

PRESS RELEASE

Banks: ABI, 74 million cards in circulation

*+10% compared to 2007. 'The Italians and plastic money' in the e-Committee report presented today at "Cards 2009".
Sabatini: "Italy is behind in the use of electronic payments. SEPA and PSD are the keys to development".*

More cards, - Cashpoint cards, credit cards and prepaid cards – and less cash in the pockets of Italians, who increasingly prefer plastic money for their everyday purchases. The spread and the use of *electronic money*, in fact, has grown significantly in recent years and today in Italy there are 74 million bank cards – 10% more than in 2007 – 1.3 million POS and over 43 thousand ATM. These are the results of the survey by ABI's e-Committee Observatory, presented today at the *Cards 2009* conference.

“In recent years – said ABI's General Manager, Giovanni Sabatini – the circulation of cards has grown significantly, also by virtue of an increasingly diversified offer and more spending power, also on the internet, of this instrument. Nevertheless, in terms of electronic payments, Italy still lags far behind the rest of Europe, where transactions in cash are much less common. Also for this reason – added Sabatini – European legislation such as SEPA (Single Euro Payments Area) and the PSD (Payment Services Directive), currently being implemented in Italy, are even more important because they represent, together with new contactless technologies, a fundamental key to the development of the electronic payments market and the wider use in Italy of these more evolved, efficient and safe instruments”.

The paragraphs below provide a snapshot of the study conducted by ABI's e-Committee Observatory.

More plastic money in the pockets of Italians

The number of “plastic cards” in the pockets of Italians has risen: of the 74 million in circulation, 29 million are Cashpoint cards (+5% compared to 2007), 33.5 million are credit cards (+10%), 4 million are prepaid cards (+20%) and 3.6 million are revolving cards (-17%). Active cards, namely those that were used for at least one transaction in 2008, number 51.8 million, corresponding to 70% of those in circulation: 90% of Cashpoint cards, 52% of credit cards, 51% of revolving cards and 86% of prepaid cards.

1.4 billion payments in 2008

In Italy, over 780 thousand shops accept credit cards, for a total of 1.3 million POS installed. In 2008, almost 40 million cards were used for purchases and payments, for a total of € 122 billion and 1.4 billion POS transactions. Of these, 56% were made with Cashpoint cards (783 million transactions for a total of € 50.6 billion) and the remaining 44% with credit cards (560 million transactions for a total of € 44 billion). In one year, each card made an average of 36 payments; in particular, Cashpoint cards were used for shopping 34 times while credit cards 42 times. The average receipt was for € 88: credit cards were used for medium-high amounts (€ 100), while Cashpoint cards for lower amounts (€79). As regards prepaid cards – which cover a minor part of the POS payments market, but with significant growth rates – the average payment was € 73.

While the majority of purchases made using cards take place in businesses and shops of every kind, it is becoming increasingly common to use plastic money to shop by phone or on-line: over 5.5 million cards were used to make purchases on these channels, corresponding to 26% of active credit cards and 28% of prepaid cards. More specifically, in 2008, 956 thousand prepaid cards were used for e-commerce, almost double the figure of 480 thousand recorded in 2007.

ATMs on every street corner and increasingly evolved, for withdrawals and other transactions

Nowadays you can find an ATM on every street corner (over 43 thousand compared to 41 thousand in 2007) and they are becoming increasingly advanced. In fact, 35% of ATMs are Web based – i.e. based on Internet protocols – and even the services offered are increasingly differentiated and complex: from statements of investment accounts (+15% against 2007) and credit card statements (+28%) to the possibility of activating SMS alerting services (33%), from topping up pay-as-you-go telephones (94%) and pay TV (47%) to paying in cash and cheques (11%). Furthermore, around 56% of ATMs also have antifraud devices installed to prevent card cloning

The real-time monitoring of the functions of the 43 million ATM machines in Italy found an average level of functions provided to customers of 93.6%, with significant differences between Banks belonging to the self-regulatory PattiChiari scheme (97.7%) and those not (84.7%).

In 2008, over 36.5 million cards, corresponding to 70% of those active, were used at an ATM at least once. In the same period, around 958 million transactions were made at bank ATMs (+21% compared to 2007) corresponding to 20 per card.

The total amount of ATM transactions in 2008 surpassed € 120 billion (+8.6%). The average amount of transactions was € 157 for withdrawals, € 156 to top-up prepaid cards and € 86 for bills and other payments.

The “cash war” of Italian banks

Despite the spread and the increasing use of cards, in this regard Italy lags behind the rest of Europe. To close this gap and to encourage more use of these payment instruments compared to cash, PagoBANCOMAT is designing a communication and information campaign to explain the advantages of payment cards with respect to cash: security, convenience and better management of the family budget.

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