

## PRESS RELEASE

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### **EBA and McKinsey issue joint white paper on future of banks in payments**

The Euro Banking Association (EBA) and McKinsey & Company published a joint white paper on the future of banks in payments today at EBAday 2020. The new paper, based on research conducted by the EBA and McKinsey among industry leaders and representatives from banks and payments specialists between November 2019 and November 2020, seeks to prompt a constructive debate on the future of banks in European payments and to ultimately launch a call for action on industry change.

The study shows that payments and account services continue to be at the core of banks' value proposition. However, technological advances, evolving customer behaviour and new market dynamics have brought fundamental change over the last decade and challenged banks' central role in the payments ecosystem. The new normal shaped by the current pandemic has accelerated some of the trends and highlighted the importance of payments in the consumer experience. As the ecosystem evolution converges with the effects of the pandemic, the early 2020s are likely to become an inflection point for payments.

*"The banks we surveyed identified both the challenges and the opportunities that will shape their role in the ecosystem in the years to come,"* said Reinhard Hoell, a Partner from McKinsey & Company's payment practice. *"The pandemic has not altered the general strategic direction banks have taken to grow their payments business but has certainly reinforced banks' commitment to invest in areas such as digitising customer journeys, introducing machine learning, and improving technological and operational resilience."*

*"Banks face multiple strategic choices and have a range of opportunities to collaborate with partners for selected activities and applications,"* said Wolfgang Ehrmann, Chairman of the EBA.

*"All banks interviewed believed that industry cooperation is extremely important to fill capability gaps, drive economies of scale, mitigate investment risk, reduce the complexity of providing non-differentiating activities and help set new market standards."*

Despite the uncertainties of the current environment, the paper concludes, now could be the moment for banks to secure the growth of value in their payments business over the next cycle – and to come together with other stakeholders to solve sector-wide challenges and capture opportunities.

The paper is available for download on the [EBA](#) and [McKinsey](#) websites.

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## **About the Euro Banking Association (EBA)**

The Euro Banking Association (EBA) is a practitioners' body for banks and other service providers supporting a pan-European vision for payments.

The mission of the EBA is to foster dialogue and experience exchange amongst payments industry practitioners towards a pan-European vision for payments. We pursue our mission through involving member organisations and relevant stakeholders in thought leadership on innovation, helping our members to understand and implement regulation and by supporting the development of market practices.

The EBA has more than 160 members from the European Union and across the world.

For additional information about the Euro Banking Association, please visit [www.abe-eba.eu](http://www.abe-eba.eu) or follow us on [www.linkedin.com/company/euro-banking-association](https://www.linkedin.com/company/euro-banking-association) or [www.twitter.com/EBA Association](https://www.twitter.com/EBA_Association)