



NATIONAL BANK OF SERBIA

**PAYMENT SYSTEM DEPARTMENT
DIVISION FOR OPERATIONAL ACTIVITIES AND MANAGEMENT
OF PAYMENT SYSTEM RISKS**

OVERVIEW OF DATA ON THE PROVISION OF PAYMENT SERVICES AND E-MONEY

Q1 2021

June 202

Q1 2021 saw the continued upward trend in the number users of e- and m-banking. Y-o-y, the total number of m-banking and e-banking users (both natural and legal persons and entrepreneurs) increased by 28.95% and 14.45%, respectively.

According to the data submitted by payment service providers, the number of users – natural persons who contracted the m- and e-banking service in Q1 2021 went up. As for m-banking, the number of users increased by 29.10% (from 1,725,588 natural persons at end-Q1 2020 to 2,227,787 at end-Q1 2021), while for e-banking this increase measured 14.74% (from 2,524,244 natural persons at end-Q1 2020 to 2,896,410 at end-Q1 2021).

A similar upward trend was recorded for new users of e- and m-banking among legal persons and entrepreneurs. M-banking posted a rise of 22.42% (from 39,231 legal persons and entrepreneurs at end-Q1 2020 to 48,027 at end-Q1 2021), and e-banking of 11.69% (from 268,566 legal persons and entrepreneurs at end-Q1 2020 to 299,956 at end-Q1 2021).

Chart I.1.1.1. Number of users - natural persons

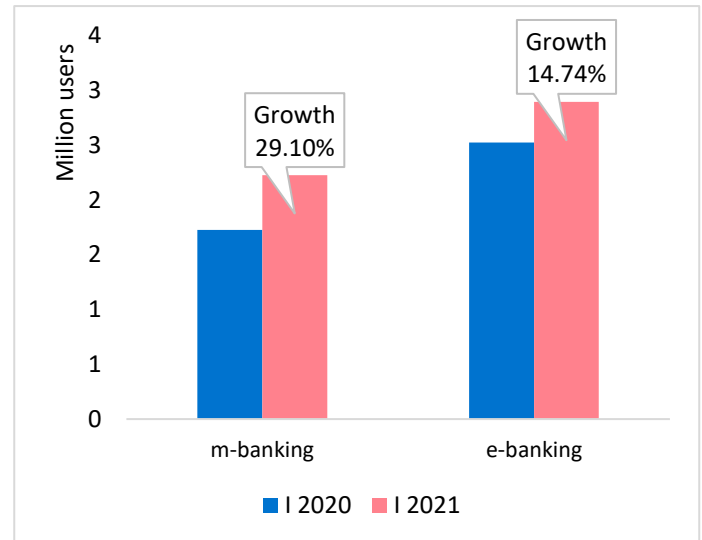
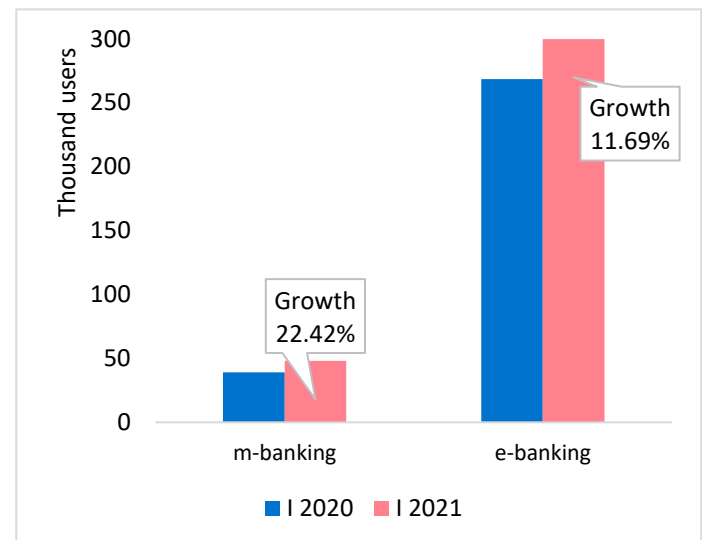


Chart I.1.1.2. Number of users - legal persons and entrepreneurs



Q1 2021 saw a further rise in e- and m-banking transactions. The total y-o-y increase in executed transactions (of natural and legal persons and entrepreneurs) via m-banking was 76.32% and via e-banking – 12.68%.

Looking at natural persons, the number of m-banking transactions executed in Q1 2021 rose by 76.11% relative to Q1 2020 (10,781,314 vs. 6,121,969), while e-banking transactions posted a 12.93% rise in the same period (6,068,362 vs. 5,373,715 transfers).

