



PYMNTS
INTELLIGENCE



October 2023

The Real-Time Payments World Map

Real-Time Payments Tracker® Series

FEATURED



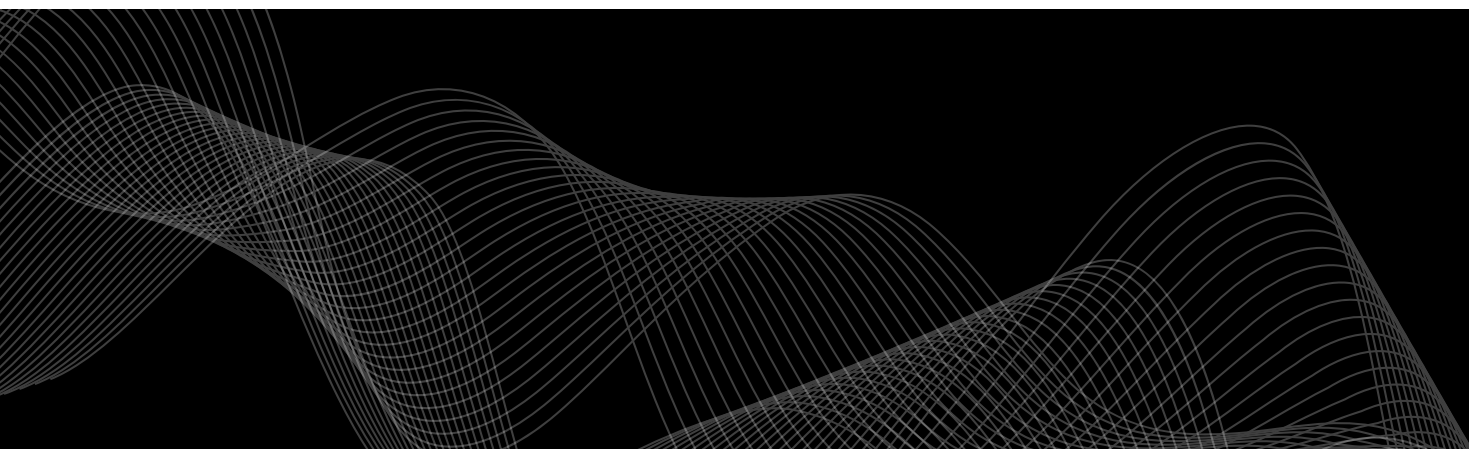
United States



United Kingdom



European Union





United States



2.8B

Number of transactions (2022)



11.4B

Projected number of transactions (2027)



33%

Compound annual growth rate (CAGR)



The United States has fallen behind most of the industrialized world in adopting real-time payments, largely due to the absence of unifying governmental efforts to establish such a system until recently. The nation's first big step into the real-time payments scene came in 2017, when The Clearing House (TCH) **launched** the RTP® network. The program, which was initiated in response to the Federal Reserve's push for improved payments efficiency, has proven to be a resounding success in the years since — although its growth was slow to materialize.

At first, RTP network adoption was slow, but the pandemic's social distancing and stay-at-home orders compelled businesses to seek out remote payment options that were as fast and as easy as paying with cash or cards. Currently, 81% of corporate decision-makers surveyed in a recent study say real-time payments will dramatically transform the way they conduct their day-to-day business, and 66% expect that **real-time payments** will eventually supplant paper checks and cash entirely. The RTP network marked a significant milestone in July by reaching 500 million payments.

While the RTP network primarily caters to business-to-business (B2B) transactions, individuals in the U.S. tend to prefer the peer-to-peer (P2P) app **Zelle** for instant payments. The system recorded 639 million transactions in Q1 2023, totaling \$180 billion across the 1,900 financial institutions (FIs) that have implemented the app into their systems.

Another major real-time payments push occurred earlier this year with the launch of **FedNow**, a service from the U.S. Federal Reserve. This marks the first truly nationwide payment infrastructure in 40 years. So far, 35 banks and credit unions have integrated the system at launch, with nearly 100 more intending to join in the coming months. It remains to be seen how the new service will shake up the U.S. real-time payments scene.



United Kingdom



4B

Number of transactions (2022)



6.1B

Projected number of transactions (2027)



9.1%

CAGR



The United Kingdom entered the real-time payments scene with the launch of the Faster Payments Service (FPS) in 2008, which aimed to reduce bank transfers from the usual three business days to just a few seconds. While it was a pioneer in the real-time payments space at the time, it is showing its age in comparison to its peers. For example, FPS transactions must be processed through a payments gateway, which requires an intermediary orchestrator that charges banks for its service.

