

**Croatian National Bank**  
**Payment Operations Area**  
**Payment Operations Supervision Department**

## **PAYMENT STATISTICS**

# **REPORT ON CASHLESS PAYMENT TRANSACTIONS IN THE REPUBLIC OF CROATIA FOR 2014**

July 2015

## OVERVIEW OF BASIC TERMS

'**Direct debit**' means a payment service for debiting a payer's payment account, where a payment transaction is initiated by a payee on the basis of the payer's consent given to the payer's own payment service provider, to the payee, or to the payee's payment service provider.

'**Card-based payment transaction**' means a service based on a payment card acquiring infrastructure and card payment scheme operating rules to complete a payment transaction by means of a debit or a credit card.

'**Credit transfer**' means a payment service for crediting a payee's payment account with a payment transaction from a payer's payment account by the payment service provider which holds the payer's payment account, based on an instruction given by the payer.

'**International payment transaction**' means a payment transaction the execution of which involves two payment service providers of which one payment service provider (of either the payer or the payee) operates in the Republic of Croatia, whereas the other payment service provider (of either the payer or the payee) operates pursuant to the regulations of a third country or another member state.

'**National payment transaction**' means a payment transaction the execution of which involves a payer's payment service provider and a payee's payment service provider, or only one payment service provider, which operate in the Republic of Croatia.

'**Debits from the accounts by simple book entry**' means a transaction initiated and executed by a credit institution, by transfer from the payment account of its payment service user on the basis of a contract with the user, without a specific payment order (interests, fees for individual payment services, such as, for example, account management fee).

'**Standing order**' means an instruction given by the payer to the payment services provider which holds the payer's payment account to execute credit transfers at regular intervals or on predetermined dates; (e.g. the payment of credit annuity or instalment, etc.).

'**Bill-paying service**' means a payment transaction in which a credit institution, on the basis of a contract with the payee, collects funds from the payer and makes the collected amount available to the payee within time cycles determined by a contract (e.g. electricity, water, gas and other bills), pursuant to the provisions of the Payment System Act, which defines the deadlines for the execution of payments.

## Introduction

Cashless payment transactions recorded a significant increase in the territory of almost all EU member states, including the Republic of Croatia (hereinafter referred to as 'RC'), both in the number and value, over the past few years. The above refers in particular to the number of card-based payment transactions, which, according to the European Central Bank's data, increased on average by 10%<sup>1</sup> annually in the period from 2000 to 2012. At the same time, the total number of credit transfers and direct debit transactions increased on average by 5%<sup>2</sup> annually.

If the structure of the number of national cashless payment transactions in the RC is analysed at the level of a calendar year (in this case, 2014), it can be concluded that credit transfer transactions account for the largest share (43%) in the total number of national cashless payment transactions. They are followed by payment card transactions, with a share of 32% and transactions of debits from the accounts by simple book entry, with a share of 18%. Transactions executed using the bill-paying service and direct debit service participate with shares of slightly below 4%, while cheque transactions were ranked last, with a negligible share of 0.01%.

At the same time, payment card transactions (86%) and transactions executed using the credit transfer service with a total share of 14% accounted for the largest share in the structure of the number of international cashless payment transactions.

On the other hand, transactions executed using the credit transfer service had a very dominant share in the structure of the total value of cashless payment transactions. Transactions executed using the credit transfer service accounted for over 96% of the total value of all executed national cashless payment transactions in 2014.

With regard to international payment transactions, transactions executed using the credit transfer service accounted for over 95% of the total value of all executed transactions.

This high share of credit transfers in the total value of cashless payment transactions is the result of the fact that it is precisely credit transfers that are most frequently used in higher value transactions. Thus, credit transfers are the usual manner of execution of payments between corporations, between corporations and banks, payments between

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<sup>1</sup> The number of national card-based payment transactions in the RC increased in the period from 2006 to 2014 by 61.4%, i.e. from 203.68 million, executed in 2006, to 328.76 million, executed in 2014.

<sup>2</sup> European Central Bank: *Card payments in Europe – a renewed focus on SEPA for cards*, April 2014, p. 25.

natural persons, the payment of wages, salaries and pensions, etc. It is also evident from the average value of the individual credit transfer transaction, which is much higher than, for example, the average value of a card transaction, which is primarily used for the purchase of goods and services in retail.

The report in Table 1 shows the total number and values of executed cashless payment transactions in the RC in 2014. The data from the report have been collected based on the Decision on the obligation to submit data on the payment system and electronic money (hereinafter referred to as 'Decision'). The Decision prescribes the obligation of reporting to the Croatian National Bank (hereinafter referred to as 'CNB') on data with regard to payment operations and electronic money, the manner and deadlines of this reporting.

The payment service providers, whose data were used in the preparation of the Report include:

1. credit institutions (banks) that have obtained the authorisation from the CNB, which includes the authorisation to provide the payment services of issuing and acquiring of payment cards, and
2. electronic money institutions that have obtained the authorisation from the CNB to provide the payment services of issuing and acquiring of payment cards.

The Report is divided into national (item **A** of the Report) and international payment transactions (item **B** of the Report).

