

Unclassified

English - Or. English

11 June 2025

**DIRECTORATE FOR FINANCIAL AND ENTERPRISE AFFAIRS  
COMPETITION COMMITTEE**

**Competition in Mobile Payment Services – Summaries of contributions**

18 June 2025

This document reproduces summaries of contributions submitted for Item 4 of the 146<sup>th</sup> OECD Competition Committee meeting on 18-20 June 2025.

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**JT03568027**

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## *Argentina*

The rapid digitalization of commerce—accelerated by the COVID-19 pandemic—alongside targeted government incentives and the growing dynamism of the fintech sector, has reshaped consumer behaviour and payment systems in many countries. In emerging and developing economies, mobile payment adoption is rising sharply, driven not only by smartphone penetration and transactional ease, but also by the potential for greater financial inclusion.

At the heart of this transformation is the rise of mobile commerce and the increasing role of payment facilitators—fintech firms that offer innovative, low-cost, and efficient electronic payment solutions. These actors have lowered entry barriers for small and sporadic retailers, enabling them to accept digital payments without the overhead costs associated with traditional point-of-sale systems.

This shift has intensified competition in the payments value chain, particularly in the merchant acquisition segment, traditionally dominated by legacy players, primarily comprised of banks and payment card networks. The emergence of tools such as QR codes and mobile wallets has further diversified payment interfaces, fostering a more dynamic and competitive ecosystem. In Argentina, the expansion of QR-based payments has challenged long-established acquirers, reshaping the landscape of mobile payment services and highlighting the growing relevance of fintech-driven innovation.

This contribution aims to analyse the competitive impact of mobile payment services on financial markets, exploring their role as complements or substitutes to traditional banking and financial players, and assessing how market entry or exit of competitors has affected consumers, merchants, and competition in general. It also examines the intervention of the National Commission for the Defence of Competition (CNDC, for its acronym in Spanish) in the payment network. This note is structured in two main sections: the first one discusses the competitive implications of mobile payments; the second section details the CNDC's intervention actions in the payment system sector in response to digitalisation.

## *BIAC*

*Business at OECD* (BIAC) welcomes the opportunity to make this written contribution to the roundtable on Competition in Mobile Payment Services. Competition for mobile payment services impacts global trade, shapes consumer behavior, and contributes significantly to economic growth, making it an essential topic to consider and for regulators to understand.

The mobile payments industry is rapidly evolving, not only as an enabler of everyday commerce but also as a driver of broader digital transformation across the world. Substantial innovation is changing the way we shop and pay for our goods. With intertwined digital ecosystems, rapidly emerging technologies, and relationships with established financial players that blur the lines between cooperation and competition, the competitive landscape of mobile payments is becoming ever more complex. *Business at OECD* fully supports the OECD Competition Committee's efforts to closely examine these evolving competitive dynamics so that innovation can continue to thrive. This paper explores several key issues affecting the state of competition in mobile payment services.

Given the massive and growing impact of mobile payments on nearly every sector of the global economy, a sound understanding of these issues is also critical to ensure an informed and well-balanced enforcement and regulatory approach. *Business at OECD* supports frameworks that foster innovation and protect consumer interests while addressing the challenges that may emerge from disruptive technological trends and the potential risk of concentration of market power.

## *Costa Rica*

In recent years, the mobile payment market in Costa Rica has experienced remarkable dynamism, driven by technological advances, the high penetration of mobile devices, internet access and the consolidation of platforms such as SINPE Móvil, developed by the Central Bank of Costa Rica, which associates a bank account with a mobile phone number and works on the basis of traditional text messages. This platform has been a fundamental pillar in the democratization of the payment system, allowing real-time transfers and promoting financial inclusion in the country.

This environment has favored the participation of both traditional financial institutions and new players in the Fintech ecosystem, which have introduced innovative and accessible solutions for users. However, the sector has also faced processes of concentration and exit of competitors, which has affected the available supply. Despite this, concentration indicators reflect a decline, suggesting an increase in competition thanks to the diversification of payment service providers.