The U.K. is currently modernizing its payments infrastructure with a new ISO 20022-compliant architecture in a scheme called the **New Payment Architecture** (NPA). ISO 20022 compliance allows for far easier interoperability between different payments systems, and it is now the world standard for real-time payments transactions. It will soon be leveraged by the RTP® network.

The U.K. anticipates that **real-time payments** will overtake cash transactions in the country by 2027, reaching a nearly 13% share of total payments volume. Even so, the volume will still be considerably less than electronic payment methods like credit cards, which are still expected to comprise roughly 79% of the total spend.



European Union



13.2B

Number of transactions (2022)



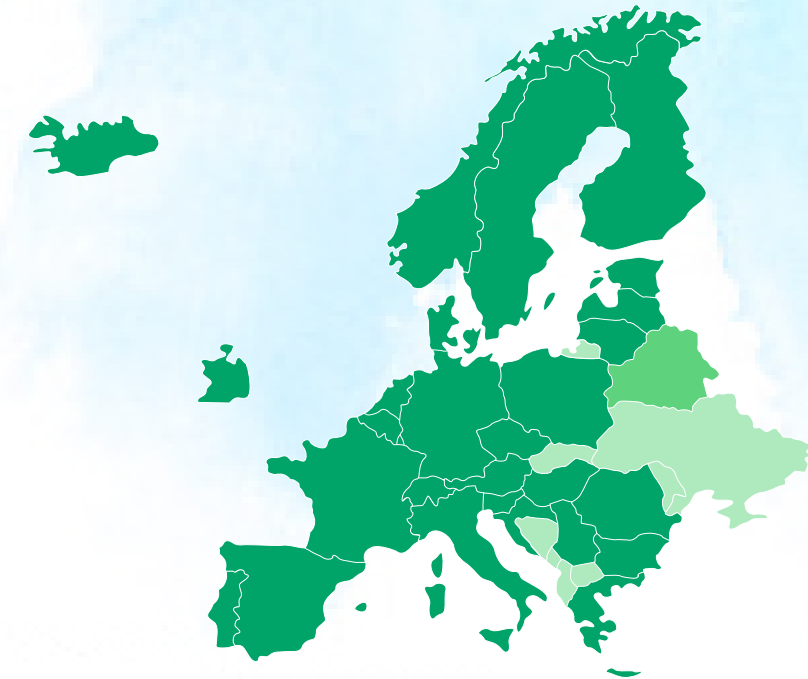
34.2B

Projected number of transactions (2027)



21%

CAGR



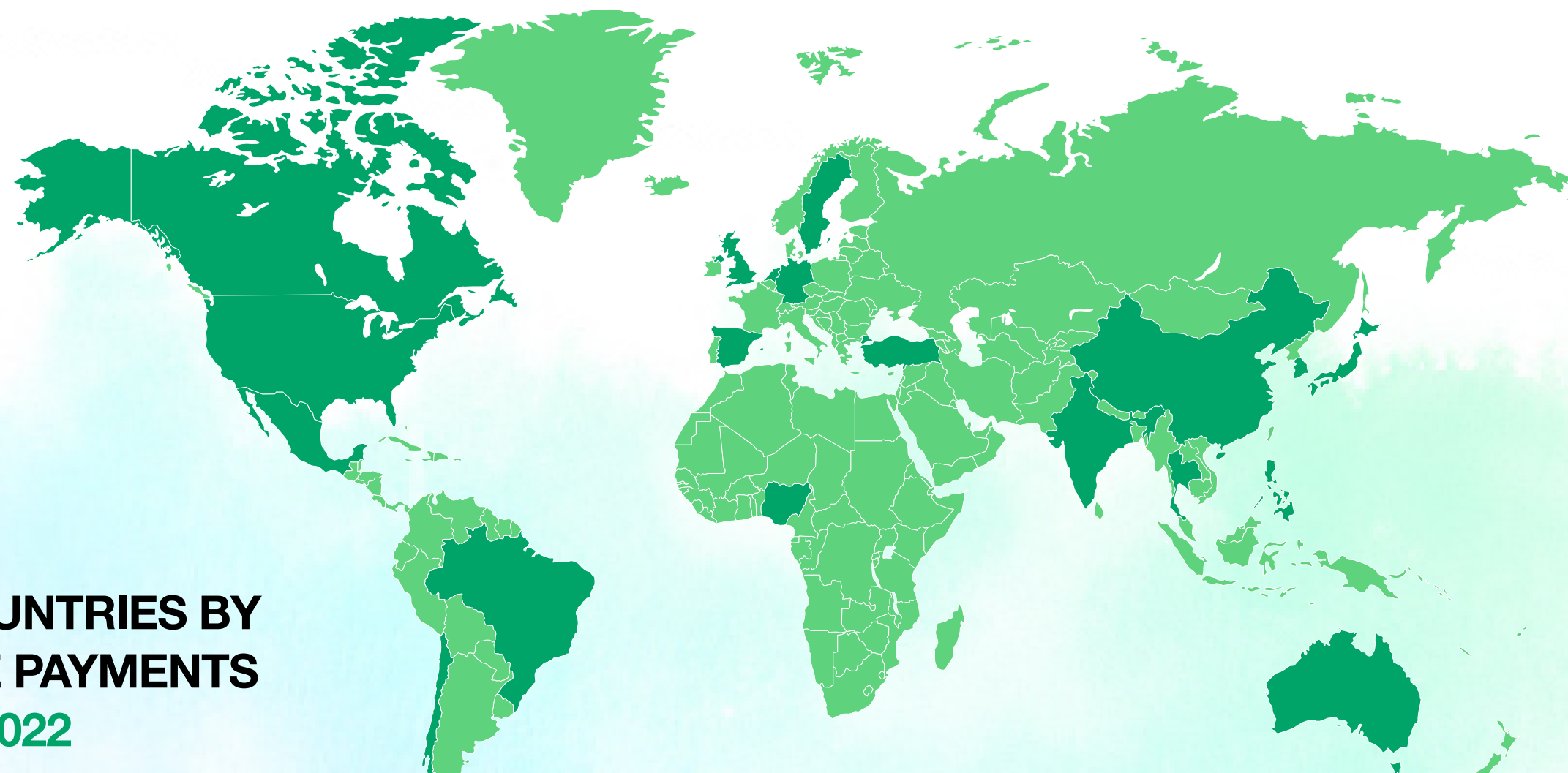
Europe has long been a hotbed for payments innovation, with recent years seeing a shift from cash, debit and credit cards to technologies like buy now, pay later (BNPL) solutions, digital wallets and account-to-account payments. While many European countries have developed their own domestic real-time payment schemes, the continent's first multinational real-time effort began in 2017 with the launch of the **Single Euro Payments Area (SEPA)** Instant Credit Transfer scheme. While this system was intended to standardize and popularize real-time payments across Europe, it has been plagued by problems since its inception.





















