

# PREFACE

We are delighted to share the **quarter 3, 2023** report. The report highlights the outlook of digital payment channels – in terms of volume, value, usage, and users observed in the first quarter (July 2023- September 2023). The report also shows the performance in comparison to the same quarter of the previous years (2020, 2021 and 2022).

For easy reference, the report has been categorized as –

- 1) Domestic payment transactions
- 2) Regional payment transactions and
- 3) International payment transactions.

We would like to thank all our contributors for submitting the report on time.

# PAYMENT TRANSACTIONS AT A GLANCE (Q3, 2023)

## VOLUME & VALUE OF DOMESTIC PAYMENT TRANSACTIONS –2023 Q3 IN FOCUS (In comparison to the same quarter of the previous year)



### Mobile Banking

36.95 million  
transactions (0.69% decrease)  
amounting to Nu. 127.37 billion  
(5.80% increase)



### Internet Banking

10.07 thousand  
transactions (18.40% increase)  
amounting to Nu. 965.39 million  
(49.46% increase)



### QR Code Payments

26.97 million  
transactions (28% increase)  
amounting to Nu. 23.61 billion  
(26.61% increase)



### Domestic Payment Gateway

0.73 million  
transactions (0.91% decrease)  
amounting to Nu. 552.68 million  
(40.63% increase)

# VOLUME & VALUE OF DOMESTIC PAYMENT TRANSACTIONS –2023 Q3 IN FOCUS

(In comparison to the same quarter of the previous year)



## Wallets

2.51 million transactions (50.32% increase)  
amounting to Nu. 648.72 million (30.35% increase)



## Bhutan Inter-bank Real Time Fund Transfer

66.52 thousand transactions (10.61% decrease)  
amounting to Nu. 19.91 billion (6.16% decrease)



## Card – ATM & POS

546.20 thousand transactions (0.07% decrease)  
amounting to Nu. 2.75 billion (7.88% increase)



## Cheque

109.06 thousand transactions (6.66% decrease)  
amounting to Nu. 44.81 billion (2.16% decrease)

# VOLUME & VALUE OF REGIONAL PAYMENT TRANSACTIONS – 2023 Q3 IN FOCUS

(In comparison to the same quarter of the previous year)



## Acquirer

0.35 thousand  
transactions (100% increase)  
amounting to Nu. 1.44 million  
(100% increase)



## Issuer

11.31 thousand  
transactions (61.81% increase)  
amounting to Nu. 64.07 million  
(142% increase)

# VOLUME & VALUE OF INTERNATIONAL PAYMENT TRANSACTIONS – 2023 Q3 IN FOCUS

(In comparison to the same quarter of the previous year)



## SWIFT - inflow

8.69 thousand transactions (39.37% increase)  
amounting to Nu. 8.61 billion (29.91% increase)



## SWIFT - outflow

7.05 thousand transactions (27.91% increase)  
amounting to Nu. 10.89 billion (7.85% increase)



## International Payment Gateway

3.79 thousand transactions (146.23% increase)  
amounting to Nu. 179.98 million (2138.52% increase)



## International Card

117.28 thousand transactions (382.97% increase)  
amounting to Nu. 876.96 million (688.76% increase)

## SUMMARY

The payment transactions in Table 1 report the total transactions made through various digital payment channels operated by the RMA and the 6 banks at the domestic, regional (India) and international levels from July to September 2023. It also shows the comparison of these transactions with the same quarter of the past 3 years.

**Table 1: Payment Transaction Comparison – Q3 for 2020, 2021, 2022 and 2023.**

Instrument	Q3 2020		Q3 2021		Q3 2022		Q3 2023		% Change	
	Volume (thousands)	Value (millions)	Volume (thousands)	Value (millions)	Volume (thousands)	Value (millions)	Volume (thousands)	Value (millions)	Volume (thousands)	Value (millions)
Paper-Cheques	106.96	41,291.91	120.36	77,162.41	116.84	45,801.03	109.06	44,809.57	-6.66%	-2.16%
Mobile Banking	17,941.98	34,796.44	31,484.06	93,061.54	37,210.02	120,389.29	36,954.51	127,373.60	-0.69%	5.80%
Internet Banking	2.23	174.63	7.00	409.08	8.51	645.90	10.07	965.39	18.40%	49.46%
Bhutan QR Code	701.00	965.93	10,643.27	9,991.27	21,070.73	18,644.92	26,971.07	23,606.43	28.00%	26.61%
Payment Gateway	53.42	22.22	745.46	524.77	740.84	393.01	734.07	552.68	-0.91%	40.63%
Wallets	135.21	123.29	667.35	243.22	1,668.23	497.68	2,507.73	648.72	50.32%	30.35%
Bhutan Inter-bank Real Time	40.24	10,380.76	63.09	21,252.37	74.41	21,220.02	66.52	19,912.41	-10.61%	-6.16%
ATM	1,508.53	5,079.35	945.52	3,720.94	545.61	2,532.16	546.01	2,753.48	0.07%	8.74%
POS	3.15	10.65	0.38	1.65	0.98	20.73	0.19	0.55	-80.31%	-97.33%
<b>Domestic Payment</b>	<b>20,489.56</b>	<b>92,834.53</b>	<b>44,676.11</b>	<b>206,365.61</b>	<b>61,435.18</b>	<b>210,124.01</b>	<b>67,899.03</b>	<b>220,622.29</b>	<b>10.52%</b>	<b>5.00%</b>
RuPay ATM & PoS Acquiring	2.13	4.71	0.37	1.47	-	-	0.35	1.44	100.00%	100.00%
RuPay ATM & PoS Issuing			1.80	7.35	6.99	26.47	11.31	64.07	61.81%	142.00%
<b>Regional Payment</b>					<b>6.99</b>	<b>26.47</b>	<b>11.66</b>	<b>65.51</b>	<b>66.80%</b>	<b>147.45%</b>
SWIFT - Inflow	6.86	5,340.36	8.42	3,928.38	6.24	6,630.27	8.69	8,613.56	39.37%	29.91%
SWIFT - Outflow		4,966.78		8,495.19	5.51	10,096.59	7.05	10,888.85	27.91%	7.85%
International Payment Gateway	0.56	2.64	2.20	5.29	1.54	8.04	3.79	179.98	146.23%	2138.52%
International Cards					24.28	111.18	117.28	876.96	382.97%	688.76%
<b>International Payments</b>					<b>13.29</b>	<b>16,734.90</b>	<b>19.53</b>	<b>19,682.39</b>	<b>47.01%</b>	<b>17.61%</b>

### HIGHLIGHTS:

#### Digital Advancements

The QR code continued to increase with a 28 percent in volume and 26.61 percent in terms of value. Similarly, internet banking also increased by 18.40 percent and 49.46 percent in terms of volume and value respectively. e-wallets also increased substantial by 50.32 percent and 30.35 percent in terms of volume and value respectively.

The mobile banking recorded a decrease in volume by 0.69 percent whereas value has increased by 5.80 percent. Domestic payment gateway, in similar trend to mobile banking, has decreased in terms of volume and saw an increase in value transactions. Bhutan Interbank Fund Transfer has decreased in volume and value by 10.61 percent and 6.16 percent respectively.



## Changing Trends

Paper cheques recorded a decline in both the volume and value by 6.66 percent and 2.16 percent respectively. Similarly, the PoS transactions faced a decline, showing 80.31 percent drop in volume and 97.33 percent drop in value. In contrast, ATM transactions experienced increase in volume by 0.07 percent and 8.74 percent in value.

## Cross Border Transactions

In the third quarter of 2023, RuPay acquiring which comprise of ATM and PoS, experienced volume and value of 0.35 thousand against the value of Nu. 1.44 million. The RuPay issuing recorded an increase in transaction volume of 61.81 percent and value of 143 percent.

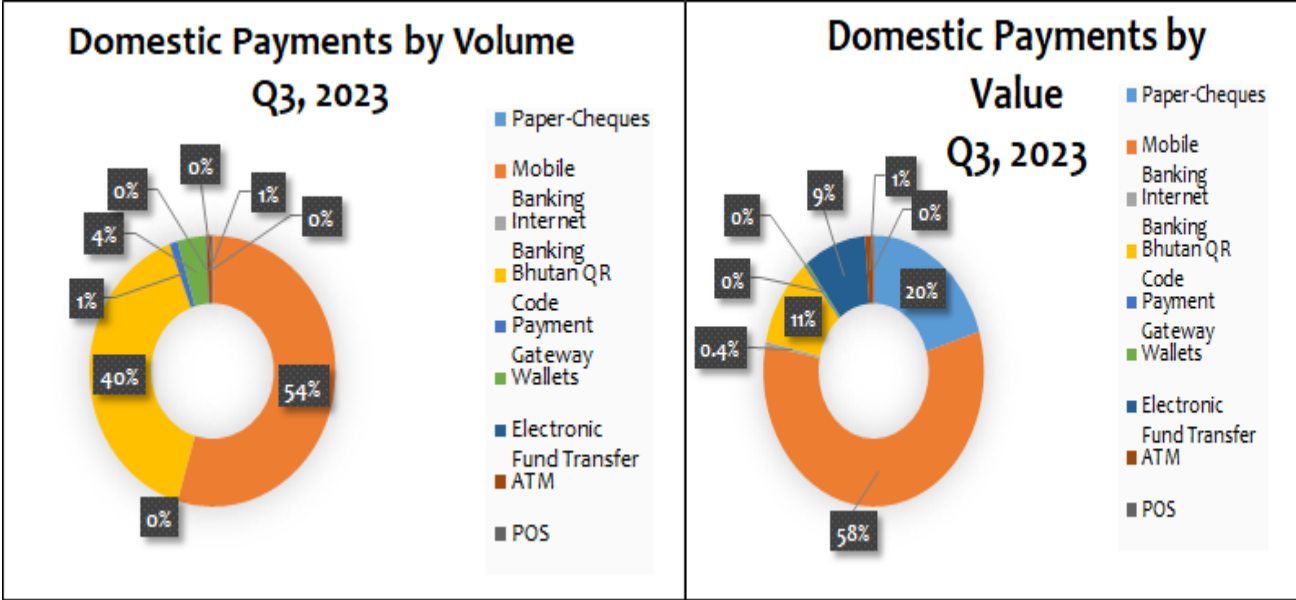
International payments saw significant growth across various categories. SWIFT - Inflow surged by 39.37 percent in volume and 29.91 percent in value, while SWIFT - Outflow increased by 27.91 percent in volume and 7.85 percent in value. International Payment Gateway transactions recorded an astonishing 146.23 percent volume increase and a remarkable 2138.52 percent value growth. International Cards displayed a notable 382.97 percent volume increase and a substantial 688.76 percent rise in value.

**DOMESTIC PAYMENTS**

During the quarter, the domestic payments recorded increase both in terms of volume and value by 10.52 percent and 6.25 percent respectively as compared to the same quarter of the previous year. Among the domestic payment instrument, mobile banking constitutes majority shares by 54.43 percent in terms of volume followed Bhutan QR code with 39.72 percent. Mobile banking and cheque payments constitute the majority of the shares in terms of value with 57.73 percent and 10.70 percent respectively.

In contrast, PoS transactions constitute the least shares, both in volume with 0.00 percent and value with 0.00 percent for this quarter. This is followed by internet banking with 0.01 percent for transaction volume and payment gateway by 0.25 percent.

**Pie chart 1: Domestic Payment Transaction – Q3, 2023.**

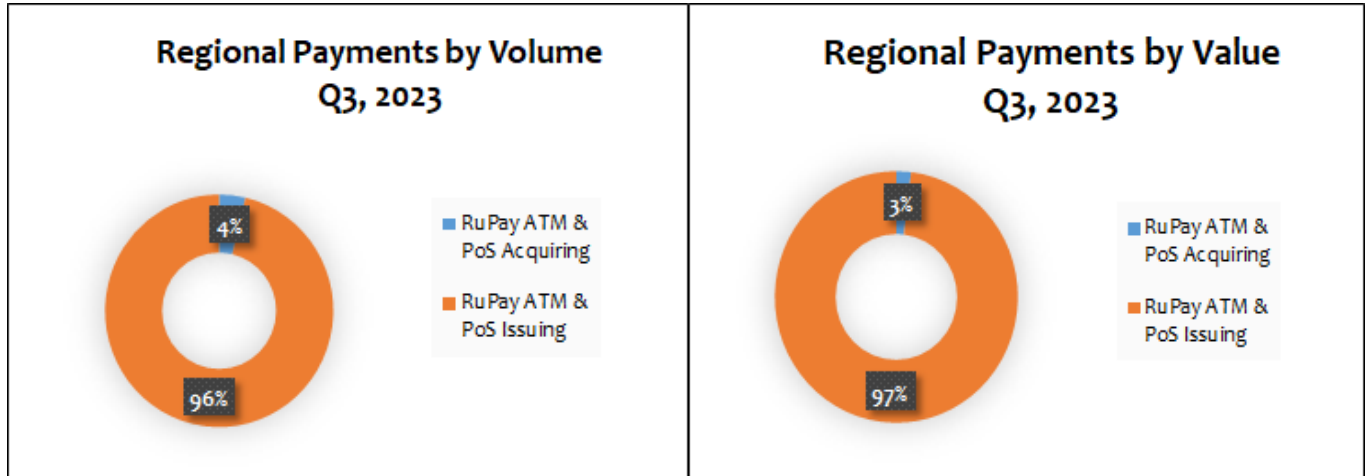


Note: 0.00% corresponds to a volume less than 0.19 thousand.

**REGIONAL PAYMENTS**

During the third quarter, RuPay issuing which includes ATM and PoS dominates the regional payment with 96.29 percent for volume and 96.65 percent for value. Overall, regional payment recorded an increase in transaction volume of 66.80 percent and value with 147.45 percent.