The regulatory framework, although in the process of adaptation, has allowed the incorporation of new models such as Resource Management Accounts (CAR), which will open up new possibilities for Fintechs. However, significant challenges remain, such as cybersecurity, operational risk management, and the need for a more flexible and clear regulatory environment that ensures fair and efficient competition.

Costa Rica is facing a strategic opportunity to consolidate a competitive, secure and inclusive mobile payment ecosystem, where innovation and regulation go hand in hand to enhance the financial well-being of its population.

## *European Union*

In the EU, the growing use of mobile payments has been transforming the landscape of payment services and competition in the market. Mobile payments create opportunities by offering increased innovation and choice that can bring consumer benefits.

This evolution also carries risks: the market power of BigTechs and financial institutions (banks, international card schemes), strong network effects and incumbency advantages may lead to high barriers to entry and restrictions of competition.

The most notable recent antitrust enforcement by the European Commission (“Commission”) is the *Apple Pay* case (AT.40452 – Apple Mobile Payments). This investigation led to legally binding commitments to open access to Near Field Communication (NFC) technology on iPhones (previously reserved to Apple) to third-party developers in the EEA.

In merger enforcement, the Commission has generally defined a broad overall market for mobile payment services, noting that these services may be further segmented and that the market definition may continue to evolve with the technology.

Beyond competition enforcement, various EU regulatory initiatives aim at guaranteeing fair competition in payments and market integration. This is reflected, for example, in the Interchange Fees Regulation (2015/751), the Instant Credit Transfers Regulation (2024/886), the Payment Services Directive (2015/2366), the **Digital Markets Act (DMA)** and the Commission Proposal for the Digital Euro.

## *Germany*

The trend towards cashless payment continues. Innovative payment services, in particular digital wallets containing the user's preferred payment method, are becoming increasingly popular. While this development supports the innovation of new and lower-priced payment services as alternatives to the established payment solutions, the specific characteristics of the online/mobile payment sector with its multisided markets and their strong network effects and potentially high switching costs also raise competition concerns.

Against this background, it is not surprising that services offered by large digital companies such as Amazon (Amazon Pay) or PayPal, in particular, are becoming "must-have" options for merchants.

This effect is strong enough for merchants to find themselves compelled to offer the most popular payment methods even if the corresponding merchant service charge (fees merchants have to pay for accepting a payment) is up to ten times higher compared to other payment methods. The option for merchants to use surcharging would allow customers to take these cost differences into account when choosing which payment method to use for a given transaction and would therefore encourage competition between payment service providers. If, however, surcharging is prohibited – either by law or by contractual requirements of the payment scheme(s) – the incentive for payment schemes to compete on lower merchant fees is significantly reduced. Pro-competitive regulation and strict competition law enforcement therefore remain key factors in ensuring consumer welfare in the further development of mobile payment services.

## *Israel*

In its contribution to the OECD's 2022 Roundtable on the Evolving Concept of Market Power in the Digital Economy, the Israel Competition Authority (the ICA or the Authority) put forth, in length, its 2022 study of the industry of payment apps that provide payment transfer services between individuals. The contribution broadly describes the ICA study, its conclusion and the corresponding policy recommendations<sup>1</sup> (the Contribution). In this regard, it is very relevant to the discussion to be held in the current Roundtable concerning Mobile Payment Services.

As the ICA market research on P2P transfer apps indicated, the main findings revealed a significant network effect in the consumption of these services. Specifically, the value and attractiveness of a P2P transfer application increase with the number of users on that application. Furthermore, the research suggested that this market tends towards a winner-takes-all dynamic – with the Bit application, owned by the country's largest bank, being the likely victor in the Israeli context. The study also identified, among other things, significant growth potential within this market.

