



# The Lithuanian Payments Market

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## Agenda

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- Payments in Lithuania – an overview
  - Payments in physical locations
  - Online payments
- Lithuanian payments strategy

# Banks and non-bank PSPs are active in Lithuanian payments market

## Banking sector

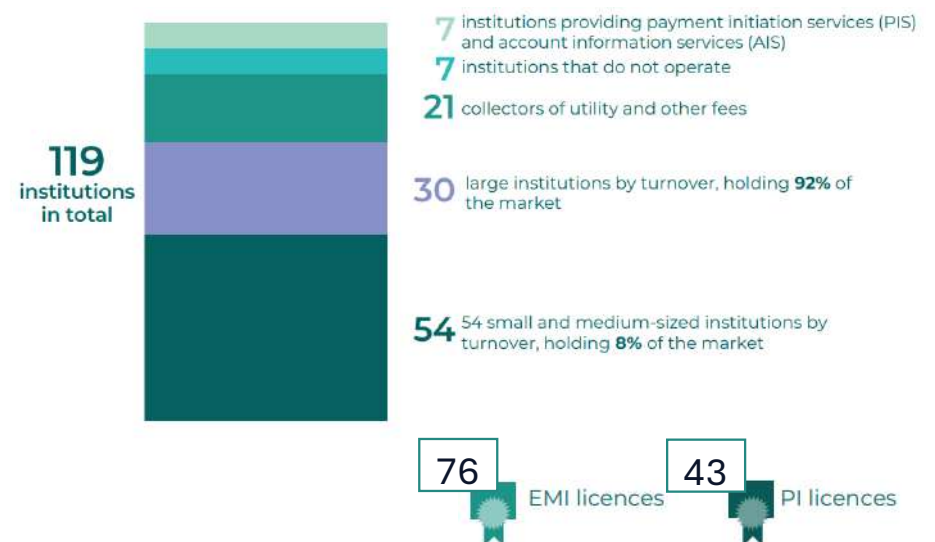


- Half of them are active in payment services.

