

**Capgemini Contacts:**

Courtney Finn  
Weber Shandwick for Capgemini  
[cfinn@webershandwick.com](mailto:cfinn@webershandwick.com)  
+1 952 346 6206

Cortney Lusignan (EMEA)  
[clusignan@webershandwick.com](mailto:clusignan@webershandwick.com)  
+44 20 7067 0764

**RBS Contacts:**

Zoë Gray  
Media Relations Manager, RBS  
[zoe.gray@rbs.com](mailto:zoe.gray@rbs.com)  
+44 207 678 8063

Del Jones / Abbie Daniels / Katherine Taunton  
Fishburn for RBS  
[rbs@thisisfishburn.com](mailto:rbs@thisisfishburn.com)

## **Global Non-Cash Payments Forecast to Grow by Nearly Ten Percent Reveals World Payments Report 2014**

*Pace and regulatory pressure propel payments processing transformation*

**Boston, Paris, London – September 30, 2014 – Non-cash payments volumes are expected to grow 9.4 percent to reach 366 billion transactions in 2013<sup>1</sup>, fueled by strong growth in developing markets and the use of credit (up 9.9 percent) and debit cards (up 13.4 percent<sup>2</sup>). With the continued acceleration of electronic (e-) and mobile (m-)payments growth and ongoing regulatory pressures, the payments industry is seeking to find new and innovative ways to support customer demands, according to the 10<sup>th</sup> annual [World Payments Report](#) from Capgemini and Royal Bank of Scotland (RBS).**

### **Developing markets continue to be pivotal to growth**

Overall, more than 50 percent of global non-cash payment growth comes from developing countries despite them only making up one quarter (25.5 percent) of the market size at 93 billion transactions. China remains a relatively underdeveloped market for non-cash transactions but its population and growth rate suggest in certain conditions that it could soon outstrip the US and Eurozone within the next five years. Currently, one in five people in the world that are using mobile banking, lives in China.<sup>3</sup>

Alongside China, growth rates for Central Europe, Middle East & Africa (CEMEA) followed closely at 23.8 percent, emerging Asia at 22.8 percent, and Latin America at 11.0 percent.

Despite high growth in developing markets, the U.S. and the Eurozone are still ahead in the number of non-cash transactions made per inhabitant. Finland, with 448 transactions per person per annum, continues to be a clear leader and recorded growth of 10.6 percent during 2012, outstripping other

---

<sup>1</sup> The World Payments Report 2014 is an annual report which examines the latest developments in the global payments landscape, including payments volume trends, payment instruments (such as cards and checks), key regulatory initiatives and their impact on strategic considerations and options for banks. The transactional data in the report is from 2012. It makes a projection for 2013. Data is not yet available for 2014.

<sup>2</sup> Reported e- and m- payments growth, 2012. Noting that cards are often used in e- and m- transactions.

<sup>3</sup> China – A New Paradigm in Branchless Banking, CGAP, March 2014

nations in Europe and North America. The U.S. has the second highest number of non-cash transactions per inhabitant, at 376, but grew by only 2.6 percent for 2012.

William Higgins, Managing Director of Payments, RBS, said: *“Developing markets have continued their growth story, recording an impressive 18.3% rise compared with 4.5% across more mature markets in 2012. These significant growth levels, and even higher predictions for next year’s World Payments Report, represent a huge opportunity for the industry. China, for instance, is one to watch over the coming years, with the report showing that if growth rates remain at the current high level, it could become the largest market for non-cash transactions within just five years. These soaring growth rates in key markets put pressure on the global payments arena to innovate to meet rapidly increasing consumer demand.”*

### **E- and m-payments are converging and changing the payments playing field**

Increased use of tablets and smartphones is creating a convergence of e- and m- payments, posing new challenges for Payments Services Providers (PSPs). In 2015, m-payments are projected to grow at 60.8 percent while e-payments growth is forecast to decelerate to 15.9 percent annually over the next year, as more people use mobile devices to make payments. This trend is adding to the pressure on PSPs to modernize their payments processing infrastructures to support the wide-range of customer-facing innovations.

*“This year’s World Payments Report found the majority of traditional payments providers have made the transformation of payments processing a priority in the short-term,”* said [Jean Lassignardie](#), Chief Sales and Marketing Officer for Capgemini Financial Services. *“However, the pressure is on from both competition and new regulatory initiatives to provide next generation innovations like [Square](#), [iZettle](#), and [Swift](#) for tangible customer value. This requires providers to develop a long-term vision for payments processing that can be tactically executed through strategic, agile, short-cycle projects where quick wins are captured while building longer term value-add.”*

The report also cites medium and longer term transformation priorities as having a single integrated payments platform (with a common base for both retail and corporate payments), applying the concept of payments hubs to all areas of payments, and addressing cards/payments convergence as essential support for customer-facing innovations.

### **The industry is struggling to meet consumer demand**

The growth of the industry coupled with the fast pace of new regulation requires flexibility from PSPs to adapt. More than 50 percent of new Key Regulatory and Industry Initiatives (KRIIs) are focusing on innovation and some of which also play a significant role to reduce risk, improve transparency and competition and facilitate standardization. As these new KRIIs are created, there is a tendency for them to cascade across the globe spreading regulatory initiatives across regions. Initiatives such as real-time

payments, pressure on card interchange fees and improved payments governance are examples of cascading regulation.

The report also highlights that many new KRIs augment the scope of existing initiatives, leading to a complementary reinforcement effect which occurs when new regulation appears across regions correlating to existing regulation and improves the industry's propositions as a whole. Recognizing these trends will be critical for operational efficiency for PSPs operating across multiple territories.

The report is available for download at [www.worldpaymentsreport.com](http://www.worldpaymentsreport.com)

### **About Capgemini**

With almost 140,000 people in over 40 countries, Capgemini is one of the world's foremost providers of consulting, technology and outsourcing services. The Group reported 2013 global revenues of EUR 10.1 billion. Together with its clients, Capgemini creates and delivers business and technology solutions that fit their needs and drive the results they want. A deeply multicultural organization, Capgemini has developed its own way of working, [the Collaborative Business Experience™](#), and draws on [Rightshore®](#), its worldwide delivery model.

Learn more about us at [www.capgemini.com](http://www.capgemini.com)

*Rightshore® is a trademark belonging to Capgemini*

### **About Capgemini's Financial Services Global Business Unit**

Capgemini's Global Financial Services Business Unit brings deep industry experience, innovative service offerings and next generation global delivery to serve the financial services industry. With a network of 21,000 professionals serving over 900 clients worldwide Capgemini collaborates with leading banks, insurers and capital market companies to deliver business and IT solutions and thought leadership which create tangible value.

More information is available at: [www.capgemini.com/financialservices](http://www.capgemini.com/financialservices)

### **The Royal Bank of Scotland (RBS)**

RBS is a UK-based banking and financial services company. Headquartered in Edinburgh, RBS operates in the United Kingdom, Europe, the Middle East, the Americas and Asia, serving over 24 million customers worldwide. RBS provides a wide range of products and services to personal, commercial and large corporates and institutional customers through its two main subsidiaries, The Royal Bank of Scotland and NatWest, as well as through a number of other well-known brands including Citizens, Ulster Bank and Coutts.

Visit: [www.rbs.com](http://www.rbs.com)

# # #