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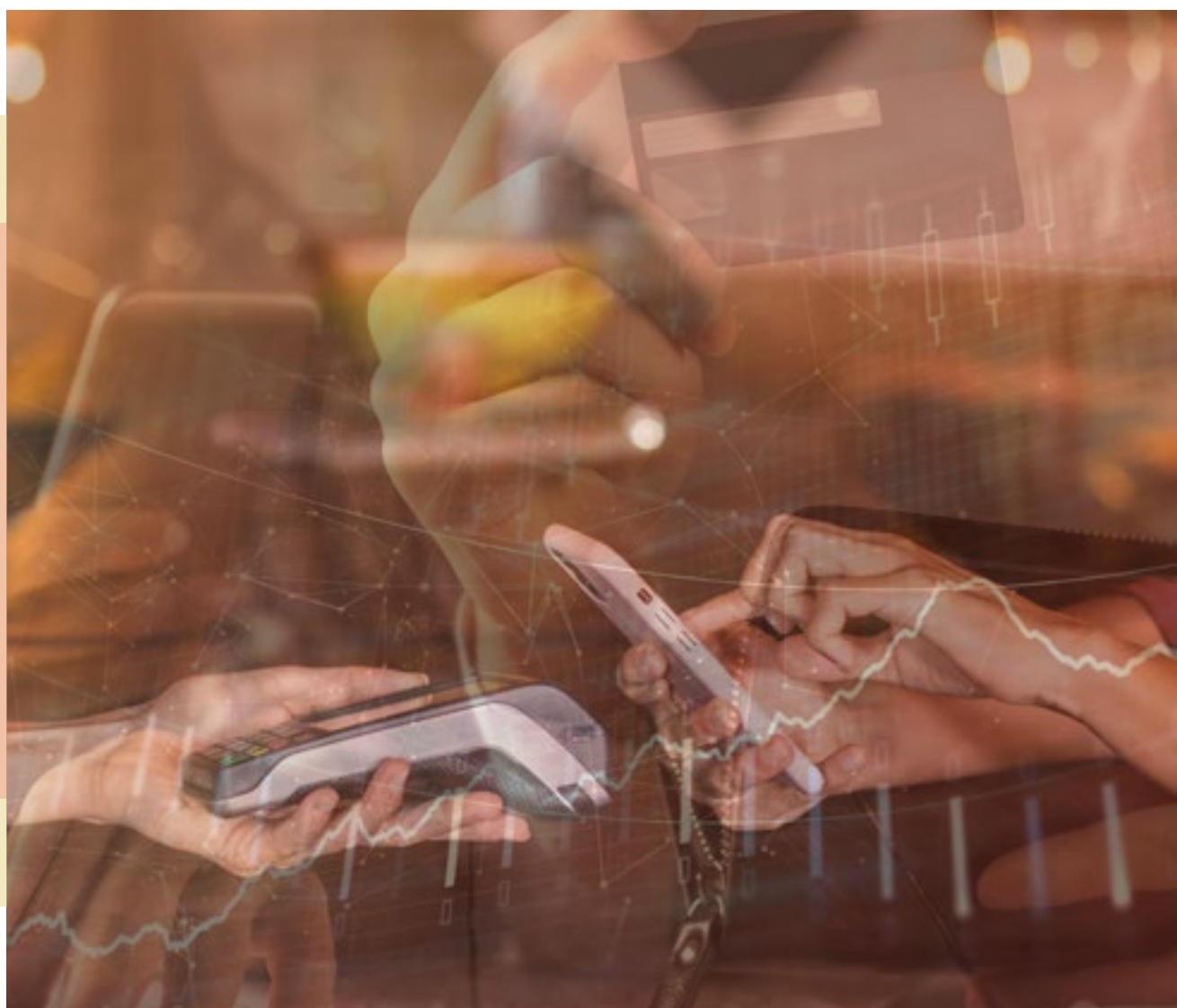
YEARS OF  
THE CROATIAN  
NATIONAL  
BANK

# Cashless Payment Transactions

Payment Statistics

**2020**

Year II · August 2021



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# Contents

<b>1 Introduction.....</b>	<b>3</b>
<b>2 National cashless payment transactions.....</b>	<b>6</b>
2.1 Sent credit transfers .....	8
2.2 Bill-paying service .....	11
2.3 Direct debits .....	12
2.4 Debits from the accounts by simple book entry.....	13
2.5 Transactions using payment cards issued in the RC.....	14
<b>3 International cashless payment transactions.....</b>	<b>16</b>
3.1 Sent credit transfers .....	18
3.2 Received credit transfers.....	20
3.3 Transactions using payment cards issued in the RC.....	22
3.4 Transactions of acquiring payment cards issued outside the RC .....	23
<b>4 Overview of basic definitions.....</b>	<b>24</b>

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# 1 Introduction

The increase in the number and the value of cashless payment transactions continued in almost all EU member states over the past few years. The increase in cashless payment transactions has been strongly driven by advances in internet and mobile banking as well as in card payments. In the Republic of Croatia (hereinafter referred to as 'RC'), the increase particularly referred to the number of national card-based transactions which, according to Croatian National Bank data, increased by 51%, while their value increased by 44% in the past five years. An average Croatian citizen today has 2.06 payment cards in his/her wallet, which places the RC at the very top of the European Union. At the same time, 29% of consumers and 53% of business entities in the RC have internet banking agreements, and 39% of consumers and 27% of business entities have mobile banking agreements, allowing them to initiate electronic payment orders 24 hours a day.<sup>1</sup> However, the development dynamics of these cashless payment channels is also changing.

Thus, over the last several years, the number of users (consumers) of internet banking services grew more slowly than the number of consumers using mobile banking. The rise in the number of mobile banking users has been accompanied by an increase in the number of payment transactions initiated through this channel, with the result that in 2020 consumers in the RC initiated 37% of the total number of transactions using mobile banking and 36% of the total value of all cashless transactions in the RC.<sup>2</sup>

In contrast to the previous years, when credit transfer transactions accounted for the largest share of the number of national cashless payment transactions, if 2020 is analysed, it can be concluded that card-based payment transactions accounted for the largest share (40%) in the total number of national cashless payment transactions, while the share of credit transfers stood at 37%, followed by the transactions of debit from the accounts by simple book entry with a share of 19%. Bill-paying service transactions account for a share of approximately 1%, while direct debit service transactions account for a share of 2%.

At the same time, payment card-based transactions accounted for 85%, or the largest share, of the number of international cashless payment transactions, followed by transactions executed using the credit transfer service with a total share of 15%.

- 1 As at 31 December 2020, 39% of consumers and 32% of business entities in the RC subscribed to mobile banking services. Compared to the number of mobile banking users as at 31 December 2019, the number of consumers and business entities enrolled in this service rose by 21% and 16%, respectively, in 2020.
- 2 In 2020, consumers in the RC initiated 25.4 million transactions using the internet banking service, totalling HRK 25.5bn and 85.9 million transactions using the mobile banking service, totalling HRK 60.9bn.

By contrast, transactions executed using the credit transfer service still account for a very dominant share of the total value of cashless payment transactions. In 2020, they accounted for approximately 96% of the total value of all executed national and international cashless payment transactions.

Credit transfers have such a high share in the total value of all cashless payment transactions because they are the most frequently used in high value transactions. Thus, credit transfers are commonly used for the execution of payments between corporations, corporations and banks, payments between natural persons, the payment of wages and pensions, etc. This is also evident from the average value of individual credit transfer transactions<sup>3</sup>, which is much higher than, for example, the average value of card transactions<sup>4</sup>, primarily used for the purchase of goods and services in retail.

Table 1 shows the total number and value of executed cashless payment transactions in the RC in 2020 in all currencies calculated in kuna. The data shown in 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') about payment system and electronic money data, as well as about the content, manner and deadlines of the reporting.

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

- credit institutions (banks) that have obtained authorisation from the CNB, which includes the authorisation to provide the payment services of acquiring payment transactions;
- electronic money institutions that have obtained authorisation from the CNB to provide the payment services of issuing payment instruments and acquiring payment transactions executed by payment instruments; and
- payment institutions that have obtained authorisation from the CNB to provide the payment services of acquiring payment transactions executed by payment instruments.

