Embedded Finance Revolutionising Cross-Border Transaction

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Key findings of embedded cross-border transaction
Key demand scenarios for cross-border transaction
Global cross-border transaction market projected to exceed USD40 trillion in 2028
Why relevant for regulators, financial services, non-financial services and manufacturers?

KEY DEMAND FACTORS
Travel, e-commerce and remittances driving growth of cross-border C2C and B2C payments
Cross-border transaction breakthrough required to support travel, remittances and e-commerce
Majority of key markets yet to recover to pre-COVID levels for % foreign spend of credit cards
Intra-regional travel gaining traction in pursuit of value for money
Asian developed market residents tight on shopping while Indians show the opposite
Western European markets and US lead in attracting international visitors globally
Key source markets for leading tourism destinations
Overseas Chinese largely driving inbound tourism to China visiting friends and relatives
Significant opportunities to convert cash to cards in Western markets for cross-border travel
Cross-border transaction and transport critical to drive travel recovery in Asia Pacific
China simplifying Visa application and improving merchant acceptance of overseas cards
Ongoing development of bullet train network in China likely to facilitate cross-border travel
Shopping drives inbound tourism spending recovery in Asia Pacific
Low-cost carriers benefiting travel recovery while train price hikes increase the risk
Expansion of QR digital wallets for conversion of cash to drive financial inclusion
Key source markets for key Asian destinations
Foreign brand quality goods and relatively lower prices drive cross-border e-commerce
Singapore leads in cross-border retail e-commerce driven by high prices
Variety of logistics options supporting cross-border e-commerce growth in Singapore
Immigrants in developed markets and GCC countries sustain remittances outflows
Migration of students and workers picking up after the pandemic
Global trading disrupted by trade wars, real wars and COVID-19 pandemic
US and China reducing trading reliance, while Germany maintains stable ties with neighbours
Getting FDI is tougher than ever before
Concentrating FDI into top 10 markets for both outflows and inflows

EMBEDDED CROSS-BORDER TRANSACTION DEVELOPMENT
Embedded cross-border transaction solutions: An increasingly competitive playing field
Embedded cross-border QR payment: Enabling partners’ clients to pay locally just like locals
Market landscape of Alipay+ cross-border QR payment partners in Asia Pacific
Tactical-level collaboration enabled by strategic equity investment
Touch ‘n Go Malaysia leverages Alipay+ to serve Malaysians using China railways
China UnionPay’s cross-border QR payment collaboration extended from card partnership
UnionPay empowers partners to serve cross-border travellers
OCBC partners with UnionPay to offer cross-border QR payment to 47 markets
Central banks’ teamwork to enable inter-operability of cross-border QR payment
Global expansion of fast payment services gaining traction - 70+ markets in Q3 2023
SEPA Instant Credit Transfer (SCT Inst) standardised fast cross-border transfer in Europe
Collaboration on cross-border fast payment
Vocalink facilitated cross-border fast payment between Singapore and Thailand
BCS and NPCI enable cross-border fast payment between PayNow and UPI
NETS enables usage of foreign QR digital wallets and cards on its networks in Singapore
Visa Direct powers Western Union, MoneyGram and Remitly for cross-border fast remittances
Wise powers digital banks and digital wallets for lower cost and faster remittance
Wise recorded 60 clients for embedded remittances in 2022 - mainly in Western markets
Visa B2B Connect enables blockchain-based commercial cross-border transactions
Ant Group’s blockchain “Trusple” system powers banks to serve SMEs for cross-border trading

KEY TAKEAWAYS
Increasing criminal risk in fraud, scams and laundering amid growing cross-border transactions
Security and partnership critical to differentiate in embedded cross-border transaction market

APPENDIX
China UnionPay’s cross-border QR payment collaboration
Euromonitor definition

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