**Table 1 Report on cashless payment transactions in the Republic of Croatia for 2014**

Executed payment transactions {1}	Number of transactions	%	Value of transactions in kuna	%
<b>A) NATIONAL PAYMENT TRANSACTIONS</b>				
<b>1 Sent credit transfers {2}</b>	<b>271,295,771</b>	<b>42.51%</b>	<b>1,857,263,532,390</b>	<b>96.53%</b>
1.1 Credit transfers	253,453,484	93.42%	1,800,904,751,705	96.97%
1.2 Standing orders	17,842,287	6.58%	56,358,780,685	3.03%
<b>2 Bill-paying service</b>	<b>25,371,371</b>	<b>3.98%</b>	<b>5,978,441,005</b>	<b>0.31%</b>
<b>3 Direct debits</b>	<b>19,995,519</b>	<b>3.13%</b>	<b>14,961,658,848</b>	<b>0.78%</b>
<b>4 Debits from the accounts by simple book entry {3}</b>	<b>115,180,032</b>	<b>18.05%</b>	<b>3,230,676,034</b>	<b>0.17%</b>
<b>5 Transactions using payment cards issued in the RC {4}</b>	<b>206,257,435</b>	<b>32.32%</b>	<b>42,561,465,065</b>	<b>2.21%</b>
5.1 Debit payment cards	126,489,319	61.33%	22,319,568,879	52.44%
5.2 Credit payment cards	79,768,116	38.67%	20,241,896,186	47.56%
<b>6 Transactions using cheques issued in the RC {5}</b>	<b>61,837</b>	<b>0.01%</b>	<b>28,076,747</b>	<b>0.001%</b>
<b>TOTAL NATIONAL PAYMENT TRANSACTIONS (1 – 6)</b>	<b>638,161,965</b>	<b>100%</b>	<b>1,924,023,850,089</b>	<b>100%</b>
<b>B) INTERNATIONAL PAYMENT TRANSACTIONS</b>				
<b>7 Sent credit transfers {6}</b>	<b>1,531,357</b>	<b>3.90%</b>	<b>194,277,745,047</b>	<b>49.60%</b>
<b>8 Received credit transfers {7}</b>	<b>4,030,609</b>	<b>10.28%</b>	<b>180,041,283,350</b>	<b>45.96%</b>
<b>9 Transactions using payment cards issued in the RC {8}</b>	<b>13,515,655</b>	<b>34.46%</b>	<b>7,765,367,963</b>	<b>1.98%</b>
<b>10 Transactions of acquiring payment cards issued outside the RC {9}</b>	<b>20,139,074</b>	<b>51.35%</b>	<b>9,622,947,078</b>	<b>2.46%</b>
<b>TOTAL INTERNATIONAL PAYMENT TRANSACTIONS (7 – 10)</b>	<b>39,216,695</b>	<b>100.00%</b>	<b>391,707,343,438</b>	<b>100.00%</b>
<b>TOTAL (A+B)</b>	<b>677,378,660</b>		<b>2,315,731,193,527</b>	

{1} *Executed payment transactions* include executed cashless payment transactions in all currencies, converted in kuna according to the CNB's midpoint exchange rate on the last day of each month.

{2} *Sent credit transfers* include all national credit transfers executed to debit the payment accounts of consumers, business entities and credit institutions.

{3} *Debits from the accounts by simple book entry* include debits from the accounts by simple book entry on the accounts of consumers and business entities (interests and fees for individual payment services, e.g. account management fee). The transactions of debits from the accounts by simple book entry do not include the transactions of the transfer of the amount of the credit instalment/annuity from the payment account of a payment service user to the account of the credit institution if such a transfer is agreed by the credit agreement.

{4} *Transactions using payment cards issued in the RC* include only national card-based payment transactions of the purchase of goods and services and contractual debits (including the transactions of the purchase of goods and services through repayment in instalments and consumer credits). The transactions of withdrawal and deposit of cash using a payment card, as well as the transactions of fees, interests, membership fees, etc. collected by the issuer through the payment card, are not included.

{5} *Transactions using cheques issued in the RC* include only the transactions of purchase using cheques.

{6} *Sent credit transfers* include all international credit transfers executed to debit the payment accounts of consumers, business entities and credit institutions.

{7} *Received credit transfers* include all international credit transfers to credit the payment accounts of consumers, business entities and credit institutions.

{8} *Transactions using payment cards issued in the RC* include all types of international card-based payment transactions using cards issued in the RC, i.e. the transactions of the purchase of goods and services and the transactions of cash withdrawal using a payment card.

{9} *Transactions of acquiring payment cards issued outside the RC* include the transactions of acquiring payment cards issued outside the RC for the purchase of goods and services through acquiring terminals. Transactions of purchase using e-money are included in the Report.

Source: CNB.

## A) NATIONAL CASHLESS PAYMENT TRANSACTIONS

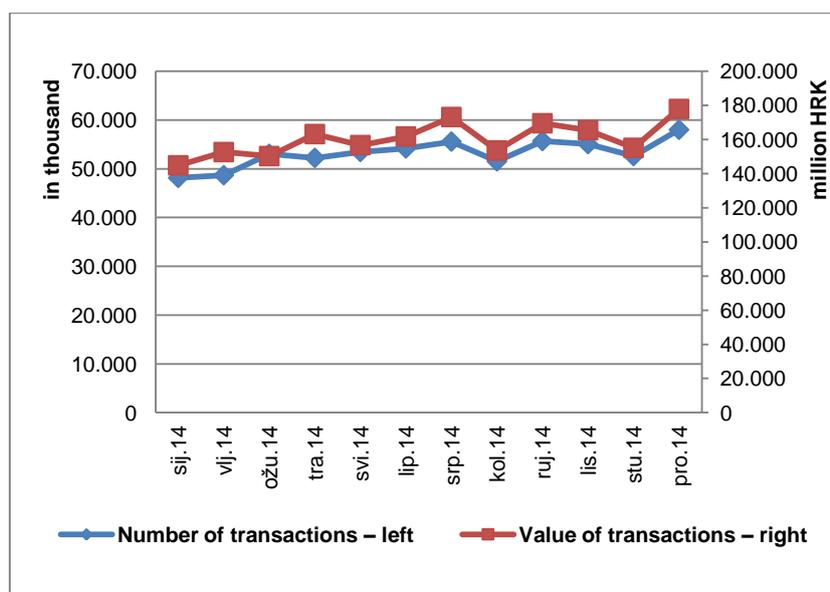
National cashless payment transactions are payment transactions the execution of which involves a payer's payment service provider and a payee's payment service provider, or only one payment service provider, which operate in the RC. Data on national cashless payment transactions in the Report are grouped into six categories:

- Sent credit transfers,
- Bill-paying service,
- Direct debits,
- Debits from the accounts by simple book entry,
- Transactions using payment cards issued in the RC, and
- Transactions using cheques issued in the RC.

According to data submitted by reporting entities, a total of 638.2 million of national cashless payment transactions were executed in the RC in 2014, worth a total of HRK 1,924,023.8 million. The average value of a national cashless payment transaction stood at HRK 3,015.

