



EUROPEAN CENTRAL BANK

EUROSYSTEM

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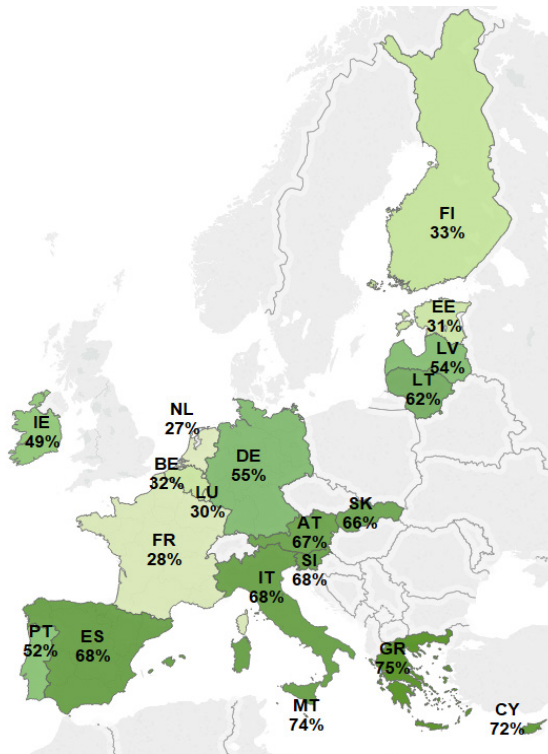
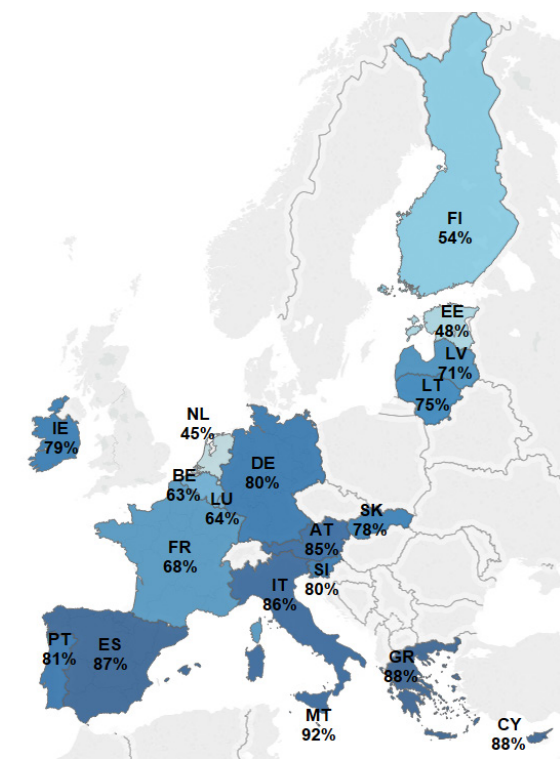
# **A pan-European view on developments in retail payments**

Bank of Finland's Payments Forum  
14 May 2019

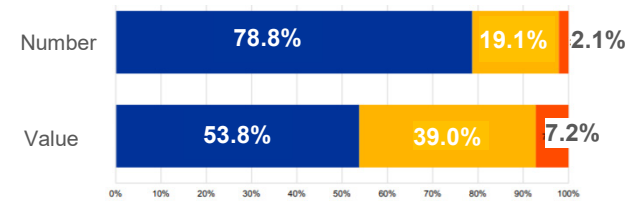
## Share of cash transactions per country at POS