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

3 The average value of national credit transfers stood at HRK 6,640 (excluding standing orders).

4 The average value of national transactions using payment cards issued in the RC stood at HRK 184.

**Table 1** Report on cashless payment transactions in the Republic of Croatia in 2020

Executed payment transactions (1)	Number of transactions	%	Value of transactions in kuna	%
<b>A) NATIONAL PAYMENT TRANSACTIONS</b>				
1 Sent credit transfers (2)	353,354,731	37.18%	2,242,048,903,642	96.11%
1.1 Credit transfers	328,830,660	93.06%	2,183,503,297,201	97.39%
1.2 Standing orders	24,524,071	6.94%	58,545,606,441	2.61%
2 Bill-paying service	13,699,655	1.44%	4,478,590,913	0.19%
3 Direct debits	19,890,023	2.09%	13,274,336,766	0.57%
4 Debits from the accounts by simple book entry (3)	183,589,150	19.32%	2,962,746,537	0.13%
5 Transactions using payment cards issued in the RC (4)	379,811,158	39.97%	69,949,173,180	3.00%
5.1 Debit payment cards	296,901,841	78.17%	49,326,416,784	70.52%
5.2 Credit payment cards	82,909,317	21.83%	20,622,756,396	29.48%
<b>TOTAL NATIONAL PAYMENT TRANSACTIONS (1 – 5)</b>	<b>950,344,717</b>	<b>100.00%</b>	<b>2,332,713,751,038</b>	<b>100.00%</b>
<b>B) INTERNATIONAL PAYMENT TRANSACTIONS</b>				
6 Sent credit transfers (5)	4,133,350	5.62%	256,926,278,539	48.74%
7 Received credit transfers (6)	6,792,809	9.24%	249,403,513,225	47.31%
8 Transactions using payment cards issued in the RC (7)	33,622,169	45.72%	10,674,524,281	2.03%
9 Transactions of acquiring payment cards issued outside the RC (8)	28,987,047	39.42%	10,130,244,903	1.92%
<b>TOTAL INTERNATIONAL PAYMENT TRANSACTIONS (6 – 9)</b>	<b>73,535,375</b>	<b>100.00%</b>	<b>527,134,560,948</b>	<b>100.00%</b>
<b>TOTAL (A+B)</b>	<b>1,023,880,092</b>		<b>2,859,848,311,986</b>	

**(1) Executed payment transactions** include executed cashless payment transactions in all currencies, converted into kuna at the CNB's midpoint exchange rate on the last day of each month.

**(2) Sent credit transfers** include all national credit transfers executed by debiting 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 instalment/annuity of a credit from the payment account of a payment service user to the account of the credit institution if such a transfer is agreed under a credit agreement.

**(4) Transactions using payment cards issued in the RC** include national card-based payment transactions for the purchase of goods and services and contractual debits (including transactions of the purchase of goods and services through repayment in instalments and consumer credits). The transactions of withdrawal and depositing 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) Sent credit transfers** include all international credit transfers executed by debiting the payment accounts of consumers, business entities and credit institutions.

**(6) Received credit transfers** include all international credit transfers crediting the payment accounts of consumers, business entities and credit institutions.

**(7) Transactions using payment cards issued in the RC** include international payment transactions using payment 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.

**(8) Transactions of acquiring payment cards issued outside the RC** include the transactions of acquiring payment instruments executed by payment instruments 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.

Note: Including the payment transactions of consumers, business entities, credit institutions and the Financial Agency, executed in all currencies and converted into kuna.

Source: CNB.

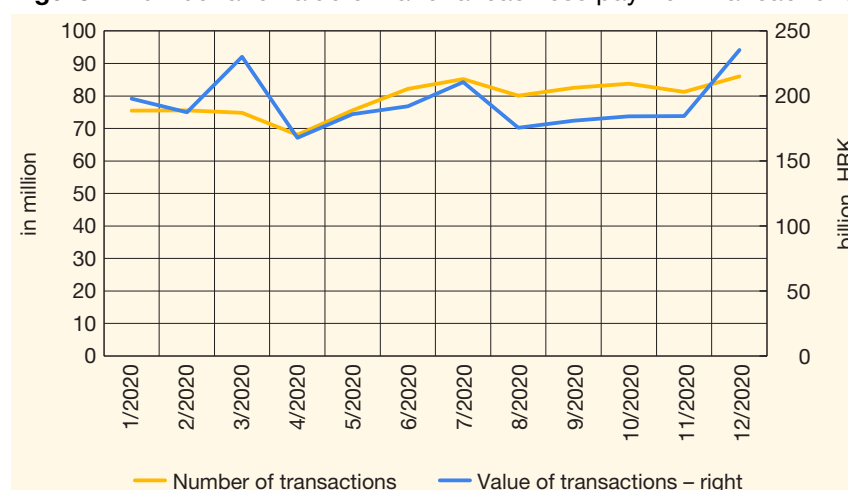
## 2 National cashless payment transactions

National cashless payment transactions are 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, operating in the Republic of Croatia. Data on national cashless payment transactions in the Report are grouped into five categories:

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

According to data submitted by reporting entities, a total of 950.3 million national cashless payment transactions were executed in 2020, worth a total of HRK 2,332,713.8m. If compared with the total number and value of national cashless payment transactions in 2019, the total number of transactions rose by 2.4% and the total value of transactions by 2.3%. On average 79.2 million national cashless payment transactions were executed monthly, with an average monthly value of HRK 194,392.8m (Figure 1). The average value of national cashless payment transactions in 2020 was HRK 2,455.

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

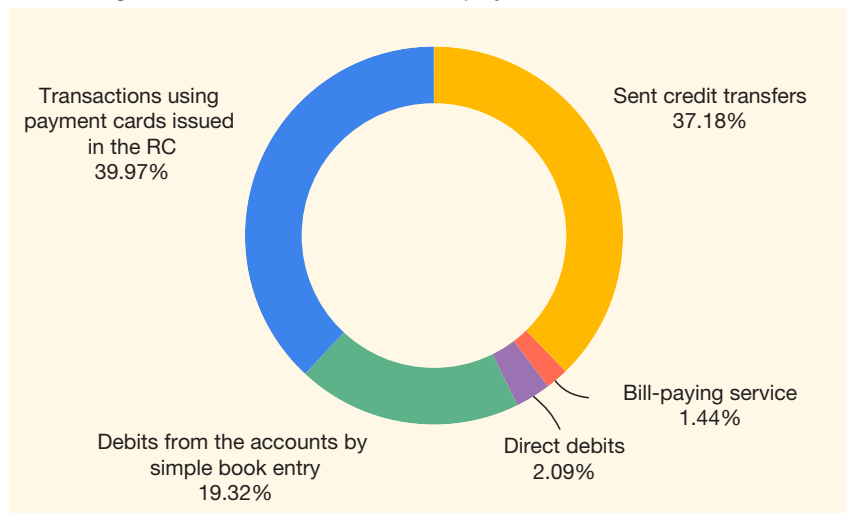


Note: National cashless payment transactions include cashless payment transactions executed in all currencies and converted into kuna.

Source: CNB.

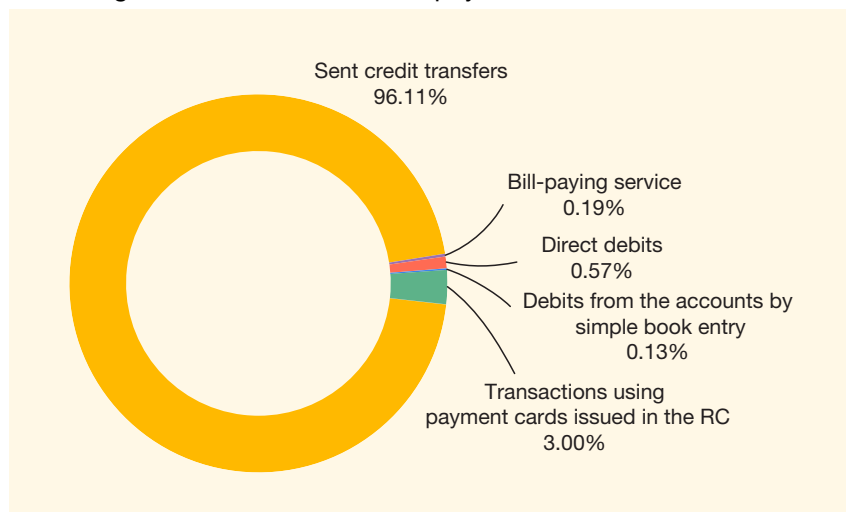
From the structure of national cashless payment transactions according to the number of payment transactions executed in 2020 it was established that the largest share (39.97%) related to transactions using payment cards issued in the RC. They were followed by the transactions of sent credit transfers, with a share of 37.18% and the transactions of debits from the accounts by simple book entry, with a share of 19.32%. Transactions executed using the bill-paying service and direct debit service accounted for 1.44% and 2.09%, respectively (Figure 2).

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



Source: CNB.

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



Note: National cashless payment transactions include cashless payment transactions executed in all currencies and converted into kuna.

Source: CNB.