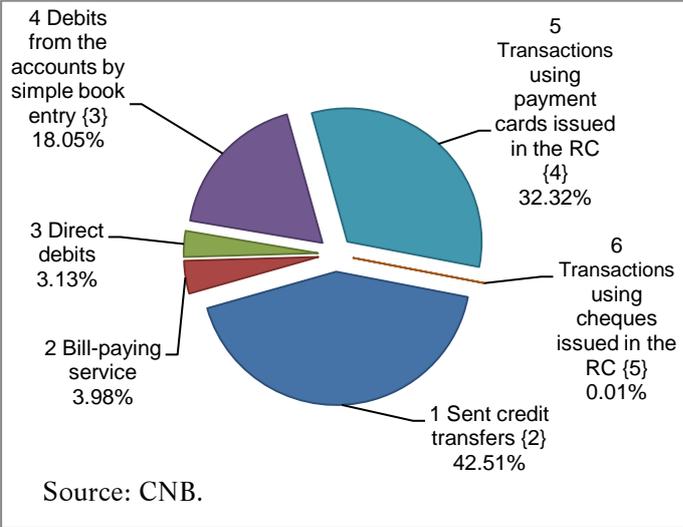
On average, 53.2 million national cashless payment transactions were executed monthly, with an average monthly value of HRK 160,335.3 million (Figure 1).

**Figure 1 Number and value of national cashless payment transactions**



Source: CNB.

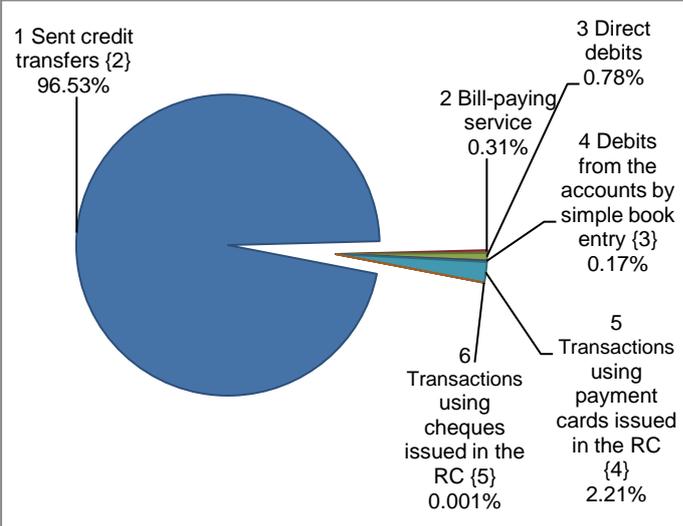
**Figure 2 Structure of national cashless payment transactions by the number of executed payment transactions**



Based on the structure of national cashless payment transactions by the number of executed payment transactions, it was established that the largest share (42.51% of them) referred to the transactions of sent credit transfers. They were followed by transactions using payment cards issued in the RC, with a share of 32.32% and transactions of debits from the accounts by simple book entry, with a share of 18.05%.

Transactions executed using the bill-paying service and direct debit service accounted for a 3.98%, i.e. 3.13% of the share, respectively. Transactions using cheques issued in the RC were ranked last with a share of 0.01% (Figure 2).

**Figure 3 Structure of national cashless payment transactions by the value of executed payment transactions**



Sent credit transfers take up even a larger share in the structure of national cashless payment transactions by the value of executed payment transactions, accounting for over 96% of the value of all executed national cashless payment transactions (Figure 3).

Source: CNB.

Each of the categories of national cashless payment transactions is analysed in more detail below.

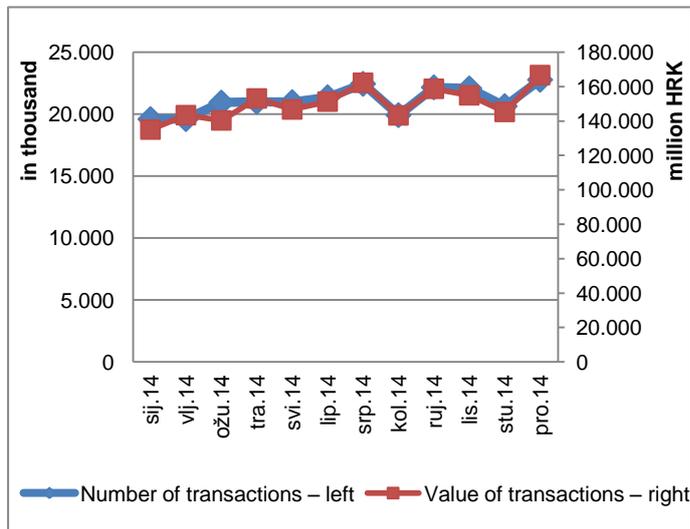
## 1 Sent credit transfers

Sent credit transfers are a dominant payment service in the RC and they include all national credit transfers executed to debit the payment accounts of consumers, business entities and credit institutions in the RC.

In 2014, 271.3 million transactions of sent credit transfers were executed, worth a total of HRK 1,857,263.5 million. If the same data are observed at a monthly level, it was established that on average 22.6 million of sent credit transfers were executed with an average value of HRK 154,772.0 million a month. The average value of a sent credit transfer stood at HRK 6,846.

With the aim to show standing orders, i.e. national cashless credit transfers executed at regular intervals or on predetermined dates (e.g. the payment of credit annuities or instalments, etc.) separately, sent credit transfers in the Report are divided into two items, i.e. to credit transfers (item 1.1) and standing orders (item 1.2). The share of credit transfers stood at 93.4% in the total number and 97.0% in the total value. The remaining 6.58% in the total number, i.e. 3.0% in the total value of the executed transactions of sent credit transfers referred to item 1.2 Standing orders. Figures 4 and 5 show the movement of the total monthly number and value of both items of sent credit transfers in 2014.