## 60 credit unions

- Services to their members
- More active in regions

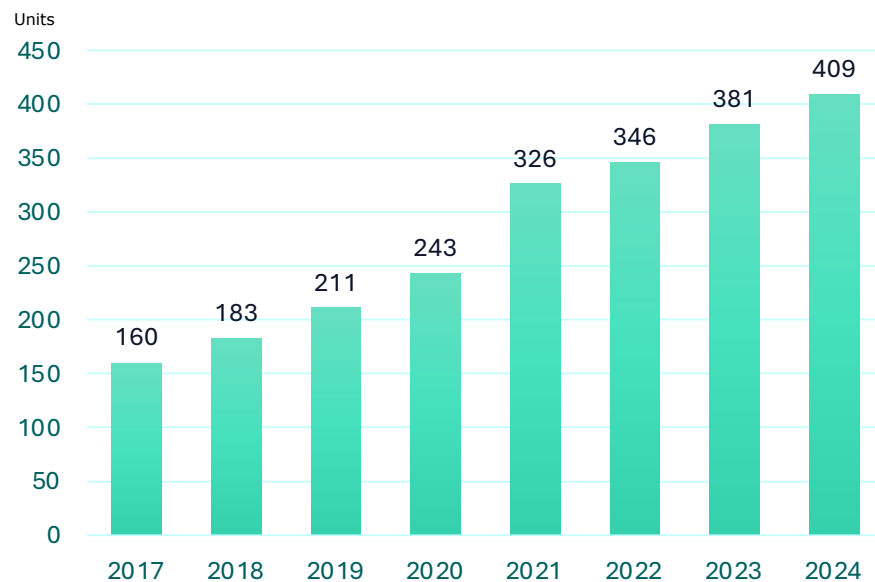
## E-money and payment institutions



## Non-cash payments are growing constantly

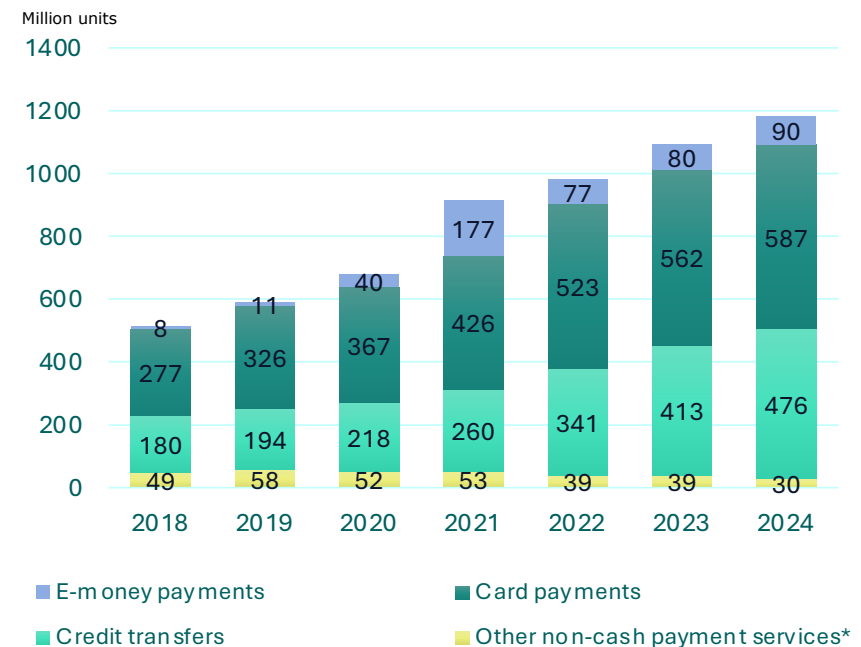
### Card payments and credit transfers prevail

Number of domestic non-cash payments, per capita



Source: Lietuvos bankas.

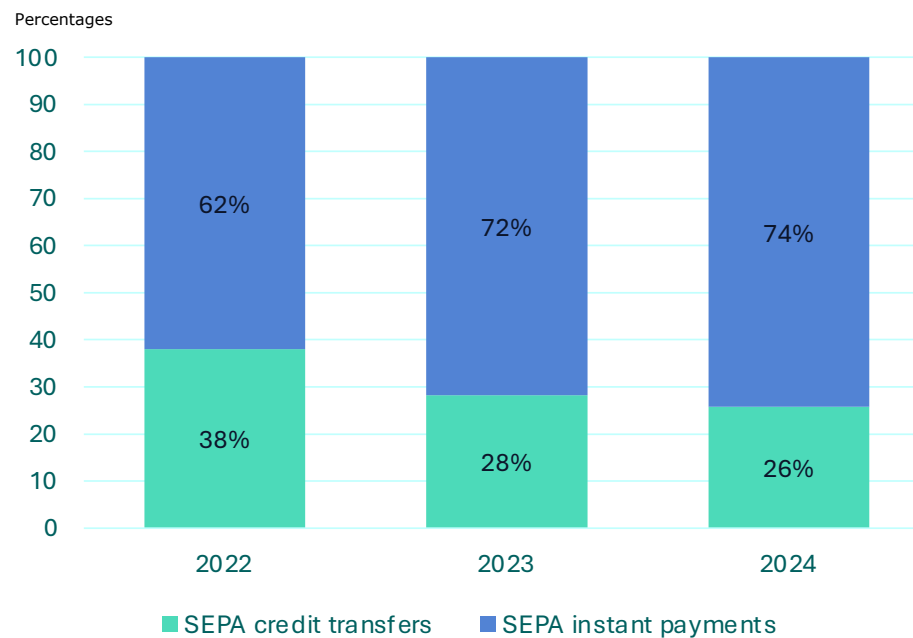
Usage of different payment services (domestic non-cash payment transactions)



Source: Lietuvos bankas.

