



Headlines

Actors' strategy - Consolidation in times of doubt

- **FRANCE** – BPCE takes a stake in Swile
- **FRANCE** – Bridge raises new funds from BPCE
- **FRANCE** – Qonto ready to buy a German competitor

In the current period, where investments are becoming scarcer, acquisitions are a prime option for young players who have raised funds such as Qonto or Swile, both of which became unicorns in 2021 to continue to grow. We have seen several fintechs take over traditional players, but the alliance between Swile and BPCE with the acquisition of Bimpli, its employee benefits business, remains singular. BPCE is therefore taking a stake in the fintech and will allow it to grow organically, but also to diversify its portfolio of activities. For BPCE, this move is a strong strategic choice to position itself on the Bank-as-a-Service dimension, but also to be able to focus its efforts on other verticals. It has also announced its intention to increase its stake in the fintech company Bridge to develop its activity around payments by transfer via open banking. The bank is showing a strong desire to modernise its channels and this is being done in particular through partnerships. On another note, Qonto, the neo-bank for professionals, is buying out its German competitor Penta and thus accelerating its entry into the German market. This takeover, if validated, will also allow it to integrate the German fintech ecosystem with eFounders and Solaris, which are the current investors of Penta.

Integrated payment - Social networks, a preferred sales channel

- **FRANCE** – Shopify payments launched in France with PayPal 18
- **UNITED STATES** – Instagram allows purchases to be made via Direct Messages 20
- **INTERNATIONAL** – Youtube integrates shopping with Shopify 22
- **GERMANY** – Deutsche Bank enters the BNPL market 28

While BNPL players have often been cited as an example of the transformation of online commerce and the integration of payments into ever smoother and easier shopping paths for consumers, marketplaces and social networks are not to be outdone, since the social commerce trend is also growing significantly in this part of e-commerce. To take advantage of this trend, players such as Instagram or Youtube are developing integrated shopping paths that make it possible to take advantage of the social dimension of messaging to benefit from the seller's advice or the synchronization between the online shop and a shop's Youtube channel, which makes it possible to make a purchase directly from this channel. These increasingly immersive and at the same time more consumer-friendly shopping journeys meet the practices of young people since, according to a study by Accenture, 64% of social network users surveyed said they had made a purchase via social commerce in 2021. On the other hand, banks, which do not want to let these players take too much market share, are making white label a selling point for their solution by defending an agnostic and non-intrusive positioning with regard to merchants so that the latter retain full control over their customer relations, whatever the channel, as in the case of Deutsche Bank, which offers a white label BNPL solution to its merchant customers based on the technology of the Austrian fintech Credi2.

Contents

HEADLINES	1
CONTENTS	2
A WORD ON...	3
CARDS	4
MasterCard supports a payment card dedicated to Alzheimer's patients	4
MOBILE SERVICES	6
GoHenry acquires PixPay to enter Europe	6
B2B PAYMENTS	8
Pleo also wants to manage business expenses in France	8
Libeo also manages collection	10
OPEN BANKING	12
StellarFi makes credit scoring inclusive	12
Tink presents its settlement account	14
INTEGRATED PAYMENTS	16
Raisin Bank enters the payment business in Germany	16
Shopify payments launched in France with PayPal	18
Instagram allows purchases to be made via Direct Messages	20
Youtube integrates shopping with Shopify	22
FRAGMENTED PAYMENTS, BNPL	24
Finfrog raises funds to support its microcredit offer	24
New BtoB payment player, Hero raises funds	26
Deutsche Bank enters the BNPL market	28
POS, CHECKOUT & MPOS	30
Feedback: SumUp celebrates its 10th anniversary with a major fundraising event	30
Revolut presents a new mobile payment offer	32
FDJ strengthens its position in payment services	34
ACTOR'S STRATEGY	36
Crédit Mutuel Arkéa to close Pumpkin	36
The action of the National Cashless Payments Committee is bearing fruit	38
BPCE takes a stake in Swile	40
Bridge raises new funds from BPCE	42
Qonto ready to buy a German competitor	44
CRYPTOS AND CBDC	46
EU agrees on crypto-assets	46
Monoprix sets up an NFT corner in its shops	48
Edenred also manages the collections of NFT	50
FRAUD	52
The new face of payment fraud	52
BIOMETRY AND E-ID	54
ING includes a payment validation service in itsme	54

A word on...