**Pie chart 2: Regional Payment Transaction – Q3, 2023.**

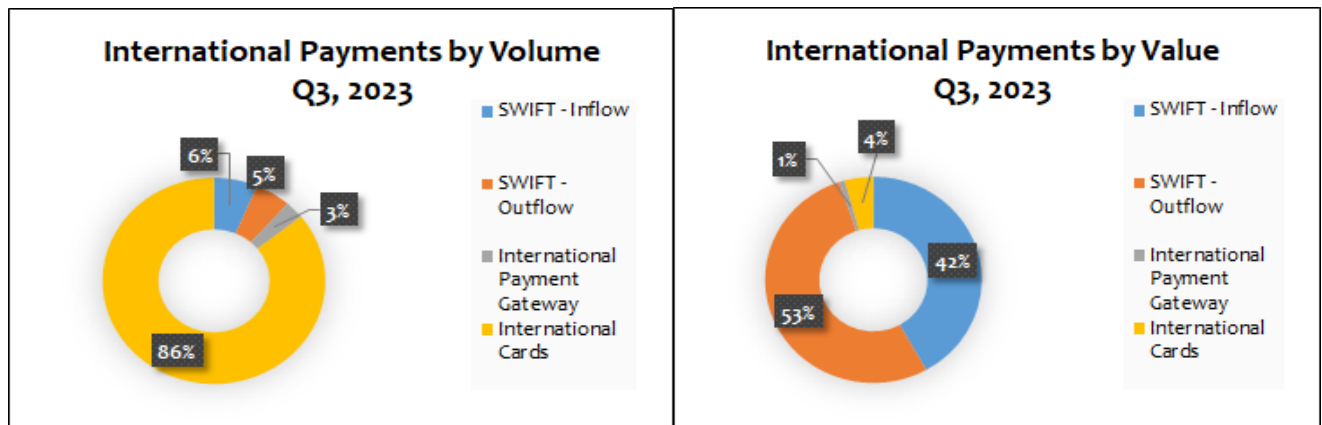


***INTERNATIONAL PAYMENTS***

The international payment constitutes SWIFT, International Payment Gateway, and International Cards issuing. The transaction volume was recorded at 19.53 thousand, an increase of 47.01 percent compared to the same quarter of the previous year. The international card constitutes the highest share of 85.73 percent followed by SWIFT inflow of percent with 6.35 percent.

In terms of value, Nu. 20,56 billion was recorded which is an increase of 17.61 percent as compared to the same quarter of the previous year. The SWIFT inflow, unlike the transaction volume, SWIFT outflow constitutes the majority share of 52.96 percent and followed by the SWIFT inflow of 41.90 percent.

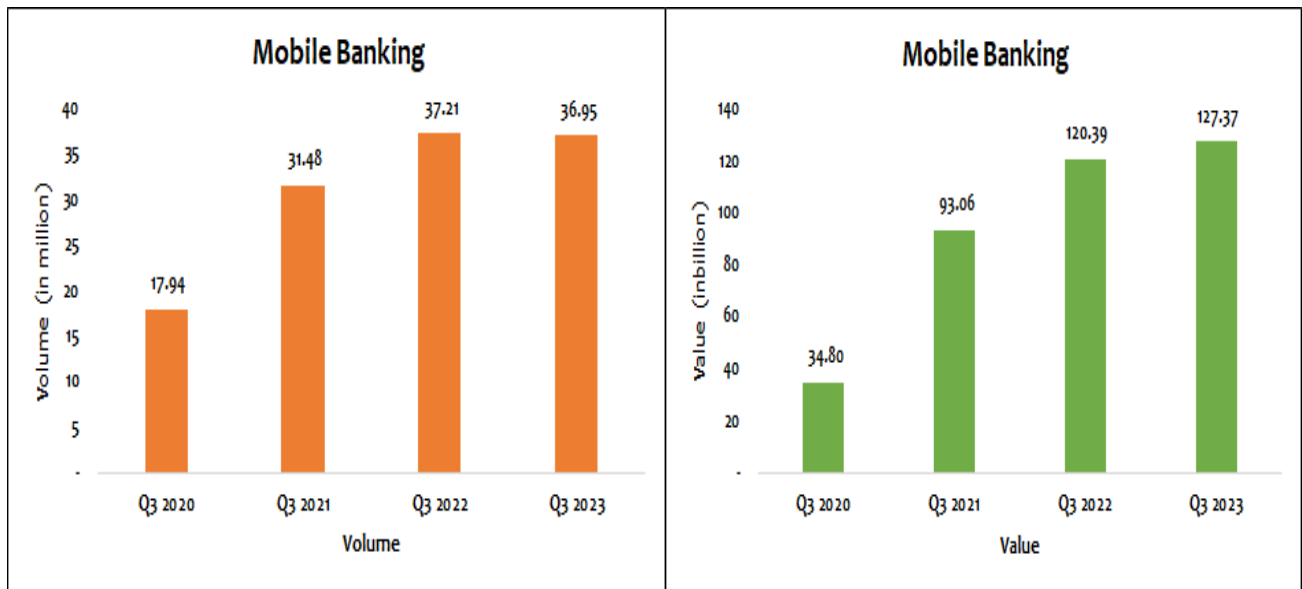
**Pie chart 3: International Payment Transaction – Q3, 2023.**



# DOMESTIC PAYMENT TRANSACTIONS (Q3, 2023)

## a) Mobile Banking

Graph 1: Mobile Transaction (Volume & Value -Q3 for 2020, 2021, 2022, and 2023)



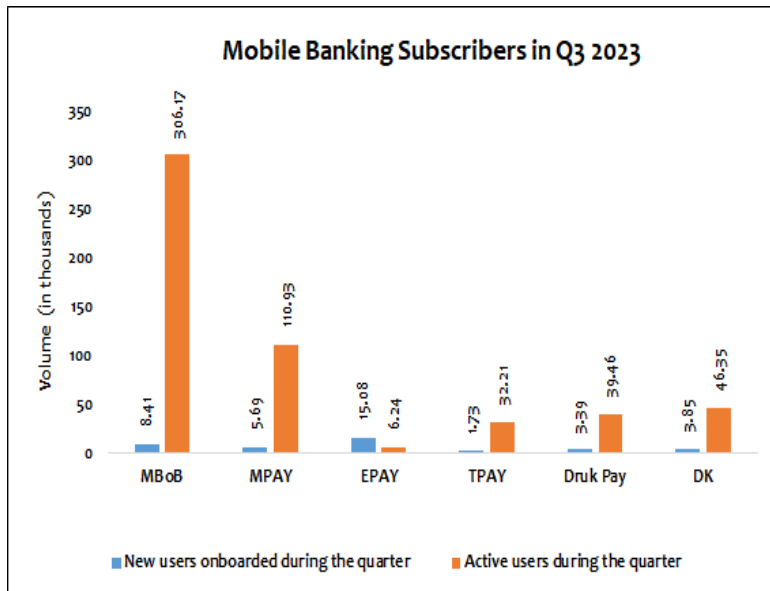
With the rolling out of the mobile banking app, digital payments have helped people ease their financial transactions. There is a decoupling between the volume and value of mobile banking transactions. While the volume showed a slight decline in Q3 2023, the value continued to rise. This suggests that each mobile banking transaction is becoming more valuable on average.

The volume of mobile banking transactions increased steadily from Nu. 17.94 million in Q3 2020 to Nu. 37.21 million in Q3 2022, indicating substantial growth. The considerable growth from Q3 2020 to Q3 2022 in mobile banking is due to the popularity gained during the pandemic. However, the transaction volume has experienced a slight decline to Nu. 36.95 million in Q3 2023 by 0.69 percent.

The value of mobile banking transactions exhibited strong growth over period from Q3 2020 to Q3 2023. It increased from Nu. 34.80 billion in Q3 2020 to Nu. 127.37 billion in Q3 2023. This represents a significant increase in the monetary value of mobile banking transactions.

The consistent growth in the value of mobile banking transactions is a positive sign, indicating that people are engaging in higher-value transactions through mobile banking.

**Graph 2: Mobile Banking Subscribers -Q3,2023**

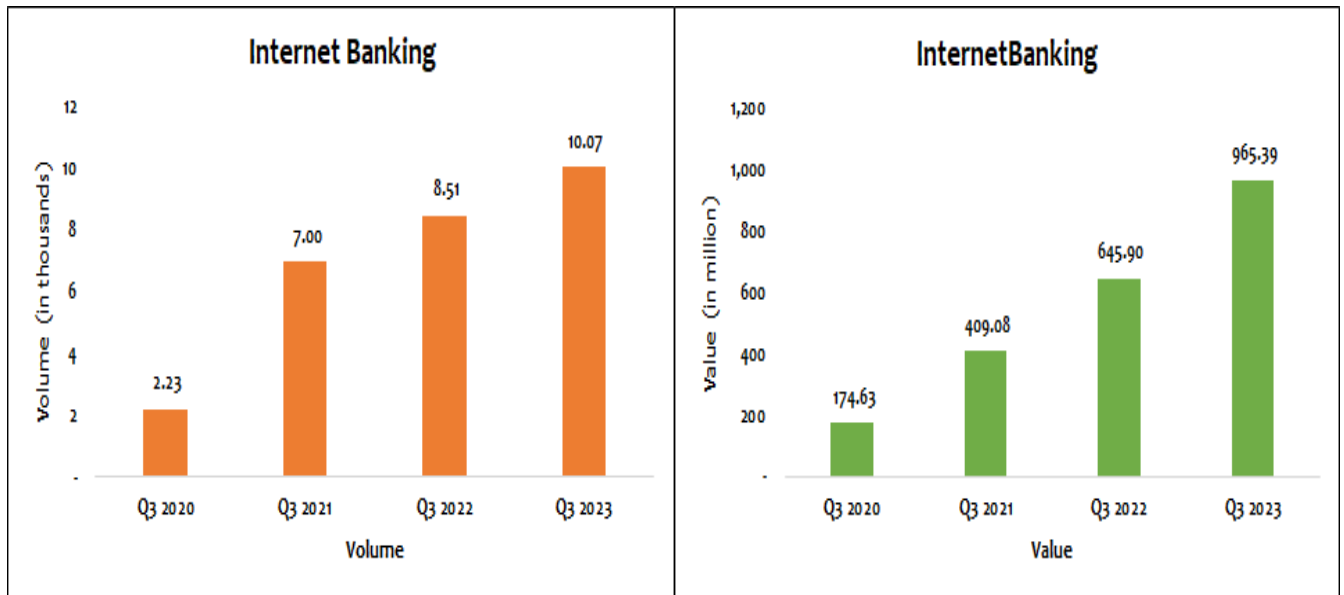


In Q3 2023, **38,152** new users subscribed to the mobile banking apps of six financial institutions.

Consequently, the active users have increased to **541,357** indicating a growth and popularity of different mobile banking platforms in terms of both new user registrations and active user engagement during the quarter.

## b) Internet Banking

Graph 3: Internet Banking Transaction (Volume & Value -Q3 for 2020, 2021, 2022, and 2023)

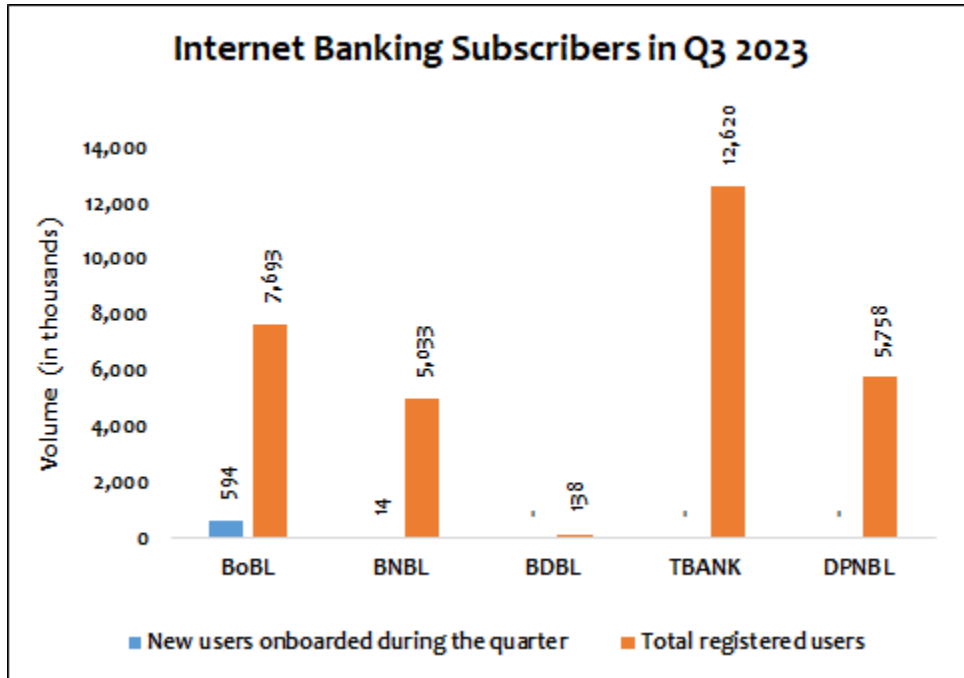


The internet banking transactions indicates consistent and impressive growth in both volume and value over the years. This growth is indicative of a significant increase in the use of internet banking services and the value of transactions conducted through these platforms.

During this quarter, the volume of internet banking transactions has shown substantial growth. It increased from 2.23 thousand in Q3 2020 to 10.07 thousand in Q3 2023. From Q3 2023, the volume has increased by 49.5 percent as compared the same quarter of the previous year.

The value of internet banking transactions has also exhibited remarkable growth over the same period. It increased from Nu. 174.63 million in Q3 2020 to Nu. 965.39 million in Q3 2023. This represents a substantial increase in the monetary value of internet banking transactions.

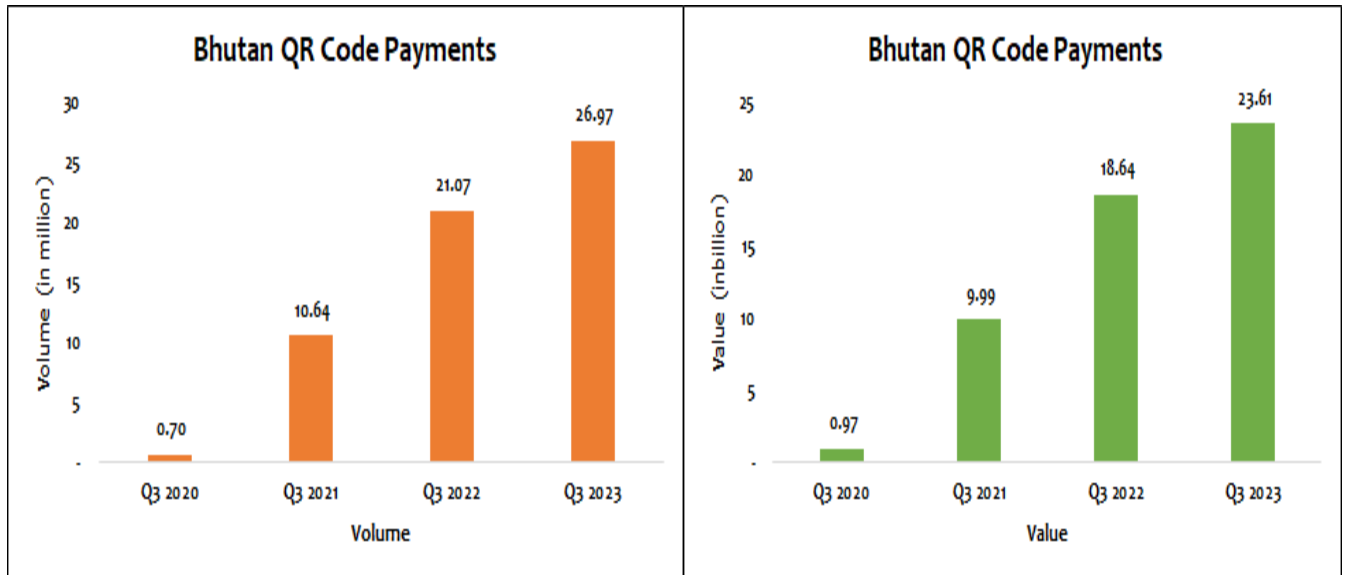
Graph 4: Internet Banking Subscribers -Q3,2023



For Internet banking, 608 new users subscribed during the third quarter taking the Internet banking total users to 31,242. Internet banking is a convenient way for customers to access their bank accounts and perform transactions online. The increase in users indicates that the adoption of Internet banking is growing, but there is still significant variation between different banks in terms of the number of users.