## Lithuanian PSPs are among leaders in providing instant payments

Domestic interbank credit transfers: regular credit transfers and instant payments

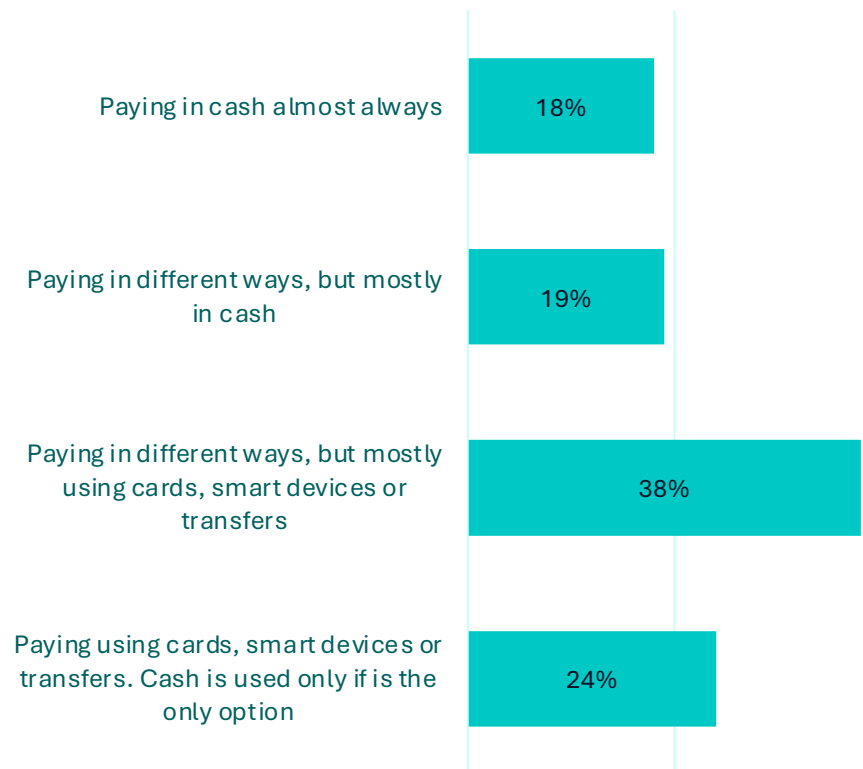


- Instant payments dominate and its share still growing
- All banks and many non-banks offer instant payments service
- Usually, it is offered as a default option

# Payments in physical locations

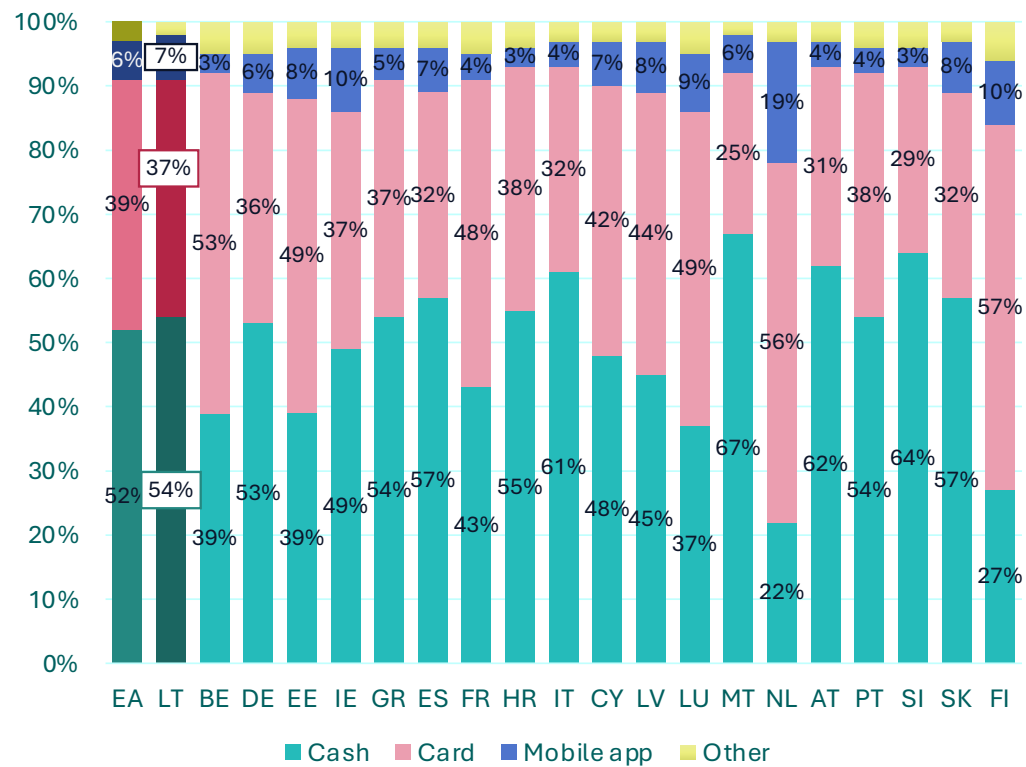
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## People prefer more non-cash payment methods