In light of these findings, the ICA recommended as was also detailed in the Contribution, implementing measures to weaken this network effect by establishing interoperability between the applications. The objective of this recommendation was to foster a competitive market where consumers can choose the application best suited to their needs without their choice being dictated by the number of users on any particular application. This would facilitate market entry for new applications offering superior services, enabling them to pose a competitive threat regardless of their initial user base.

Shortly, we will add, that since the discussion on the Evolving Concept of Market Power, **the Israeli legislator adopted** this recommendation almost entirely, in the Law for the Regulation of Engagement in Payment Services and Payment Initiation, enacted on June 6, 2023, and effective one year thereafter (the Law). This law establishes regulation for payment companies and the operation of payment initiation services generally, drawing upon the European PSD2 directive with adaptations for the Israeli market. The law mandates that P2P payment transfer applications using a unique identifier (specifically, **universal applications** providing services to all customers irrespective of their bank affiliation) that are deemed to have a "broad scope of activity" must enable the transfer and receipt of funds between individuals to and from other P2P applications based on a unique identifier (such as a phone number or email address). The definition of an application with a "broad scope of activity" includes P2P applications where the total value of funds transferred through their P2P transfer service exceeds 20% of the total value of all P2P transfers in Israel during a calendar year. Consequently, significant P2P transfer applications in Israel will be obligated to ensure connectivity with other P2P applications.

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<sup>1</sup> For more information and detailed results please see the full study: <https://www.gov.il/en/departments/publications/reports/p2pmarketresearch>; ICA's Contribution can be found here: [https://www.gov.il/BlobFolder/generalpage/interncooperation/he/interncooperation\\_Market%20Power%20in%20the%20Digital%20Economy%20and%20Competition%20Policy%20June%202022.pdf](https://www.gov.il/BlobFolder/generalpage/interncooperation/he/interncooperation_Market%20Power%20in%20the%20Digital%20Economy%20and%20Competition%20Policy%20June%202022.pdf)

## *Italy*

The Italian Competition Authority (Autorità Garante della Concorrenza e del Mercato, Authority) is actively addressing the evolving dynamics of the financial services sector, particularly the payment services market, which is undergoing a consolidation trend driven by digitalisation and regulatory changes at EU and national level. Despite the entry of some non-bank players, traditional banks still shape competition, and digital payments are seen as complementary to traditional services.

Through surveys conducted during merger reviews between 2018 and 2020, the Authority found that digital payments have yet to form distinct relevant markets, while geographical market definitions have evolved to include the assessment of competition constraint locally (catchment areas) and at a broader level (national analyses). In the Nexi-SIA merger, the Authority made binding structural and behavioral commitments to preserve market contestability, balancing short-term dominance concerns with long-term competitive developments. Specifically, the remedies included waiving exclusivity agreements, mandating transparent pricing in card processing and requiring the sale of non-SEPA clearing contracts to mitigate concerns over market dominance and encourage effective competition and market entry.

On enforcement, the Authority tackled anticompetitive practices including coordinated multi-fee arrangements affecting vulnerable consumers with low digital literacy and rejected alternative remuneration schemes that lacked transparency and fair consumer benefit. The Authority also tackled entry barriers in alternative payment methods like contactless payments, notably securing commitments from Mastercard to remove exclusionary technical restrictions that hindered competition, particularly blocking the Bancomat Consortium's market access.

The growing presence of Big Tech companies in financial services poses additional challenges, as their advantageous position stemming from vast access to data may consolidate market power and raise barriers. The Authority continues to monitor the conduct of major tech firms in payments, to address risks tied to digital ecosystems and data-driven market power, building on the experience on obstacles to data interoperability developed through investigations in other sectors.

Using its advocacy powers, the Authority has urged for the removal of unjustified restrictions on PagoPA, Italy's public payment platform to public sector, ensuring payment method neutrality and non-discrimination among providers. Concerns were raised over changes in PagoPA's corporate control potentially compromising competitive neutrality, prompting calls for safeguards against latent misuse of commercial information and unequal treatment.

