

Banking Automation **BULLETIN**



CEE ATM market sees record growth

Rising fuel costs impact ATM servicing industry

Card fraud reduces consumer confidence in cashless payments

Balancing consumer protection and innovation in the payments sector

Merchant acquiring – Cinderella goes to the ball

Country profile: United Kingdom



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Booming beyond belief

While rapid growth in the emerging economies in central and eastern Europe has been the norm for several years now, the virtual explosion of the region's ATM market witnessed in 2007 has taken most experts by surprise (see lead article).

As a matter of fact, the CEE ATM market is currently the fastest growing in the world and has increased ten times faster than that of western Europe over the last five years. With an installed base of 120 thousand units the region accounts for 7% of the global ATM market. Measured in terms of new installations, however, CEE represents as much as 30% of the worldwide market.

Overall, the market is not only growing in scale but also in sophistication. A lack of legacy systems has enabled a technological leapfrog, and the region is in some ways more advanced than more mature markets in North America and western Europe. Adoption of Windows and TCP/IP is high and has paved the way for advanced functionality such as deposit automation, which is prevalent in several countries.

Given the strong underlying economic growth in the region, the limited penetration of cards and low provision of ATMs, there is ample potential for further market growth in the foreseeable future.

It has taken ATMs and payment cards several decades to transform banking and payments patterns in western economies – but in central and eastern Europe it seems we can expect revolution rather than evolution.

Morten Jorgensen, Managing Editor

- 2 ATMS IN CEE**
CEE ATM market sees record growth

- 6 ATM SERVICE**
Rising fuel costs impact
ATM servicing industry

- 8 PAYMENT FRAUD**
Card fraud reduces consumer
confidence in cashless payments

- 10 UK PAYMENTS**
Balancing consumer protection and
innovation in the payments sector

- 12 MERCHANT ACQUIRING**
Cinderella goes to the ball

- 14 ATM SECURITY**
ATM bombings on the rise in South Africa

- 14 NEWS BULLETIN**
Banking, ATM and payments news

- 15 ROB'S REFLECTIONS**
Potent prepaid potential

- 16 COUNTRY PROFILE**
ATM and cards intelligence on
the United Kingdom

- 20 CONFERENCE DIARY**
Upcoming industry events from
around the world

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