## c) Bhutan QR Code Payments

Graph 5: QR Code Payments (Volume & Value -Q3 for 2021, 2022 and 2023)



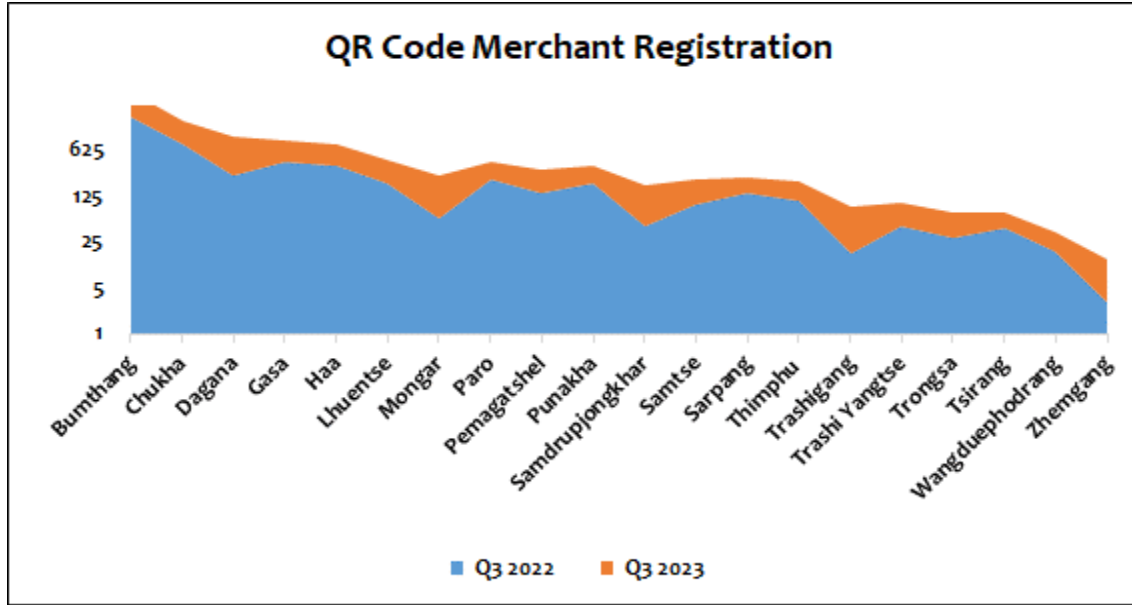
The utilization of QR codes in Bhutan has surged in recent years, with a growing number of consumers embracing QR code technology to facilitate cashless payments for a wide range of transactions throughout the entire nation. The transaction data indicate that the payment landscape in Bhutan has evolved significantly, with QR codes becoming a prominent choice for consumers.

In Q3 2020, the usage of QR codes in Bhutan was in its early stages, with relatively low transaction volume and value. After the year 2020, the volume of QR code transactions has experienced a consistent and significant growth over the years, increasing from 0.70 million in Q3 2020 to 26.97 million in Q3 2023.

During Q3 2023, the transactions value has increased to Nu. 23.61 billion from Nu. 18.64 billion from Q3 2022, which is an increase of 26.61 percent. The increase in the usage of QR code indicates a substantial shift towards cashless and digital payment methods. The transactions reflect a notable change in consumer behavior, with QR codes becoming a preferred method for financial transactions.



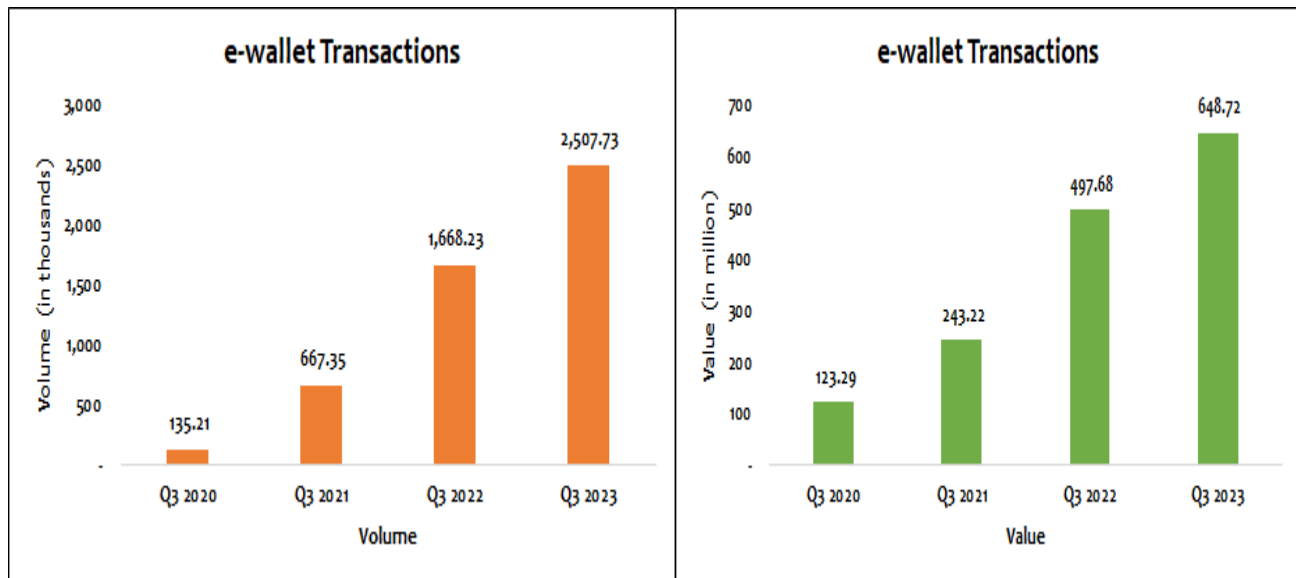
Graph 6: QR Code Merchant registration (Dzongkhag wise) -Q3, 2022 & Q3, 2023



Thimphu Dzongkhag saw a huge increase in new merchant registration of 2,572 compared to Q3 2022. This is followed by Chukha and Sarpang with 826 and 566 new merchant registrations respectively.

## d) Wallets

Graph 7: Wallets Transaction (Volume & Value -Q3 for 2020, 2021, 2022, and 2023)

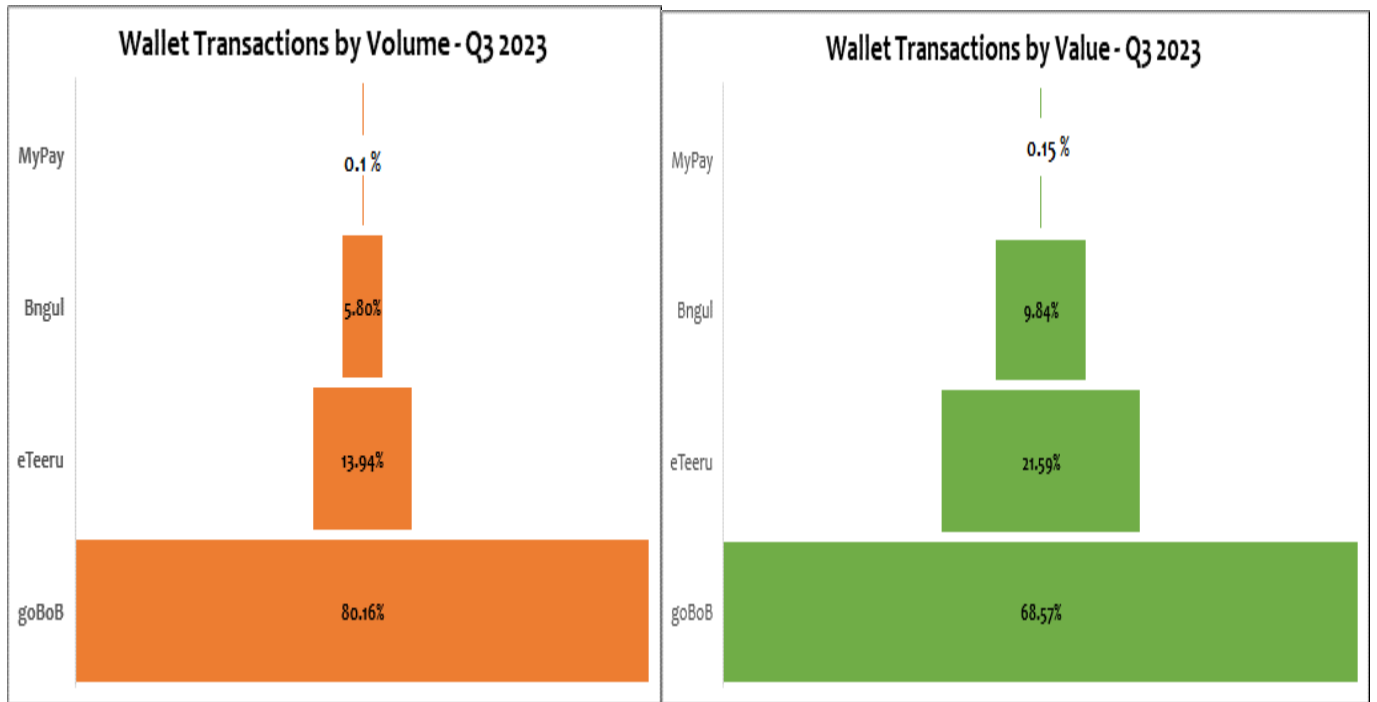


The Bhutan National Bank has launched their wallet called MyPay from August 2023, taking the e-wallets number to four. With the addition of the MyPay, the e-wallet transaction observed a significant growth. In the Q3 2023, MyPay recorded a transaction volume of 2,501 against the value of Nu 2.51 million. Through MyPay wallet, customers can scan the QR code and transfer the funds within the bank.

The transaction volume has been steadily increasing over the years, from 135.21 thousand to 1,668.23 thousand in Q3 2022 from Q3 2021. The transaction volume has further increased by 839.50 thousand in Q3 2023 as compared to same quarter of previous year. This demonstrates a substantial growth in wallet usage compared to the previous quarters.

Similarly, the transaction value has also seen significant growth. It more than doubled from Q3 2020 to Q3 2021 and continued to increase by 104.62 percent from Q3 2021 to Q3 2022. In Q3 2023, it further increased by 30.35 percent, indicating that not only are more transactions occurring, but they are also of higher value.

**Graph 8: Wallet Transaction (Bngul, eTeeru, goBOB and MyPay) – volume and value**

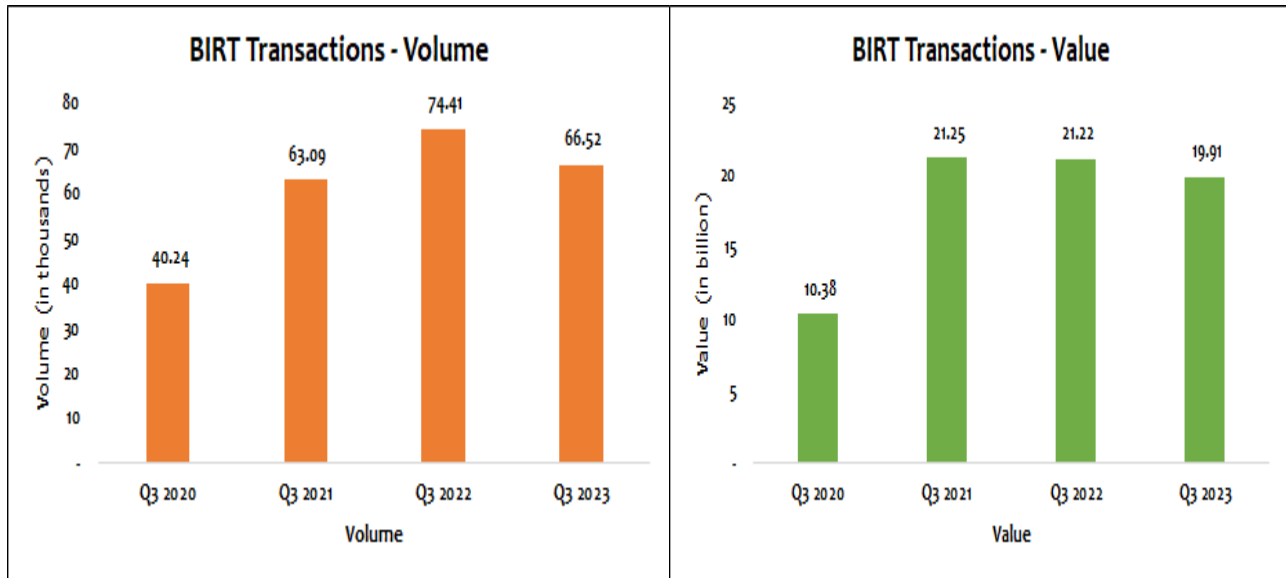


Among the four wallets, goBoB dominated the e-wallet market, with a substantial share of 80.16 percent of the transaction volume and a whopping 68.57 percent of the transaction value. It is the market leader in both transaction volume and value, indicating a strong presence in the e-wallet industry.

Followed by goBoB, eTeeru recorded second highest transactions both in terms of volume and value. eTeeru accounted for 13.94 percent and 21.59 percent in terms of transaction volume and value respectively. Bngul, on the other hand, accounted for 5.80 percent for transaction volume and 9.84 percent of the transaction value. MyPay has recorded a least transaction both in terms of volume and value.