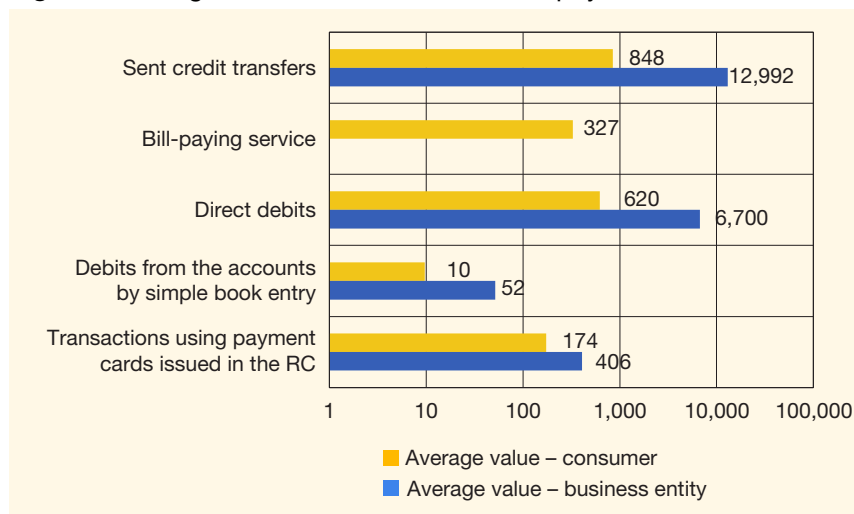
Sent credit transfers accounted for a very dominant share of national cashless payment transactions in terms of value of executed payment transactions in 2020. They accounted for 96% of the total value of all the executed national cashless payment transactions (Figure 3).

The high share of credit transfers in the total value of national cashless payment transactions is because it is credit transfers that are most frequently used in larger-value transactions. Thus, credit transfers are commonly used for the execution of payments between corporations, corporations and banks, payments between natural persons, the payment of wages and pensions, etc. This is also evident from the average value of national credit transfer transactions, which is much higher than, for example, the average value of card transactions, which are primarily used for the purchase of goods and services in retail. The amount of the average value for each of the categories of national cashless payment



transactions is shown separately for the consumer and the business entity in Figure 4.

**Figure 4** Average values of national cashless payment transactions



Notes: National cashless payment transactions include cashless payment transactions executed in all currencies and converted into kuna. Payment transactions executed using the bill-paying service in the RC in 2020 could be initiated by consumers only. Source: CNB.

An analysis of each of the categories of national cashless payment transactions is given below.

## 2.1 Sent credit transfers

Credit transfer means a payment service by which the payer’s payment account is debited and the payee’s payment account is credited on the basis of an order initiated by the payer. The transaction itself should not be identified with the term of “credit” in the sense of a loan; rather, it originates from the term “credit transfer”, which implies that it is used to initiate the transfer to credit the payee’s payment account at the payer’s initiative. As at 31 December 2020, 21 credit institutions provided credit transfer payment services in the RC.

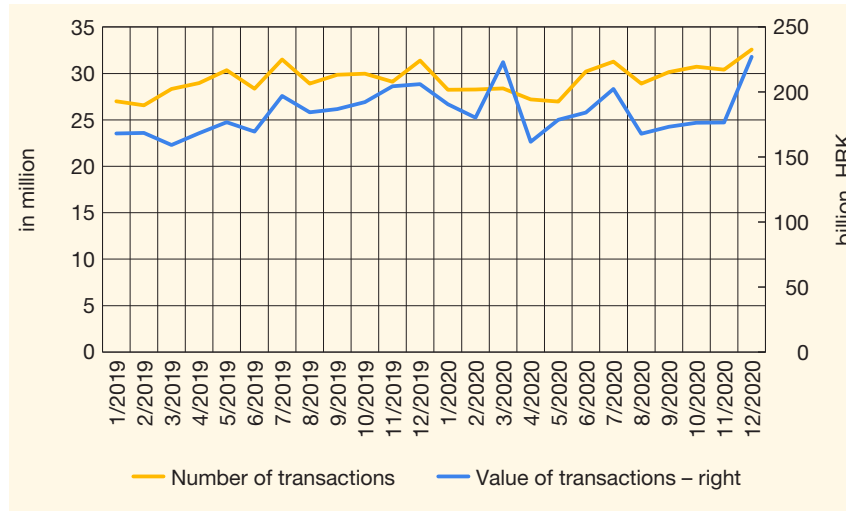
Sent credit transfers constitute the dominant payment service in the RC; they include all national credit transfers executed by debiting the payment accounts of consumers, business entities and credit institutions in the RC. Sent credit transfers also include the standing order service.

In 2020, in the RC, 353.4 million transactions of sent credit transfers were executed in a total value of HRK 2,242,048.9m. At a monthly level, on average 29.4 million sent credit transfers were executed with the average value of HRK 186,837.4m per month. The average value of sent credit transfers stood at HRK 6,345. If compared with the total number and value of sent credit transfers in 2019, the total number of transactions in 2020 rose by 0.86% and the total value



of transactions by 2.8%. Figure 5 shows the movement of the total number and value of sent credit transfers in the past two years.

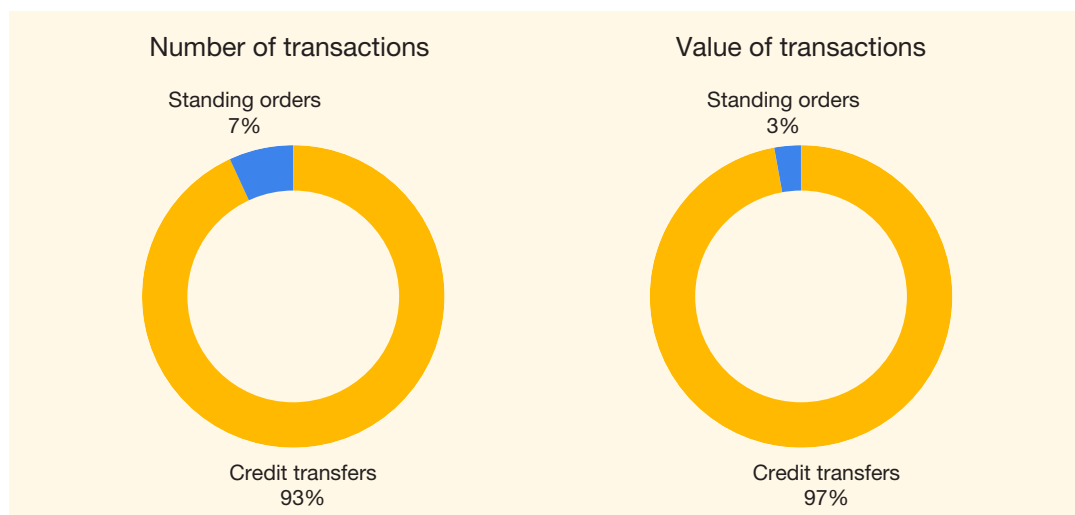
**Figure 5** Number and value of sent credit transfers



Note: Data refer to the payment transactions of sent national credit transfers executed in all currencies and converted into kuna.  
Source: CNB

With the intention of showing standing orders, i.e. national cashless credit transfers executed at regular intervals or on dates set in advance (e.g. the payment of annuities or instalments of a credit) separately, the category of sent credit transfers in the Report is divided into two subcategories, i.e. credit transfers (Subcategory 1.1) and standing orders (Subcategory 1.2). The share of each of the subcategories in the total number and value of sent credit transfers in 2020 is shown in Figure 6.

**Figure 6** Share of credit transfers and standing orders in the total number and value of sent credit transfers in 2020

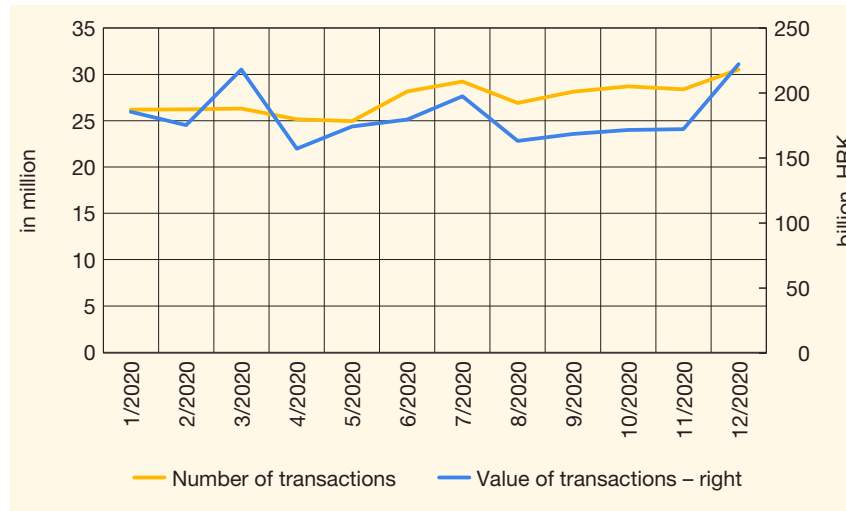


Note: Data refer to sent national credit transfers executed in all currencies and converted into kuna.  
Source: CNB.