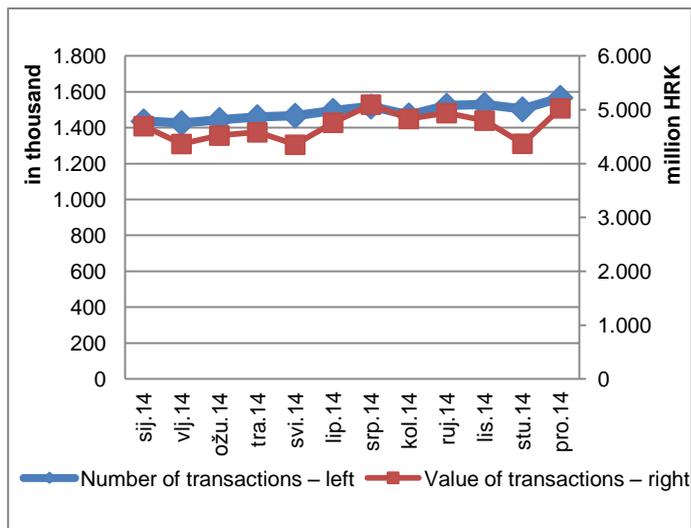
**Figure 4 Credit transfers (item 1.1)**



A total of 253.5 million transactions of national credit transfers, worth a total of HRK 1,800,904.7 million, were executed in the RC in 2014. At a monthly level, 21.1 million national credit transfers were executed with the average value of HRK 150,075.4 million per month (Figure 4). The average value of a national credit transfer stood at HRK 7,105.

Source: CNB.

**Figure 5 Standing orders (item 1.2)**



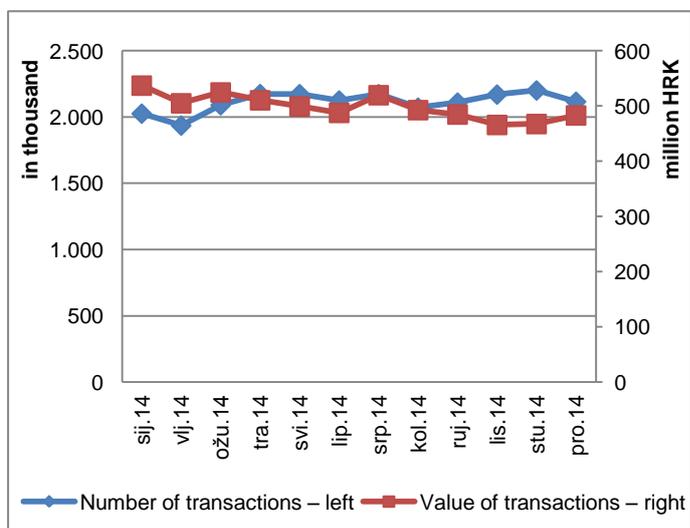
In 2014, 17.8 million standing orders, worth a total of HRK 56,358.8 million were executed debiting the payment accounts of consumers and business entities. At a monthly level, on average, 1.5 million standing orders were executed, worth an average of HRK 4,696.6 million per month (Figure 5). The average value of a standing order stood at HRK 3,159.

Source: CNB.

## 2 Bill-paying service

The bill-paying service includes all payment transactions in which a credit institution, on the basis of a contract with the payee, collects funds from the payer, and makes the collected amount available to the payee within time cycles determined by a contract (e.g. electricity, water, gas and other bills). The credit institution receives payment orders on its own or through third parties (FINA, Hrvatska pošta, retail chains). The total number of payment transactions executed through the bill-paying service stood at 25.4 million with a total value of HRK 5,978.4 million in 2014. Figure 6 shows the movement of the total monthly number and value of transactions executed using the bill-paying service in 2014.

**Figure 6 Bill-paying service**



In accordance with the presented, on average, 2.1 million transactions were executed monthly using the bill-paying service with the average value standing at HRK 498.2 million per month. The average value of a transaction executed using the bill-paying service stood at HRK 236.

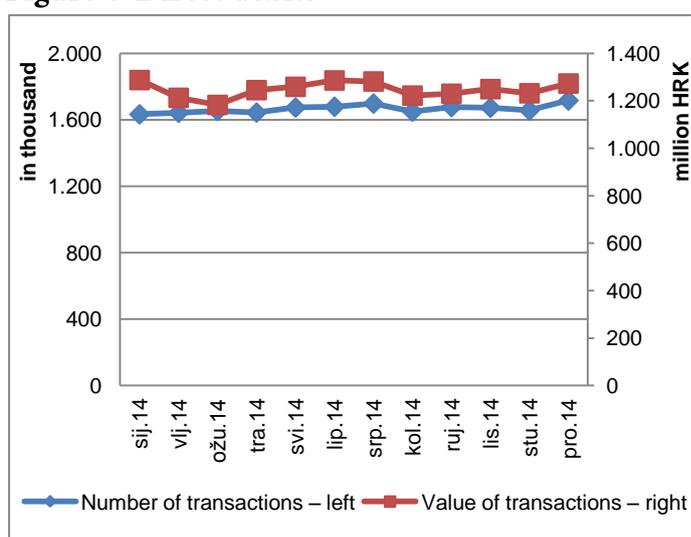
Source: CNB.

### 3 Direct debits

Direct debits include all direct debits on the basis of which the payment accounts of payers in the territory of the RC were debited in 2014 (e.g. the payment of liabilities for utility services through a direct debit contract).

A total of 20 million transactions of direct debits from the payment accounts of payers, worth a total of HRK 14,961.7 million, were executed in the RC in 2014. The movement of the total monthly number and value of direct debit transactions in 2014 is shown in Figure 7.

Figure 7 Direct debits



The analysis of the movement of the shown number and value of direct debit transactions established that the average monthly number of direct debits based on which payment accounts of payers in the territory of the RC were debited stood at 1.7 million transactions with the average value of HRK 1,246.8 million a month in 2014. The average value of a direct debit transaction stood at HRK 748.

Source: CNB.