## e) Electronic Fund Transfer – BIRT Fund Transfer System

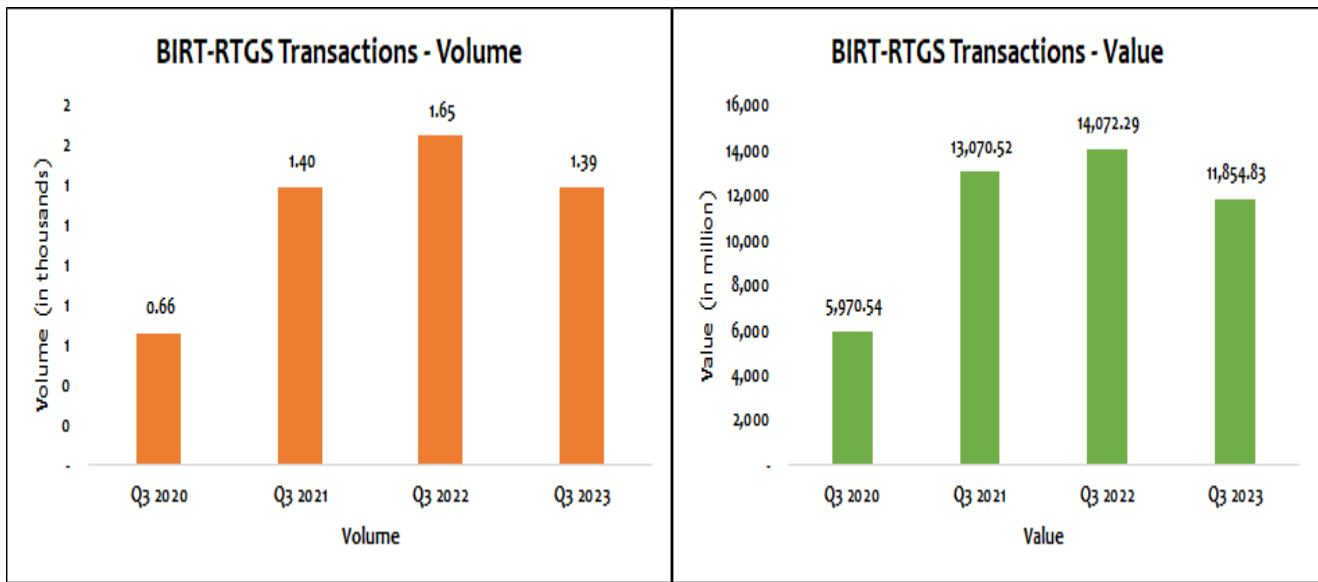
Graph 9: BIRT Transaction (Volume & Value -Q3 for 2020, 2021, 2022 and 2023)



The volume of real-time fund transfers has been increasing from Q3 2020 to Q3 2022, with a substantial 84.95 percent growth during this period. However, there was a slight decrease of 10.61 percent in the volume of transactions from Q3 2022 to Q3 2023. The decrease in the volume is due to the decline of the volume for all three instruments (RTGS, BITS and BULK).

The fund transfer value has shown significant growth, nearly doubling from Q3 2020 to Q3 2021, by 104.73 percent. However, from Q3 2021 to Q3 2022, there was only marginal decline, and also in Q3 2023, there was a slight decrease in value by 6.16 percent.

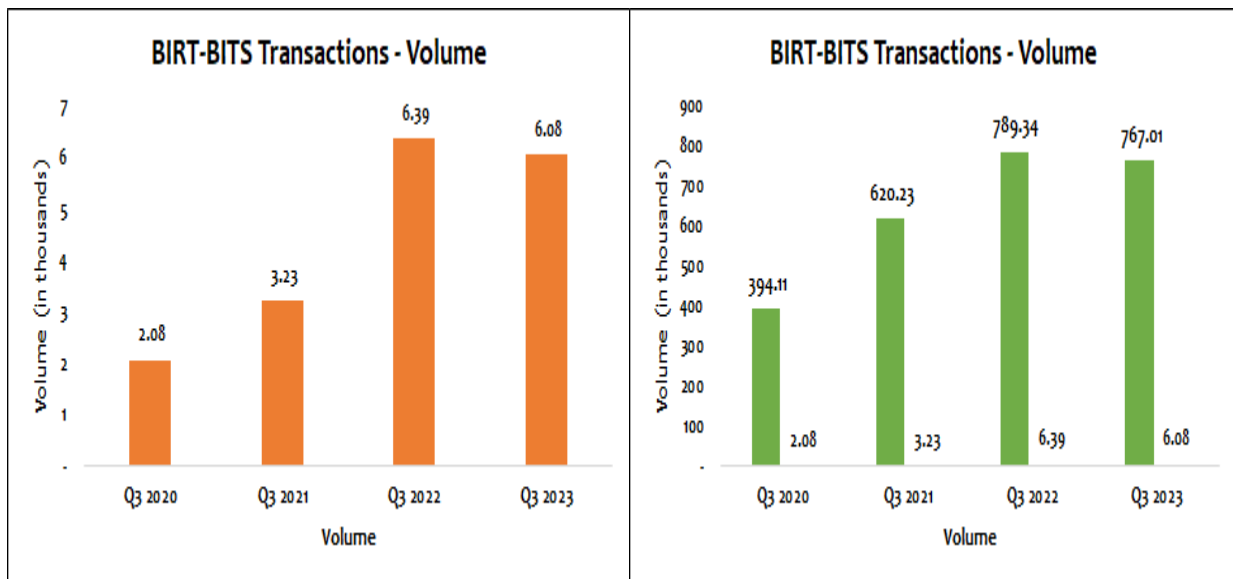
**Graph 10: BIRT-RTGS Transaction (Volume & Value -Q3 for 2020, 2021, 2022 and 2023)**



BIRT RTGS (Real Time Gross Settlement) is the payments that are settled immediately in real-time and are an important payment system as it is used for high-value transactions which are above Nu. 1 million.

During the 3<sup>rd</sup> quarter of 2023, RTGS recorded a transaction volume of 1,392, a decrease of 15.64 percent from 1,650 in Q3 2022. In terms of value, it recorded a value of Nu. 11.85 billion, a decrease of 15.76 percent as compared to Nu. 11.07 billion in Q3 2022.

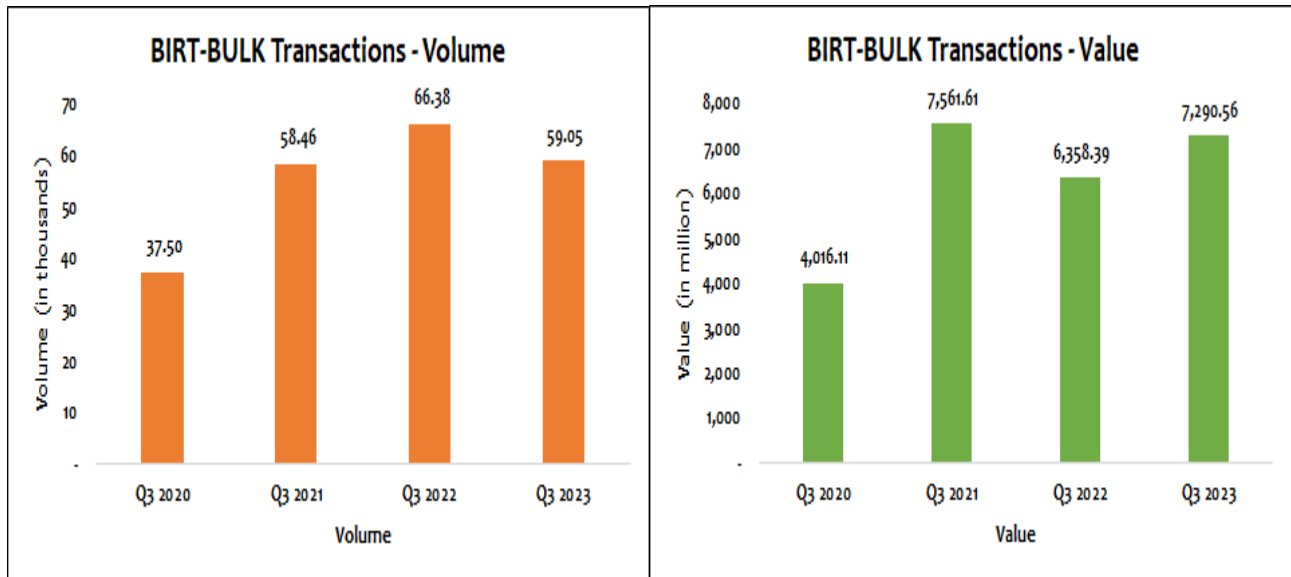
**Graph 11: BIRT-BITS Transaction (Volume & Value -Q3 for 2020, 2021, 2022 and 2023)**



BIRT BITS (Batched Settlement Service) enables interbank fund transfer in a batched settlement cycle. The maximum limit for the transfer of funds is Nu. 1 million.

During the 3rd quarter of 2023, BITS recorded a transaction volume of 6,075, a decrease of 4.90 percent from 6,388 in Q3 2022. In terms of value, it recorded a value of Nu. 767.01 million, a decrease of 2.83 percent as compared to Nu. 789.34 million in Q3 2022.

**Graph 12: BIRT-BULK Transaction (Volume & Value -Q3 for 2020, 2021, 2022 and 2023)**



BIRT BULK is a payment system that handles bulk payments from a single account to multiple beneficiaries targeted mostly for institutional payments like salary, pension payments, loan repayment, and so on.

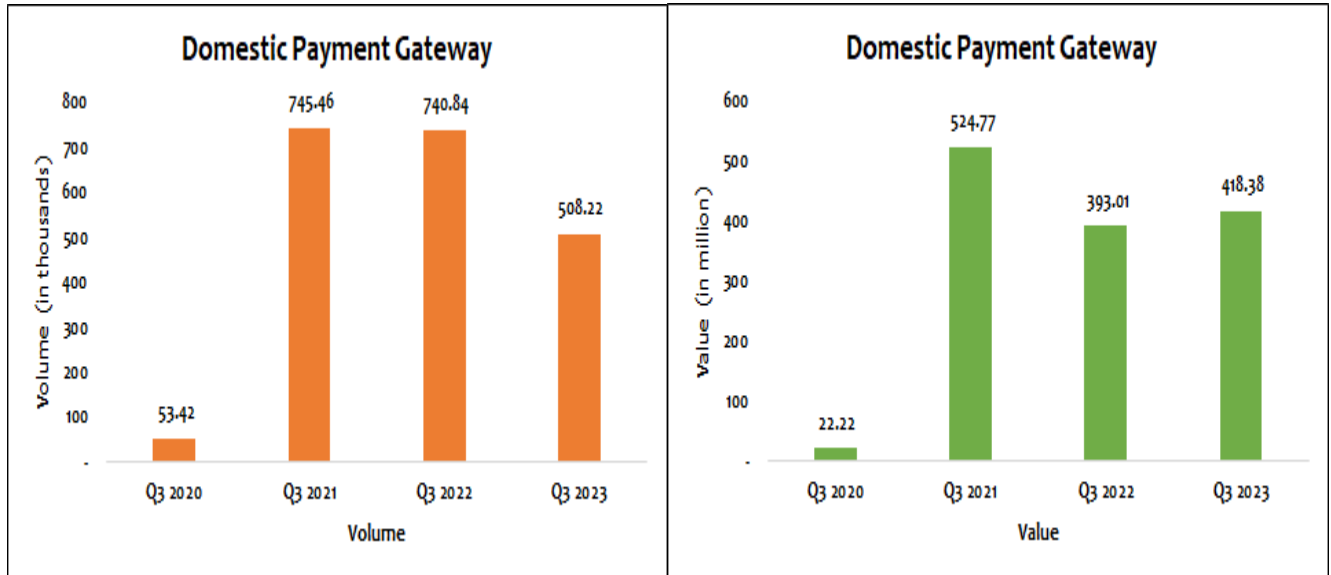
During the 3rd quarter of 2023, BULK recorded a transaction volume of 59,054, a decrease of 10.61 percent from 66,376 in Q3 2022. In terms of value, it recorded a value of Nu. 7.29 billion, an increase of 14.66 percent as compared to Nu. 6.36 billion in Q3 2022.

The RGTS and BITS has observed a decrease in both the transaction volume and value whereas BULK recorded a decrease in volume but an increase in the transaction value.

## f) Domestic Payment Gateway

Domestic Payment Gateway is a merchant service provided by RMA for direct payment processing for e-commerce, government services, and corporate utilities.

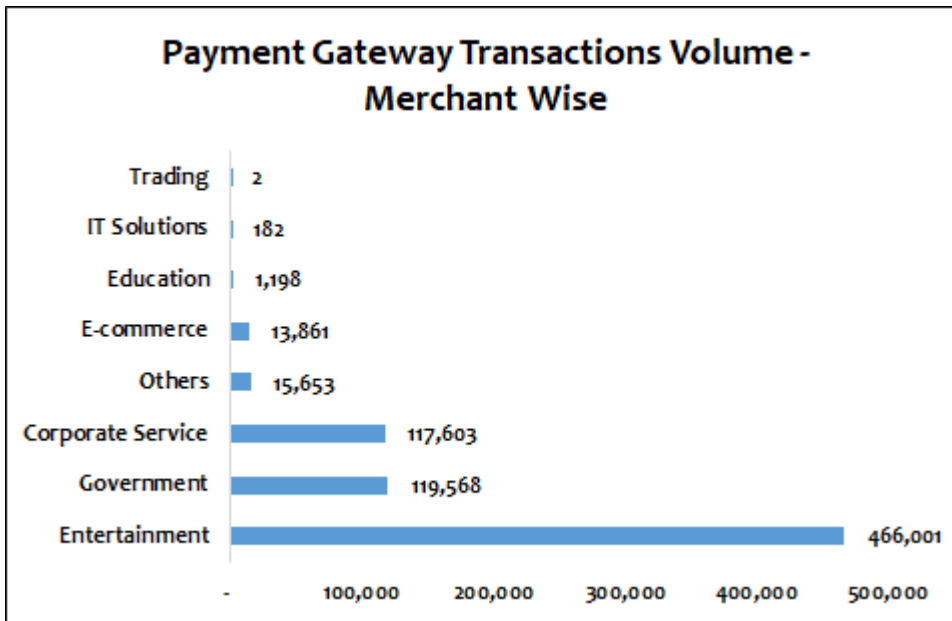
**Graph 13: Payment Gateway Transaction (Volume & Value -Q3 for 2020, 2021, 2022, and 2023)**



In Q3 2021, both the transactions volume and value has increased drastically to 745.46 thousand and Nu. 534.77 million respectively. However, there was a notable decrease in transaction volume from Q3 2021 to Q3 2023, amounting to a 31.40 percent decline. This decline could be a cause for concern and may indicate shifts in market dynamics or other influencing factors.