One of the biggest issues with the system, according to experts, is the absence of a legally binding obligation for banks to offer real-time payment services. Payers initiating a real-time transaction may end up with a conventional bank transfer if the receiving bank is not enrolled in the SEPA system, for example. One study found that in Q1 2022, instant transactions accounted for less than 12% of all SEPA credit payments.

The European Commission has been exploring ways to make instant payments more widespread across the continent. In 2022, the European Commission published a **proposal** mandating that banks and other payment service providers offer 24/7 instant euro payment services without additional fees. Once the policy is enacted, payments companies will have six months to begin accepting instant payments and one year to commence sending them.

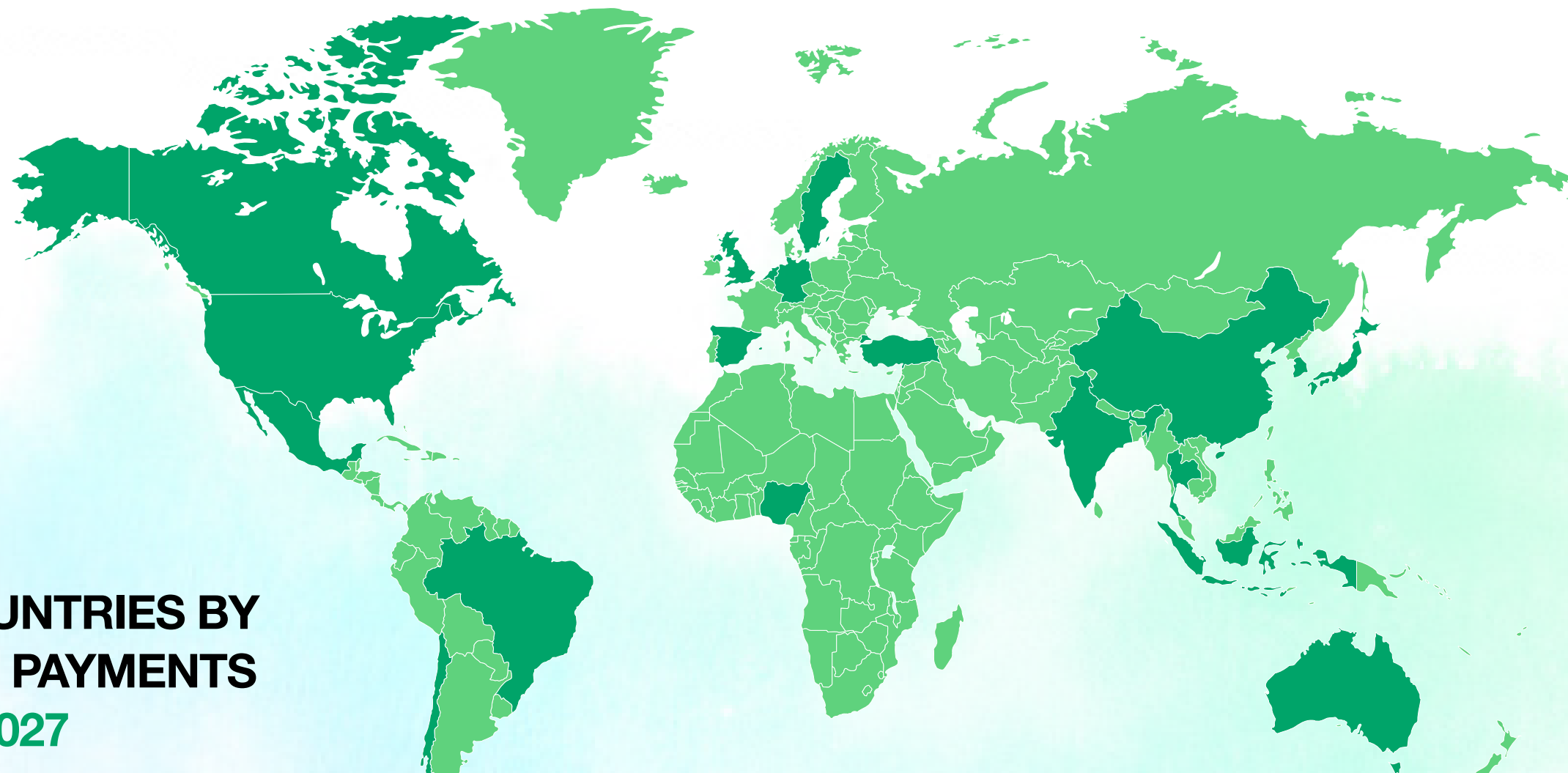
In addition, the EU is currently exploring revisions of its Payment Services Directive (PSD2) for a future iteration, aptly titled PSD3. Among other changes, regulators plan to add a single **application programming interface (API) standard** to the new directive to allow easier access for third-party payment providers to implement real-time payments for their customers.





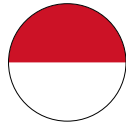















TOP 20 COUNTRIES BY REAL-TIME PAYMENTS VOLUME, 2022



		Number of transactions in millions (2022)		Number of transactions in millions (2022)		Number of transactions in millions (2022)		Number of transactions in millions (2022)
1.	 INDIA	89,000	6.	 NIGERIA	5,100	11.	 JAPAN	1,800
2.	 BRAZIL	29,200	7.	 UNITED KINGDOM	4,000	12.	 MALAYSIA	1,600
3.	 CHINA	17,600	8.	 UNITED STATES	2,800	13.	 AUSTRALIA	1,300
4.	 THAILAND	16,500	9.	 MEXICO	2,700	14.	 CANADA	1,100
5.	 SOUTH KOREA	8,100	10.	 TURKEY	2,300	15.	 GERMANY	1,100
							 NETHERLANDS	1,100
							 CHILE	986
							 SWEDEN	982
							 SPAIN	643
							 PHILIPPINES	625

TOP 20 COUNTRIES BY REAL-TIME PAYMENTS VOLUME, 2027



		Number of transactions in millions (2027)		Number of transactions in millions (2027)		Number of transactions in millions (2027)		Number of transactions in millions (2027)
1.	 INDIA	235,000	6.	 UNITED STATES	11,400	11.	 MEXICO	5,000
2.	 BRAZIL	111,200	7.	 INDONESIA	9,400	12.	 NETHERLANDS	4,000
3.	 THAILAND	31,800	8.	 NIGERIA	8,900	13.	 MALAYSIA	3,900
4.	 CHINA	29,100	9.	 TURKEY	6,100	14.	 AUSTRALIA	2,700
5.	 SOUTH KOREA	12,100	10.	 UNITED KINGDOM	6,100	15.	 GERMANY	2,700
							 SPAIN	2,400
							 SWEDEN	2,000
							 JAPAN	1,900
							 CANADA	1,700
							 CHILE	1,700

