

UPDATE ON THE IMPACT OF COVID-19 ON PAYMENT INSTRUMENTS

In Spain, as in the rest of the euro area, payment infrastructures continued to operate without incidents in 2021, strengthening security and maintaining remote working as the common denominator. The context of the pandemic has contributed to the acceleration of digitalisation in retail payments. Remote payments made strong progress and contactless payments have become widespread in the face-to-face environment. Electronic instruments gained ground over the use of cash as a means of payment. In Spain, there was a strong increase in the number of domestic card purchases from mid-March 2021, which in certain weeks exceeded year-on-year

growth of 40% with respect to pre-COVID-19 baseline levels, with increases of close to 25% in terms of value of card transactions. Instant payments initiated by mobile telephone number saw year-on-year growth of close to 200% in terms of the number of transactions in certain months of the pandemic. On the other hand, the number of ATM cash withdrawals continued to fall year-on-year by up to 35%, with declines in the value of withdrawals of up to 20%. The new payment habits are likely to be consolidated, while, given the experience of previous crises, a reduction in accumulated cash is to be expected once the situation normalises.