Similarly, after reaching its peak in Q3 2021, the transaction value began to decrease by 25.11 percent in Q3 2022. In Q3 2023, the transaction value as increased by 6.45 percent from Nu. 393.01 million in Q3 2022 to Nu. 418.38 million.

Graph 14: Domestic PG Transactions- Merchants Wise -Q3 2023

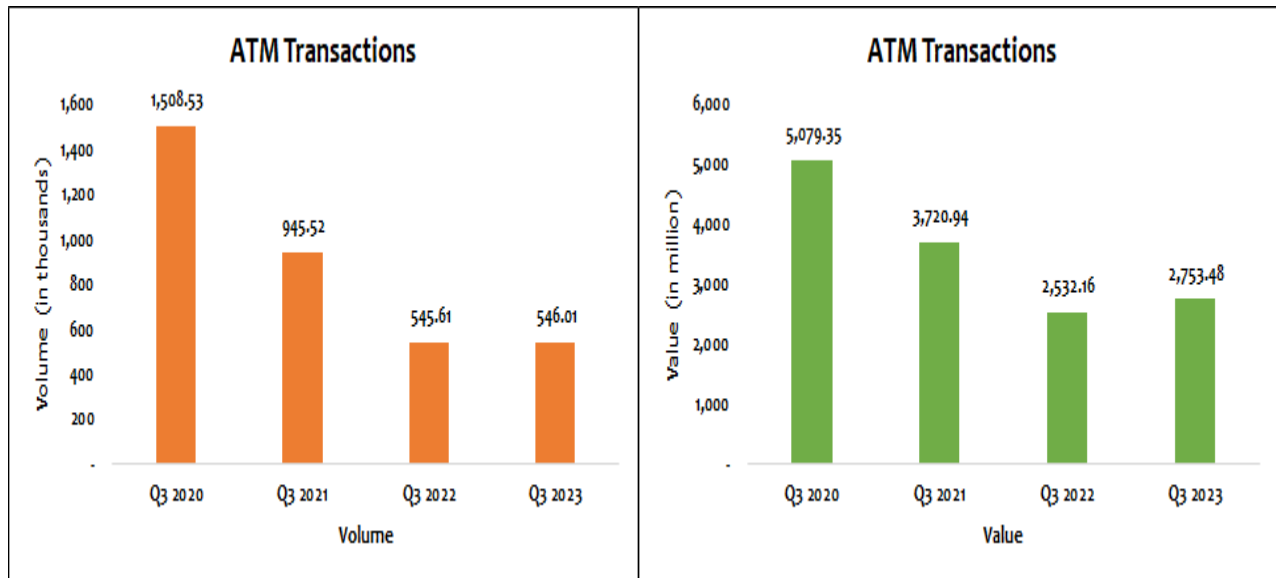


There are a total of 100 registered merchants in the domestic payment gateway portal as of September 2023.



## g) Cards - ATM

Graph 15: ATM Transaction (Volume & Value -Q3 for 2020, 2021, 2022, and 2023)



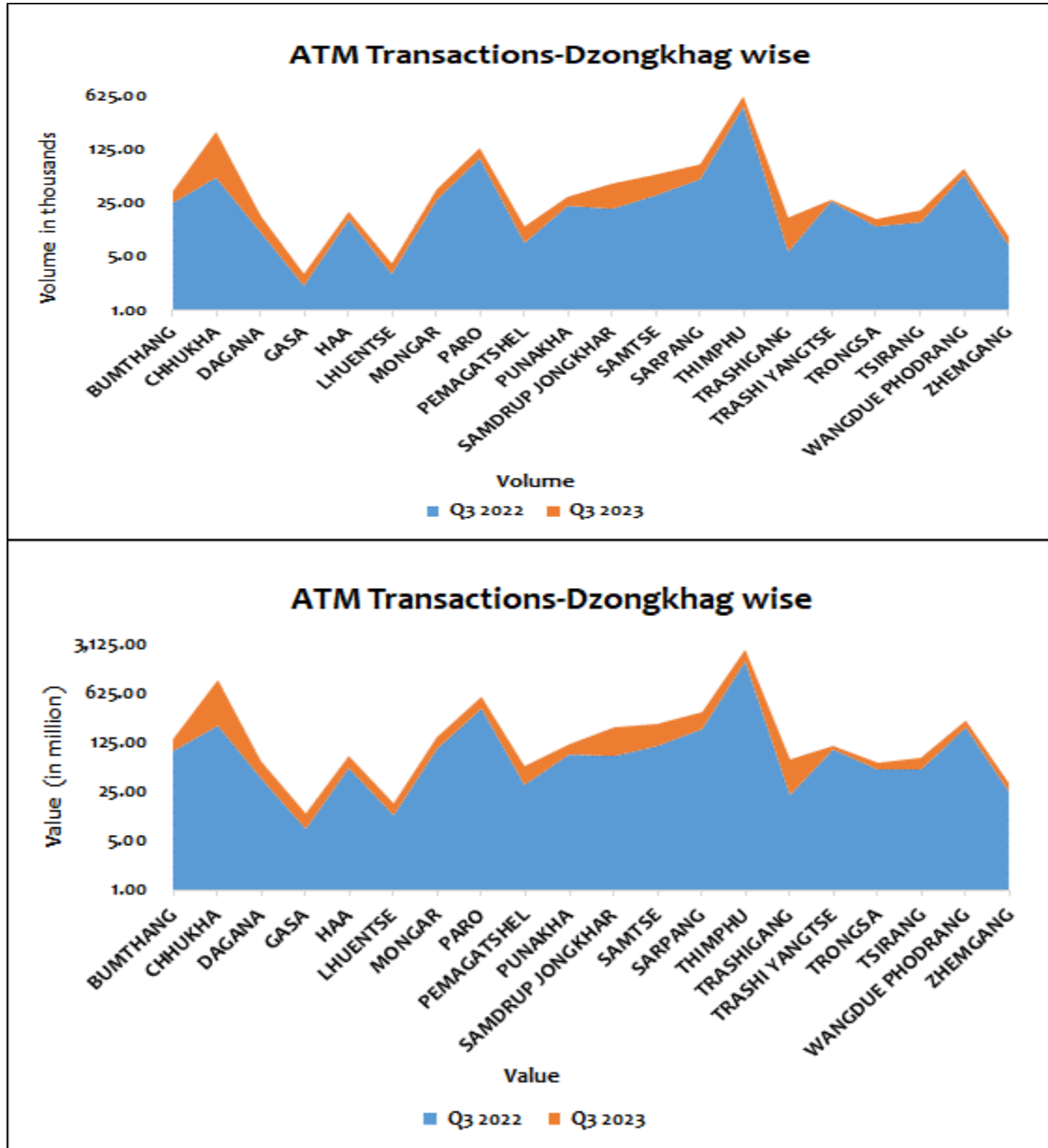
Card payments encompass cash withdrawals and transactions conducted at ATM terminals within the country using domestic ATM cards. The data reveals a slight increase in both transaction volume and value as compared to the same quarter of the previous year.

In Q3 2021, the transactions volume saw a substantial decrease from 1,508.53 thousand to 945.52 thousand as compared to the same quarter of the previous year, and continuously to decrease till Q3 2022. However, in Q3 2023, the volume increased slightly to 546.01 thousand transactions.

Correspondingly, the transaction value recorded a noticeable decrease in Q3 2021, with the value dropping to Nu. 3.72 billion. Q3 2022 saw a further decrease, with the value declining to Nu. 2.53 billion, indicating a consistent downward trend. In Q3 2023, the value increased to Nu. 2,75 billion, showing a slight recovery compared to the Q3 2022.

The sustained decline in ATM transactions suggest that the COVID-19 pandemic has accelerated the adoption of digital payment methods, and this data may reflect a shift away from physical cash transactions during this period.

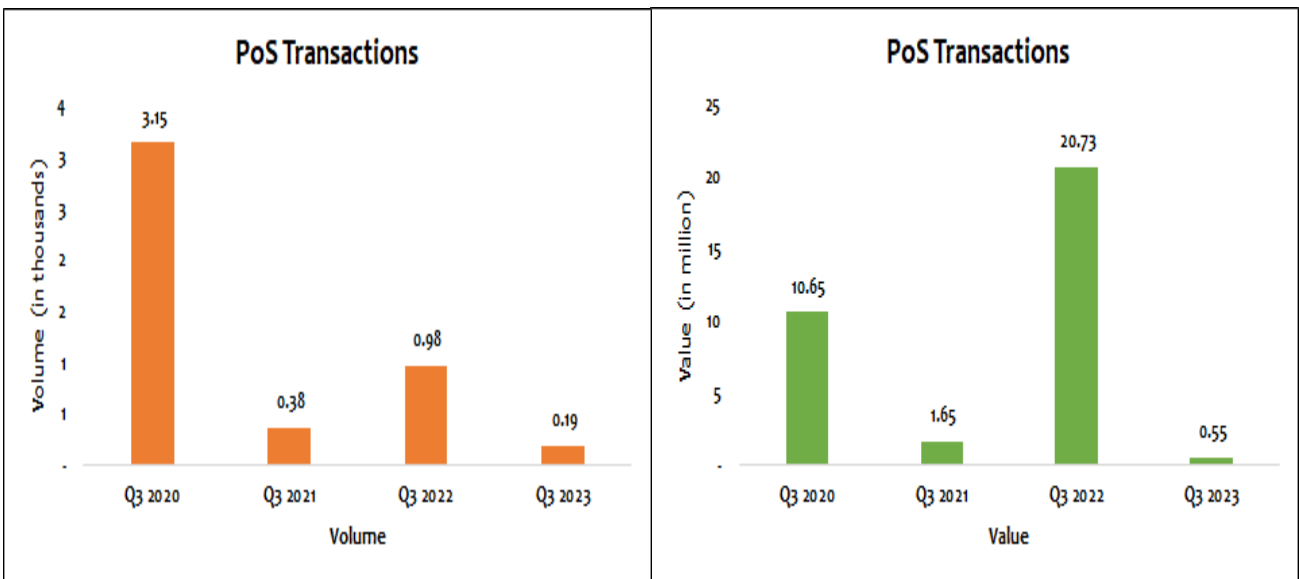
Graph 16: ATM Transaction Dzongkhag Wise (Volume & Value -Q3 2022 and Q3 2023)



Chukha Dzongkhag has recorded the highest increase in volume and value in Q3 2023 with 199.14 percent and 243.29 percent increase respectively as compared to Q3 2022. This is followed by Trashigang and Samdrup Jongkhar. In contrast, Trashi Yangtse has experienced a decrease in transaction volume and value with a decrease of 92.38 percent and 91.83 percent respectively.

## h) Cards – PoS

Graph 17: PoS Transaction (Volume & Value -Q3 for 2020, 2021, 2022 and 2023)



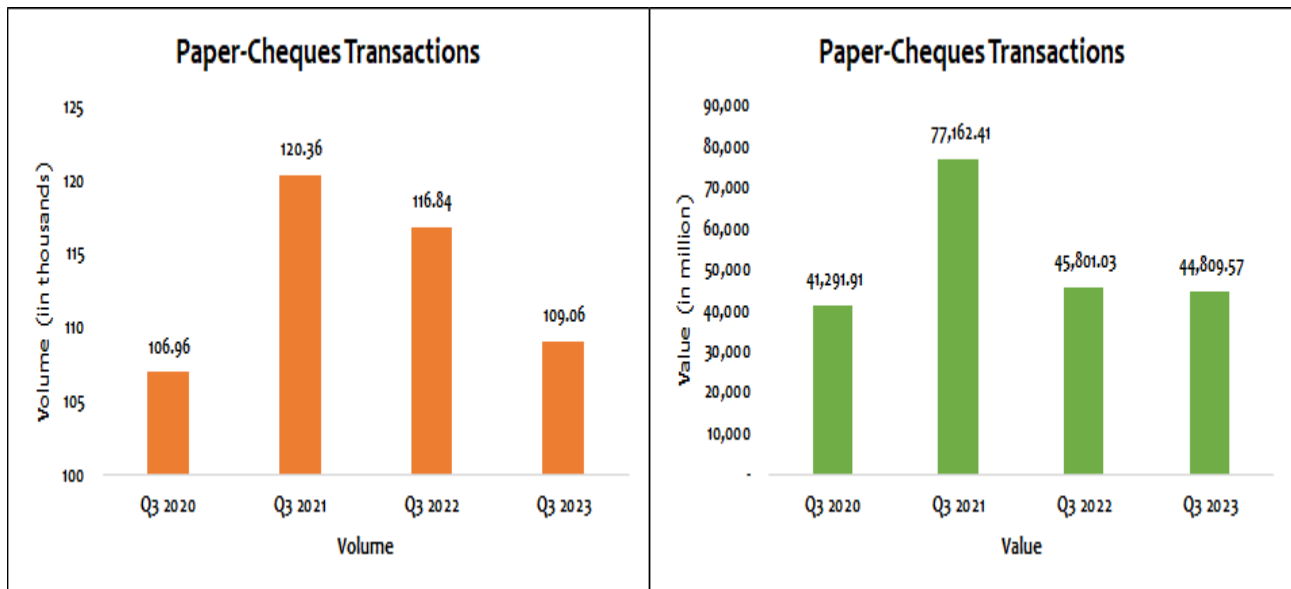
The number of PoS transactions experienced considerable fluctuations throughout the four quarter, with a sharp decline in Q3 2021, followed by a partial recovery in Q3 2022, and another significant drop in Q3 2023. The total value of PoS transactions mirrored the trend in volume, with a notable decrease in Q3 2021, a significant increase in Q3 2022, and then another decline in Q3 2023.

The number of POS transactions significantly decreased in Q3 2021 to 0.38 thousand. However, there was a partial recovery in Q3 2022, with 0.98 thousand PoS transactions volume. In Q3 2023, the volume dropped again to 0.19 thousand transactions, reaching the lowest point over the four quarter.

There was a considerable decrease of value in Q3 2021, with the value dropping to Nu. 1.65 million, indicating a significant decline in the monetary value of transactions. Q3 2022 saw a substantial increase in the value of PoS transactions, reaching Nu. 20.73 million. However, in Q3 2023, the value dropped again to Nu. 0.55 million, a significant decrease from the same quarter of the previous year.