NORTH AMERICA

■ LIVE

 **UNITED STATES**
2017

 **MEXICO**
2004

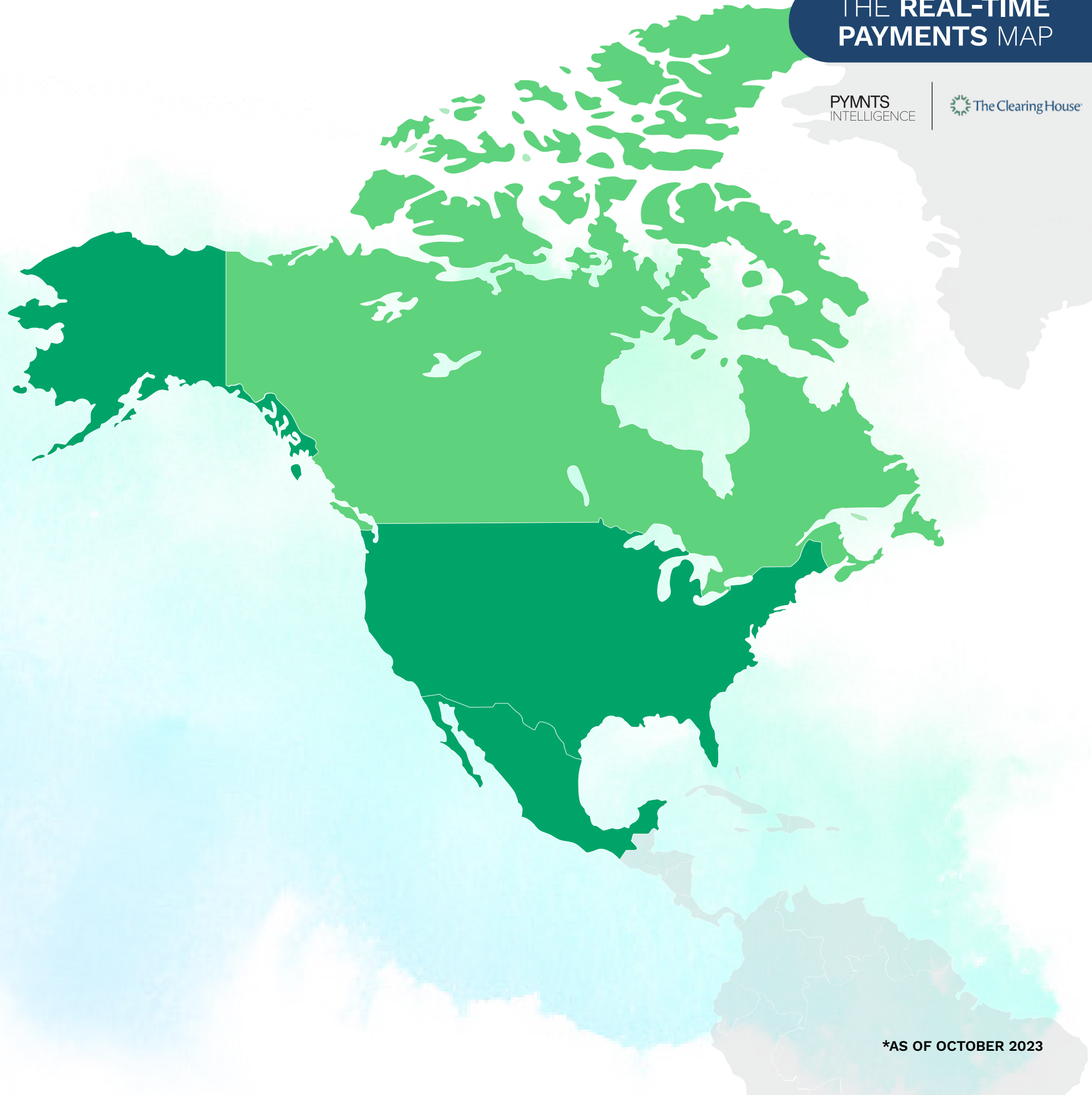
■ EXPECTED 2023

 **CANADA**

THE REAL-TIME PAYMENTS MAP

PYMNTS
INTELLIGENCE

 The Clearing House



*AS OF OCTOBER 2023

SOUTH AMERICA

 LIVE



THE REAL-TIME PAYMENTS MAP

PYMNTS
INTELLIGENCE

 The Clearing House

*AS OF OCTOBER 2023

EUROPE

 LIVE

- | | | | |
|--|--|--|---|
|  AUSTRIA
2017 |  FRANCE
2017 |  LITHUANIA
2017 |  SERBIA
2018 |
|  BELGIUM
2019 |  GERMANY
2017 |  LUXEMBOURG
2020 |  SLOVENIA
2020 |
|  BULGARIA
2021 |  GREECE
2018 |  MALTA
2007 |  SPAIN
2016 |
|  CROATIA
2020 |  HUNGARY
2020 |  NETHERLANDS
2017 |  SWEDEN
2012 |
|  CZECH REPUBLIC
1992 |  ICELAND
2020 |  NORWAY
2013 |  SWITZERLAND
2016 |
|  DENMARK
2014 |  IRELAND
2017 |  POLAND
2012 |  UNITED KINGDOM
2008 |
|  ESTONIA
2017 |  ITALY
2017 |  PORTUGAL
2017 | |
|  FINLAND
2017 |  LATVIA
2017 |  ROMANIA
2005 | |