Chart I.1.3. Number of transactions by natural persons

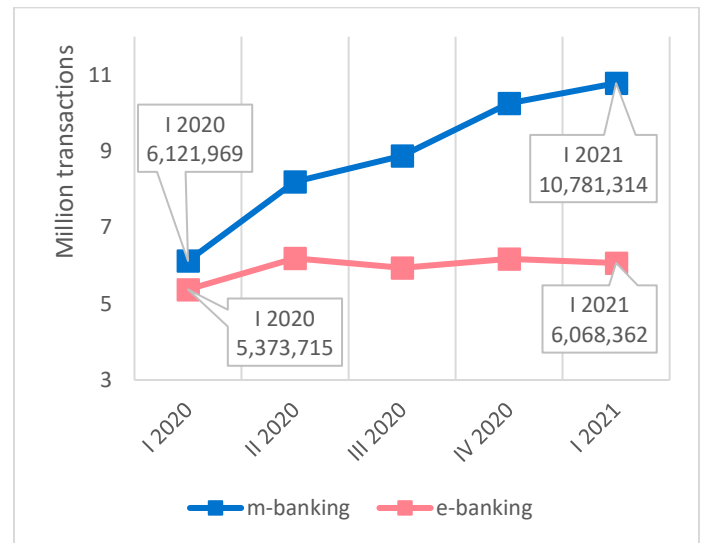
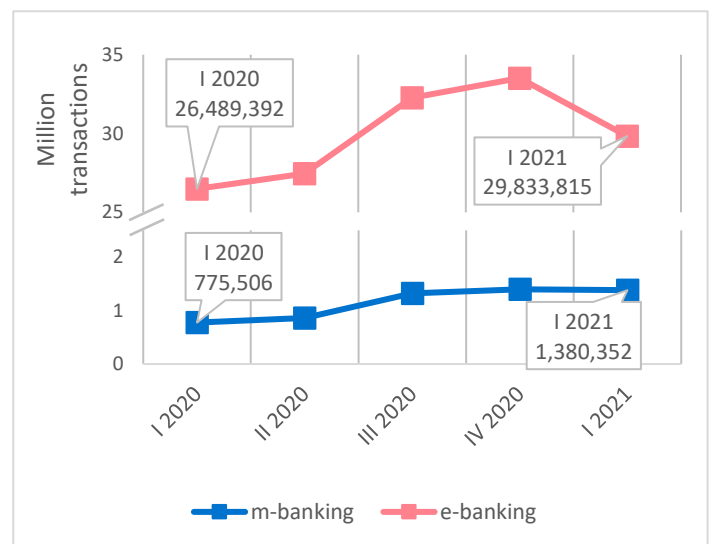


Chart I.1.4. Number of transactions by legal persons and entrepreneurs

Looking at legal persons and entrepreneurs, in the period from Q1 2020 until Q1 2021, m-banking transactions went up by 77.99% (from 775,506 to 1,380,352 transactions), and e-banking transactions by 12.63% (from 26,489,392 to 29,833,815 transactions).



The data on card-based and e-money payment transactions used for online purchases of goods and services indicate a significant rise. Thus, Q1 2021 saw 7,619,992 transactions of online purchases of goods and services by payment cards and e-money, in all currencies, or 85.68% more than a year ago. At the same time, the number of dinar payments for purchases through domestic websites more than doubled relative to Q1 2020, confirming the quarterly growth trend of dinar transactions. Table I.1.1. shows the three most important currencies in terms of the number and value of online purchases of goods and services by payment cards and e-money.

Chart I.1.5. Online purchases of goods and services by payment cards and e-money (number of transactions)

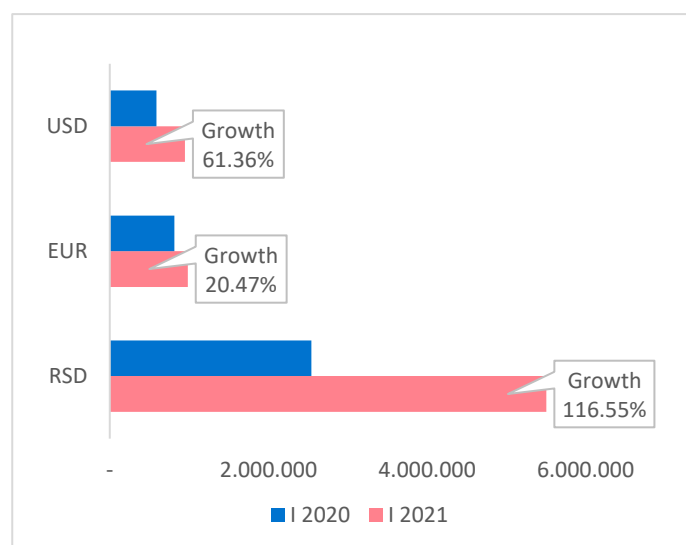


Table I.1.1. Number and value of card-based and e-money transactions of online purchases of goods and services

Number and value	I 2020	I 2021	Change in %
RSD:			
number	2,543,599	5,508,134	116.55%
value	5,564,871,048	12,466,233,145	124.02%
EUR:			
number	816,393	983,469	20.47%
value	31,734,866	40,576,527	27.86%
USD:			
number	587,607	948,145	61.36%
value	13,651,589	25,749,548	88.62%

In Q1 2021 the acceptance network included a total of 99,301 POS terminals, up by 5,968 terminals or 6.39% y-o-y. The number of ATMs increased by 4.18%, and the number of virtual points-of-sale by 81.68%.