- **INTERNATIONAL** – The last vestige of the vast cryptocurrency project of the Meta group (ex-Facebook), **Novi** will close its doors for good soon. A new message to this effect has just appeared on its official website, confirming the failure of this project. It is also a sign of a deep strategic shift of the Meta group on the wallet issue, now considered as a support in virtual worlds, such as the metaverse. From 1 September, users of Novi services will no longer be able to access their digital wallet. It will also no longer be possible to top up their wallet from 21 July. This announcement concerns the two countries where the service had been deployed, namely Guatemala and the United States. After a few half-hearted attempts to launch the service on WhatsApp or in a pilot phase in the United States, Novi was finally limited to a restricted use, dedicated to sending funds in USDP stablecoins between American and Guatemalan users. This announcement sounds like a confirmation for another digital currency project, internally named "Zuck Bucks", which was supposed to give Meta a good foundation to position itself on the crypto-asset market. Meta is now focused on the deployment of a wallet project dedicated to the metaverse, designed to manage both the currencies and the digital identity of its owner.
- **FRANCE** – Casino launched the first stablecoin backed by the Euro in March 2021. Called **Lugh**, it was developed on the basis of a partnership signed between Coinhouse (a crypto-asset specialist), Société Générale and the Casino group. Today, the Lugh (EUR-L) crypto-asset has just passed a new stage, by being registered PSAN with the AMF. Lugh has become the first euro-backed stablecoin issuer to obtain PSAN registration from the AMF. In addition to this regulatory recognition, Lugh can also boast of being listed in La French Chain, the directory of French blockchain companies. A double certification that allows the crypto-asset launched by Casino to offer itself a new legitimacy on an increasingly competitive market. Circle hit the international crypto-asset market hard last June when it launched the first Euro Coin, from the US. Lugh's registration as a PSAN now gives it more legitimacy to respond directly to this American competition.
- **UNITED STATES** – Apple is once again accused of operating in an anti-competitive environment in the US. At the heart of a new class action filed in the federal court in San Francisco, California, is the Apple Pay service and more specifically, the Tap to Pay offer. Apple made its **Tap to Pay** service on the iPhone official last February. The service was then presented as a Soft POS payment solution open to merchants using an Apple smartphone. It is on this last point that a monopolistic issue has just been raised by a group of American plaintiffs, represented by the law firms Hagens Berman and Sperling & Slater. They point to the fact that Apple is forcing payment card issuers to use Apple Pay, the only mobile wallet solution to have access to "tap to pay" technology on iPhones. This situation could allow Apple to generate nearly 1 billion dollars in revenue from payment fees each year. The plaintiffs also point out that the situation is specific to the iOS operating system, while the Android system is open to competition. These accusations also echo an investigation by the European Commission into the App Store and Apple Pay. This is not the first time Apple has been accused of monopolisation. The web giant is even used to this. Its devices are considered particularly closed, with Apple seeking to keep its customers captive in its one and only environment. The problem is not limited to the US, as Apple, like Google, was forced to open up its in-app payment system to third-party payment options in South Korea earlier this year.

Cards

MasterCard supports a payment card dedicated to Alzheimer's patients

MasterCard has partnered with the UK's Alzheimer's Society, a charity providing care and research for people with dementia and their carers, to support the roll-out of a new payment offering for Alzheimer's patients. The offer is specially adapted to their needs and illustrates the importance of a matching offer in this type of situation.

FACTS

- The new offer, supported by MasterCard and the Alzheimer's Society, is a debit card with a mobile application. It provides a financial link with Alzheimer's patients and their families or carers.
- Called Sibstar, this offer allows people with dementia to access and spend their money in their daily lives. The Sibstar mobile application, attached to the card, is a management tool that allows caregivers to
 - set the card's authorisations,
 - set periods of use and locations of authorisation for the card,
 - prohibit its use in certain cases.
- Sibstar cards also follow the prepaid model by requiring the reloading of a certain amount, chosen by the carers and the patients, on a regular basis. An automated transfer system can be set up.
- Finally, notifications can be set up so that the carer can follow the expenses of their sick relative in real time.

