

Payment System Report (Q3 2023)

According to payment statistics in Q3 2023¹, the payment systems functioned smoothly across the country. Statistics including the number of bank accounts, the volume of non-cash payments and the transaction volume in payment systems maintained growth in general.

I. Bank Accounts

The number of bank accounts remained stable. At end-Q3, a total of 14.373 billion bank accounts² had been opened nationwide, increasing by 0.60 percent quarter on quarter (q-o-q).

The number of bank accounts opened by institutions edged up. At end-Q3, bank accounts opened by institutions nationwide registered 100.1787 million, increasing by 2.52 percent q-o-q. Specifically, 70.437 million were basic deposit accounts, 24.5889 million were general deposit accounts, 4.9487 million were special deposit accounts, and 204,000 were temporary deposit accounts, accounting for 70.31 percent, 24.55 percent, 4.94 percent and 0.20 percent, respectively, of the total number of bank accounts held by institutions.

The number of individual bank accounts remained steady. At end-Q3, bank accounts opened by individuals totaled 14.273 billion nationwide, increasing by 0.59 percent q-o-q.

II. Non-cash Payment Instruments

¹ Since 2015, the payment system has disclosed payment transaction data according to the financial industry standards of *Statistical Indicators of Payment Operations*.

² Bank accounts refer to RMB bank settlement accounts.

In Q3, a total of 145.522 billion non-cash payment transactions³ with an amount of RMB1326.19 trillion were processed by banks across the country, increasing by 14.01 percent and 3.92 percent year on year (y-o-y), respectively.

(I) Bank Cards

The number of bank cards remained stable. At end-Q3, the number of bankcards opened increased by 1.09 percent q-o-q to 9.726 billion nationwide. Specifically, debit cards increased by 1.28 percent q-o-q to 8.947 billion; credit cards and debit-credit integrated cards decreased by 1.00 percent q-o-q to 779 million. The number of bankcards per capita⁴ was 6.89, among which the per capita number of credit cards and debit-credit integrated cards recorded 0.55.

The number of merchants connected to the UnionPay inter-bank payment system and POS terminals connected to the system increased. At end-Q3, merchants connected to the UnionPay inter-bank payment system (UnionPay system) and POS⁵ terminals connected to the UnionPay system recorded 34.659 million and 43.043 million, up 6.9143 million, and 7.5492 million from end-Q2 2023, respectively. ATM⁶ terminals registered 847,000, down 15,800 q-o-q. The number of POS terminals connected to the UnionPay system per 10,000 persons recorded 304.89, increasing by 21.27 percent q-o-q, and the number of ATMs per 10,000 persons recorded 6.00, decreasing by 1.83 percent q-o-q.

³ Non-cash payment transactions of banks include commercial papers, bankcards and other settlement transactions. Specifically, other settlement transactions include credit transfer, direct debit, collection with acceptance and domestic L/C.

⁴ With respect to per capita indicators, the population refers to 1.41175 billion people on the Chinese mainland at end-2022, as released by the National Bureau of Statistics. The same applies hereinafter.

⁵ The data of merchants and POS terminals connected to the UnionPay inter-bank payment system are from China UnionPay Co., Ltd, and they cover the merchants and POS terminals that had at least one successful transaction in Q3 2023. In particular, POS terminals include traditional POS terminals and equipments such as QR code scanners, white boxes for payments and merchant-presented QR code.

⁶ The ATMs include traditional self-service equipments such as self-service deposit machines, self-service withdrawal machines, cash recycling system (CRS) and self-service payment terminals placed by banking depository financial institutions, as well as new terminals and equipments such as self-service terminals, visual teller machine (VTM), and smart counters.

Bankcard transactions increased. In Q3, a total of 142.619 billion bankcard transactions⁷ with an amount of RMB260.77 trillion were processed across the country, increasing by 14.27 percent and 1.74 percent y-o-y, respectively. Specifically, cash deposits recorded 1.223 billion, or RMB8.55 trillion; cash withdrawals recorded 1.537 billion, or RMB7.98 trillion; transfers recorded 58.676 billion, or RMB209.71 trillion; and consumer payments recorded 81.184 billion, or RMB34.53 trillion. The consumer payment per bankcard registered RMB3,550.57 and that per transaction recorded RMB425.35.

The total bankcard credit line remained generally stable. At end-Q3, the total bankcard credit line⁸ was RMB22.55 trillion, increasing by 1.09 percent q-o-q. The outstanding balance of bankcard credit was RMB8.63 trillion, increasing by 0.90 percent q-o-q. The credit line per bankcard was RMB29,000, with the credit utilization rate⁹ standing at 38.26 percent. The credit card payment overdue by half a year or more¹⁰ totaled RMB93.742 billion, increasing by 4.57 percent q-o-q, accounting for 1.09 percent of the total outstanding balance.

(II) Commercial Papers

The transaction volume of commercial papers stayed on a downward trend in general, while the transaction volume of commercial drafts maintained growth. In Q3, transactions of commercial papers totaled 22.9654 million or RMB23.2 trillion nationwide, with the former decreasing by 8.62

⁷ The volume of bankcard transactions refers to the sum of transactions denominated in the RMB and in foreign currencies.