- Part of people are still exclusively cash-oriented
- More and more people are saying they usually pay with cards or smart devices, make credit transfers

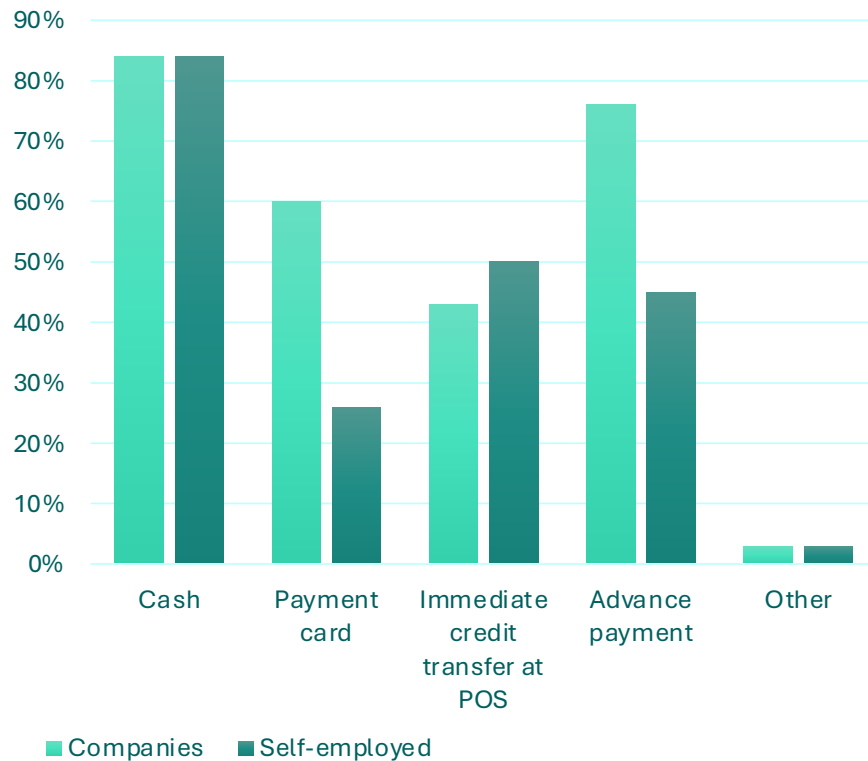
## How do people pay at points of sale?



