).

Thank you for accepting our invitation to be a part of this dialogue. As key decision makers of your esteemed institutions, entrusted with safeguarding the economic health and resilience of your respective economies, your presence amidst us today adds great value to this occasion.

I expect an enriching and fruitful discussion on today's topic. It is of critical importance, as it has the potential to significantly enhance the economic well-being of our people.

India is an excellent example of how digital public platforms (DPPs) can impart tangible economic benefits and materially improve the lives of our citizens.

I. Digital Public Platforms

During India's G20 Presidency, Digital Public Platforms were formally defined as a set of shared digital systems built upon minimal, modular digital building blocks that can be utilized by governments, businesses, academia, and civil society to facilitate society-wide development.¹

These platforms comprise open, secure, and interoperable systems that enable access to public and private services. Digital Identity, Payments, and Data Exchange form its foundational building blocks.

The G20 also established a comprehensive framework of guiding principles which underpin development and implementation of such platforms including, inclusivity to ensure universal access, interoperability for seamless system integration, scalability for large-scale deployment, security and privacy protection.

II. Why Digital Public Platforms matter for central bankers – Economic Resilience as the driving force

Digital Public Platforms are of immense importance for Central Banks.

Central Banks not only serve as the ultimate guardians of economic resilience. They in many countries, are also responsible for enhancing financial inclusion and for operating and regulating critical payment and settlement infrastructure that form the backbone of modern economies.

Digital Public Platforms are an effective tool for achieving these objectives. They collectively lower barriers to inclusion and facilitate access to financial services. As a result, globally, around 865 million individuals opened their first account with financial institutions enabling quicker and hassle-free receipt of governmental grants and subvention².

Development of fast payments systems (FPS) aligns with key public policy objectives, including creation of safe and efficient payment systems for everyone, reducing cash dependence, and supporting digitalisation. FPS continue to grow in both number and usage, having been established in more than 70 jurisdictions across the world.

III. India as a case study in inclusive, secure, and scalable DPPs

India's Digital Public Platforms constitute a well-structured, multi-layered system of interconnected digital building blocks including digital identity through Aadhaar, instant payment systems via the Unified Payments Interface (UPI), and secure data sharing through the Data Empowerment and Protection Architecture (DEPA).

For us, the guiding principle has been to build such platforms in the public sector as a public good with suitable guardrails, and without a profit motive. Public and private sector entities can then leverage on these platforms to quickly develop applications across credit, health, social protection, agriculture, and several other domains.

While the public sector establishes the foundational infrastructure layer, the success of Digital Public Platforms is bolstered by active private sector participation. Private sector engagement drives innovation and enhances competition, thereby elevating service quality and user experience.

Further, the private sector plays a vital role in innovating and nurturing vibrant developer communities and expanding digital markets. All of these contribute to the maturity of the ecosystem around the DPPs while maintaining the core principles of accessibility, inclusivity, and public benefit.

This approach has resulted in significant positive externalities for growth and development of digital payment systems in India. I will highlight a few initiatives taken by India to build such platforms.

I will start with Aadhaar, the unique identity platform. It is the very basic fundamental block for any digitalisation effort in a country. Aadhaar today has over 1.3 billion users. Using this identify platform, over 566 million bank accounts have been opened, 316 million of these belong to women. This has provided a significant fillip to financial inclusion initiatives.

It has also enabled direct benefit transfers (DBT) bypassing cash-based subsidy distribution and crediting subsidies directly into bank accounts. Over 500 billion USD have been transferred directly to beneficiaries, significantly reducing fraud and leakage.

Coming to payments, the Unified Payments Interface or UPI is another critical Digital Public Platform. It has transformed the payments landscape. It enables transfer of payments in real time, efficiently from one account to another across banks.

Around 85% of the digital payment transactions in India today are carried out through UPI. About 20 billion transactions are made using UPI every month, representing value equivalent to over 280 billion USD.

UPI is a powerful catalyst, accelerating financial inclusion. Small vendors and micro enterprises can now accept payments digitally, and build financial history, thereby enabling access to formal credit at much lower costs.

There are other benefits too. A recent research study on the impact of UPI suggests that higher UPI adoption is associated with lower cash demand³. Another study shows that a one percent increase in UPI transaction volumes correlates with a 0.03 percent increase in GDP growth⁴.

Digital payment systems have decreased delivery costs, minimised revenue leakages, and facilitated rapid deployment of emergency relief programmes, particularly during the global COVID-19 pandemic.

IV. International Cooperation

We believe that the benefits of DPPs should be available to the whole world, in the spirit of 'Vasudhaiva Kutumbakam', which means, 'the world is one family'. This was also the theme of India's G20 presidency. We are fully committed to international collaboration around such platforms.

In the spirit of this collaboration, India developed the Modular Open-Source Identity Platform (MOSIP)⁵ for digital identity. This free, secure, and scalable platform allows other countries to build their own national digital ID systems. 27 countries are currently either adopting or considering MOSIP-based systems, to deliver essential services quickly, directly, and seamlessly to their citizens.

For collaboration in digital payments, we have adopted three strategic approaches:

- (i) One, we are linking UPI with fast payment systems of other countries for cross-border remittances. Linkage between India and Singapore (UPI-PayNow) is live. Work is under progress with a few other countries bilaterally as well as multilaterally.
- (ii) Two, we are enabling cross-border merchant (P2M) payments through UPI via QR codes at merchant locations in both offline and e-commerce mode. This is already live in a few countries and work is in progress for enabling merchant payments in a few more countries.
- (iii) Three, we are supporting deployment of UPI-like sovereign payment rails or upgrading existing systems in partner countries using UPI technology stack, while agreement/MoU have been signed for deployment in a few more countries.

These efforts will also promote cross-border trade and payments, while encouraging efficiency, improving customer experience, and reducing cost.

Concluding remarks

To conclude, Digital Public Platforms have proved to be central to inclusive growth in India. Their impact on welfare transfers, democratisation of payments and deepening of financial inclusion has, indeed, been transformative. We are committed to share our model to help countries accelerate digital transformation. I am confident that we can work together to empower our citizens through Digital Public Platforms.

Thank you.

¹ [G20 Framework for systems of Digital Public Infrastructure](#)

² [Digital Public Infrastructure and Development: A World Bank Group Approach; March, 2025](#)

³ [Impact of UPI on Cash Demand – Evidence from National and Subnational Levels, RBI Bulletin, September, 2025](#)

⁴ [Decoding India's UPI phenomenon: A digital revolution with global implications': Observer Research Foundation, September 2024.](#)

⁵ MOSIP is an open-source, not-for-profit platform empowering governments to own and operate secure, scalable, and customizable identity systems.