

# INSTANT PAYMENTS IMPLEMENTATION IN SPAIN

**Juan Ayuso**

General Director

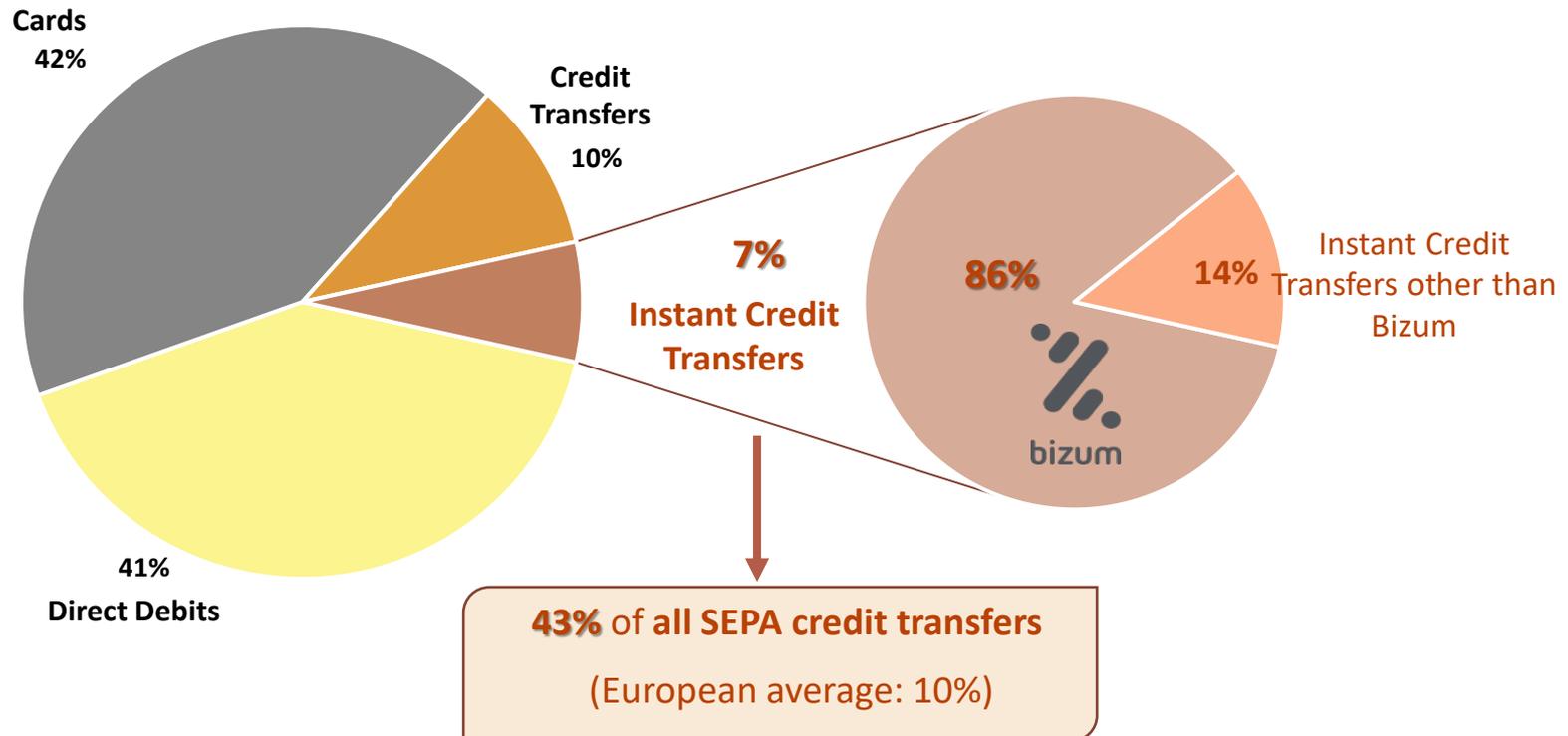
Markets, Operations and Payment Systems

3<sup>RD</sup> EFIP MEETING

9 February 2022



### Use of payment instruments in 2021 (number of transactions)

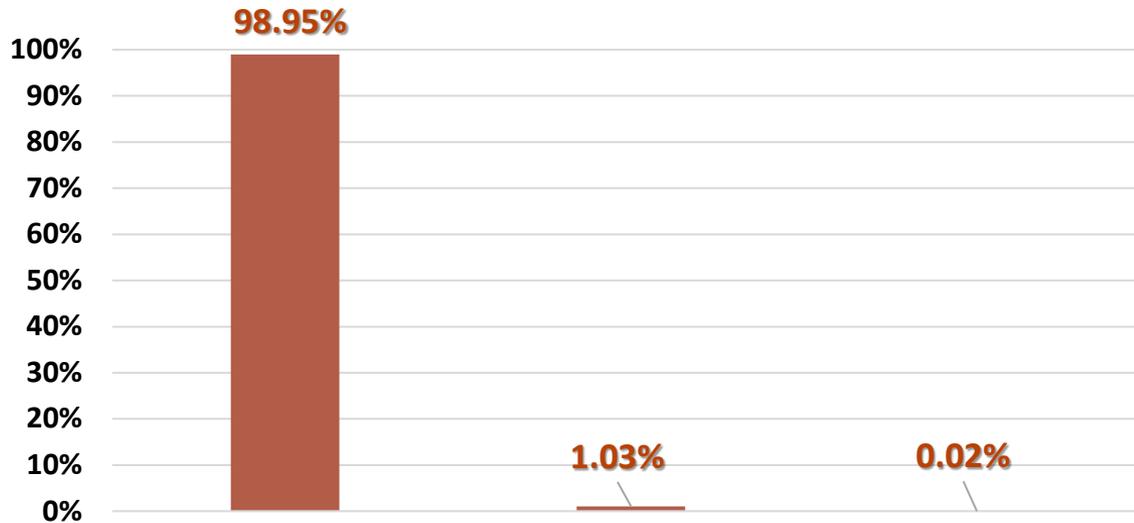




- Value-added service: mobile **phone number as proxy** of the underlying payment account (IBAN)
- Bizum use cases (including Request-to-Pay):
  - ✓ **Send/Request person to person (P2P)**
  - ✓ **Payments at Point of interaction (@POI):**
    - *e-Commerce (C2eR consumer to e-retailer)*
    - *Physical at Point of Sale (C2R consumer to retailer in-store)*
- **Cooperative solution** adopted by a majority of banks in Spain (71)
- Bizum functionalities are integrated within the online websites and mobile Apps of participating banks