More generally, the Authority supports regulatory frameworks suitable to foster competition. This included backing a 2023 Memorandum, promoted by the Ministry of economy and finance between the Italian Federation of Merchants and the Italian Association of Payment Service Providers, aimed at promoting digital payments for low-value transactions, enhancing merchants' cost transparency and comparability, thereby encouraging the adoption of contactless payments. The Authority also works alongside supervisory bodies, including as a permanent member of the FinTech Committee overseeing a regulatory sandbox, to promote pro-competitive regulation and reduce regulatory barriers for non-bank fintech innovators.

The Authority complements competition enforcement and advocacy with consumer protection, targeting the exploitation of behavioral biases and retention strategies. For instance, interim measures were taken against a major bank’s attempt to implement a large-scale account transfer strategy from traditional to online banking, in the absence of explicit consent by clients. Lastly, the Authority monitors compliance with EU rules on payments, such as the non-surcharge rule for credit card transactions, to help ensure fair and transparent conditions for consumers.

## *Japan*

In the financial sector, where services had traditionally been provided primarily by banks, fintech operators have entered the market, introducing new financial services and enhancing user convenience. To identify challenges regarding competition policy in the fintech-based service sector, the Japan Fair Trade Commission (JFTC) conducted a survey and published the "Survey on Cashless Payment with QR Code and Barcode" in April 2020<sup>2</sup>. The report outlined the following perspectives on competition policy and the Antimonopoly Act (AMA):

1. Acts to refuse charging transactions with fund transfer service providers (FTSPs) by banks that themselves provide code payment service could raise problems under the AMA.
2. It would be desirable for the usage fees of infrastructure which is essential for account charging from bank account to be appropriately determined through negotiation with users.
3. Interbank fees, which impact the level of transfer fees, have remained unchanged for more than 40 years. It is necessary to rectify the current situation in which these interbank fees have been maintained.

From the perspective of ensuring equal footing in competitive conditions, it would be desirable for Zengin System to consider opening access to FTSPs. Additionally, to ensure efficiency, it is necessary for Zengin System to enhance its governance structure and secure transparency.

Since the publication of the survey report in 2020, user convenience has been improved through efforts made by related business operators regarding transaction practices, such as access to banks and interbank fees. To further enhance the competitive environment, promote innovation, and improve user convenience in the fintech-based service sector, the JFTC conducted a follow-up survey on the recommendations of the report and published its findings in March 2023.

This contribution paper introduces the summaries of the reports published in 2020 and 2023<sup>3</sup>.

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<sup>2</sup> The JFTC also released the "Survey Report on Household Accounting Services, etc." related to fintech on the same day.

<sup>3</sup> Unless otherwise stated, the information is as of the time of the report's creation, and the situation may have changed.

## *Mexico*

The contribution highlights Mexico's proactive efforts to expand financial inclusion through digital financial services, particularly mobile payments. While cash remains prevalent, the country has made encouraging progress by advancing fintech innovations and strengthening digital infrastructure. The Federal Economic Competition Commission (Cofece) plays a vital role in identifying and addressing structural and regulatory challenges that limit competition and innovation. Through investigations, recommendations, and policy advocacy, Cofece supports reforms aimed at lowering costs, enhancing access, and empowering underserved segments of the population. These initiatives reflect a strong national commitment to building a more inclusive, dynamic, and efficient mobile payments ecosystem that benefits all individuals across the country.

## *Norway*

In this contribution to the Roundtable on competition in mobile payment services, Norway discusses the rapid growth of mobile payment services and their impact on the payment infrastructure. Norway is notable for its high frequency of payment card use, with mobile payments becoming increasingly popular. By spring 2024, 20 percent of in-store payments were made using mobile payment solutions.

