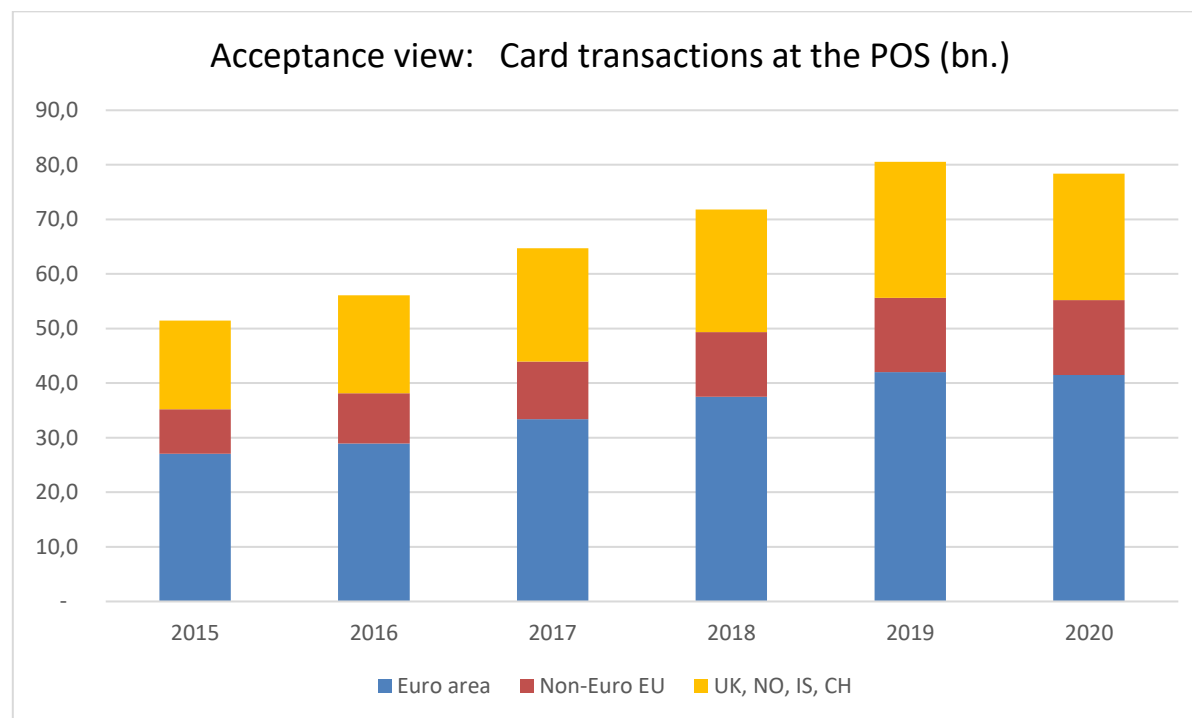


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## European Market Research: SEPA card payments at the POS, 2015 - 2020 A slight decline in the year of the first lockdowns, but a strong recovery expected for 2021

*Exclusive research provided to EPSM by the UK-based "Payments Cards and Mobile", based mainly on central bank statistics data, provided in 2H 2021.*

*The data shows that in the SEPA area, POS card usage declined slightly over all the pandemic year of 2020. But for 2021, significant growth is expected again, in parallel to a significant growth in ecommerce transactions in 2020 and 2021.*



*Note: For simplification, we use here "SEPA" as simplified term for E31 markets (EU27 + CH, IS, NO, UK, but without the microstates Andorra, Liechtenstein, Monaco, San Marino, and Vatican City). The detailed data for the graphics can be found on the next page.*

## 1. Acceptance View: European POS payments declined slightly in 2020 due to lockdowns

In addition, Table 1 shows the declining impact of lockdowns in the pandemic year 2020 on POS payment volumes compared with 2019. In 2020, POS payments with cards at European merchant outlets declined 2.7% by number and 3.2% by value, respectively.