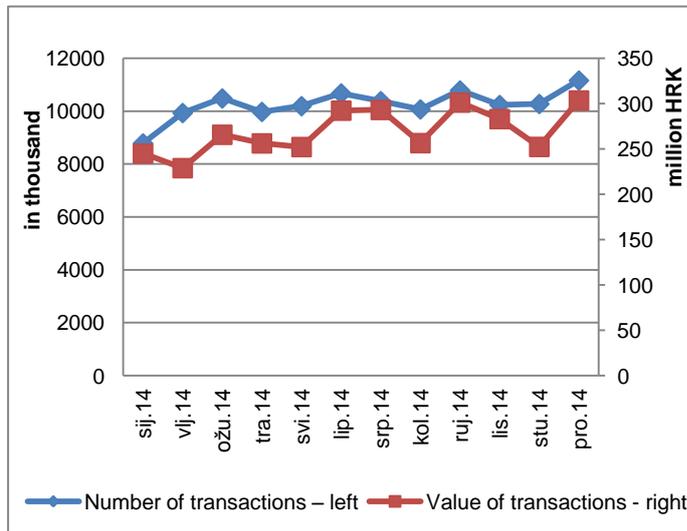
### 4 Debits from the accounts by simple book entry

Debits from the accounts by simple book entry include the total number and value of transactions initiated and executed by a credit institution, by transfer from the payment account of its payment service user on the basis of a contract with the user, without a specific payment order (interests, fees for individual payment services, such as, for example, account management fee).

For the purposes of this Report, the transactions of debits from the accounts by simple book entry do not include the transactions of the transfer of the amount of credit instalment/annuity from the payment service user's payment account to the credit institution's account if such a transfer is agreed by a credit agreement.

In line with the above, 115.2 million transactions of debits from the accounts by simple book entry, worth a total of HRK 3,230.7 million on interests and fees, were executed in the RC in 2014. The movement of the total monthly number and value of transactions of debits from the accounts by simple book entry in 2014 is shown in Figure 8.

**Figure 8 Debits from the accounts by simple book entry**



According to the shown number and value of transactions of debits from the accounts by simple book entry, it was established that, at a monthly level, an average of 9.6 million transactions of debits from the accounts by simple book entry were executed in 2014, worth an average of HRK 269.2 million. The average value of a transaction of debits from the accounts by simple book entry stood at HRK 28.

Source: CNB.

## 5 Transactions using payment cards issued in the RC

Transactions using payment cards issued in the RC include national card-based payment transactions executed using payment cards issued by payment service providers in the RC. Payment service providers as issuers in the RC are:

1. credit institutions (banks) that have obtained the authorisation from the CNB, which includes the authorisation to provide the payment service of the issuing of payment cards, and
2. electronic money institutions that have obtained the authorisation from the CNB to provide the payment services of issuing payment cards.

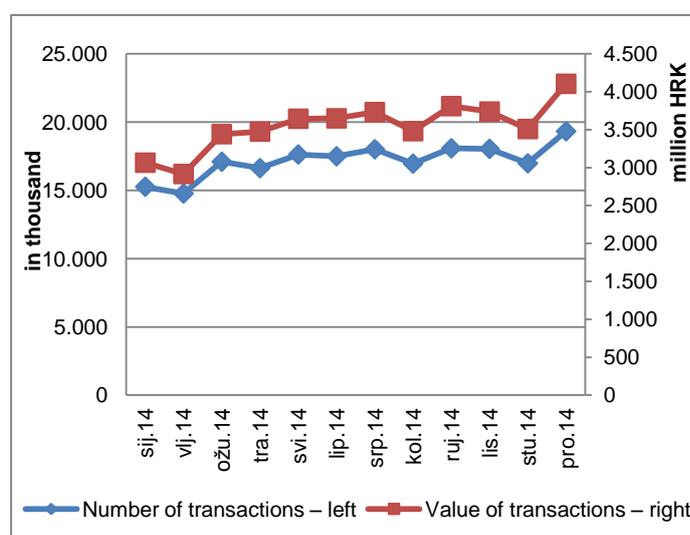
Payment cards issued in the RC, which were used to execute national card transactions in 2014, were issued by 26 credit institutions and two electronic money institutions. For the purposes of this Report, national card transactions<sup>3</sup> include:

<sup>3</sup> The transactions of withdrawal and deposit of cash using a payment card, as well as the transactions of fees, interests, membership fees, etc. collected by the issuer through a payment card, are not included in national card transactions.

- payment transactions of the purchase of goods and services using a payment card, and
- standing orders and direct debits charged through a payment card.

In line with the above, a total of 206.3 million national transactions using payment cards issued in the RC, worth a total of HRK 42,561.5 million, were executed in 2014. The movement of the total monthly number and value of national transactions using payment cards issued in the RC is shown in Figure 9.

**Figure 9 Transactions using payment cards issued in the RC**



An average of 17.2 million national transactions using payment cards issued in the RC, with an average value of HRK 3,546.8 million, were executed at a monthly level. The average value of a national transaction using a payment card issued in the RC stood at HRK 206.

Source: CNB.

National transactions using payment cards issued in the RC are divided into two items: 5.1 Debit payment cards and 5.2 Credit payment cards. Credit payment cards cover credit, charge, revolving, delayed debit and membership cards.

Of the total number of national transactions using payment cards issued in the RC, 126.5 million transactions, or 61%, were executed using debit cards, worth a total of HRK 22,319.6 million or 52%. The remaining of the total number of national transactions using payment cards issued in the RC was executed using credit cards (79.8 million transactions, or 39%, worth a total of HRK 20,241.9 million or 48%).