In 2018, the Norwegian Competition Authority (NCA) reviewed the merger involving Vipps, BankAxept, and BankID Norge. Vipps is a significant player in the Norwegian market. It was initially used for peer-to-peer payments. At the time of the merger, Vipps also offered in-store payments, payments to small businesses, clubs and associations, online payments, payments in mobile applications, and payments via invoices. Vipps expanded to in-store payments in late 2024. BankAxept is Norway's national card payment system, with significant market share and higher transaction costs compared to Visa and Mastercard. BankID provides secure electronic identification, which is crucial for mobile payments.

The NCA was concerned that the merged entity could limit access to essential services like BankAxept and BankID for competing companies. Since Vipps had grown significantly and aimed to expand further, it could use its position to restrict competitors' access to these crucial inputs. This would make it difficult for new entrants to compete effectively, potentially leading to a market with high concentration, with one dominant player.

The merger was approved with remedies to ensure effective competition, particularly access to BankAxept and BankID for other companies. Ensuring access to essential services like BankAxept and BankID is crucial for maintaining competition. The market for mobile in-store payment is still developing, and the aim of the remedies was to prevent any single company from dominating the market.

Since the merger, Vipps' user base has grown significantly, and it has expanded into other Nordic countries. Apple Pay and Google Pay entered the Norwegian market, with varying levels of support from banks. Vipps introduced and later discontinued a QR-based payment solution and eventually gained access to Near Field Communication (NFC) technology on iPhones.

Despite Directive (EU) 2015/2366 on payment services in the internal market (PSD2) and the above-mentioned remedies ensuring access to essential inputs like BankID and BankAxept, competition in Norway's banking and payment solutions market has been limited. The slow operationalization of PSD2 through Application Programming Interface (API) development and concerns about API quality and stability, has been a barrier for fintech competitors. The development of BankAxept-functionality for mobile payments was delayed until 2024, when Vipps adopted the service.

The NCA and the Financial Supervisory Authority of Norway (FSA) work together to regulate financial markets and review mergers in the industry, meeting regularly to discuss and coordinate their efforts.

## Peru

This contribution presents details on the growth of mobile payments market in Peru, driven by the widespread adoption of digital wallets and the Central Reserve Bank of Peru's (BCRP) interoperability strategy. Mobile payments, particularly banking-led wallets like *Yape* and *Plin*, have surpassed traditional non-cash methods in usage. The contribution outlines the market structure, including the presence of Fintech and Big Tech players, and collaborative initiatives like the BIM wallet aimed at financial inclusion.

Despite the continued dominance of cash, mobile payment adoption has seen substantial growth, reaching 34% of payment methods by December 2024, driven by the pandemic, interoperability efforts, increased financial inclusion, and smartphone penetration. Digital wallets are the most utilized mobile payment instrument, facilitating real-time transactions and experiencing a decrease in average transaction value, indicating their use for low-value payments.

The primary digital wallets, *Yape* and *Plin*, developed by banking entities and leveraging Visa's infrastructure, benefit from a no-fee policy for users, contrasting with payment cards or account-to-account payments. The success of bank-led wallets has overshadowed earlier initiatives like BIM e-money wallet. Banks are increasingly integrating financial services into their wallets, such as micro-credits and foreign exchange. The fee-free nature of wallets has positioned them as the leading non-cash payment method by usage, though bank transfers still dominate by transaction value.

The significant payment data flows managed by *Yape* and *Plin* allow for personalized service offerings, a competitive advantage over smaller Fintech wallets. While no anticompetitive investigations or merger reviews have occurred in this market, the BCRP and Indecopi collaborate to promote competition. Indecopi's 2023 Fintech market study identified potential barriers related to e-money licenses and access to the Electronic Clearing House (ECH). Subsequently, the BCRP has enabled limited indirect access to the ECH for Electronic Money Institutions and Fintechs, fostering interoperable real-time payments, exemplified by partnerships integrating Fintech wallets like *Prexpe* and *Global 66*.