## i) Paper Cheque

Graph 18: Paper Cheque Transaction (Volume & Value -Q3 for 2020, 2021, 2022 and 2023)

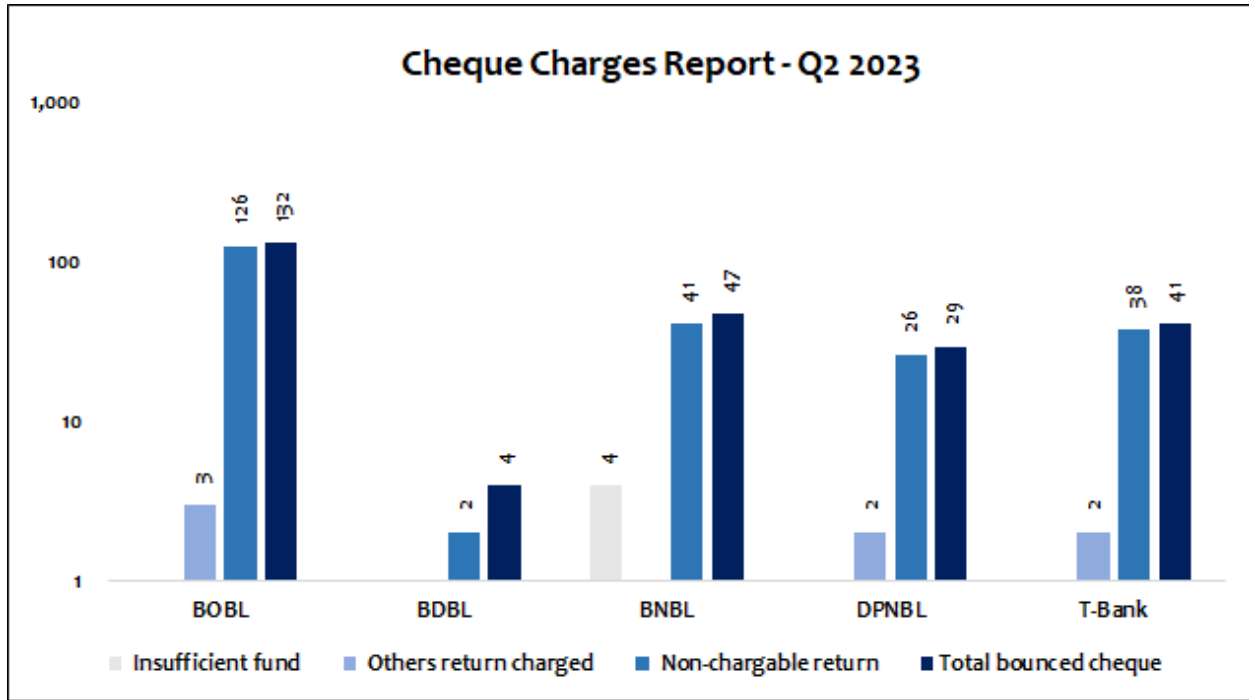


The number of cheque transactions shows a relatively stable pattern with some fluctuations, experiencing both increases and decreases over the quarters. However, the volume has not returned to its Q3 2020 level as of Q3 2023. The total value of cheque transactions exhibited more significant fluctuations. It saw a substantial increase in Q3 2021 but declined in subsequent quarters.

The volume of cheque transactions increased in Q3 2021 to 120.36 thousand, indicating a drastic growth. In Q3 2022, the volume decreased slightly to 116.84 thousand transactions. By Q3 2023, the volume further decreased to 109.06 thousand transactions, still above the initial level in 2020.

There was a significant increase in Q3 2021, with the value rising to Nu. 77.16 billion, indicating substantial growth. Q3 2022 saw a substantial decrease in the value of cheque transactions, falling to Nu. 45,80 billion. In Q3 2023, the value decreased further to Nu. 44.81 billion, still higher than the initial level in 2020 but significantly lower than the peak in 2021.

Graph 19: Bounced cheque report -Q3 2023

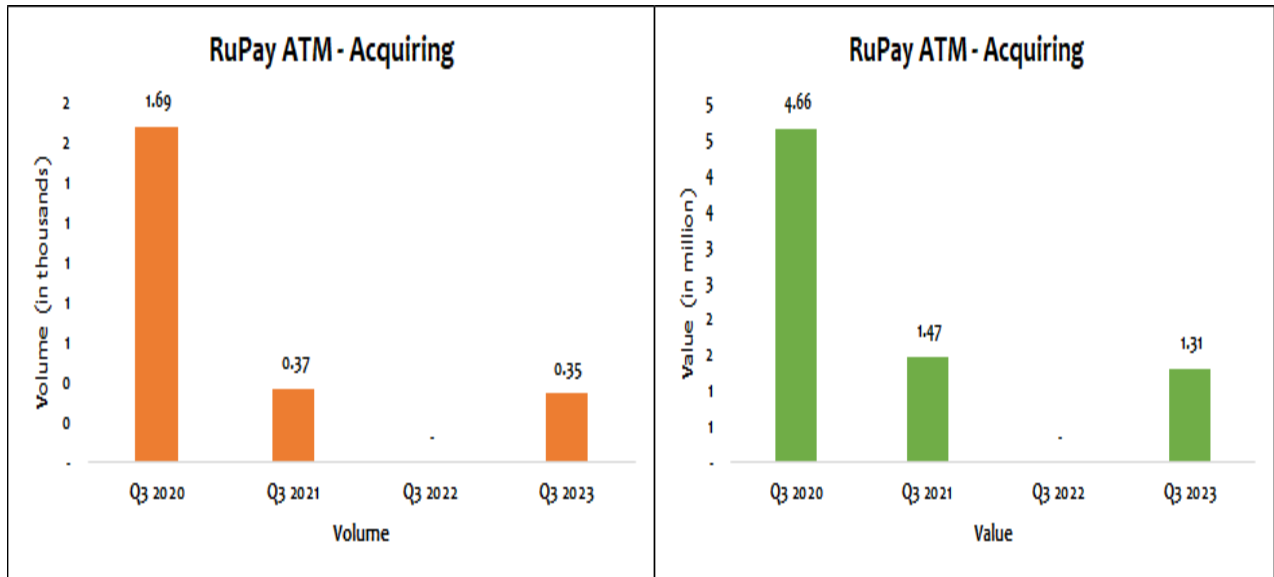


During the 3<sup>rd</sup> quarter, a total of 252 cheques were bounced out of which, 5 cheques were charged to the customer for their insufficient balance and 7 cheques were charged to the banks for their failure to do due diligence.

# REGIONAL PAYMENT TRANSACTIONS (Q3,2023)

## a) RuPay Acquiring

Graph 20: RuPay Acquiring ATM Transaction (Volume & Value -Q3 of 2020, 2021, 2022 and 2023)

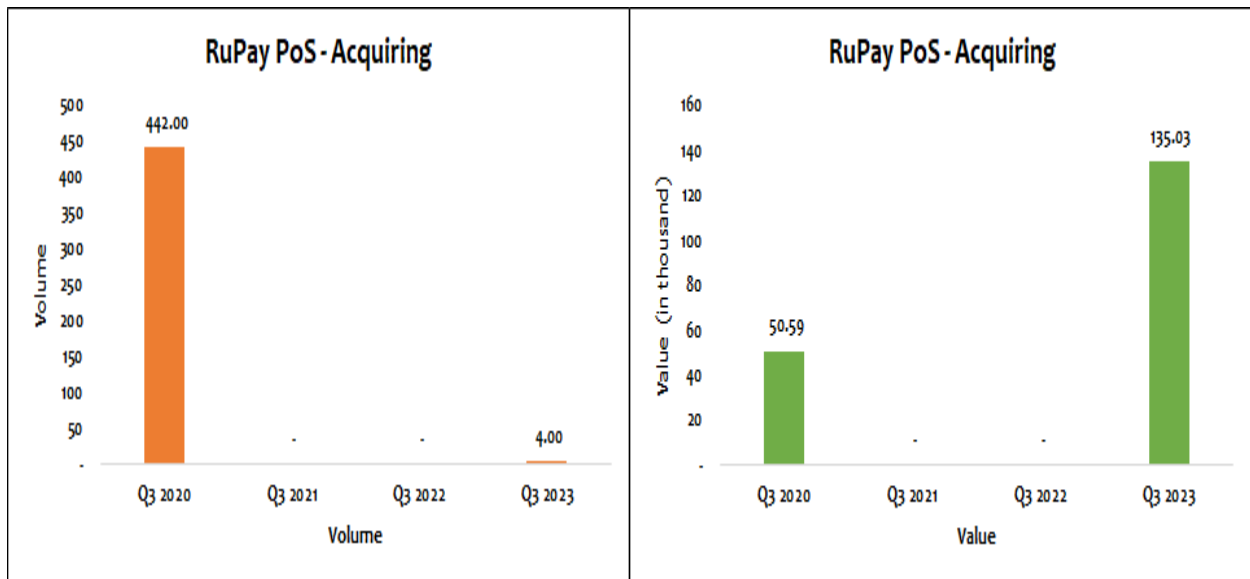


RuPay Acquiring allows Indian nationals to withdraw cash and make payments through all Bhutan ATMs and PoS terminals. The number of RuPay Acquiring ATM transactions experienced a significant decline from Q3 2020 to Q3 2021, and the volume remained relatively low in Q3 2023. The total value of these transactions also declined in Q3 2021 and showed a slight recovery in Q3 2023.

The volume of RuPay Acquiring ATM transactions volume significantly decreased in Q3 2021 to 0.37 thousand, indicating a substantial decline. However, in Q3 2022, no transactions were recorded and in Q3 2023, the volume slightly increased to 0.35 thousand transactions.

There was a significant decrease in Q3 2021, with the value dropping to Nu. 1.47 million, indicating a substantial decline in the monetary value of transactions. In Q3 2023, the value increased to Nu. 1.31 million, showing a slight recovery compared to the same quarter of the previous year.

**Graph 21: RuPay Acquiring PoS Transaction (Volume & Value -Q3 of 2020, 2021, 2022 and 2023)**

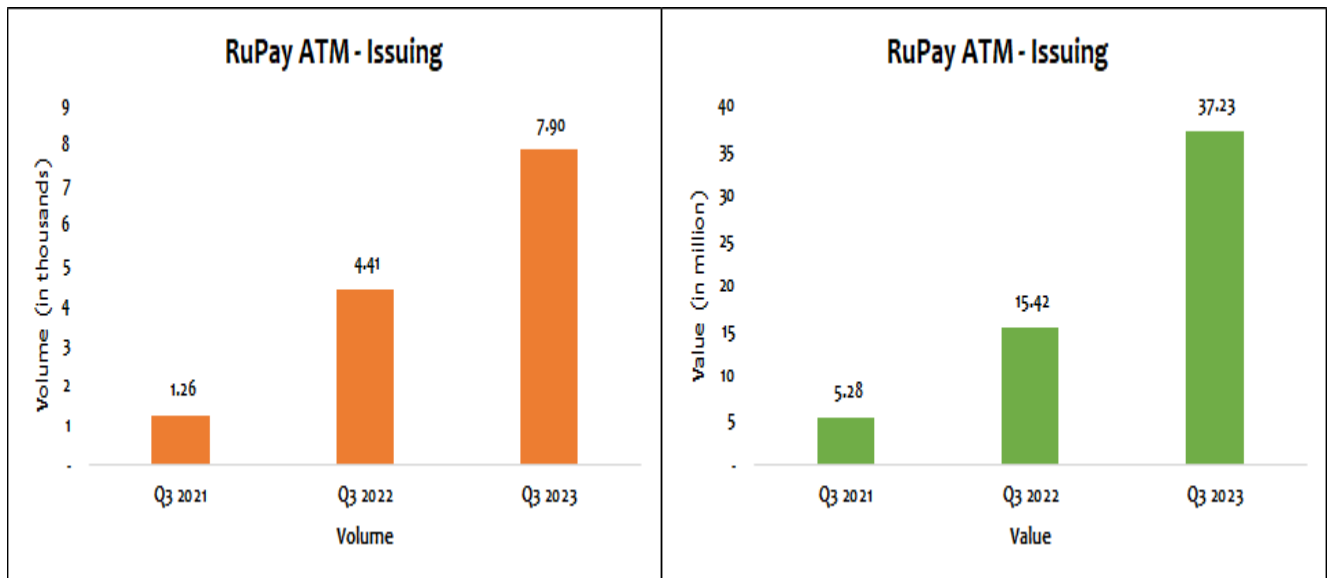


The RuPay PoS acquiring recorded a transaction volume of 442 in Q3 2020, however, for two quarters, Q3 2021 and Q3 2022 recorded no transactions. In Q3 2023, it recorded a volume of only 4, a decrease of 438 as compared to Q3 2020.

In terms of value, it saw a substantial increase from Q3 2020 to Q3 2023 to Nu. 153.03 thousand from Nu. 50.59 thousand, although no transactions were recorded in Q3 2021 and Q3 2022.

## b) RuPay Issuing

Graph 22: RuPay Issuing ATM Transaction (Volume & Value -Q3 for 2021, 2022 and 2023)



RuPay Issuing launched in November 2020, allows Bhutanese nationals to withdraw cash and make payments through all the ATM and PoS terminals in India. Currently, Bhutan National Bank Limited is the only issuing bank in Bhutan.