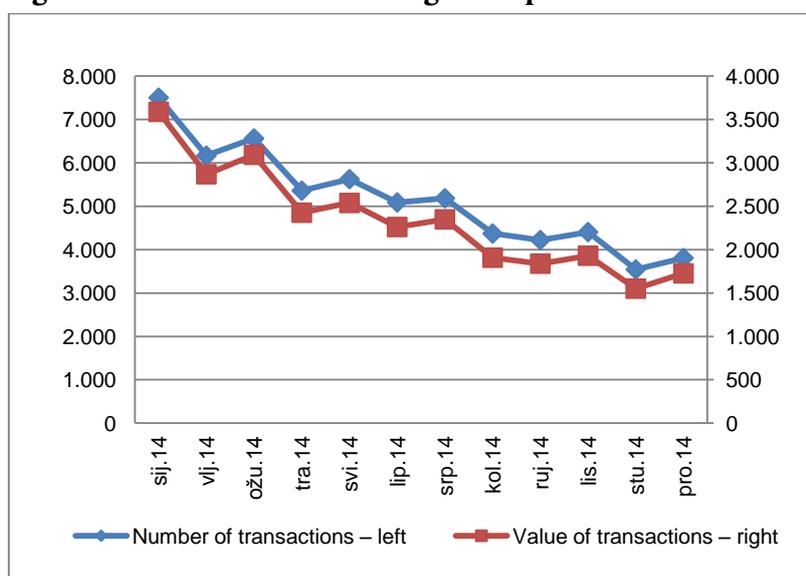
The average value of a national transaction executed using a debit card issued in the RC stood at HRK 176, and the value of a national transaction executed using a credit card issued in the RC stood at HRK 254.

## 6 Transactions through cheques issued in the RC

Transactions through cheques issued in the RC include exclusively national payment transactions of purchase using a cheque.

A total of 61,837 transactions of purchase using cheques, worth a total of HRK 28.1 million, were executed in the RC in 2014. The average value of a transaction of purchase using a cheque stood at HRK 454. The movement of the total monthly number and value of transactions of purchase using cheques in 2014 is shown in Figure 10.

**Figure 10 Transactions through cheques issued in the RC**



Source: CNB.

Data shown in Figure 10 point to a downward trend in the use of the cheque as a payment instrument and its negligible share in the total number and value of all national cashless payment transactions.

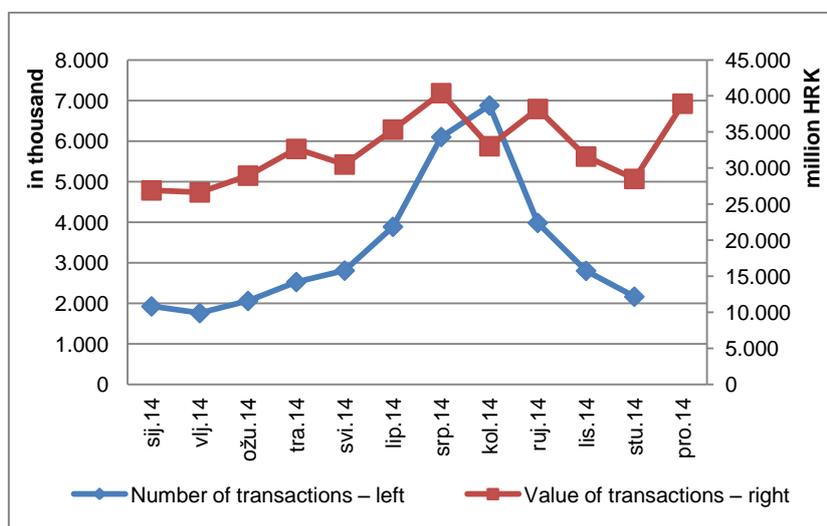
## B) INTERNATIONAL CASHLESS PAYMENT TRANSACTIONS

International cashless payment transaction means a payment transaction the execution of which involves two payment service providers of which one payment service provider (of either the payer or the payee) operates in the RC, whereas the other payment service provider (of either the payer or the payee) operates pursuant to the regulations of a third country or another member state. Data on international cashless payment transactions in the Report are grouped into four categories:

- Sent credit transfers,
- Received credit transfers,
- Transactions using payment cards issued in the RC, and
- Transactions of acquiring payment cards issued outside the RC.

A total of 39.2 million international cashless payment transactions, worth a total of HRK 391,707.4 million, were executed in the RC in 2014. The average value of an international cashless payment transaction stood at HRK 9,988. The movement of the total monthly number and value of international cashless transactions is shown in Figure 11.

**Figure 11 Number and value of international cashless payment transactions**

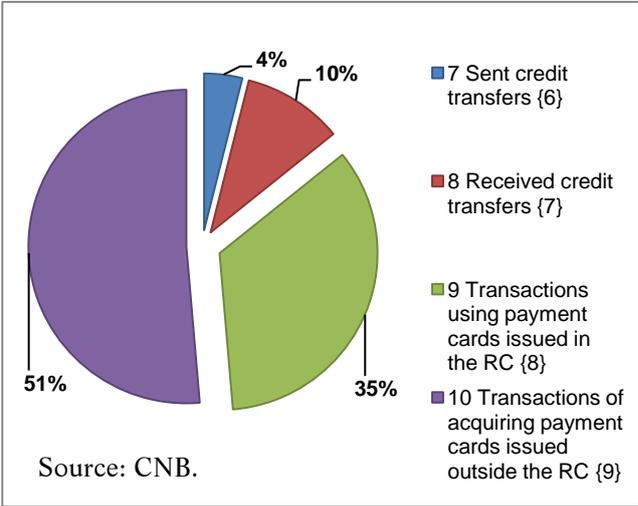


Source: CNB.

The analysis of data shown in Figure 1.1 established that on average 3.3 million international cashless payment transactions were executed monthly, with an average value of HRK 32,642.3 million per month. The exponential growth of the number of international cashless payment transactions in the period from May to August 2014 is

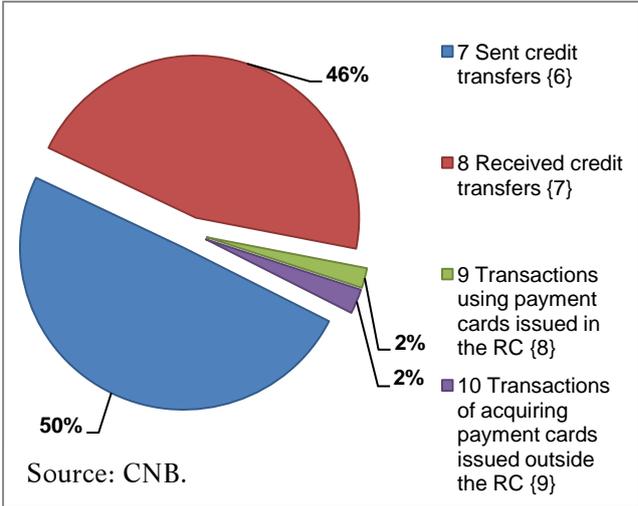
explained in the part related to the transactions of acquiring payment cards issued outside the RC.