Number of transactions, 2016

Value of transactions, 2016



## Market share of payment instruments at POS



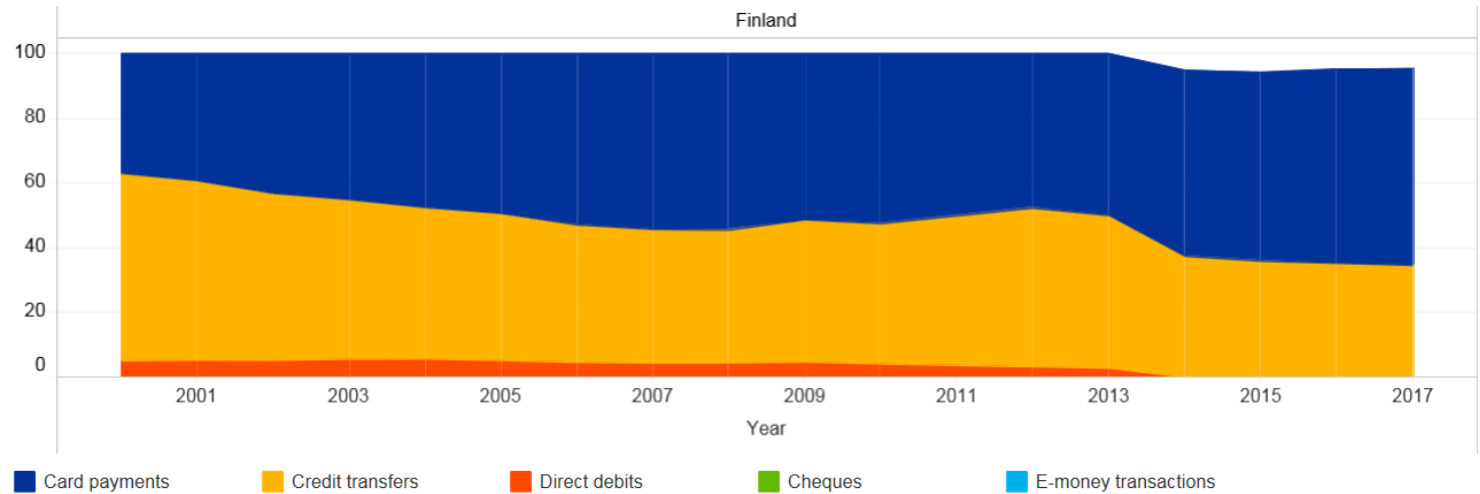
Sources: ECB, Deutsche Bundesbank and De Nederlandsche Bank.  
Notes: Euro area results, adjusted for country size.

■ cash ■ cards ■ other

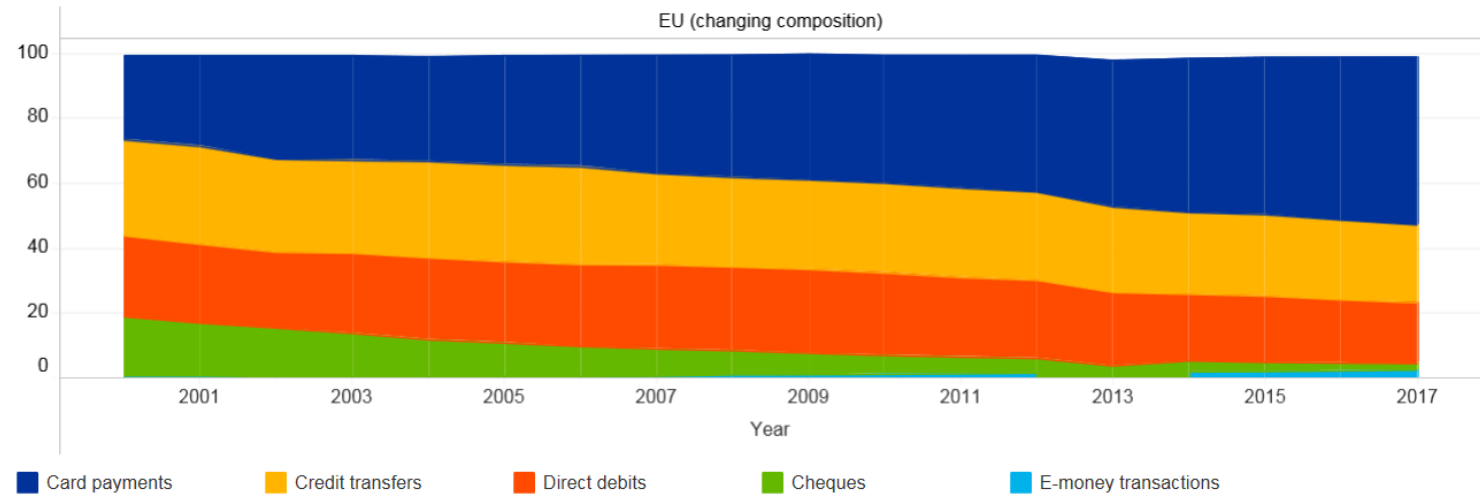
Sources: ECB, Deutsche Bundesbank and De Nederlandsche Bank.