The BCRP's pro-competitive regulations include the 2023 interoperability initiative for non-cash payments and ongoing efforts towards Open Payment and the implementation of a UPI-like platform in collaboration with the National Payments Corporation of India (NPCI). Furthermore, the BCRP is piloting a central bank digital currency (CBDC) with the telecommunication company Bitel to expand digital payment access for the unbanked, utilizing Unstructured Supplementary Service Data (USSD) for those without smartphones or internet. Finally, Indecopi actively monitors the mobile payments market to address potential anticompetitive conduct and promote a competitive environment.

## *Philippines*

The world over, people are seeing a steady shift in the payments industry – particularly, the transition from using traditional payment methods such as cash and checks towards payment cards and electronic money (or “e-money”). Mobile payments, which have been defined as those referring to payments made through a mobile device (such as a mobile phone, tablet, or smartwatch) – have also seen significant growth and popularity. In the Philippines, mobile payments have gained widespread adoption through the increasing popularity of e-money and digital bank transactions.

This written contribution examines the context of mobile payments in the Philippines, the factors that have enabled its growth, as well as its impact to competition in the financial services sector and to consumers. It also discusses the experience of the Philippine Competition Commission in reviewing mergers and acquisitions involving market players directly involved in the mobile payments industry. The paper finds that key policy efforts by the BSP, the Covid-19 pandemic, as well as the widespread adoption of online merchant transactions, P2P remittances, and payments by businesses have all contributed to the rapid growth of mobile payments in the country.

As mobile payments become more ubiquitous and integrated into the daily lives of people, the risk of consumer harm increases. This notwithstanding, the PCC also recognizes its concomitant benefits and remains determined to strike the balance between promoting innovation and curbing dominance that may stifle competition in the industry.

## *Portugal*

The use of mobile payments and peer-to-peer mobile transfers has become more widespread over the past decade in Portugal. This shows that they have been an important innovation, as they can make transactions more convenient for consumers.

The Portuguese Competition Authority (Autoridade da Concorrência – AdC) has been following the use and adoption of new technologies in Financial Services in Portugal.

In its 2018 Issues Paper<sup>4</sup>, the AdC considered that, while FinTech can contribute to the modernization and efficiency of the financial sector, including through innovations in payment services, the adoption of some of these technologies in Portugal had been relatively slow. The AdC issued recommendations to mitigate barriers that could contribute to this slow adoption.

In March 2021, the AdC published a follow-up report on the recommendations issued in its Issues Paper, in which it concluded that the full implementation of most of the recommendations of the AdC was still pending at the time<sup>5</sup>.

When preparing its follow-up report, the AdC was made aware of information that led to the opening of an abuse of dominance investigation. This investigation ultimately led to the adoption of an infringement decision in 2024, for abuse of dominance, for tying between the domestic payment scheme and the processing services of the same group<sup>6</sup>.

Mobile payments played a role in the anticompetitive strategy in this case. In particular, the mobile wallet of the incumbent played a role in its wider strategy of making the entry and expansion of international players more difficult.

In this context, it is important for competition authorities to follow developments in mobile payments and in the payments sector more generally, and intervene in case they identify competition concerns, either through advocacy or competition enforcement.

Cooperation with the relevant national regulatory authorities for payment services can also play a role, namely by ensuring that there are no inconsistencies between the sector regulation and competition law approaches.

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<sup>4</sup> See the Issues Paper “Technological Innovation and Competition in the Financial Sector”.

<sup>5</sup> The follow-up report is available here.

<sup>6</sup> See case PRC/2020/05, for a case summary and a link to the infringement decision (the latter is only available in Portuguese). The press release and Q&A is available here, in English. The decision is currently under appeal at the Portuguese Competition, Regulation and Supervision Court.

## *Romania*

This paper provides a comprehensive overview of the mobile payment landscape in Romania, a rapidly evolving sector shaped by technological innovation and growing consumer demand for digital financial services. The market is characterized by a diverse ecosystem comprising traditional banks, telecom operators, fintech startups, and global technology companies—all contributing to a competitive environment where agility and user-centric solutions are key.