As shown in Figure 6, credit transfers (Subcategory 1.1) have a much more significant share than standing orders in the total number and in the value of sent credit transfers. In 2020, their share accounted for 93% of the total number and

97% of the total value of sent credit transfer transactions. A total of 328.8 million transactions of national credit transfers, worth a total of HRK 2,183,503.3m, were executed in 2020. At a monthly level, 27.4 million national credit transfers were executed on average, with an average value of HRK 181,958.6m per month (Figure 7).

**Figure 7** Credit transfers (Subcategory 1.1)



Note: Data refer to the transactions of sent national credit transfers executed in all currencies and converted into kuna.

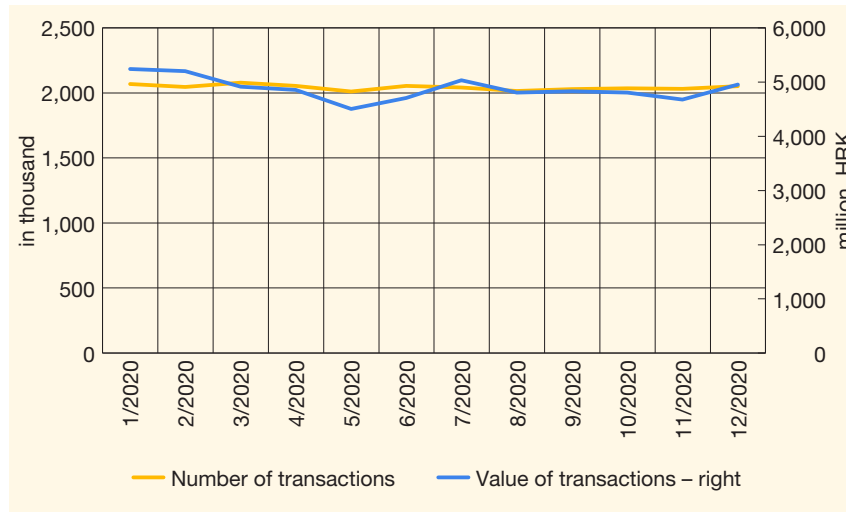
Source: CNB.

Of the total number of executed national credit transfer transactions, 53.6% were executed debiting the payment accounts of consumers, 43.3% debiting the payment accounts of business entities and 3.2% debiting the payment accounts of credit institutions in the RC. At the same time, of the total value of executed national credit transfer transactions, as many as 83.1% were executed debiting the payment accounts of business entities, 7.1% were executed debiting the payment accounts of consumers and 9.8% were executed debiting the payment accounts of credit institutions in the RC. The average value of executed credit transfers debiting the payment accounts of consumers, business entities and credit institutions stood at HRK 877, HRK 12,748 and HRK 20,395, respectively.

In 2020, 24.5 million standing orders (Subcategory 1.2) totalling HRK 58,545.6m were executed by debiting the payment accounts of consumers and business entities. The above amounts account for 7% of the total number and 3% of the total value of sent credit transfers (Figure 6). At a monthly level, 2 million standing orders were executed on average, totalling on average HRK 4,878.8m per month (Figure 8).

Of the total number of executed standing order transactions, 97% were executed by debiting the payment accounts of consumers and 3% by debiting the payment accounts of business entities. However, if the total value of executed standing order transactions is analysed, 26% were executed by debiting the payment accounts of consumers and 74% were executed by debiting the payment accounts of business entities. The average value of standing orders executed by debiting the payment accounts of consumers was HRK 632 and the

**Figure 8** Standing orders (Subcategory 1.2)



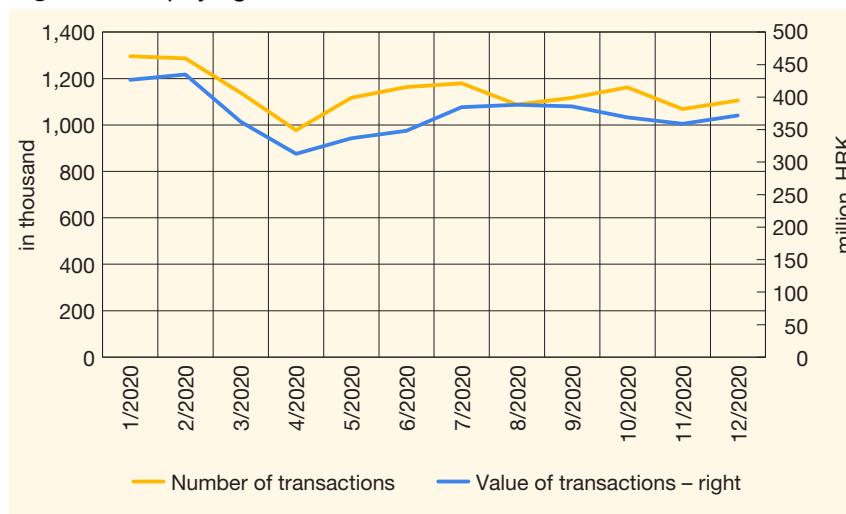
Note: Data refer to standing order transactions executed in all currencies and converted into kuna.  
Source: CNB.

average value of standing orders executed by debiting the payment accounts of business entities HRK 64,445.

## 2.2 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, Croatian Post, retail chains). As at 31 December 2020, in the RC, the bill-paying service was provided by 12 credit institutions and one electronic money

**Figure 9** Bill-paying service



Note: Data refer to the payment transactions executed using the bill-paying service in kuna.  
Source: CNB.

institution. The total number of payment transactions executed by the bill-paying service in 2020 stood at 13.7 million with a total value of HRK 4,478.6m.

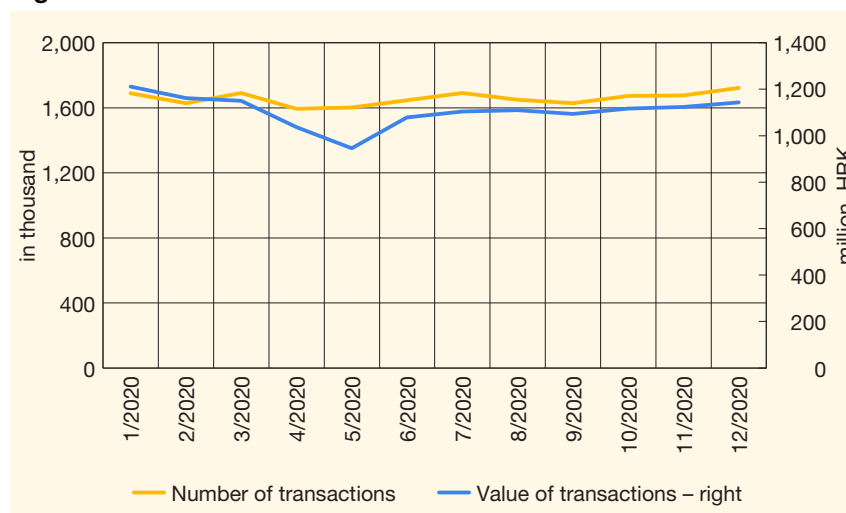
As shown in Figure 9, on average 1.1 million transactions were executed monthly using the bill-paying service with the average value standing at HRK 373.2m per month. The average value of transactions executed using the bill-paying service stood at HRK 327.

## 2.3 Direct debits

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. Transactions in the Report include all direct debits on the basis of which the payment accounts of payers in the territory of the RC were debited in 2020 (e.g. the payment of liabilities for utility services, collection of expenses on the card with a delayed debit function, etc.).

As at 31 December 2020, the direct debit service in the RC was provided by 17 credit institutions and a total of 19.9 million transactions of direct debits debiting the payment accounts of payers in the total value of HRK 13,274.3m were executed. Of the total number of direct debit transactions, as many as 99.2% were executed by debiting the payment accounts of consumers worth a total of HRK 12,237.2m (92.2% of the total value of transactions).

**Figure 10** Direct debits



Note: Data refer to direct debit transactions executed in all currencies and converted into kuna.

Source: CNB.

The movement of the total monthly number and value of direct debit transactions in 2020 is shown in Figure 10. The average monthly number of direct debits according to which payment accounts of payers in the territory of the RC were debited in 2020 stood at 1.7 million transactions with an average value of HRK

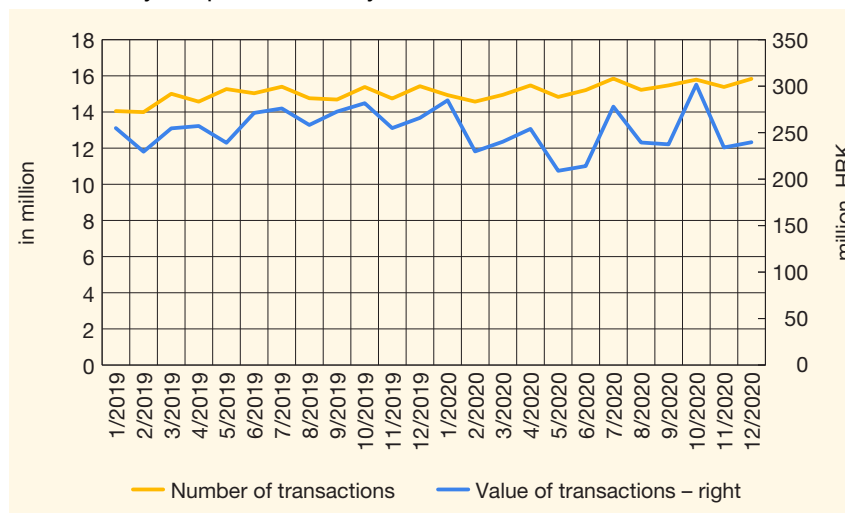
1,106.2m per month. The average value of direct debit transactions executed by debiting the payment account of consumers stood at HRK 620 while the average value of direct debit transactions executed by debiting the payment account of business entities came to HRK 6,700.