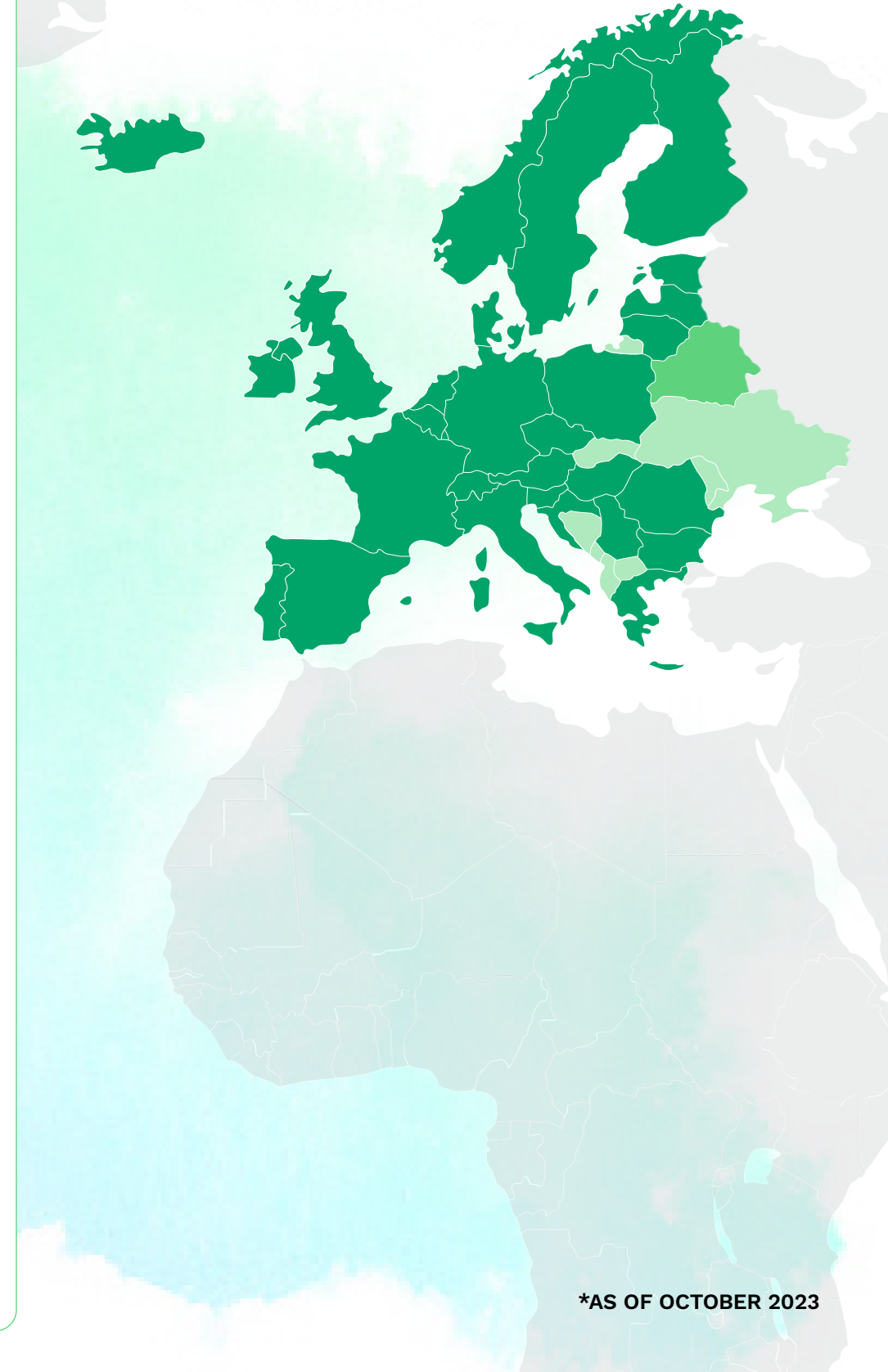
 EXPECTED 2023

-  **BELARUS**

THE REAL-TIME PAYMENTS MAP

PYMNTS
INTELLIGENCE

 The Clearing House



*AS OF OCTOBER 2023

AFRICA

 LIVE

 **ETHIOPIA**
2011

 **GHANA**
2007

 **KENYA**
2017

 **NIGERIA**
2011

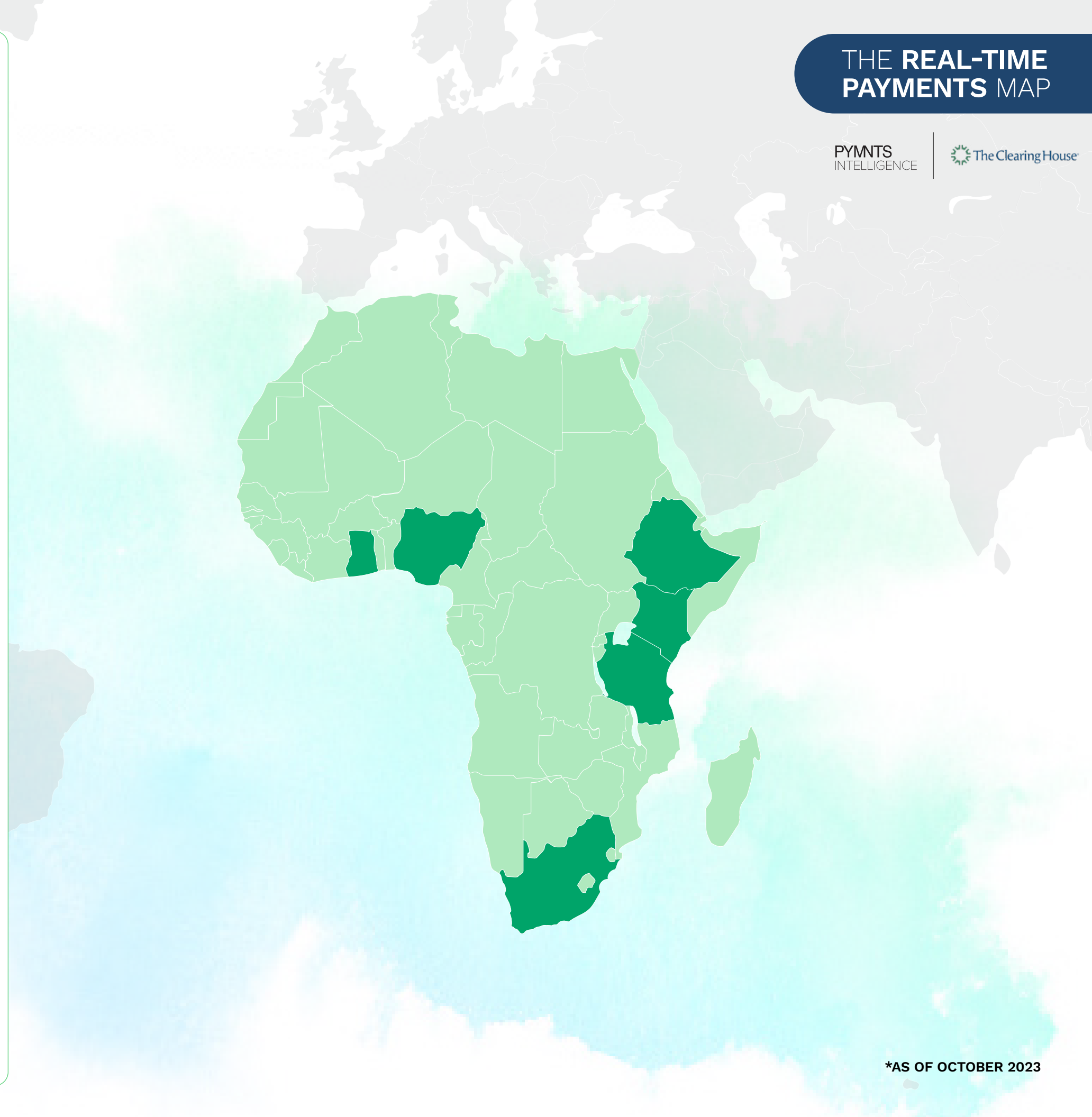
 **SOUTH AFRICA**
2006

 **TANZANIA**
2019

THE REAL-TIME PAYMENTS MAP

PYMNTS
INTELLIGENCE

 The Clearing House



*AS OF OCTOBER 2023