In Q1 2021 a total of 79,323,655 transactions were executed in merchant facilities throughout Serbia, up by 18.47% from Q1 2020. This piece of data refers to the cards issued by banks operating in the domestic market, while in the same period the number of payments using cards issued by banks other than those operating in the Republic of Serbia decreased by 3.85%.

At end-Q1 2021, the number of payment cards issued amounted to 9,646,303, which is an increase of 10.03% y-o-y.

As for the number of distance contracts on financial services concluded electronically, according to the data submitted by payment service providers, in Q1 2021 a total of 20,609 distance contracts were concluded, 3,157 of which using customer video identification.

Table I.1.2. **Number of terminals and virtual points-of-sale accepting payment instruments**

Card payments		I 2020	I 2021	Change %
Acceptance network:	POS terminals	93,333	99,301	6.39%
	virtual points-of-sale	1,228	2,231	81.68%
	ATMs	2,941	3,064	4.18%
Transactions at merchant POS terminals using cards issued by payment service providers from Serbia		66,957,895	79,323,655	18.47%
Transactions at merchant POS terminals using cards other than those issued by payment service providers from Serbia		3,837,584	3,689,988	-3.85%
Issued payment cards		8,767,047	9,646,303	10.03%

In Q1 2021 the daily record of the number of payments executed in the NBS IPS system was again broken. Last time, the maximum was recorded on 15 March when 168,661 payments were executed*.

The growing number of instant payments was confirmed by the rising number and value of executed transactions – of 72.05% (from 4.865.520 to 8.371.323 transactions) and 63.34% (from RSD 43.3 bn to RSD 70.7 bn), respectively, when Q1 2021 is compared with the same quarter the year before.

Also, in Q1 2021 the NBS improved the Generator/Validator, the existing service for validating and generating NBS IPS QR codes, enabling a new service of generating and loading payment orders with the NBS IPS QR code. Payees are now able to email the loaded payment order with the generated code to the payer, who can make the payment by simply scanning of the code via m-banking application.

Table I.1.3. Daily record of the number of payments executed in the NBS IPS system

No	Date	Number of payments
1.	15.mar.21	168,661
2.	17.feb.21	163,478

Chart I.1.6. Number and value of transactions executed in the NBS IPS system

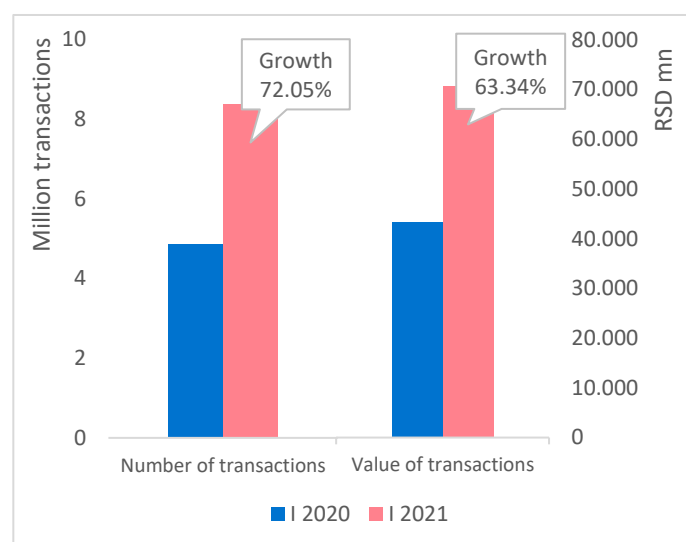


Table I.1.4. NBS IPS system performance indicators

NBS IPS system	I 2020	I 2021
Number of transactions	4,865,520	8,371,323
Value of transactions	43,290,796,809.52	70,712,244,210.49
Average transaction value	8,897.47	8,446.96
Average daily number of transactions	54,061	93,015
Average daily value of transactions	481,008,853.44	785,691,602.34

*This record was broken already at the start of Q2 (15 April) by more than 36 thousand of executed payments, which can be found in press releases on the NBS website, on the following link: <https://www.nbs.rs/en/scripts/showcontent/index.html?id=16854#>