## 2.4 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 (e.g. interest transactions, 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 the instalment/annuity of a credit from the payment account of a payment service user to the account of the credit institution if such a transfer has been agreed in the credit agreement.

In line with the above, 183.6 million transactions of debits from the accounts by simple book entry worth a total of HRK 2,962.7m on interests and fees were executed in the RC in 2020. The total number of transactions of debits from the accounts by simple book entry increased by 2.9% and their total value decreased by 5% from 2019. The movement of the total monthly number and value of debits from the accounts by simple book entry transactions in the past two years is shown in Figure 11.

**Figure 11** Number and value of transactions of debits from the accounts by simple book entry



Note: Data refer to the transactions of debits from the accounts by simple book entry executed in all currencies and converted into kuna.

Source: CNB.

In 2020, at a monthly level, on average 15.3 million transactions of debits from the accounts by simple book entry were executed with an average value of HRK 246.9m per month. The average value of transactions of debits from the accounts by simple book entry executed by the transfer from payment accounts of consumers stood at HRK 10 and that executed by the transfer from payment accounts of business entities stood at HRK 52.

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## 2.5 Transactions using payment cards issued in the RC

Transactions using payment cards issued in the RC shown in item 5 of the Report include national card-based payment transactions executed using payment cards issued by issuing payment service providers in the RC. Payment service providers – issuers<sup>5</sup> in the RC include:

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

For the purposes of this Report, national card transactions<sup>6</sup> include only the following:

- payment transactions of the purchase of goods and services using a payment card; and
- direct debits collected through a payment card.

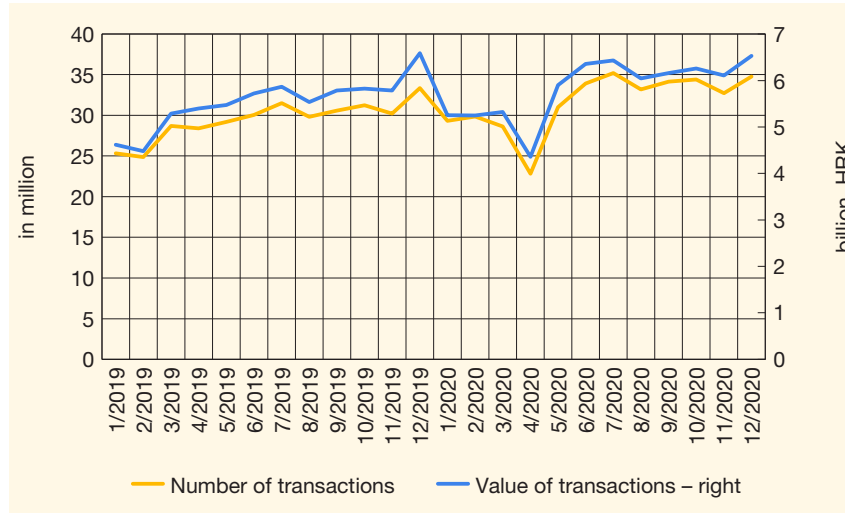
In all, 379.8 million of such national card-based transactions using payment cards issued in the RC worth a total of HRK 69,949.2m were executed in 2020. If these data are compared with the data from 2019, it can be seen that the total number of national transactions using payment cards issued in the RC increased by 7.5% and their total value rose by 5.4%. The movement of the total number and value of national transactions using payment cards issued in the RC in the last two years is shown in Figure 12.

In the Report, national transactions using payment cards issued in the RC are divided into two subcategories: 5.1 Debit payment cards and 5.2 Credit payment cards. Debit payment cards include only debit cards, while credit payment cards include credit, charge, revolving, delayed debit and membership cards.

5 Payment cards issued in the RC used to execute national card transactions in 2020 were issued by 21 credit institutions and two electronic money institutions.

6 In this Report, the transactions of the withdrawal and deposit of cash using a payment card, and the transactions of fees, interests, membership fees, etc., collected by the issuer through the payment card, are not included in national card transactions.

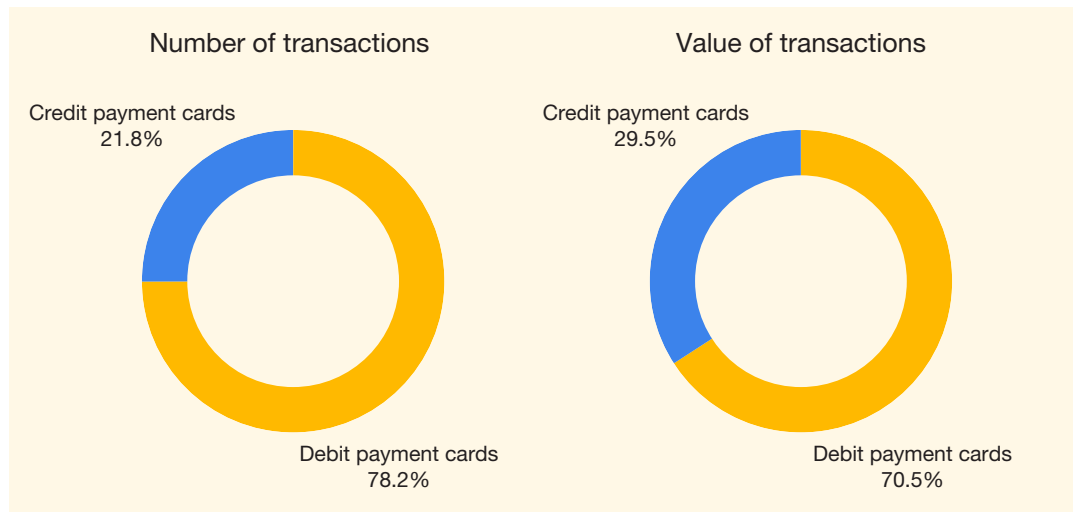
**Figure 12** Transactions using payment cards issued in the RC



Note: Data refer to national transactions using payment cards issued in the RC, which include payment transactions of the purchase of goods and services using a payment card and direct debits collected through a payment card executed in kuna.  
Source: CNB.

As at 31 December 2020, of the total number<sup>7</sup> of payment cards issued in the RC, 6,924,530 (79%) were debit cards and 1,855,726 (21%) were credit cards. Debit cards were used to execute 296.9 million transactions (78.2%), worth a total of HRK 49,326.4m (70.5%). The rest of the total number of national transactions using payment cards issued in the RC was executed using credit cards (82.9 million transactions or 21.8%, worth a total of HRK 20,622.8m or 29.5%). The shares of debit and credit payment cards in the total number and value of transactions executed using payment cards issued in the RC are shown in Figure 13.

**Figure 13** Share of debit and credit payment cards in the total number and value of transactions executed using payment cards issued in the RC



Note: Data refer to transactions using payment cards issued in the RC executed in kuna.  
Source: CNB.

<sup>7</sup> As at 31 December 2020, in all, 8,780,256 issued payment cards were recorded in the RC. Of the total number of issued payment cards, 86% were issued to consumers and 14% to business entities.



The average value of national transactions executed using a debit card issued in the RC in 2020 stood at HRK 166, and that of national transactions executed using a credit card issued in the RC stood at HRK 249.