The analysis highlights the main players and mobile payment methods in use, the technological and regulatory frameworks supporting market development, and the behavioral trends of Romanian consumers. It also explores the challenges and opportunities inherent in this sector, emphasizing the importance of collaboration between financial institutions, technology providers, and regulatory bodies to ensure the development of a secure, inclusive, and efficient mobile payment ecosystem aligned with European standards.

## Switzerland

This note provides an overview of the Swiss Competition Commission's (COMCO) enforcement experience and observations regarding competition in mobile payment services.

The Swiss mobile payments market has seen rapid growth in recent years, with mobile devices now accounting for approximately 30% of all payments. Switzerland has developed a strong domestic solution through TWINT, which competes with international mobile payment platforms such as Apple Pay, Google Pay and Samsung Pay. COMCO has actively monitored and intervened in this market to ensure open and fair competition.

Key enforcement actions have included:

- **Merger Control:** COMCO reviewed and approved the 2016 merger creating TWINT, subject to commitments on openness and non-discrimination. While the merger created a strong national competitor, it raised concerns about potential foreclosure effects.
- **Abuse of Dominance:** COMCO investigated Apple for technical restrictions that interfered with TWINT's functionality, leading to a negotiated solution without formal sanctions.
- **Cartel Proceedings:** COMCO opened an ongoing investigation into whether Swiss financial institutions coordinated to block access to Apple Pay and Samsung Pay, potentially to protect TWINT.
- **Access to Technology:** COMCO is currently conducting informal proceedings to ensure that Swiss app developers have access to NFC technology on Apple devices, in line with developments in the EU.
- **Interchange Fees:** COMCO has addressed concerns regarding mobile-specific interchange fees, particularly for debit card payments in m-commerce contexts. These proceedings remain ongoing.
- **Market Power and Fees:** COMCO is monitoring TWINT's pricing practices amid allegations of excessive fees and lack of transparency.

COMCO's experience demonstrates the importance of early, targeted intervention in digital markets prone to concentration and lock-in effects. While informal proceedings have often proven effective, formal measures remain necessary where competitive harm persists. The Swiss experience also highlights the limitations of traditional antitrust tools in addressing structural issues in fast-moving digital ecosystems.

## *Chinese Taipei*

This paper summarizes recent developments in the domestic mobile payment market, addresses competition issues related to mobile payments, and highlights the perspectives of the Chinese Taipei Fair Trade Commission (hereinafter referred to as the ‘CTFTC’) based on its enforcement activities.

In Chinese Taipei, the number and value of transactions completed via non-cash payment methods have increased over the years, with nearly 50% of consumers now use mobile payments. Depending on the level of regulatory oversight, mobile payment service providers can generally be categorized into three types: electronic payment institutions (EPI), third-party payment processors and mobile wallet service providers. EPIs act as agents, receiving transaction payments, storing value funds, and providing fund transfer. They are subject to more stringent regulatory requirements under the ‘Act Governing Electronic Payment Institutions’. Third-party payment processors primarily act as agents that only facilitate collection and payment of transaction funds. They are not governed by specialized business operation permit or minimum paid-in capital requirements. Mobile wallet service providers offer card digitalization services but do not directly handle the flow of funds, making them subject to the least regulatory oversight.

The establishment and development of a mobile payment platform requires significant investments in both capital and technology. As a result, businesses have increasingly formed joint ventures to enter this market. Examples of joint ventures including PSP TSM, e-payment and internet-only banking are provided in the report to illustrate the CTFTC’s merger assessments. The CTFTC also launched respective probes into Apple Pay, Android Pay (later rebranded as Google Pay) and Samsung Pay to determine whether any of them had misused their market positions in the mobile market to prevent domestic mobile payment service providers from competing on their merits.