MIDDLE EAST

■ LIVE

 **AZERBAIJAN**
2020

 **PAKISTAN**
2021

 **BAHRAIN**
2015

 **QATAR**
2020

 **INDIA**
2010, 2016

 **RUSSIA**
2019

 **KUWAIT**
2018

 **SAUDI ARABIA**
2021

 **LEBANON**
2020

 **SRI LANKA**
2017

 **NEPAL**
2022

 **TURKEY**
2000

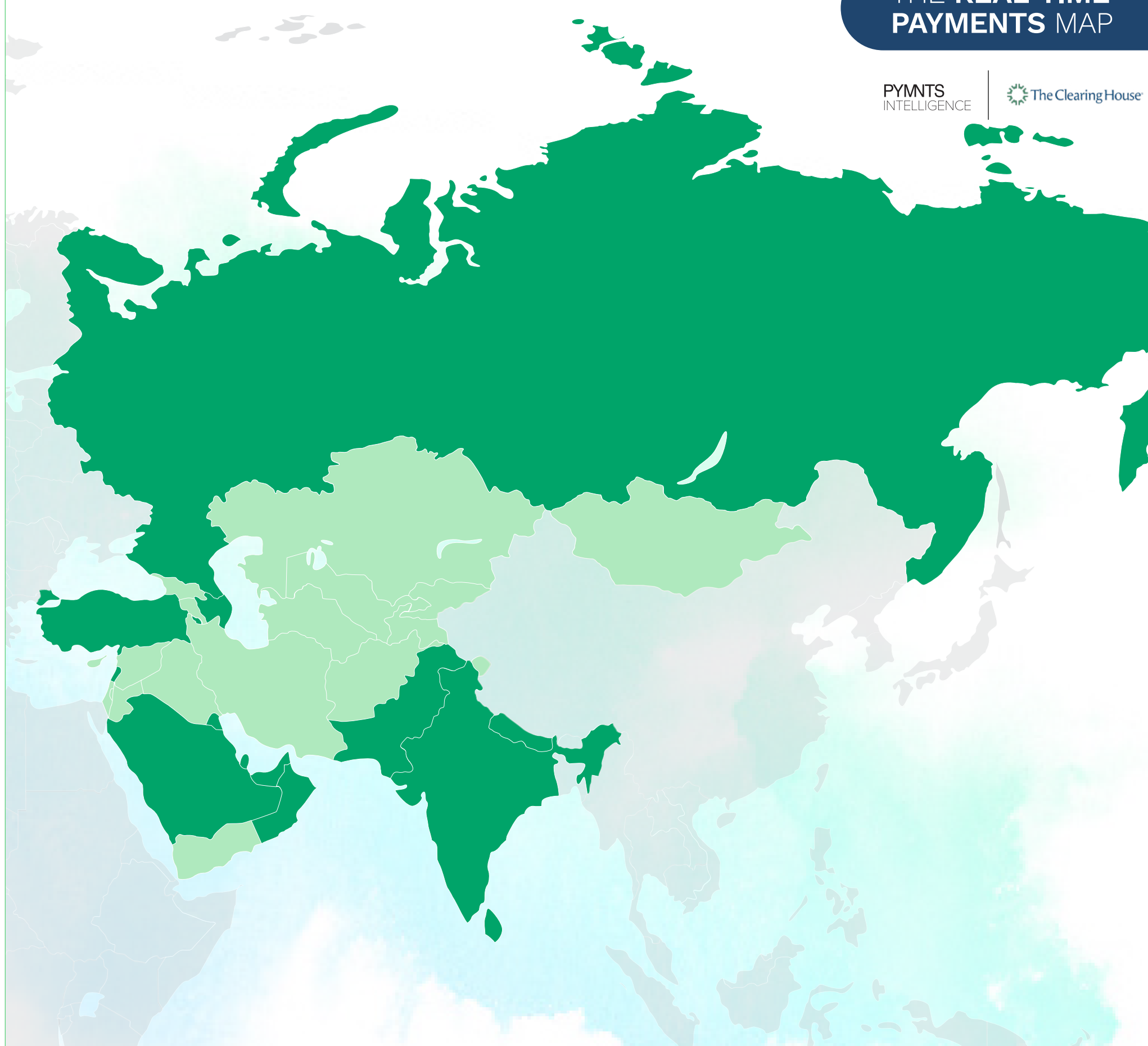
 **OMAN**
2017

 **UNITED ARAB EMIRATES**
2019

THE REAL-TIME PAYMENTS MAP

PYMNTS
INTELLIGENCE

The Clearing House



*AS OF OCTOBER 2023

ASIA-PACIFIC

■ LIVE



AUSTRALIA
2018



BRUNEI
2014



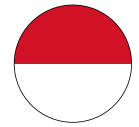
CAMBODIA
2019



CHINA
2010



HONG KONG
2018



INDONESIA
2021



JAPAN
1973



MALAYSIA
2006



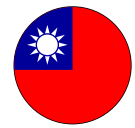
PHILIPPINES
2018



SINGAPORE
2014



SOUTH KOREA
1988



TAIWAN
1987



THAILAND
2016



VIETNAM
2016

THE REAL-TIME PAYMENTS MAP

PYMNTS
INTELLIGENCE

The ClearingHouse

*AS OF OCTOBER 2023