[Video](#)

CHALLENGES

- **Maintaining the financial autonomy of patients:** The purpose of the Sibstar card is clearly to maintain as much as possible the autonomy of patients in their daily life, and more precisely in their consumption. It is also a way to support carers by relieving them of this additional task.
- **Adapting the model of cards dedicated to young people to respond to a social problem:** In form, Sibstar's offer represents an adaptation of another affinity model dedicated this time to younger consumers and their families. But this new marketing targeting makes sense in view of the figures put forward by Alzheimer's Disease International. This association estimates that 55 million people worldwide suffer from dementia and that this number should reach 78 million by 2030.

MARKET PERSPECTIVE

- Sibstar offers a financial alternative to the current models of guardianship and trusteeship, which often deprive patients of the minimum management of their finances and expenses, and ultimately also of their connection to their daily shops and businesses. However, studies agree that maintaining social ties is a way to fight against the aggravation of dementia.
- In the early days of confinement, the British neo-bank Starling presented the connected card, a card dedicated to people in vulnerable situations to enable them to maintain a link and simplify the use of a shared account in case of isolation.

- In France, several initiatives are also dedicated to caregivers, such as Finense, a fintech that fits perfectly with the issue of managing for others and delegating authority by using multi-bank accounts and virtual cards to simplify occasional spending by third parties.

Source : [Presse release](#)



Mobile services

GoHenry acquires PixPay to enter Europe

The French FinTech PixPay, which created an affinity-based financial service specially adapted to young people, has just found an acquirer. It is another player specialising in a similar target, GoHenry. This strategic decision allows the British player to expand in Europe and strengthen its offer.

FACTS

- PixPay previously offered a financial service for teenagers in France and Spain. Launched in 2019 in France and 2021 in Spain, the FinTech currently has 200,000 members across both countries.
- From now on, it will continue its activities under the GoHenry umbrella and will ensure its expansion, as planned, in the coming months in Italy and Germany.
- With 10 years of experience in the UK, GoHenry will use the acquisition to become a group and expand in its home market (children) across Europe.
- GoHenry currently has 2 million customers in the UK and US.

CHALLENGES

- **Joining forces:** Targeting a similar customer base, GoHenry and PixPay have chosen to join forces to further develop their offerings rather than compete. For GoHenry, this decision represents a way to expand more easily into new territory. PixPay, the market leader in France, will continue to operate under its own brand, with no change in management, staffing or headquarters. The two new partners will work together to enhance their joint expertise and services.
- **Expanding the target audience:** While GoHenry targets young children (from 6 years old), PixPay focuses on the needs of teenagers. Their merger will allow the new group to offer a broader range of services.

MARKET PERSPECTIVE

- According to a recent report by GoHenry, 80% of children in the United States claim to have good financial management skills, which could help them in their future careers. This confidence does not prevent them from needing appropriate services.

Source : [Presse release](#)



B2B Payments

Pleo also wants to manage business expenses in France

A Danish FinTech that created a mobile business expense management service, Pleo has established itself as a Unicorn following a fundraising round in July 2021. Since then, it has been consolidating its status as a reference in its market in Europe and has just announced its positioning in a new country, France.

FACTS

- Pleo will now offer its corporate expense management services in France. Employees of French companies wishing to become Pleo customers will soon be able to use its practical and fun tools to declare their expenses.
- The Danish fintech plans to impose its service on French SMEs to help them automate the management of their employees' expenses and simplify their administrative tasks.
- Pleo has an e-money licence and a partnership with MasterCard to ensure the deployment of its service.