In contrast to strong decline of credit card use, in 2020, European consumers have used their debit cards more often for contactless low value payments at POS terminals significantly replacing cash use. In addition, in 2020, ATM cash withdrawals in the E31 countries declined by 25.6% by number and 14.2% by value.

Outlook: A strong recovery of POS payment volumes in 2021 is seen as very likely.

Table 1 - POS Payments in 31 European countries								
Region	2015	2016	2017	2018	2019	2020	GR 19/20	CAGR 5Y
<b>POS Payments (millions)</b>								
Euro countries (#19)	27.094,1	28.946,0	33.391,2	37.518,5	41.999,8	41.493,9	-1,2%	8,9%
EU27	35.247,1	38.166,4	43.928,2	49.324,8	55.627,2	55.241,7	-0,7%	9,4%
EU27 + UK, NO, ISL, CH	51.446,7	56.074,7	64.700,9	71.823,6	80.552,2	78.384,5	-2,7%	8,8%
<b>POS Payments Value (€ billions)</b>								
Euro countries (#19)	1.328,7	1.351,4	1.501,4	1.636,0	1.755,7	1.654,7	-5,8%	4,5%
EU27	1.559,1	1.606,5	1.761,0	1.908,3	2.053,0	1.950,7	-5,0%	4,6%
EU27 + UK, NO, ISL, CH	2.478,5	2.656,0	2.803,7	2.916,6	3.112,0	3.013,9	-3,2%	4,0%
<b>ATV per POS Payment (€)</b>								
Euro countries (#19)	€49,04	€46,69	€44,96	€43,61	€41,80	€39,88	-4,6%	-4,1%
EU27	€44,23	€42,09	€40,09	€38,69	€36,91	€35,31	-4,3%	-4,4%
EU27 + UK, NO, ISL, CH	€48,18	€47,37	€43,33	€40,61	€38,63	€38,45	-0,5%	-4,4%
Annual growth rate: POS payments	10,4%	9,0%	15,4%	11,0%	12,2%	-2,7%		
Annual growth rate: POS payments value	10,0%	7,2%	5,6%	4,0%	6,7%	-3,2%		
Note: POS payments were made at POS terminals reported by PSPs on country level.								
Note: POS payments were made with cards issued in the country and on foreign cards.								
Note: the 31 European countries are composed of EU27 countries, UK, Norway, Iceland and Switzerland.								
Note: figures are rounded to one decimal digit after data compilation.								
Source: ECB, BIS, national central banks, PCM research. Figures for 2020 show the corona lockdown impact.								

### Additional Note:

Online card payments are not covered in the POS payments table. Online payments showed sharp growth during the lockdowns in the pandemic year 2020.

## 2. The Issuer View: The European market share of debit card payments has again slightly increased

The market share of debit card payments is different by European country based on the different domestic payment behaviour and consumers attitude of credit card use.

However, using data compiled from individual issuing banks and, where available, national central banks, the research undertaken by Payments, Cards and Mobile shows an estimate of the market share of debit card payments by number across the E31 countries rose from 78.1% of all card payments to 81.2% over the last five years. In addition, the market share for debit card payments value across the E31 countries rose from 72.3% of all card payments to 73.1% over the last five years.

This growth has seen a corresponding decrease in the market share of credit/delayed debit card use, from 21.9% of all spending to 18.8% and from 27.7% of all expenditure to 26.9% between 2015 and 2020, respectively. The implication of this finding is that consumers continued using their contactless debit cards more frequently for low-value transactions as cash continues to be replaced.