Proportions of number of payments by payment service over time (%)  
Finland



Proportions of number of payments by payment service over time (%)  
EU (changing composition)



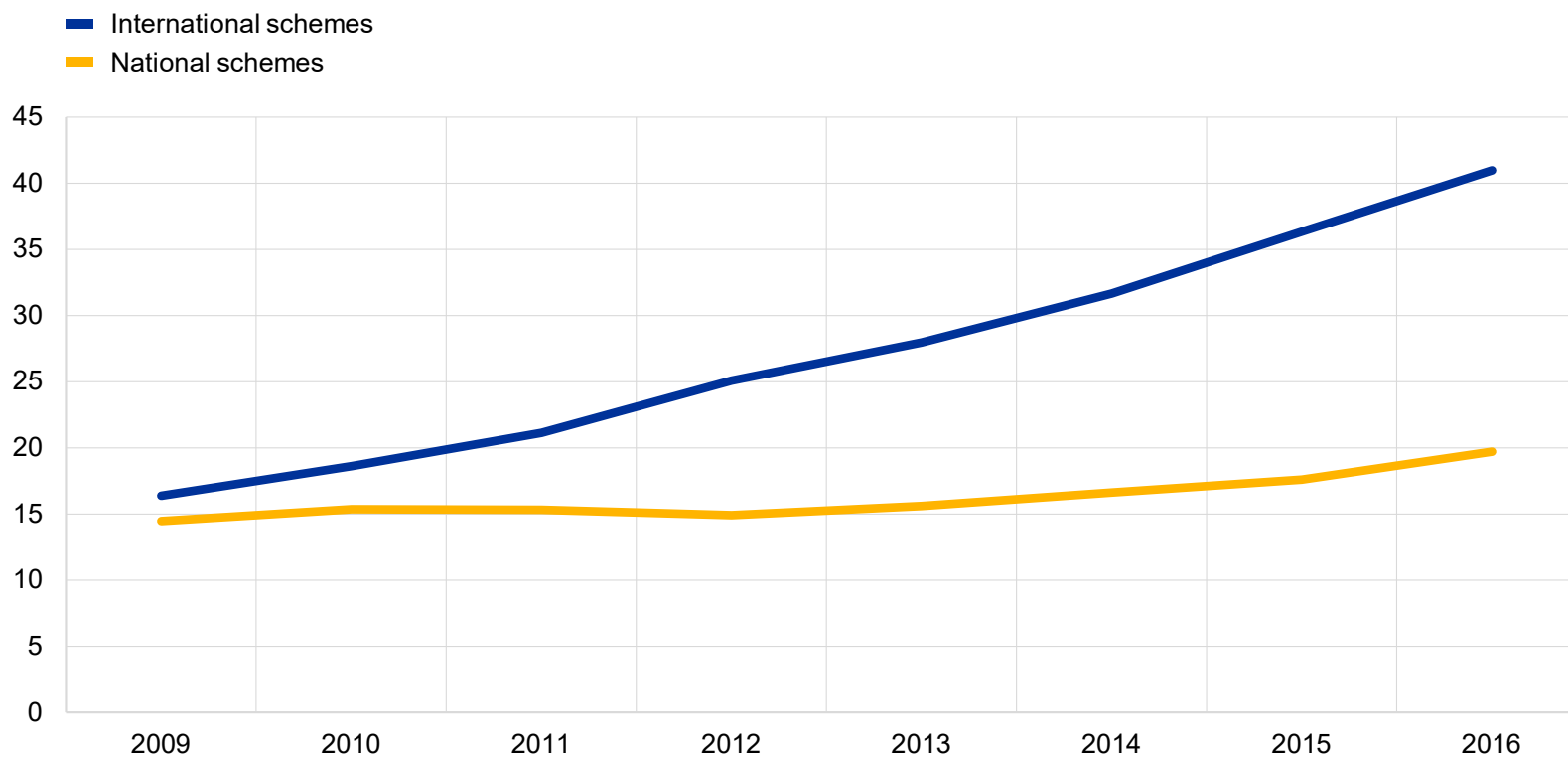
- **Cards** are the most commonly used and the **fastest growing electronic payment instrument** in Europe (52% of all non cash transactions are made with cards)
- **Many innovative solutions** today – in particular for e-commerce – **are based on cards**
- Limited usability of domestic card schemes outside national context
- Cross-border **acceptance** of domestic cards **only possible** due to co-badging with **international card schemes**



**A harmonised, competitive and innovative European cards payment area – i.e. SEPA for cards – has not been achieved yet**