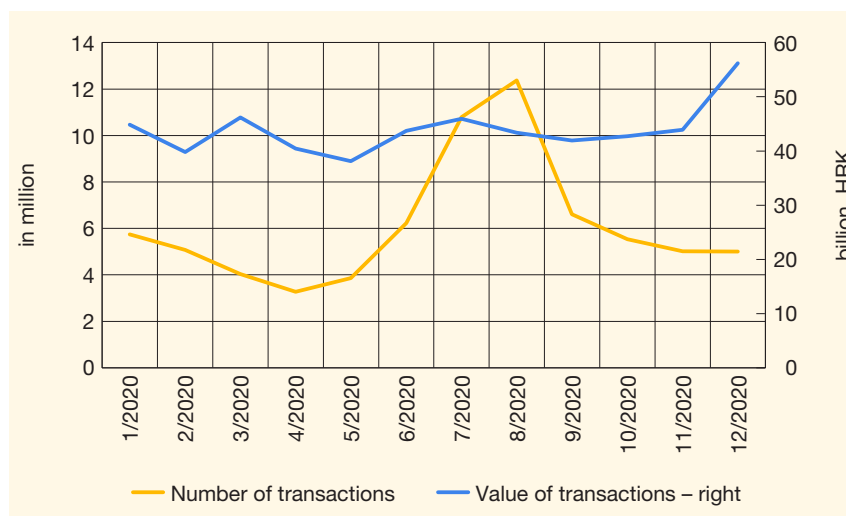
### 3 International cashless payment transactions

International cashless payment transaction means a payment transaction the execution of which involves two payment service providers of which one payment service provider operates in the RC, whereas the other payment service provider operates outside the RC. 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 73.5 million international cashless payment transactions worth a total of HRK 527,134.6m were executed in the RC in 2020. Compared with the figures for 2019, the total number of these transactions decreased by 27.8% and their total value by 8.7%. The decrease in the total number and value of international cashless payment transactions may be attributed to the impact of the COVID-19 pandemic on each of the four categories of international cashless payment transactions in the Report. The average value of international cashless payment transactions in 2020 stood at HRK 7,168. The movement of the total monthly number and value of international cashless payment transactions in 2020 is shown in Figure 14.

**Figure 14** Number and value of international cashless payment transactions

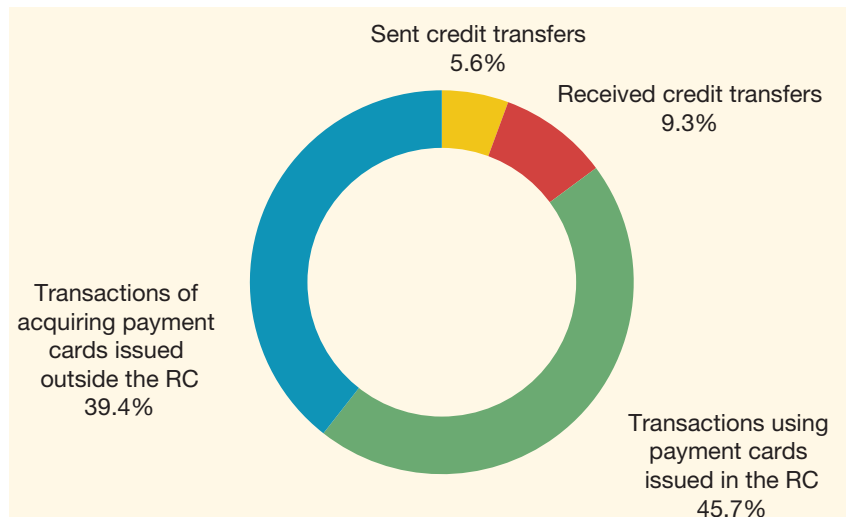


Note: Data refer to international cashless payment transactions executed in all currencies and converted into kuna.

Source: CNB.

In 2020, on average 6.1 million international cashless payment transactions were executed monthly, worth on average HRK 43,927.9m per month. The exponential growth in the number of international cashless payment transactions in the period from May to September 2020 is explained in the part related to the transactions of acquiring payment cards issued outside the RC.

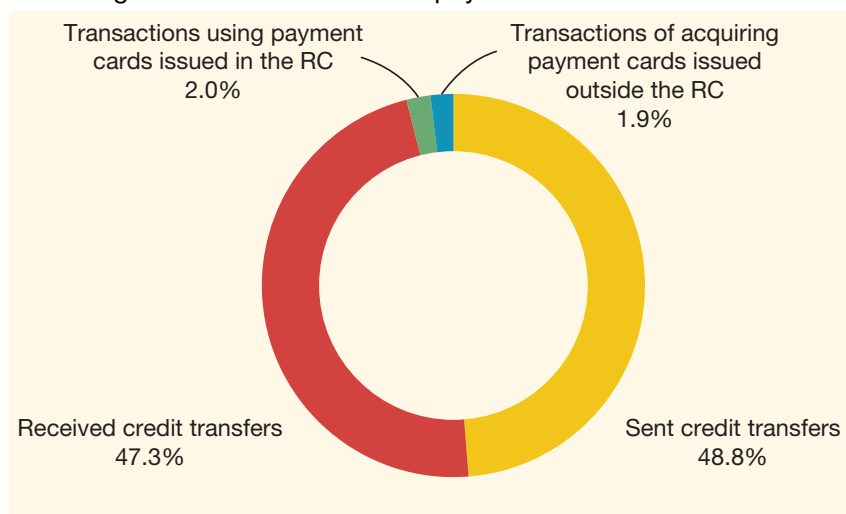
**Figure 15** Structure of international cashless payment transactions according to the number of executed payment transactions



Source: CNB.

The transactions of acquiring payment cards issued in the RC and international transactions using payment cards issued outside the RC accounted for the largest shares of the total number of international cashless payment transactions in 2020, with 45.7% and 39.4% shares respectively (Figure 15). They were followed by international credit transfer transactions crediting payment accounts in the RC with a share of 9.2%, while sent credit transfers ranked the last with a 5.6% share.

**Figure 16** Structure of international cashless payment transactions according to the value of executed payment transactions



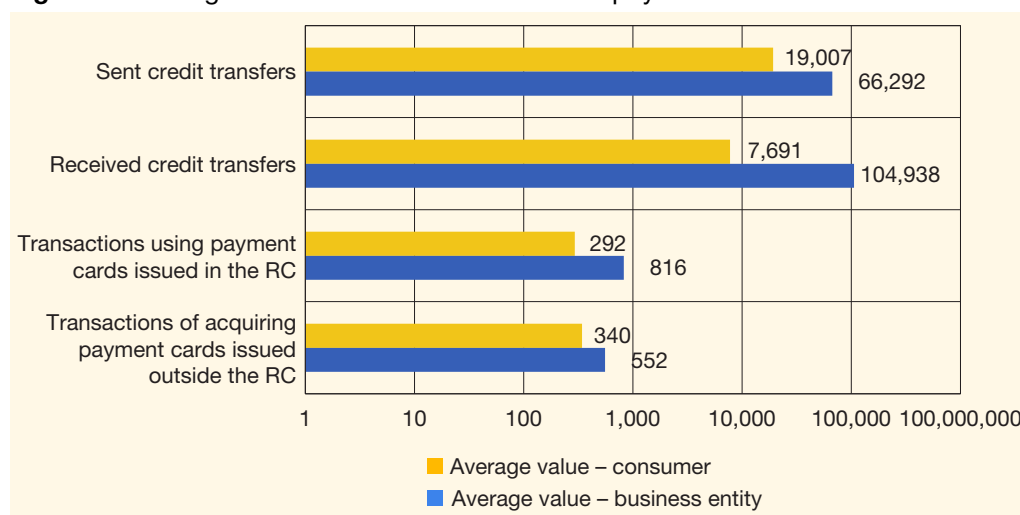
Note: Data refer to the value of international cashless payment transactions executed in all currencies and converted into kuna.

Source: CNB.

As shown by the structure of the value of international cashless payment transactions (Figure 16), international credit transfers account for 96% of the total value of transactions. Of the total value of international cashless payment transactions, 47.3% relates to international credit transfers executed by crediting payment accounts in the RC and 48.8% relates to international credit transfers executed by debiting 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 account for 1.9% and 2%, respectively, of the total value of international cashless payment transactions.

The high share of credit transfers in the total value of international (as in national) cashless payment transactions results from credit transfers being the most frequently used in larger-value transactions. This can also be seen in the average value of international cashless payment transactions, which is notably higher in the case of international credit transfers than the average value of international transactions executed using a payment card. The average values of international cashless payment transactions for consumers and business entities are shown in Figure 17.

**Figure 17** Average value of international cashless payment transactions



Note: International cashless payment transactions include cashless payment transactions executed in all currencies and converted into kuna.  
Source: CNB.

An analysis of each of the categories of international cashless payment transactions is given below.

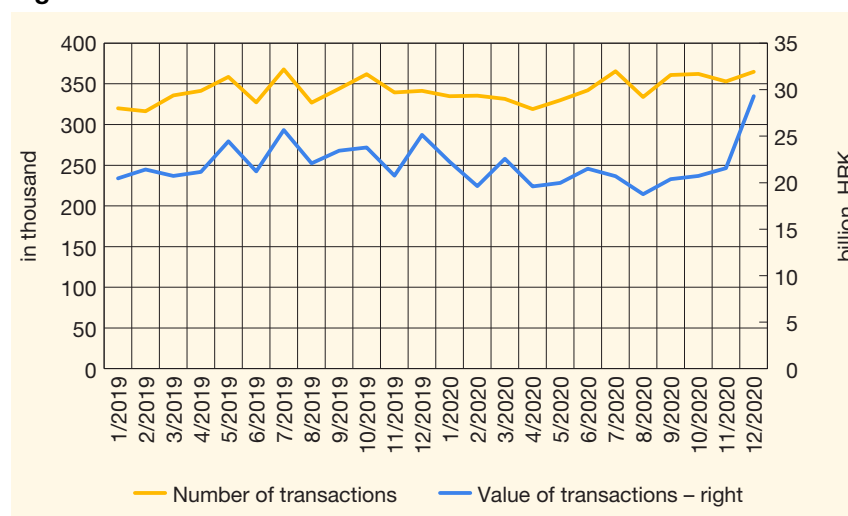
### 3.1 Sent credit transfers

Sent credit transfers include all international credit transfers executed by debiting the payment accounts of consumers, business entities and credit institutions in the RC. Data that refer to executed credit transfers debiting the payment accounts of credit institutions in the RC do not include transactions that credit

institutions in the RC carried out in their name and for their account in the financial market (e.g. payments in foreign exchange and/or capital market).