## % number of transactions by use case 2021



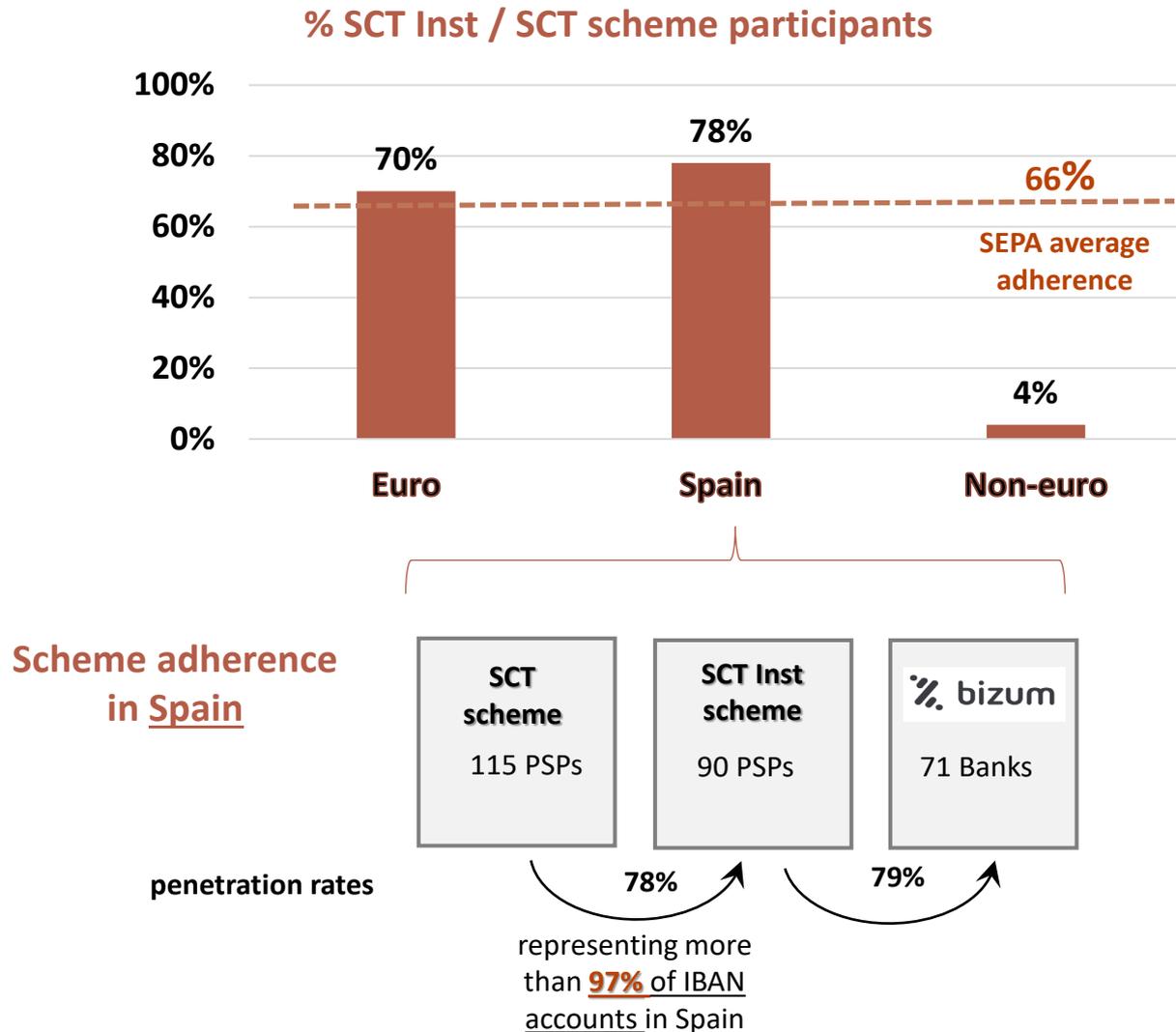
	<b>Bizum P2P</b>	<b>Bizum C2eR</b>	<b>Bizum C2R</b>	<b>Bizum C2R NFC</b>
<b>Launched in:</b>	Oct. 2016	Nov. 2019	2021 Pilot	Roll-out in 2H- <u>2022</u>
	<b>19.2 million users</b> (41% of the population)	<b>+27.000</b> e-Retailers	<b>QR-Code pilot at 11,000</b> physical outlets (State lottery)	<b>NFC solution at POS</b> terminals (Near Field Communications)

	Consumer	Retailer	Banks
<b>P2P</b>	<ul style="list-style-type: none"> <li>✓ Convenience (mobile number vs IBAN)</li> </ul>		<ul style="list-style-type: none"> <li>✓ Bizum competes with cash</li> <li>✓ Limited costs</li> </ul>
<b>Payments @POI (C2eR and C2R)</b>	<ul style="list-style-type: none"> <li>➤ Neutral in terms of convenience vs other instruments (e.g. debit cards)</li> <li>❖ Lower consumer protection (chargeback rights with cards or direct debits)</li> </ul>	<ul style="list-style-type: none"> <li>✓ Instant availability of funds</li> <li>✓ More payment options for consumers</li> <li>❖ Deployment costs</li> <li>❖ No widely accepted brand</li> </ul>	<ul style="list-style-type: none"> <li>✓ Preventing disintermediation</li> <li>❖ Deployment costs</li> <li>❖ Competes with debit cards</li> </ul>