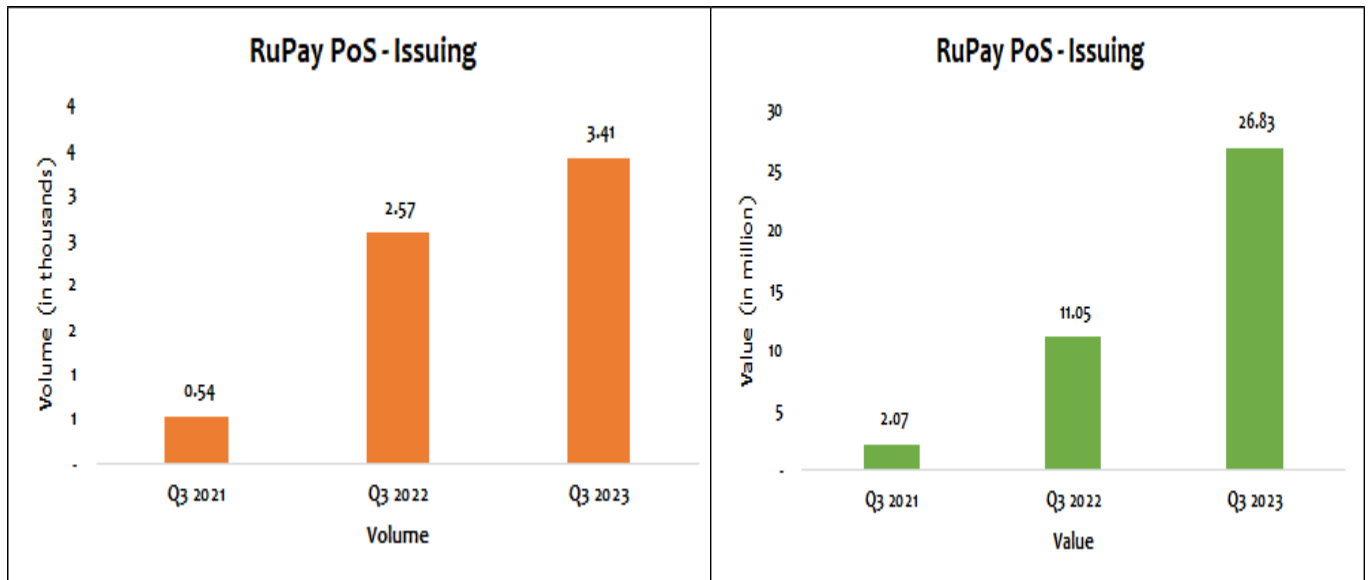
The number of RuPay issuing ATM transactions experienced substantial growth from Q3 2021 to Q3 2023, with a significant increase in each quarter. The growth trend is consistent and indicates a rising number of transactions. The total value of RuPay issuing ATM transactions also exhibited substantial growth from Q3 2021 to Q3 2023, with a significant increase in each quarter. This trend reflects a consistent increase in the monetary value of transactions.

The volume of RuPay issuing ATM transactions significantly increased in Q3 2022 to 4.41 thousand transactions, indicating substantial growth. In Q3 2023, the volume continued to increase, reaching 7.90 thousand transactions, showing further growth.

The value of transactions increased significantly in Q3 2022 to Nu. 15.42 million, indicating substantial growth. In Q3 2023, the value continued to increase, reaching Nu. 37.23 million, showing further substantial growth.



**Graph 23: RuPay Issuing PoS Transaction (Volume & Value -Q3 for 2021, 2022 and 2023)**



The number of RuPay issuing PoS transactions increased substantially from Q3 2021 to Q3 2023. The growth is consistent and significant in each quarter, indicating a rising number of transactions. The total value of RuPay issuing PoS transactions also experienced substantial growth from Q3 2021 to Q3 2023, with significant increases in each quarter. This suggests a consistent rise in the monetary value of transactions.

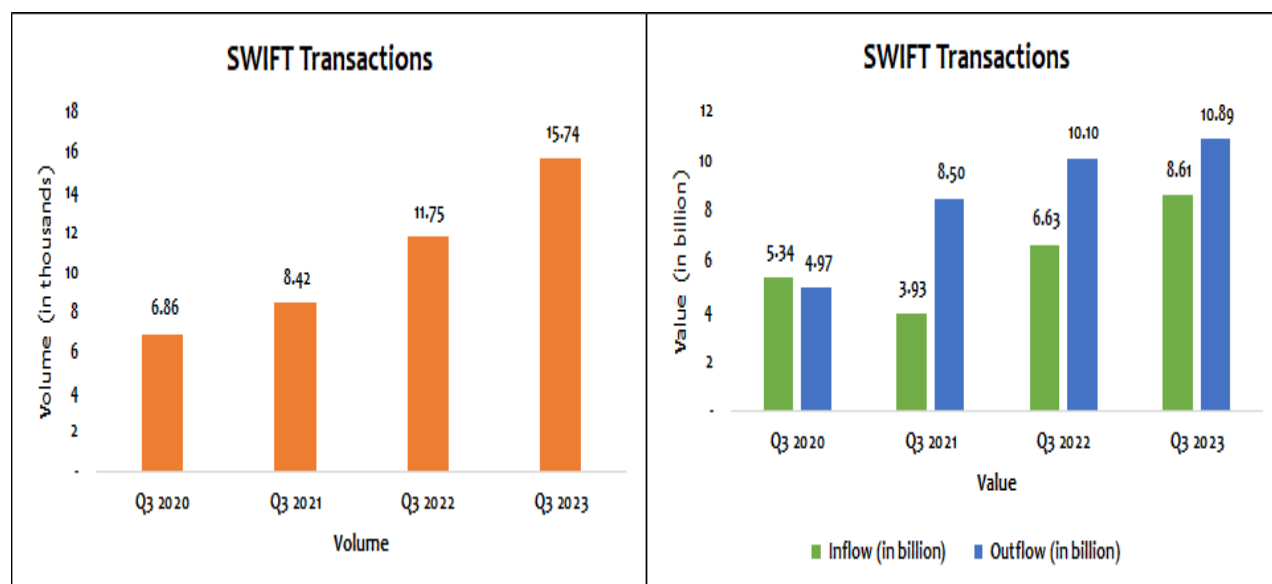
The volume of RuPay issuing PoS transactions significantly increased in Q3 2022 to 2.57 thousand volume transactions, indicating substantial growth. In Q3 2023, the volume continued to increase, reaching 3.41 thousand transactions, showing further growth.

The value of transactions increased significantly in Q3 2022 to Nu. 11.05 million, indicating substantial growth. In Q3 2023, the value continued to increase, reaching Nu. 26.83 million, showing further substantial growth.

# INTERNATIONAL PAYMENT TRANSACTIONS (Q3, 2023)

## a) SWIFT Transactions through the banks

Graph 24: Member Bank SWIFT Transaction (Volume & Value -Q3 for 2020, 2021, 2022 and 2023)

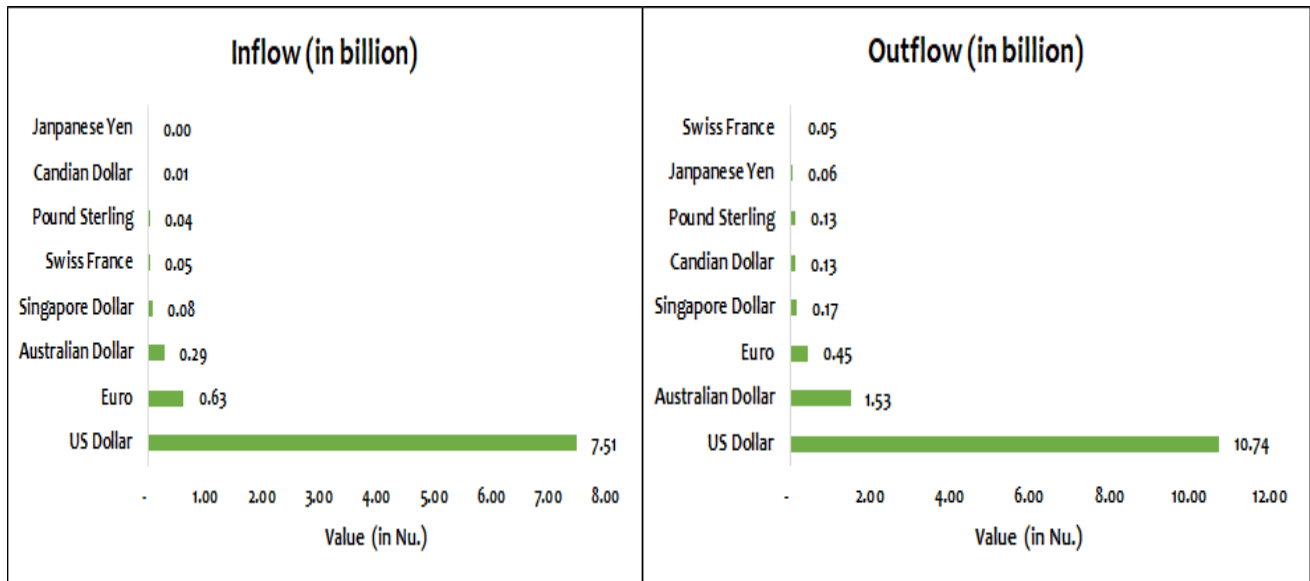


The number of SWIFT transactions increased steadily over the observed quarters, with a substantial and consistent growth trajectory. This suggests a significant increase in SWIFT transaction activity over the years, reflecting a growing demand for international financial transactions and cross-border financial services.

The volume of SWIFT transactions increased in Q3 2021 to 8.42 thousand, showing growth. In Q3 2022, the volume continued to increase to 11.745 thousand, indicating further expansion. By Q3 2023, the volume reached 15.74 thousand, showing a substantial increase over the years.

The transaction value indicates a notable decrease in the value of SWIFT inflow transactions in Q3 2021 to Nu. 3.93 billion, followed by consistent growth in inflow value in the subsequent quarters. In Q3 2023, the inflow value has increased to Nu. 8.61 billion, an increase of 29.91 percent. This suggests a recovery and expansion of incoming transactions. In contrast, the value of SWIFT outflow transactions experienced significant growth from Q3 2020 to Q3 2021, an increase of 71.04 percent, with further increases in the following quarters. In Q3 2023, the value outflow has increased to Nu. 10.89 billion, which is an increase by 7.85 percent. This indicates a consistent expansion in outgoing transactions.

**Graph 25: SWIFT inflow and outflow currency-wise for Q3 2023 (Value)**

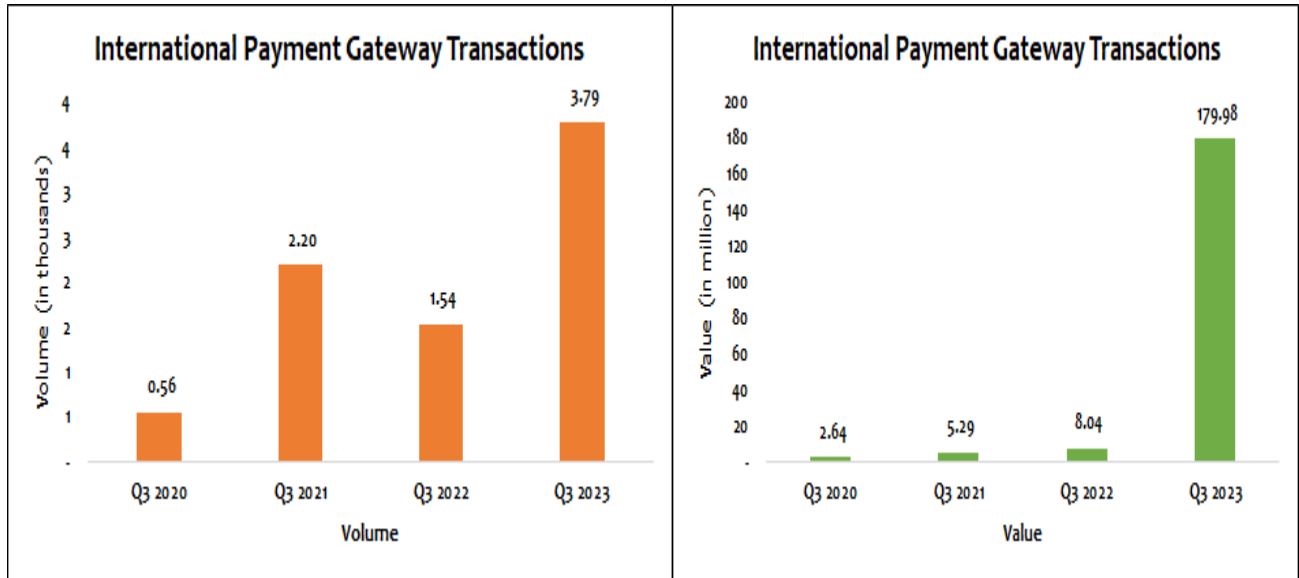


In terms of inflow value, the US dollar has recorded the highest transaction of Nu. 7.51 billion followed by Euro with Nu. 0.63 billion followed by Nu. 0.29 billion. For the outflow transaction value, the USD recorded the highest value of Nu. 10.74 billion followed by Australian dollar of Nu. 1.53 billion and followed by Euro of Nu. 0.45 billion.

## b) International Payment Gateway (IPG)

In Bhutan, only BOBL and BNBL provides IPG services in Bhutan with currency of USD and INR.

**Graph 26: IPG Transaction (Volume & Value -Q3 for 2020,2021, 2022 and 2023)**

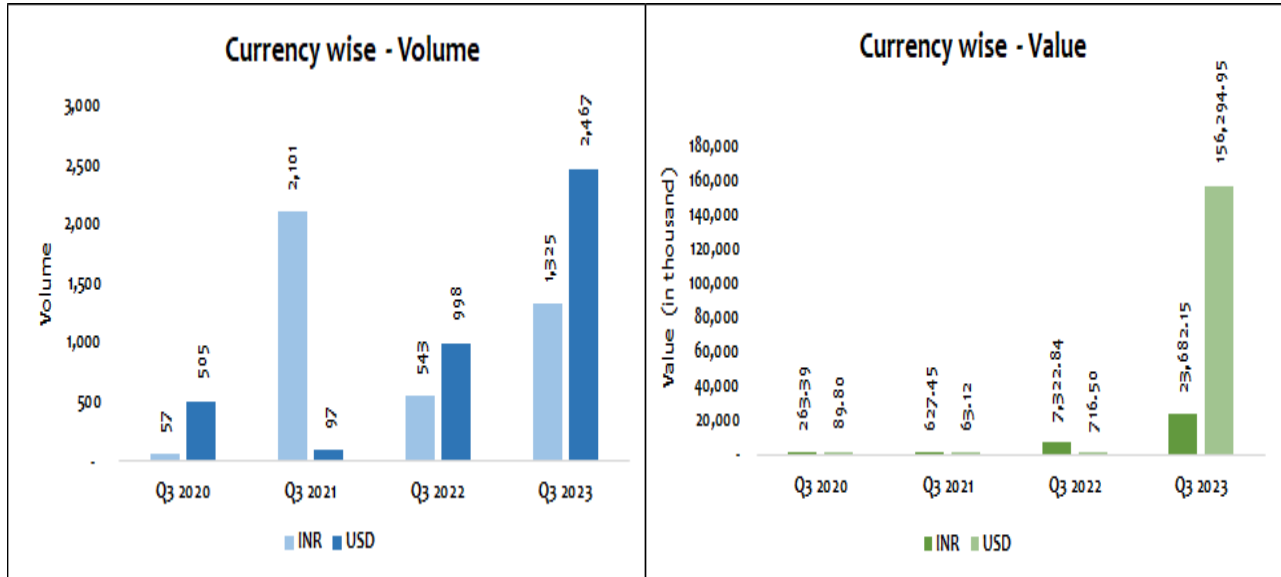


The number of international payment gateway transactions showed fluctuations, with a significant increase in Q3 2021, followed by a decrease in Q3 2022, and a substantial recovery and expansion in Q3 2023. The total value of international payment gateway transactions exhibited remarkable growth across all the observed quarters, with an extraordinary increase in Q3 2023.