⁸ Total bankcard credit line refers to the sum of credit lines of credit cards and debit-credit integrated cards.

⁹ The credit line utilization rate is the ratio of outstanding bankcard credit balance to total credit line.

¹⁰ The credit card payment overdue by half a year or more refers to the outstanding balance of the principal of a credit card whose minimum payment is overdue by more than 181 days (inclusive), excluding the written-off amount.

percent and the latter increasing by 0.20 percent y-o-y, respectively. Specifically, there were 15.1617 million transactions or RMB15.09 trillion of checks, decreasing by 15.05 percent and 12.35 percent y-o-y, respectively; 7.7318 million actual settlements or RMB8.05 trillion of commercial drafts, increasing by 7.31 percent and 37.46 percent y-o-y, respectively; 39,600 transactions or RMB16.646 billion of bank drafts, with the former increasing by 3.83 percent and the latter decreasing by 31.94 percent y-o-y, respectively; 32,300 transactions or RMB49.339 billion of bank promissory notes, decreasing by 24.31 percent and 20.68 percent y-o-y, respectively.

Transactions processed by the electronic commercial draft system¹¹ grew fast. Q3 saw the following transactions processed by the electronic commercial draft system: 7.3977 million or RMB8.67 trillion acceptances, increasing by 6.83 percent and 36.59 percent y-o-y, respectively; 3.1676 million or RMB6.65 trillion discounts, increasing by 17.31 percent and 51.45 percent y-o-y, respectively; 5.5644 million or RMB20.36 trillion interbank discounts, increasing by 27.31 percent and 52.71 percent y-o-y, respectively; 1.3346 million or RMB8.39 trillion pledged repos, increasing by 13.11 percent and 0.53 percent y-o-y, respectively; and 61,200 or RMB386.373 billion outright repos, decreasing by 58.25 percent and 46.53 percent y-o-y, respectively.

(III) Credit Transfers and Other Settlement Transactions

The volume of credit transfers and other settlement transactions maintained growth. In Q3, the number of settlement transactions including credit transfer, direct debit, collection with acceptance, and domestic L/C totaled 2.881 billion with an amount of RMB1042.22 trillion, increasing by 2.63 percent and 4.57 percent y-o-y, respectively. In particular, the credit

¹¹ The data of the electronic commercial draft system are from the Shanghai Commercial Paper Exchange.

transfer transactions recorded 2.786 billion, totaling RMB1005.75 trillion.

(IV) Electronic Payment

The volume of electronic transactions processed by commercial banks edged up. In Q3, banks processed a total of 77.111 billion electronic payment transactions¹² in RMB858.34 trillion, increasing by 2.30 percent and 6.40 percent y-o-y, respectively. Specifically, the transaction volume of online payments decreased by 8.87 percent y-o-y to 24.642 billion and the total value increased by 6.35 percent y-o-y to RMB702.40 trillion; the transaction volume of mobile payments increased by 11.09 percent y-o-y to 48.429 billion and the total value increased 10.10 percent y-o-y to RMB137.71 trillion; the transaction volume of phone payment decreased by 15.00 percent y-o-y to 54 million and the total value decreased by 11.06 percent y-o-y to RMB2.23 trillion.

In Q3, non-bank payment institutions processed a total of 326.794 billion online payment transactions¹³ with an amount of RMB85.77 trillion, increasing by 15.84 percent and 8.50 percent y-o-y, respectively, on a comparative basis.

III. Payment Systems

In Q3, the payment systems¹⁴ processed a total of 335.888 billion transactions

¹² Electronic payment refers to the transaction volume and value that cause changes in the balance of settlement account initiated by customers through such channels as online banking, telephone banking, mobile banking, ATM, POS, and other electronic payments. Specifically, online payment refers to the number and amount of payments initiated through bank settlement accounts by customers using electronic devices such as computers. Mobile payment refers to the number and amount of payments initiated by customers through bank settlement accounts using mobile devices such as mobile phones.

¹³ The online payment transaction volume processed by non-bank payment institutions includes the volume of online payment involving bank accounts initiated by payment institutions and online payment of payment accounts. According to the revised *Statistics of Payment Business Data for Non-Banking Payment Institutions*, starting from 2023, transfer business were included and duplicate calculation of cooperation business between payment institutions were removed.

¹⁴ The payment systems include the four PBOC CNCC (China National Clearing Center) systems, namely, HVPS (high-value real-time payment system), BEPS (bulk electronic payment system), IBPS (internet banking payment

in payments of RMB3,151.37 trillion, increasing by 12.59 percent and 6.97 percent y-o-y, respectively.

(I) PBOC CNCC Systems

In Q3, the PBOC CNCC systems processed 5.479 billion transactions in payments of RMB2,379.52 trillion, increasing by 0.92 percent and 9.53 percent y-o-y, respectively. The daily processed transactions averaged 60.0118 million in volume and RMB36.6 trillion in value¹⁵.