**Thank you for your attention**



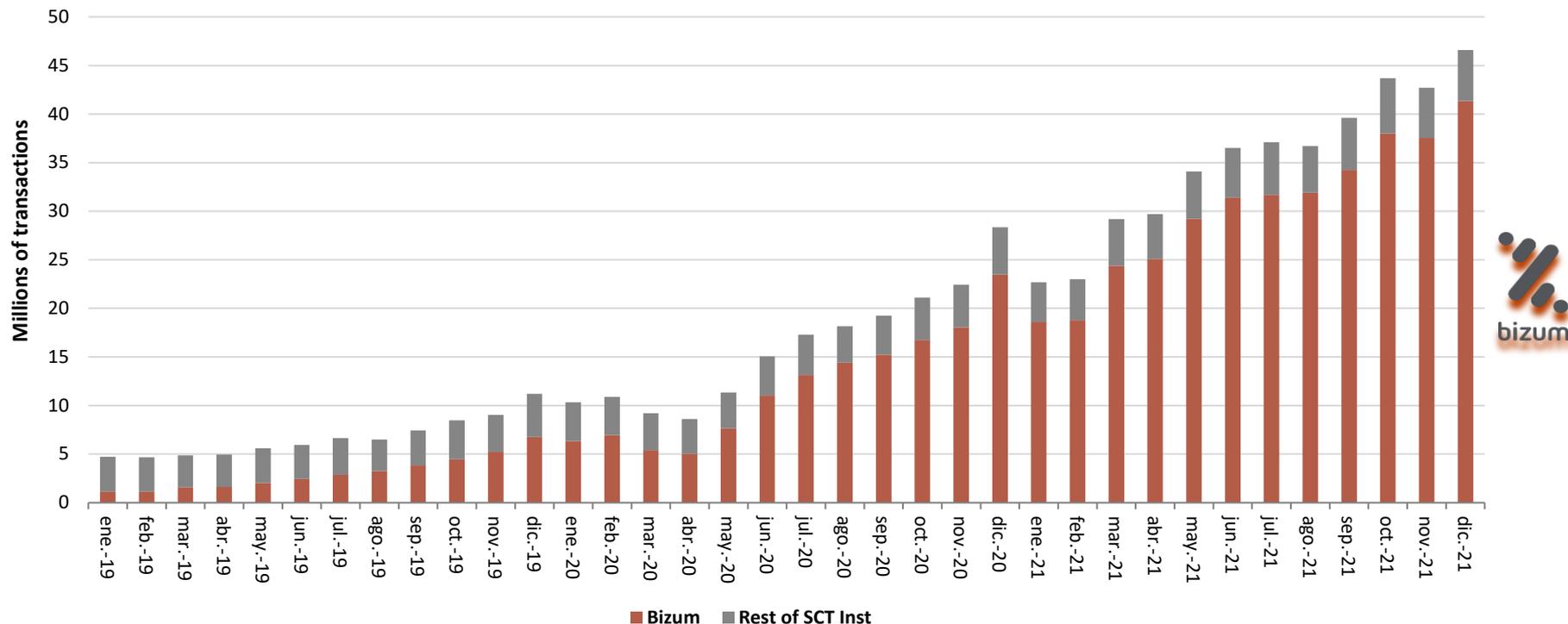
## SCT Inst scheme adherence in Spain versus the Euro Area and SEPA



## Key 2021 Bizum figures:

- 511 millions of transactions (ACH + on-us)
- 51.6 € average per transaction

## Growth of Instant Payments in Spain (\*)



(\*) SCT Inst transactions processed through the Spanish ACH (SNCE)

**DIAGRAM OF THE SERVICE BY LAYERS**

