

Preface

Payment and settlement systems are important infrastructures supporting people's economic and social activities. Economic activities, such as commercial and financial transactions, are based on public confidence that payments and settlements will be executed without failure. In addition, payment and settlement systems play a vital role in carrying out money transfer that does not necessarily fall under economic activities, for example, allowances for family members or donations.

The Bank of Japan, as Japan's central bank, operates the payment and settlement system for financial institutions and other entities. It also oversees the payment and settlement systems operated by the private sector. In fulfilling these responsibilities, the Bank has made efforts to improve Japan's payment and settlement systems while being tuned in to the changing external environment both at home and abroad. These roles played by the Bank, which generally go unnoticed as long as everyday payments and settlements are conducted smoothly, are in fact indispensable for maintaining sound economic and financial activities.

This 2024 issue of the *Payment and Settlement Systems Report* has been compiled based on the Bank's efforts and experiences since 2019, when the previous issue was published. We are hopeful that this report will play a part in enriching our readers' understanding of payment and settlement issues.