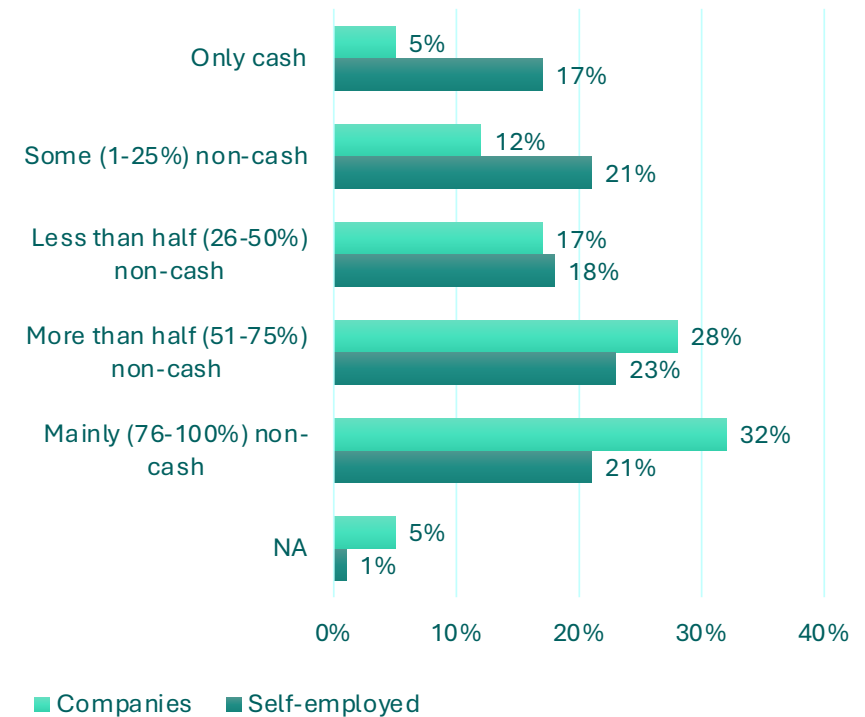
- Cash still dominates
- Share of card payments is growing

## 60% of small businesses and 26% of self-employed accept card payments Transfers at POS are also embraced

Accepted payment methods

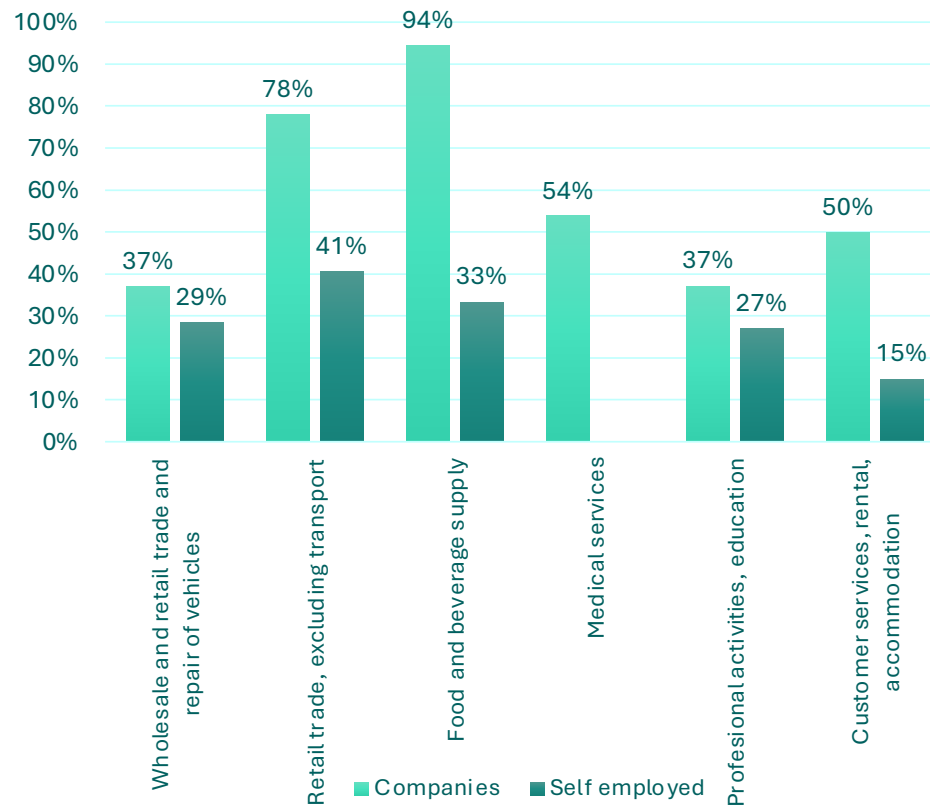


Share of income received with non-cash payment methods



Source: Survey of small businesses (2024).