The transaction value of the HVPS maintained growth. In Q3, the HVPS processed 95.1817 million transactions in payments of RMB2,254.07 trillion, with the former decreasing by 10.39 percent y-o-y and the latter increasing by 9.72 percent y-o-y, respectively. The daily processed transactions averaged 1.4872 million in volume and RMB35.22 trillion in value.

The transaction volume of BEPS maintained growth. In Q3, the BEPS processed 1.151 billion transactions in payments of RMB46.69 trillion, increasing by 5.73 percent and 10.03 percent y-o-y, respectively. The daily processed transactions averaged 12.5103 million in volume and RMB507.495 billion in value.

The transaction value of IBPS increased. In Q3, the IBPS processed 4.231 billion transactions in payments of RMB74.66 trillion, with the former decreasing by 0.03 percent y-o-y and the latter increasing by 5.38 percent y-o-y,

system), and CFXPS (China foreign exchange payment system), as well as intra-bank business systems of commercial banks, UnionPay interbank payment system, the payment & clearing system of City Commercial Bank Clearing, rural credit bank payment & clearing system, CIPS (Cross-border Interbank Payment System) and NetsUnion Clearing platform.

¹⁵ In Q3, HVPS and CFXPS operated for 64 business days, CIPS operated for 65 business days, and other payment systems operated for 92 business days. The actual operation business days are used for calculation of daily averages, and the same hereinafter.

respectively. The daily processed transactions averaged 45.9933 million in volume and RMB811.534 billion in value.

The transaction volume of CFXPS increased. In Q3, the CFXPS processed 1.3446 million transactions in payments of USD570.735 billion (equivalent to about RMB4.1 trillion¹⁶), with the former increasing by 2.83 percent y-o-y and the latter decreasing by 14.63 percent y-o-y, respectively. The daily processed transactions averaged 21,000 in volume and USD8.918 billion (equivalent to about RMB64.028 billion) in value.

(II) Other Payment Systems¹⁷

The volume of transactions processed by the intra-bank business systems increased. In Q3, these systems processed 5.442 billion transactions, totaling RMB539.56 trillion, with the former increasing by 11.14 percent y-o-y and the latter decreasing by 4.10 percent y-o-y. On a daily basis, the systems processed 59.1542 million transactions, totaling RMB5.86 trillion.

The volume of transactions processed by the UnionPay interbank payment system¹⁸ maintained growth. In Q3, the system processed 83.793 billion transactions, totaling RMB70.27 trillion, increasing by 21.37 percent and 8.70 percent y-o-y, respectively. On a daily basis, the system processed 911 million transactions, totaling RMB763.763 billion.

¹⁶ The transaction value of CFXPS was calculated and then converted into the RMB using the exchange rate on the last trading day of the statistical period.

¹⁷ According to the PBOC requirement of “breaking direct connection between the third party payment institutions and commercial banks”, all third-party payment institutions should join the system of UnionPay or NetsUnion, and the business between payment institutions and commercial banks, as well as the business between members of City Commercial Banks Clearing Co., Ltd. or Rural Credit Banks Funds Clearing Center and third-party payment institutions will not be included in transaction calculation for the intra-bank business systems of commercial banks, the payment & clearing system of City Commercial Banks Clearing, and rural credit banks payment & clearing system.

¹⁸ The data of the UnionPay interbank payment system are from China UnionPay Co., Ltd.

The volume of transactions processed by the payment and clearing systems of City Commercial Banks Clearing¹⁹ rose rapidly. In Q3, the systems processed 10.564 million transactions, totaling RMB974.445 billion, increasing by 34.61 percent and 36.31 percent y-o-y, respectively. On a daily basis, the system processed 114,800 transactions, totaling RMB10.592 billion.

The number of transactions processed by rural credit bank payment & clearing system²⁰ decreased. In Q3, the system processed 741 million transactions, totaling RMB716.213 billion, decreasing by 39.98 percent and the 13.55 percent y-o-y, respectively. On a daily basis, the system processed 8.0539 million transactions, totaling RMB7.785 billion.

The volume of transactions processed by CIPS²¹ grew rapidly. In Q3, the CIPS processed 1.7643 million transactions, totaling RMB33.42 trillion, increasing by 43.23 percent and 31.41 percent y-o-y, respectively. On a daily basis, the system processed 27,100 transactions, totaling RMB514.112 billion.

The number of transactions processed by NetsUnion Clearing platform²² maintained growth. In Q3, the platform processed 240.421 billion transactions, totaling RMB126.92 trillion, increasing by 10.42 percent and 6.28 percent y-o-y, respectively. On a daily basis, the platform processed 2.613 billion transactions, totaling RMB1.38 trillion.

¹⁹ The data of the payment & clearing system of City Commercial Banks Clearing include the previous city commercial bank draft processing system and payment & clearing system. The data are from the City Commercial Banks Clearing Co., Ltd.

²⁰ The data of rural credit banks payment & clearing system are from the Rural Credit Banks Funds Clearing Center.

²¹ The data of CIPS are from Cross-border Interbank Payment System Co., Ltd.

²² The data of the NetsUnion Clearing platform are from NetsUnion Clearing Co., Ltd. The data refer to the volume of online payment transactions initiated by payment institutions and processed by the NetsUnion Clearing platform via bank accounts.