In all, 4.1 million transactions of sent international credit transfers worth a total of HRK 256,926.3m (executed in all currencies and converted into kuna) were executed in 2020. The above data show that the total number of sent international credit transfers rose by 1.3% and their total value decreased by 4.9% from 2019. At a monthly level, on average 344.4 thousand sent international credit transfers worth on average HRK 21,410.5m were executed in 2020. The movement of the total number and value of sent international credit transfers in 2019 and 2020 is shown in Figure 18.

**Figure 18** Sent international credit transfers



Note: Data refer to sent international credit transfers executed in all currencies and converted into kuna.  
Source: CNB.

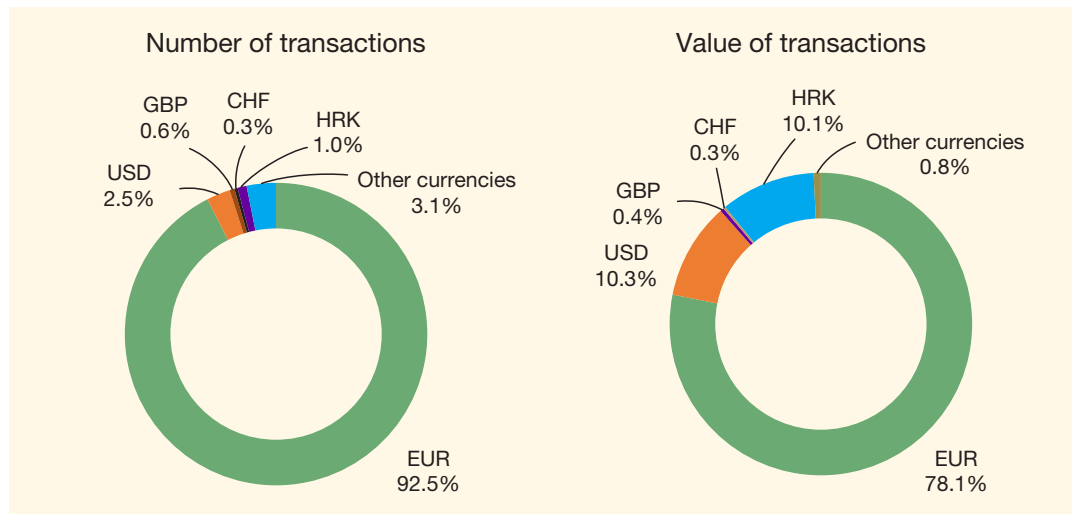
Of the total number of sent international credit transfers in 2020, 89.4%, worth a total of HRK 244,913.4m, were executed by debiting the payment accounts of business entities in the RC. Of the total number of sent international credit transfers, 10.4%, worth a total of HRK 8,209.5m, was executed by debiting the payment accounts of consumers in the RC. The remaining 0.2% of the share referred to the share in the number of sent international credit transfers executed by debiting the payment accounts of credit institutions in the RC, worth a total of HRK 3,803.3m.

The average value of an international credit transfer debiting the payment account of a business entity in the RC stood at HRK 66,292, that debiting the payment account of a consumer in the RC stood at HRK 19,007, and that debiting the payment account of a credit institution in the RC stood at HRK 545,909.

It can be concluded from the analysis of the structure of sent international credit transfers in terms of currency that in 2020 the largest number (92.5%) and the largest value (78.1%) of sent international credit transfers

were executed in euro. The shares of the currencies in the structure of sent international credit transfers in terms of currency are shown in Figure 19.

**Figure 19** Structure of sent international credit transfers by currency



Notes: Data refer to sent international credit transfers by currency. The value of transactions per individual currencies is converted into kuna.  
Source: CNB.

## 3.2 Received credit transfers

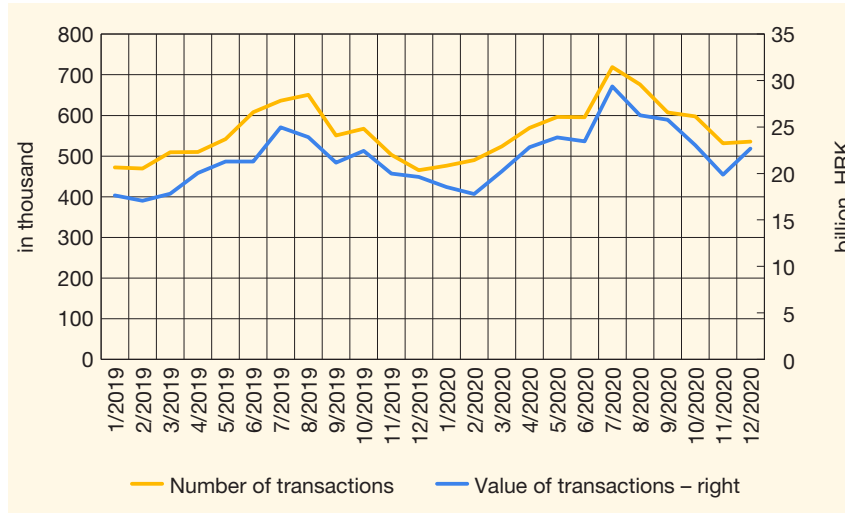
Received credit transfers include all international credit transfers executed by crediting the payment accounts of consumers, business entities and credit institutions in the RC.

According to data submitted by credit institutions, 6.8 million transactions of received international credit transfers worth a total of HRK 249,403.5m (executed in all currencies and converted into kuna) were executed in 2020. If these data are compared with the figures for 2019, the total number of received international credit transfers decreased by 1.8% and the total value of transactions by 8.9%. At a monthly level, on average 566.1 thousand received international credit transfers worth on average HRK 20,783.6m a month were executed in 2020 (Figure 20).

Of the total number of received international credit transfers in 2020, 70.5%, worth a total of HRK 36,852.5m were executed by crediting the payment accounts of consumers in the RC. Of the total number of received international credit transfers, 28.9%, worth a total of HRK 205,925.2m were executed by crediting the payment accounts of business entities in the RC. The remaining 0.6% worth a total of HRK 6,625.8m related to the share in the number of received international credit transfers executed by crediting the payment accounts of credit institutions in the RC.

Accordingly, it can be concluded that the largest share of the value of received international credit transfers was executed by crediting the payment accounts

**Figure 20** Received international credit transfers



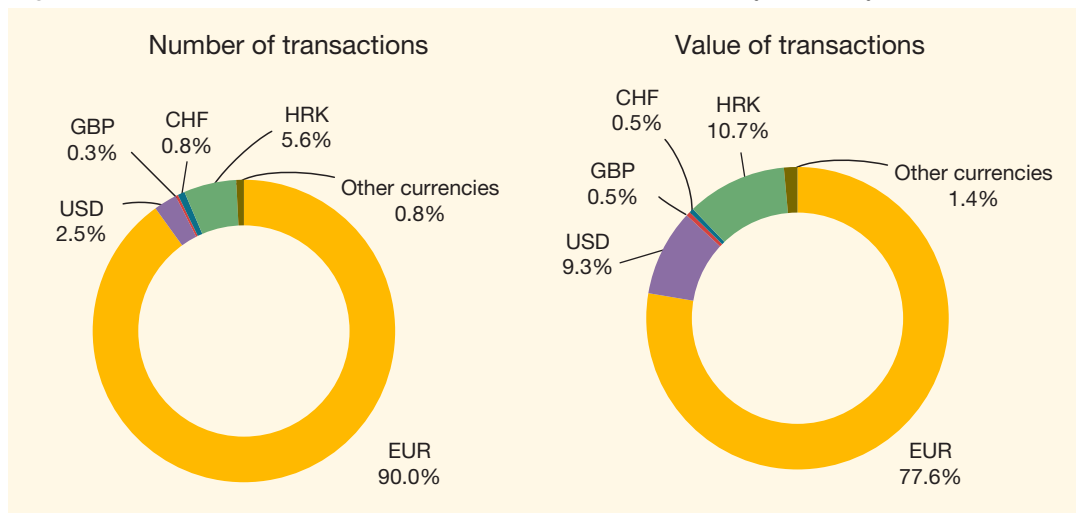
Note: Data refer to received international credit transfers executed in all currencies and converted into kuna.  
Source: CNB.

of business entities in the RC, while the largest share of the number of received international credit transfers was executed by crediting the payment accounts of consumers in the RC.