## Card payments are still not widely accepted in “services” sectors



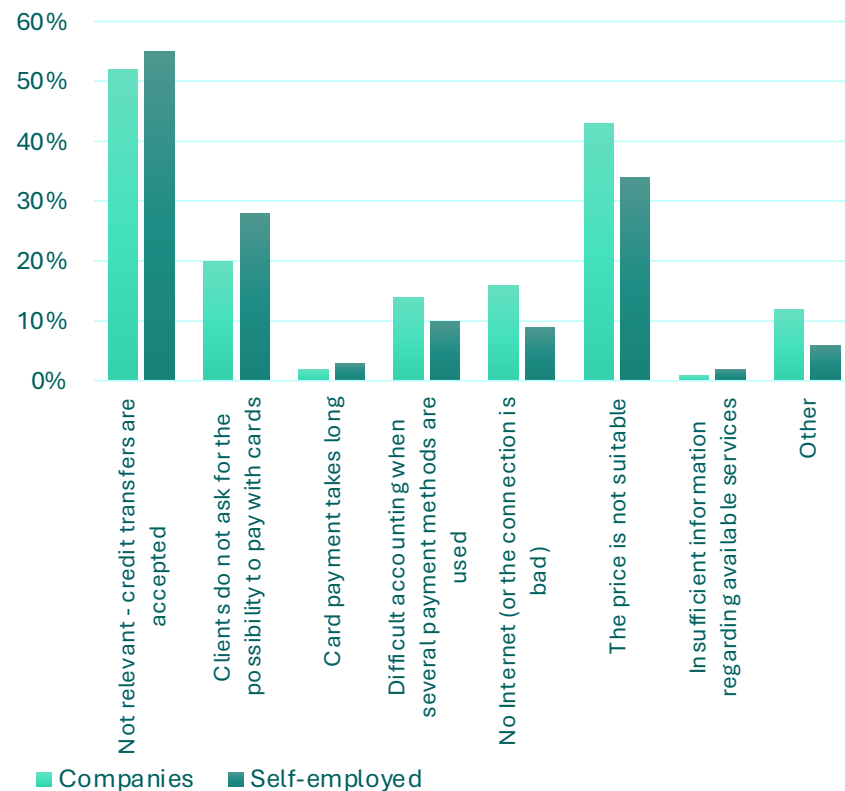
### People miss ability to pay with cards:

- In fairs, bazaars (51%)
- Hairdressing and beauty care places (42%)
- Public transport (24%)

Source: Survey of small businesses (2024).

Source: Survey of payment habits (2024).

## Why do some merchants not accept card payments?



### Factors, encouraging to accept card payments

- More clients requesting to pay with cards
- Attractive pricing
- Possibility to accept payments with smart phone without buying/renting POS terminal

## New payment possibilities

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E-comm like payments at  
restaurants

Money requests

Tips payments at restaurants

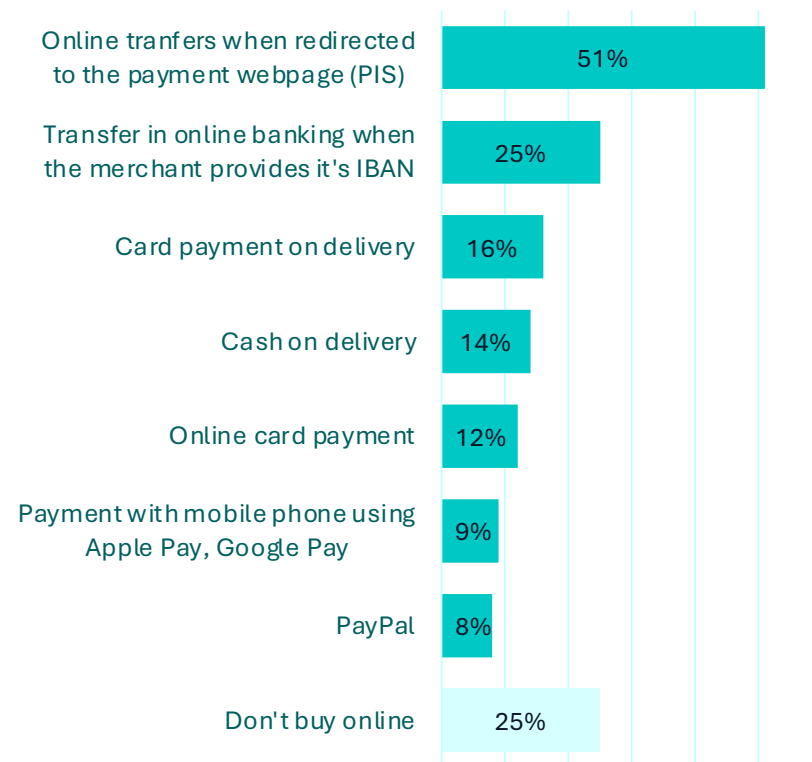
Soft POS terminals

# Online payments

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## People mostly prefer PIS for online payments