The volume of international payment gateway transactions significantly increased in Q3 2021 to 2.20 thousand, indicating substantial growth of 1.64 thousand. In Q3 2022, the volume decreased to 1.54 thousand transactions, representing a decline. By Q3 2023, the volume further increased to 3.79 thousand transactions, showing a substantial recovery and expansion.

The value of transactions increased significantly in Q3 2021 to Nu. 5.29 million, showing substantial growth of 100.36 percent. In Q3 2022, the value continued to increase to Nu. 8.04 million, indicating further expansion. By Q3 2023, the value reached a significantly higher level of Nu. 179.98 million, indicating an exceptional increase by Nu. 171.94 million.

**Graph 27: IPG transactions (volume and value) in USD and INR for Q3 for 2020, 2021, 2022 and 2023.**



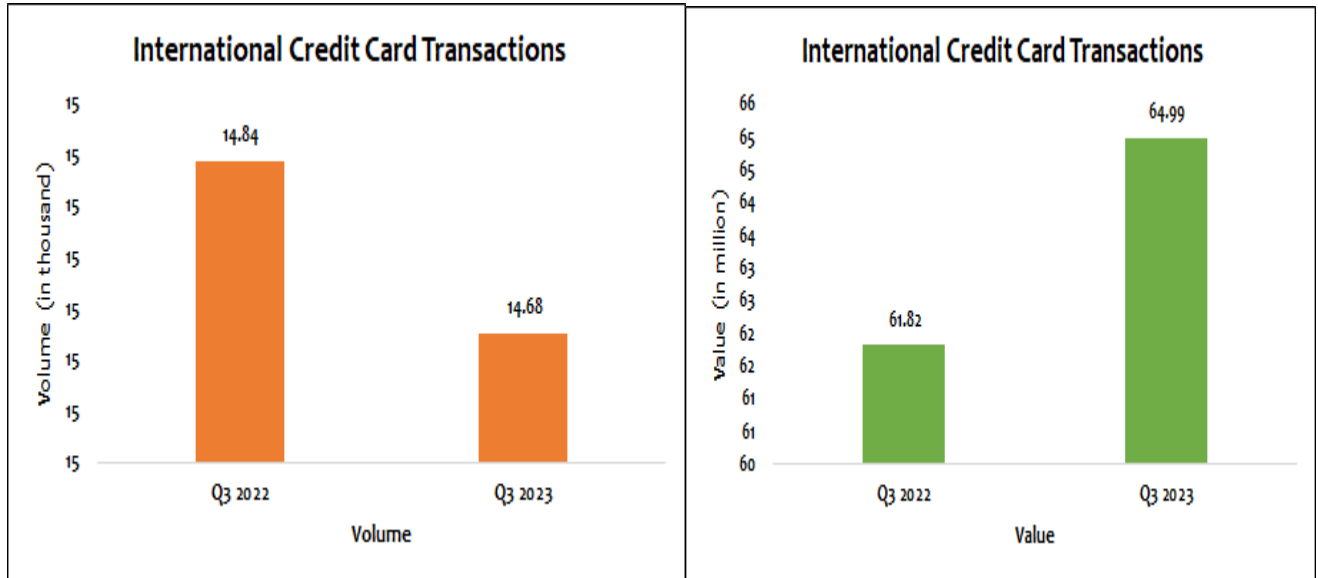
In terms of INR, the volume has increased from INR 543 in Q3 2022 to 1,325 during Q3 2023. Similarly, the value has also increased from INR 7.32 million to INR 23.68 million in Q3 2023 as compared to same quarter of the previous year.

In terms of USD, both the transaction volume and value have increased as compared to the same quarter of the previous year. The volume has increased from 998 in Q3 2022 to 2,467 in Q3 2023. The value has increased from Nu. 716.50 thousand to Nu. 156.29 million thousand in Q3 2023.

## c) International Card (Issuing)– International Credit Card

**Graph 28: International Credit Card transactions (Volume & Value -Q3 for 2022 and 2023)**

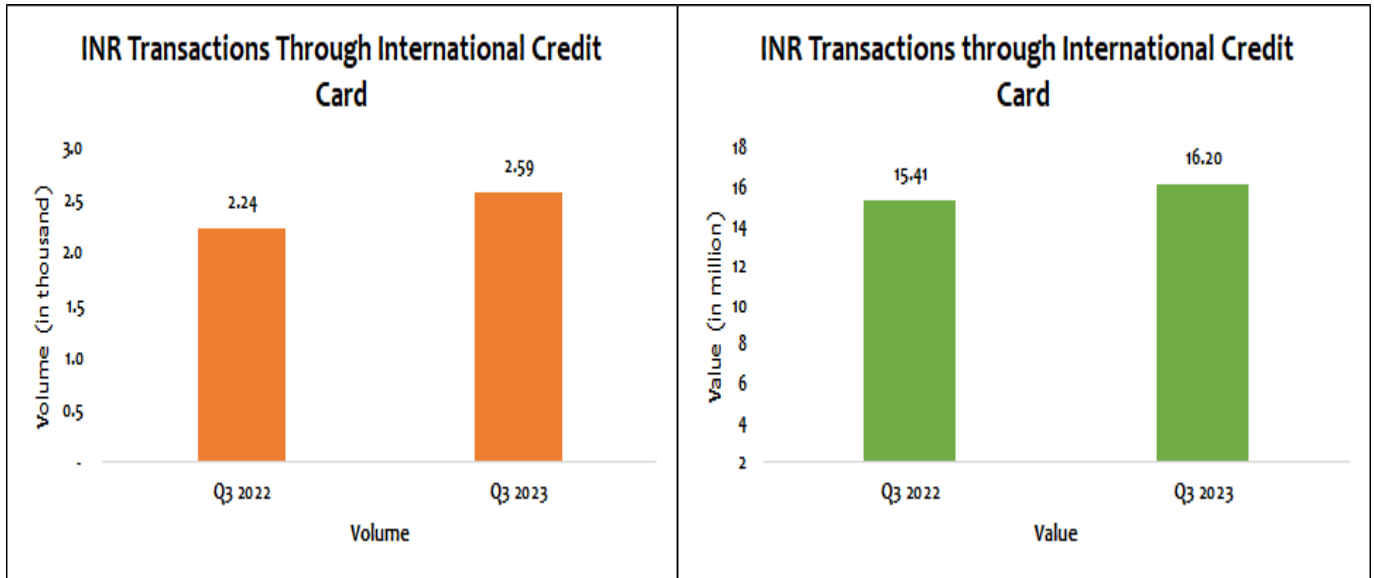
*Note: the below data is exclusively for convertible currencies.*



In Q3 2023, the transaction volume has decreased whereas value has increased as compared to the same quarter of the previous year. In terms of volume, it has decreased by 1.13 percent from 14.84 thousand in Q3 2022 to 14.68 thousand in Q3 2023. In terms of value, it has increased from Nu. 61.82 million in Q3 2022 to Nu. 64.99 million in Q3 2023, which is an increase of 5.13 percent.

The graph indicates a positive trend in international credit card usage, in terms of value. The increase in the value could indicate a positive economic growth, a rise in international travel, and an increasing inclination to use credit cards for conducting transactions across borders.

**Graph 29: INR Transactions through International Credit Card (Volume & Value -Q3 for 2022 and 2023)**

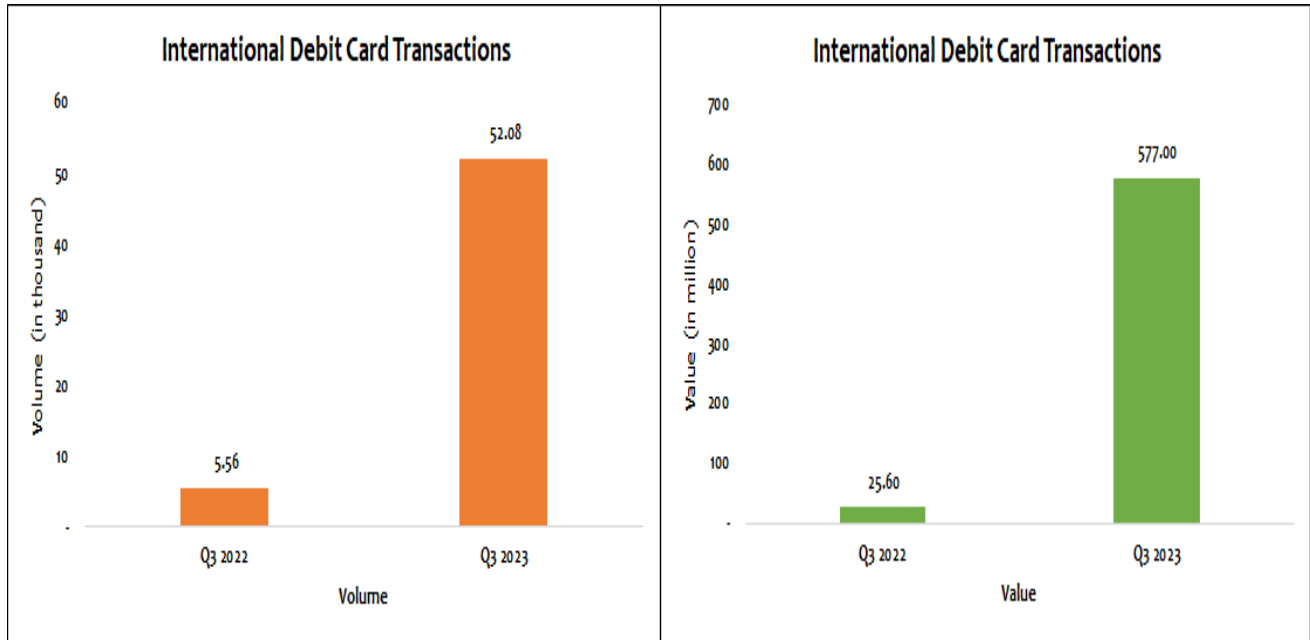


The graph above shows the INR transactions through international credit cards in Q3 2022 and Q3 2023. The INR transactions are made through ATMs and PoS. In Q3 2023, the volume increased by 15.87 percent from 2.24 thousand in Q3 2022 to 2.59 thousand. In terms of value, it also increased by 5.13 percent from INR 15.41 million to INR 16.20 million in Q3, 2023

## c) International Card (Issuing) – International Debit Card

**Graph 30: International Debit Card transactions (Volume & Value -Q3 for 2022 and 2023)**

**Note: The below data is exclusively for convertible currencies**

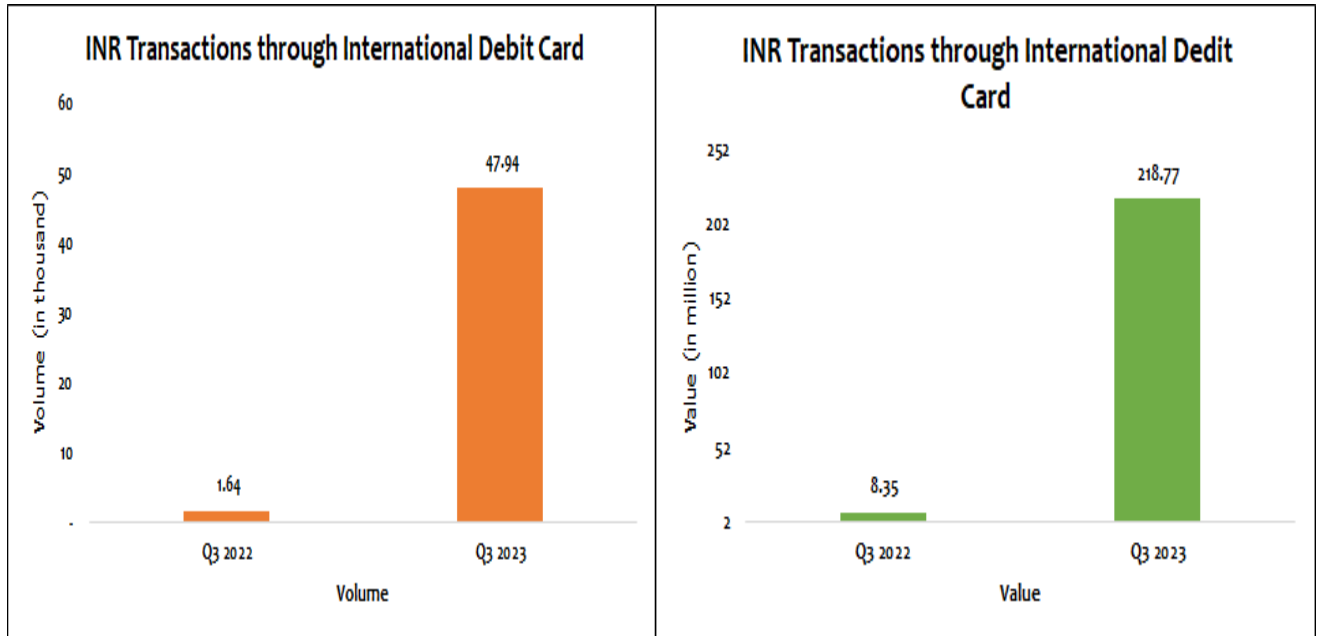


The number of international debit card transactions has experienced substantial growth over the two quarters. In Q3 2023, the volume has increased from 5.56 thousand in Q3 2022 to 52.08 thousand in Q3 2023. This indicates a robust adoption of debit card usage for cross-border transactions.

The total value of international debit card transactions has shown an extraordinary surge over the two quarters. In Q3 2022, the total value was Nu. 25.60 million, which skyrocketed to Nu. 577 million in Q3 2023. This represents a substantial growth rate in transaction value and indicates that the average transaction value has increased significantly.



**Graph 31: INR Transactions through International Debit Card (Volume & Value -Q3 for 2022 and 2023)**



The graph above shows the INR transactions through international debit cards in Q3 2022 and Q3 2023 and it includes INR transactions are made through ATMs and PoS. In Q3 2023, the volume increased by 46.30 thousand from 1.64 thousand in Q3 2022 to 47.94 thousand. Meanwhile, the value has also increased by INR 210.42 million from INR 8.35 million to INR 218.77 million in Q3 2023.

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