**Figure 12 Structure of international cashless payment transactions by the number of executed payment transactions**



The transactions of acquiring payment cards issued outside the RC and international transactions using payment cards issued in the RC, with a 51.3% and 34.5% share respectively, had the largest shares in the total number of international cashless payment transactions (Figure 12). They were followed by international credit transfer transactions to credit payment accounts in the RC, with a share of 10.3%, and sent credit transfers were ranked last with a 3.9% share.

**Figure 13 Structure of international cashless payment transactions by the value of executed payment transactions**



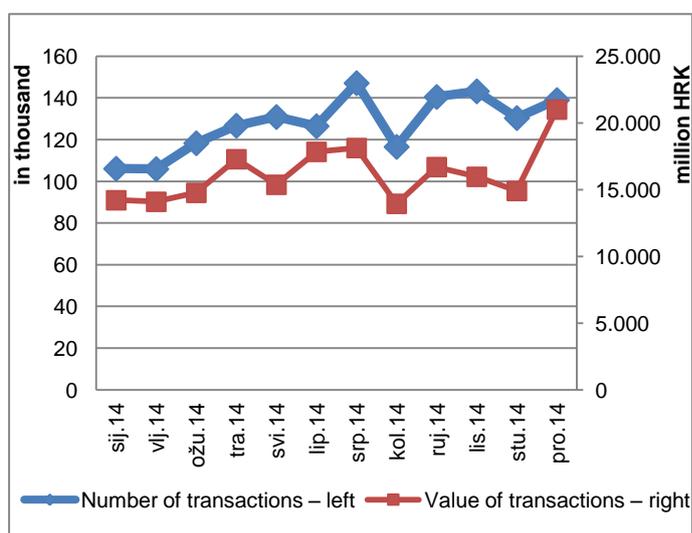
It is established from the structure of the value of international cashless payment transactions (Figure 13) that the share of international credit transfers accounts for over 95% of the total value, i.e., of the total value of international cashless payment transactions, 50% of the value of international cashless payment transactions refers to international credit transfers executed to debit

payment accounts in the RC, and 46% to international credit transfers executed to credit payment accounts in the RC. The transactions of acquiring payment cards issued outside the RC and international transactions using payment cards issued in the RC accounted for a 2% share in the total value of international cashless payment transactions. Each of the categories of international cashless payment transactions is analysed in more detail below.

## 7 Sent credit transfers

Sent credit transfers include all international credit transfers executed to debit the payment accounts of consumers, business entities and credit institutions in the RC. Data that refer to the executed credit transfers debited from the payment accounts of credit institutions in the RC do not include transactions, which credit institutions in the RC carried out in their own name and for their own account in the financial market (e.g. payments in foreign exchange market and/or capital market). A total of 1.5 million transactions of sent international credit transfers, worth a total of HRK 194,277.7 million, were executed in 2014. The average value of a sent international credit transfer stood at HRK 126,866.

**Figure 14 Sent international credit transfers**



The analysis of the same data at a monthly level established that on average 127,000 sent international credit transfers, worth an average of HRK 16,189.9 million a month, were executed in 2014. The movement of the total monthly number and value of sent international credit transfers is shown in Figure 14.

Source: CNB.

Of the total number of sent international credit transfers in 2014, 90% of them were executed to debit business entities' payment accounts in the RC, worth a total of HRK 179,910.7 million. A 9% of the total number of sent international credit transfers, worth a total of HRK 4,029.4 million, was executed to debit consumers' payment accounts in the RC. The remaining 1% of the share referred to the share in the number of sent international credit transfers executed to debit credit institutions' payment accounts in the RC, worth a total of HRK 10,337.7 million.

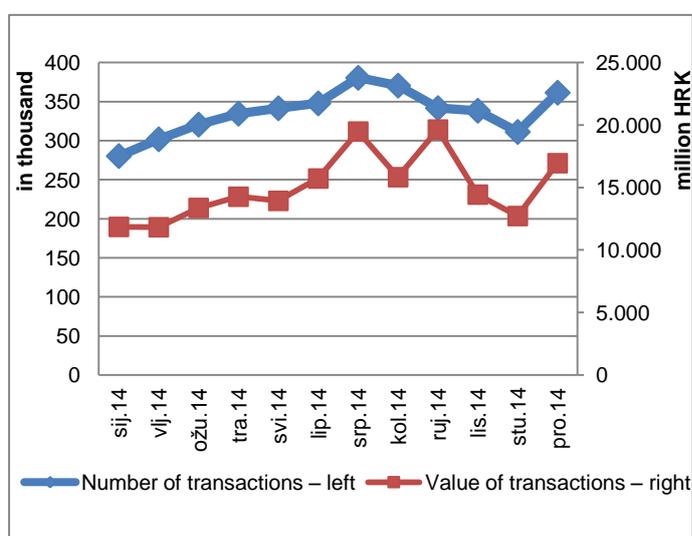
The average value of an international credit transfer debited from the payment account of a business entity in the RC stood at HRK 130,120; debited from the payment account of a consumer in the RC, it stood at HRK 29,647, and debited from the payment account of a credit institution at HRK 808,514.

## 8 Received credit transfers

Received credit transfers include all international credit transfers executed to credit the payment accounts of consumers, business entities and credit institutions in the RC.

According to data submitted by credit institutions, a total of 4 million transactions of received international credit transfers worth a total of HRK 180,041.3 million were executed in 2014. The average value of a received international credit transfer in the RC stood at HRK 44,669.

**Figure 15 Received international credit transfers**



The analysis of the same data at a monthly level established that on average 336 thousand received international credit transfers, worth an average of HRK 15,003.4 million a month were executed in 2014. The movement of the total monthly number and value of received international credit transfers is shown in Figure 15.

Source: CNB.