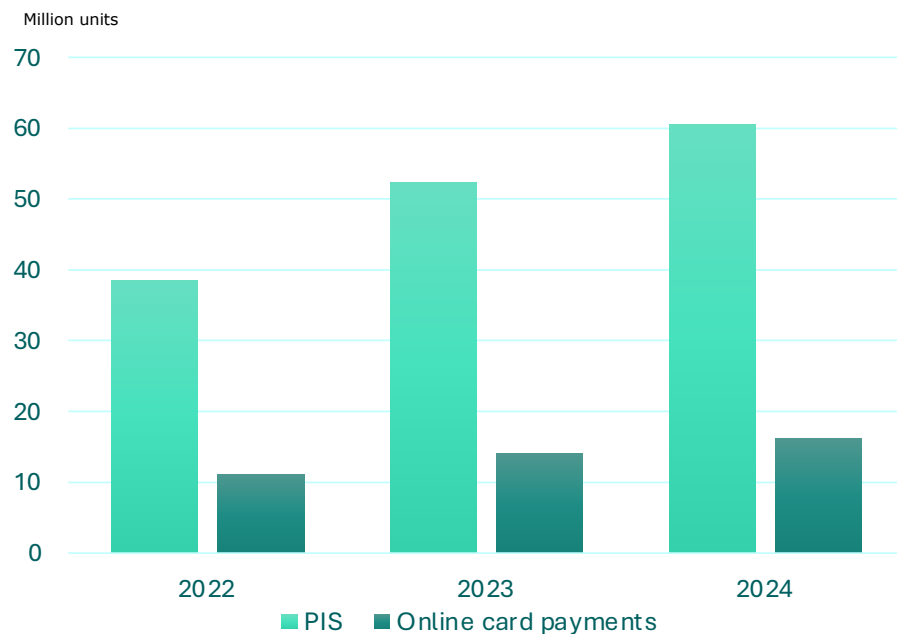
### Preferences when paying online



- Internet banking, mobile apps are preferred in online shopping
- Card payments are not top choice

## PIS payments prevail over online card payments

### Domestic PIS and online card payments



### Why PIS?

- Predecessor – BankLink, solution within one bank, evolved together with e-commerce
- Cards for online payments were not used
- Non-banks stepped in as aggregators
- BankLink replaced with PIS after PSD2

### Used in

- E-commerce
- Payments for utility services
- P2G payments

### Service offered by

- Non-banks
- Banks

# Lithuanian payments strategy

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# Directions and objectives of the Lithuanian payments market strategy up to 2030 proposed by Lietuvos bankas



## Directions



**Enhancing  
the security  
and resilience  
of services**



**Increasing  
the accessibility  
of services**



**Increasing customer  
mobility and  
driving innovation**

## Objectives

- Ensuring the possibility of payments in emergency situations.
- Enhanced payment fraud prevention.

- Ensuring the accessibility of payment services for socially vulnerable groups.
- Ensuring accessibility of cash.
- Increasing the possibility of cashless payments at points of sale.

- Increasing customer mobility (switching the main payment service provider).
- Development of European payment solutions and infrastructure as a basis for innovation.

## New products expected

- **SEPA Request to Pay (SEPA RTP)**

- usage for paying to state institutions
- gradual adaptation for utility payments



- **Proxy**

- prevalent in P2P and P2Pro payments
- wider options for identifiers used



Phone number



E-mail

Other

- **New POI payment solution**

- creation of a new POI payment solution, or
- introduction of an existing European solution, and/or
- digital euro



# Thank you!

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