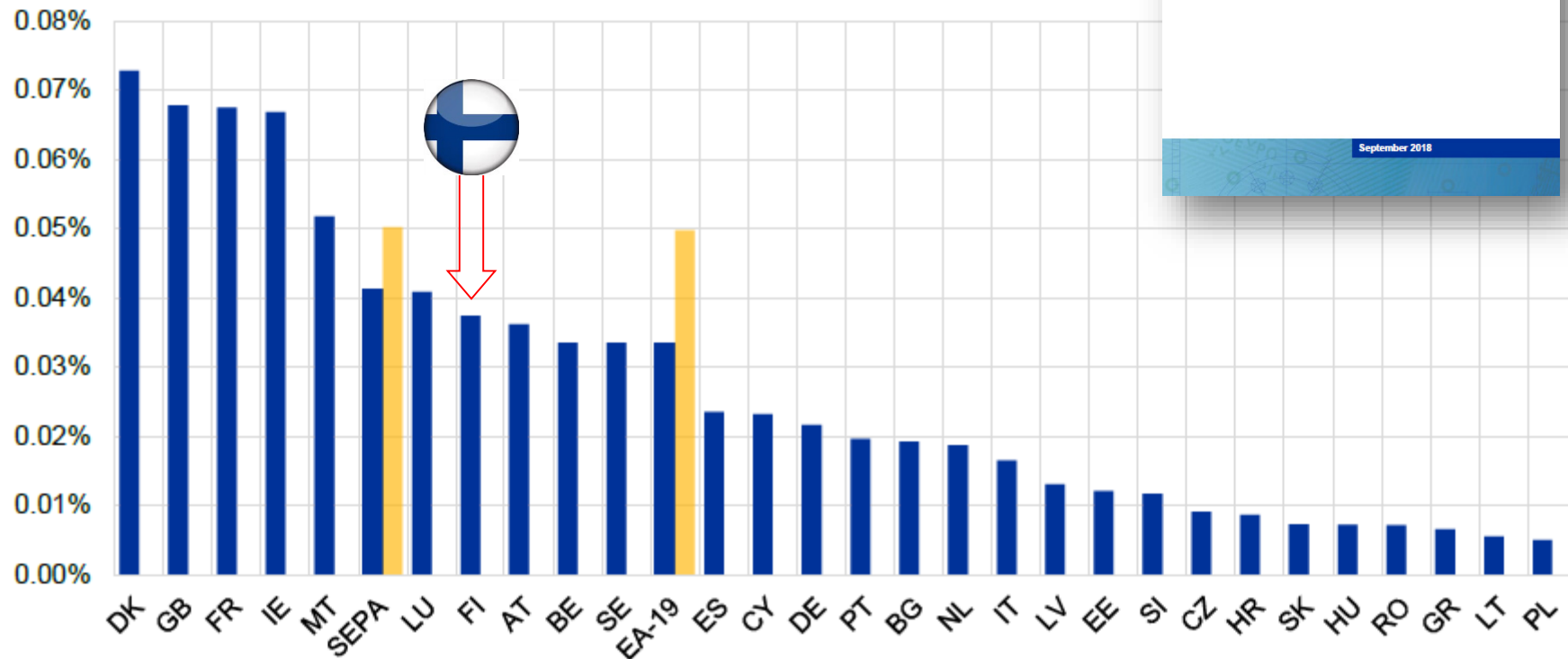
# Comparison between national and international card schemes

Number of transactions made with national and international card schemes on payment cards issued in the EU (in billions)



value of fraud as share of value of transactions

- Fraud share from issuing perspective
- Fraud share from acquiring perspective



Source: All CPSs, 2016.

## The road to pan-European instant payments

### A competitor to cards?



Common scheme  
(SCT Inst)



Pan-European  
Clearing and  
settlement



A harmonised  
approach  
for the end-user



Broad uptake  
across Europe

## ERPB WG on a SEPA API Access scheme

- The PSD2 can be seen as the first step in the direction towards "Open Banking"
- By setting-up the Working Group (WG) on a SEPA API Access Scheme, the ERPB decided to initiate further steps towards open banking by:
  - exploring a scope broader than the PSD2 by including PIS / AIS value-added services and other potential payment-related topics
  - investigating an approach based on the mutual benefits for banks and third-party providers

*The ERPB WG serves as the means to pursue the objective of open banking in the EU via a market coordinated process whereas other countries used regulatory measures.*