In 2020, the average value of international credit transfers executed by crediting the payment account of business entities in the RC stood at HRK 104,938, that executed by crediting the payment account of consumers in the RC stood at HRK 7,691, and that by crediting the payment account of credit institutions in the RC stood at HRK 171,997.

It was established from the structure of received international credit transfers in 2020 by currency that the largest share of transactions (90% in the number and 77.6% in the value) referred to transactions in euro. They were followed by the transactions of received international credit transfers in US dollars with a share

**Figure 21** Structure of received international credit transfers by currency



Notes: Data refer to received international credit transfers by currency. The value of transactions per individual currencies is converted into kuna.  
Source: CNB.

of 2.5% in the total number and 9.3% in the total value of received international credit transfers by currency. The shares of the currencies in the structure of received international credit transfers by currency are shown in Figure 21.

### 3.3 Transactions using payment cards issued in the RC

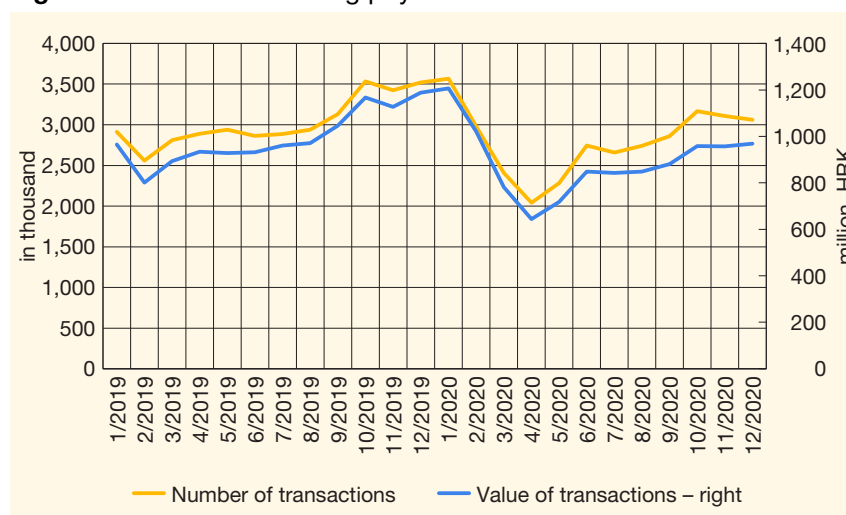
Transactions using payment cards issued in the RC include all international transactions using payment cards issued by payment service providers in the RC, i.e.:

- payment transactions of the purchases of goods and services using a payment card; and
- payment transactions of cash withdrawal using a payment card.

According to the data submitted, 33.6 million international transactions using payment cards issued in the RC worth a total of HRK 10,674.5m were executed in 2020. The transactions were executed in 132 currencies and 210 different countries. The total number of executed international transactions using payment cards issued in the RC decreased by 8% and their total value by 10.7% from 2019.

On a monthly level, in 2020, 2.8 million international transactions using payment cards issued in the RC were executed on average, worth an average of HRK 889.5m monthly. The movement of the total monthly number and value of international transactions using payment cards issued in the RC in 2019 and 2020 is shown in Figure 22.

**Figure 22** Transactions using payment cards issued in the RC



Note: Data refer to international transactions using payment cards issued in the RC, which include payment transactions of the purchase of goods and services using a payment card and payment transactions of cash withdrawal using a payment card executed in all currencies and converted into kuna.

Source: CNB.



In 2020, of the total number and value of international transactions using payment cards issued in the RC, 95.1% of the number and 87.5% of the value of international payment card transactions were executed using consumer cards, while 4.9% of the number and 12.5% of the value of international payment card transactions were executed using the cards of business entities.

The average value of international transactions using a payment card issued to a consumer in the RC was HRK 292 and that of international transactions using a payment card issued to a business entity in the RC was HRK 816.

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### 3.4 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'), including e-money purchase transactions. The service of acquiring payment cards was provided by acquiring payment service providers, i.e.:

1. credit institutions (banks) that have obtained authorisation from the CNB, including the authorisation to provide the payment service of acquiring payment transactions executed by payment instruments;
2. electronic money institutions that have obtained authorisation from the CNB to provide the payment services of acquiring payment transactions executed by payment instruments; and
3. payment institutions that have obtained authorisation from the CNB to provide the payment services of acquiring payment transactions executed by payment instruments.

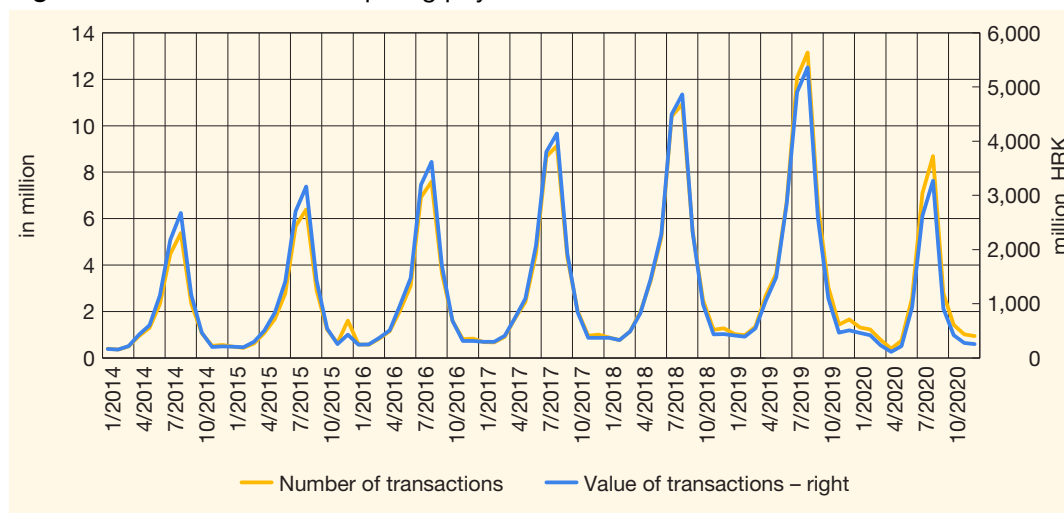
For the purposes of this Report, the transactions presented herein include exclusively the transactions of acquiring for the purchase of goods and services executed through the EFTPOS terminals and online at the point of sale through a payment card.

In all, 29 million transactions of acquiring payment cards of foreign issuers, worth a total of HRK 10,130.2m were executed in 2020. If compared with the total number and value of the acquiring transactions of payment cards of foreign issuers in 2019, data show that due to the COVID-19 pandemic the total number of transactions decreased by 46.7% and their total value by 53.2%.

The movement of the total monthly number and value of transactions of acquiring payment cards issued outside the RC in the last seven years is best shown in Figure 23, according to which, on an annual basis, until 2020, the total number and the total value of transactions on average rose by 11% and 6%, respectively.

The data shown in Figure 23 also suggest an upward trend in the total number and value of monthly transactions of acquiring payment cards of foreign issuers

**Figure 23** Transactions of acquiring payment cards issued outside the RC



Note: Data refer to the transactions of acquiring payment cards issued outside the RC, which include the transactions of acquiring for the purchase of goods and services executed through EFTPOS terminals and online at the point of sale through a payment card; executed in kuna.  
Source: CNB.

for the purchase of goods and services in the period from May to September. After September and the summer tourist season, the number and value of monthly transactions usually fell to the beginning of the year level. However, the above data on the number and value of monthly transactions of acquiring payment cards of foreign issuers were significantly smaller in 2020 than the data in 2019.

In 2020, the average value of transactions of acquiring payment cards issued by foreign issuers for the purchase of goods and services stood at HRK 349.

## 4 Overview of basic definitions

**‘Bill-paying service’** means a service in which a credit institution, on the basis of a contract with the payee, collects funds from the payer, irrespective of the manner of their collection, 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.

**‘Card-based payment transaction’** means a service based on a payment card’s acquiring infrastructure and card scheme business rules to make 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 or a series of payment transactions debiting 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.

**‘Debits from the accounts by simple book entry’** means a transaction initiated and executed by a credit institution, by a 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).

**‘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.

**‘International/cross-border payment transaction’** means a payment transaction the execution of which involves two payment service providers of which one payment service provider operates in the Republic of Croatia, and the other payment service provider operates in another member state or a third country (hereinafter referred to as ‘international payment transaction’).

**‘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.

**‘Standing order’** means an instruction issued by the payer to the provider of payment services, which holds the payer’s payment account, for the execution of credit transfers at regular intervals or on dates set in advance (e.g. the payment of the annuity or credit instalment, etc.).