Of the total number of received international credit transfers in 2014, 70.8% of them were executed to credit consumer's payment accounts in the RC, worth a total of HRK 22,057.3 million. A 28.8% of the total number of received international credit transfers, worth a total of HRK 146,177.3 million was executed to credit business entities' payment accounts in the RC. The remaining 0.4% referred to the share of the number of received international credit transfers executed to credit the payment accounts of credit institutions in the RC, worth a total of HRK 11,806.7 million. It is evident from the shown data that the largest share of the value of received international credit transfers was executed to credit business entities' payment accounts in the RC, while the largest share of the number of received international credit transfers was executed to credit consumer payment accounts in the RC.

The average value of an international credit transfer executed to credit the business entity's payment account in the RC stood at HRK 125,825, to credit the consumer's

payment account in the RC stood at HRK 7,730, and to credit the credit institution's payment account, at HRK 761,575.

## 9 Transactions using payment cards issued in the RC

Transactions using payment cards issued in the RC include all international transactions, i.e. transactions executed abroad, using payment cards issued by payment service providers in the RC. Payment service providers as issuers in the RC are:

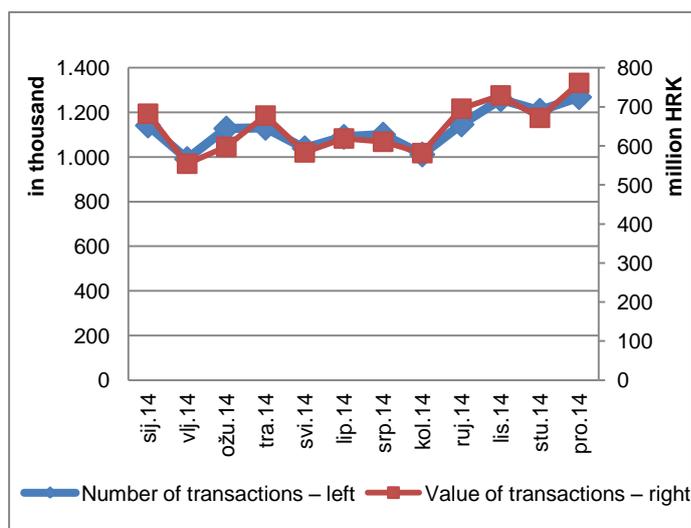
1. credit institutions (banks) that have obtained the authorisation from the CNB, which includes the authorisation to provide the payment service of the issuing of payment cards, and
2. electronic money institutions that have obtained the authorisation from the CNB to provide the payment services of issuing payment cards.

International transactions executed using payment cards issued in the RC include:

- payment transactions of the purchase of goods and services using a payment card, and
- payment transactions of cash withdrawal using a payment card.

According to the data submitted by payment service providers – issuers in the RC, a total of 13.5 million international transactions using payment cards issued in the RC, worth a total of HRK 7,765.4 million, were executed in 2014. The movement of the total monthly number and value of international transactions using payment cards issued in the RC is shown in Figure 16.

**Figure 16 Transactions using payment cards issued in the RC**



At a monthly level, on average, 1.1 million international transactions using payment cards issued in the RC were executed, worth an average of HRK 647.1 million. The average value of an international transaction using a payment card issued in the RC stood at HRK 574.

Source: CNB.

## 10 Transactions of acquiring payment cards issued outside the RC

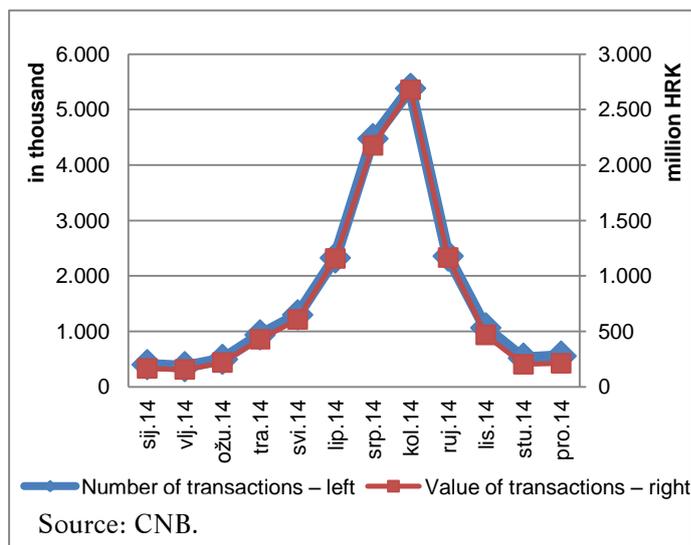
The transactions of acquiring payment cards issued outside the RC include data on the transactions of acquiring payment cards issued by payment service providers outside the RC (hereinafter referred to as 'foreign issuer'). The service of acquiring payment cards was provided by payment service providers as acquirers, i.e.:

1. credit institutions (banks) that have obtained the authorisation from the CNB, which includes the authorisation to provide the payment service of acquiring payment cards, and
2. electronic money institutions that have obtained the authorisation from the CNB to provide the payment services of acquiring payment cards.

For the purposes of this Report, here presented transactions include the transactions of acquiring payment cards for the purchase of goods and services executed through EFTPOS terminals and online at the point of sale through a payment card.

A total of 20.1 million transactions of acquiring payment cards of foreign issuers, worth a total of HRK 9,623 million were executed in 2014. The average value of a transaction of acquiring payment cards of foreign issuers for the purchase of goods and services stood at HRK 478. The movement of the total monthly number and value of transactions of acquiring payment cards issued outside the RC is shown in Figure 17.

**Figure 17 Transactions of acquiring payment cards issued outside the RC**



In the first three months of 2014, the average monthly value of the transactions of acquiring payment cards of foreign issuers for the purchase of goods and services stood at HRK 179 million. In the period from April to August, an upward trend of the total monthly value of the transactions of acquiring payment cards of foreign issuers for the purchase of goods and services was observed, which

reached its maximum of HRK 2,667 million in August. After August and the summer tourist season, the monthly value of the transactions of acquiring payment cards of foreign issuers for the purchase of goods and services fell to the levels at the beginning of 2014.