Based on the CTFTC’s observations of emerging trends in mobile payments in Chinese Taipei, there are no current signs indicating that consumers are ‘locked into’ any specific mobile payment service provider. Market entry opportunities remain open. At this stage, the CTFTC continues to monitor competition in the mobile payment market, including whether a merger or acquisition creates barriers to entry or impedes competition, and whether a dominant mobile payment service provider engages in anti-competitive practices to exclude competitors. Additionally, the traditional financial industry has placed greater emphasis on ‘regulation’ and ‘supervision’ than on fostering ‘competition’. One of the CTFTC’s long-term policy objectives is to encourage sector-specific regulators to implement rules that promote competition and enhance ‘competition for the market’.

## *Turkey*

The proliferation of mobile payment technologies, driven by advancements in financial and information technologies, has fundamentally reshaped the payment services landscape. In Türkiye, these systems have played a vital role in promoting financial inclusion, enhancing consumer convenience, and improving operational efficiency within the financial sector. Mobile payments enable transactions to be conducted independently of time and location. This has significantly accelerated digital transformation and contributed to the rapid growth of e-commerce, which expanded by over 115% in Türkiye in 2023.

In parallel, this transformation has compelled traditional financial institutions to modernize their digital infrastructure while simultaneously opening the market to new entrants such as fintech companies. These firms offer innovative and user-centric services, thereby intensifying competition in areas previously dominated by incumbent banks. Moreover, mobile payments allow businesses to utilize consumer data to provide personalized and targeted offerings, shifting competition from a purely price-based model to one driven by multi-dimensional factors such as data access, service speed, and user experience.

From the perspective of financial institutions, mobile payment systems reduce operational costs by minimizing the need for physical infrastructure and enable more effective risk management and fraud detection, particularly through the integration of technologies like artificial intelligence. However, the widespread use of mobile devices increases exposure to data breaches and identity theft, posing risks to consumer trust in the absence of robust data protection frameworks.

As financial markets become increasingly data-driven, competition authorities are called to play a proactive role in shaping regulatory environments. The Turkish Competition Authority (TCA), for instance, emphasized in its 2021 sector inquiry report the importance of removing barriers to innovation and ensuring a level playing field for all market participants. In addition, the TCA is currently investigating potential exclusionary conduct and abuse of dominance by leading players, including Mastercard, Visa, and Apple.

In addition, the TCA's merger assessments—such as its analysis of the Paynet–Iyzico transaction—reflect a commitment to preventing undue market concentration while fostering dynamic and competitive market structures. Finally, as global digital platforms expand into direct-to-consumer financial services, mobile payments have become the primary interface through which these firms challenge traditional retail banks. This shift presents long-term strategic challenges for smaller incumbents and highlights the critical need for coordinated and forward-looking regulation that supports both innovation and fair competition.

## *United Kingdom*

This paper is a joint submission by the UK Competition and Markets Authority (CMA), Financial Conduct Authority (FCA) and Payment Systems Regulator (PSR) addressing the UK's framework for considering potential issues relating to mobile payments, an overview of mobile payments in a UK context and cross-agency cooperation.

Mobile payments are widely adopted in the UK. As of 2023, nearly 40% of payments in the UK market were made using contactless methods, and a third of adults make contactless payments with mobile wallets.<sup>7</sup>

The CMA, FCA and PSR have used a range of formal and informal powers to investigate or better understand the potential competition issues relating mobile payments.

- In January 2025, the CMA launched Strategic Market Status (SMS) investigations into Apple and Google's mobile ecosystems, comprising the operating system, distribution of apps and the browser on mobile devices, under the pro-competition tool
- The FCA & PSR jointly collaborated in publishing a Call for Information on big tech and digital wallets to understand the opportunities and risks that digital wallets' increasing popularity creates. This builds on work undertaken individually.

The UK also has a range of formal and informal mechanisms for ensuring cooperation between regulators.

Ensuring open access and fair competition in mobile wallet ecosystems is central to protecting consumers and fostering innovation.

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<sup>7</sup> UK Finance: UK Payment Markets Market Summary, July 2024