Region	2015	2016	2017	2018	2019	2020	GR 19/20	CAGR 5Y
Number of card payments (m)	58.684,5	67.457,8	72.588,1	81.543,8	90.833,1	87.709,9	-3,4%	8,4%
- thereof with debit cards (m)	45.814,7	54.507,7	58.301,1	66.125,3	73.742,8	71.211,6	-3,4%	9,2%
- thereof with credit/delayed debit cards (m)	12.869,8	12.950,1	14.287,0	15.418,4	17.090,3	16.498,3	-3,5%	5,1%
Card payments value (€bn)	3.025,4	3.089,3	3.221,5	3.435,8	3.660,4	3.525,3	-3,7%	3,1%
- thereof with debit cards (€bn)	2.188,3	2.272,9	2.357,6	2.519,4	2.686,3	2.577,3	-4,1%	3,3%
- thereof with credit/delayed debit cards (€bn)	837,1	816,4	863,9	916,5	974,1	948,0	-2,7%	2,5%
Market share of debit card payments	78,1%	80,8%	80,3%	81,1%	81,2%	81,2%	0,0%	0,8%
Market share of debit card payments value	72,3%	73,6%	73,2%	73,3%	73,4%	73,1%	-0,4%	0,2%
Market share of credit/delayed debit card payments	21,9%	19,2%	19,7%	18,9%	18,8%	18,8%	0,0%	-3,0%
Market share of credit/delayed debit card payments value	27,7%	26,4%	26,8%	26,7%	26,6%	26,9%	1,1%	-0,6%
Annual growth rate: number of card payments	10,7%	15,0%	7,6%	12,3%	11,4%	-3,4%		
Annual growth rate: total card payments value	10,3%	2,1%	4,3%	6,7%	6,5%	-3,7%		

Note: card payments were made at POS terminals and in onlineshops reported by PSPs on country level.

Note: card payments were made with cards issued in the country at merchant checkouts in the country and abroad.

Note: the 31 European countries are composed of EU27 countries, UK, Norway, Iceland and Switzerland.

Note: figures are rounded to one decimal digit after data compilation.

Source: ECB, BIS, national central banks, PCM research. Figures for 2020 show the corona lockdown impact.

From a pan-European point of view, Table 2 provides an illustrative market share indication for POS payments with debit cards compared with POS payments on credit/delayed debit cards. In addition, a recovery of card payment volumes in 2021 is seen as very likely.

For more information on PCM's research, please visit [www.paymentyearbooks.com](http://www.paymentyearbooks.com)

### **About the EPSM:**

The non-profit European trade association EPSM represents the interests of acquirers, internet PSPs and other payment acceptance providers for merchants in the SEPA region. Its members can benefit from a cost-effective organization and a general information exchange on payment topics relevant to its members

Since its founding in April 2005, EPSM has grown to currently 65 EPSM members with headquarters in 16 European countries (AT, BE, CH, CY, CZ, DE, FR, GR, IE, IT, LU, LT, NL, SE, UA, UK) and one country outside Europe (USA). There are voting (ordinary) members, like acquirers, payment network operators, and internet payment providers, and non-voting (extra-ordinary) members, like payment schemes, service providers, and terminal manufacturers.

In 2019, there were three EPSM Meetings with 40 – 60 participants and external speakers, held in Frankfurt, Germany (hosted by American Express), Mondorf, Luxembourg (hosted by 3C Payment), and Vienna, Austria (hosted by Blue Code). Since 2020, due to Corona, all events have been virtual. Currently, there are virtual meetings typically each 4 weeks with app. 50 participants from more than 10 European countries. A brief overview these non-public meetings can be found at EPSM website. Specialized working groups for SCA and AML Compliance are also meeting online.

Recent new members have been Banking Circle (Luxembourg), Abrantix (Zurich, Switzerland), OpenWay (Mont-Saint-Guibert, Belgium), ECPA - The European Card Payment Association, (based in Brussels with seven European domestic card schemes as members), Payment Association EU (Luxembourg), Jarolim Partner (Vienna, Austria), UPC (Kyiv, Ukraine), and anybill (Regensburg, Germany).

The association has been in contact with the European Commission, the ECB, the EBA, other European and national organisations and taken part in numerous consultations. EPSM representatives are also active in the EU Payment Systems Market Expert Group (PSMEG) and the global PCI SSC Board of Advisors (PCI BoA). EPSM has also joined also the Brussels-based association European Payments Institution Federation (EPIF) as an official observer and is a partner of various other organizations.

For more information, please visit: [www.epsm.eu](http://www.epsm.eu) or contact:

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