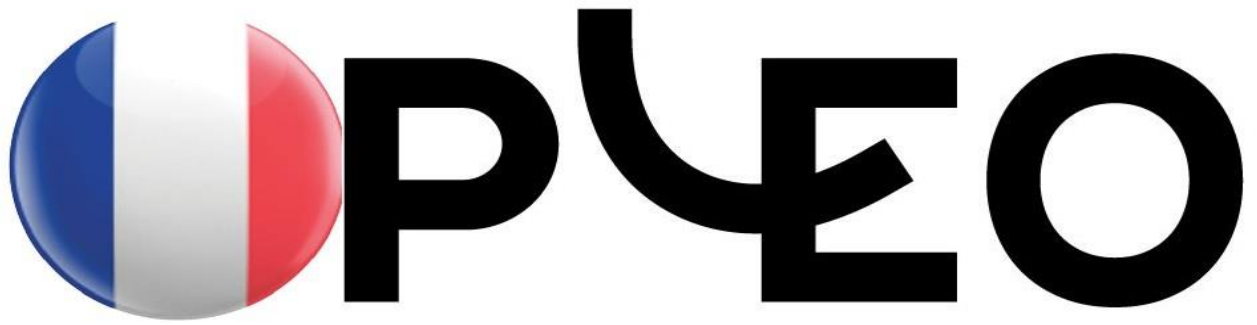
CHALLENGES

- **Continue its European expansion:** Pleo is a start-up born in Denmark in 2015, which has been able to expand into new markets over the years. Today, it offers its services in 11 countries, including 7 where the company currently has offices: Denmark, United Kingdom, Germany, Ireland, Spain, Sweden and France.
- **Capturing more and more new customers:** This geographical expansion should enable Pleo to follow its main objective, that of growing its customer portfolio. The FinTech currently has more than 20,000 corporate customers and is valued at nearly \$4.7 billion.

MARKET PERSPECTIVE

- In France, French companies are still lagging behind in terms of equipping themselves with optimised professional expense management tools. Pleo estimates that almost one in two SMEs (45%) still manage their expenses manually using spreadsheets or even notebooks. These figures come from a study carried out by Pleo last February among 300 French SMEs.
- This observation was made by the FinTech despite the presence of numerous specialised players, including Spendesk, on the French market. Pleo is therefore clearly not afraid of this potential competition given the market share still available for this type of service in France.

Source : Presse release



REPUBLIQUE

Libéo also manages collection

A specialist in the management and payment of supplier invoices, French FinTech Libéo has expanded over the years, both geographically and in terms of the deployment of new services. It has recently added a collection solution to its offering, which now enables it to manage BtoB payments from start to finish.

FACTS

- Until now, Libéo allowed its corporate clients to manage their supplier invoices in one place, to pay them in one click and to initiate inter-company payments without having to enter their bank details. The platform is now being enhanced with new features.
- These features are mainly related to customer relationship management for companies using Libéo services. They can now :
 - manage their customer invoices in one place,
 - automate their payment reminders,
 - access a collection service,
 - automate bank reconciliation.
- The launch of this new service was expected as Libéo had acquired the invoicing and collection tracking software specialist TrackPay last July.

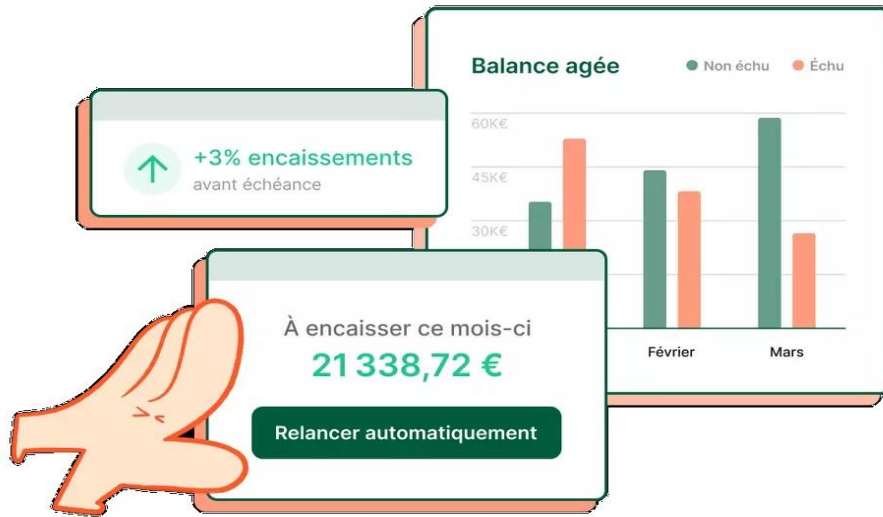
CHALLENGES

- **Reduce collection delays:** According to Libéo, the new customer invoice dunning service reduces the average collection time for customer invoices by 32%.
- **Anticipate regulations:** Since 1 January 2020, all companies dealing with the public sector, regardless of their size, must send their invoices in electronic format. In addition, all companies established in France will be obliged to receive electronic invoices from 1 July 2024. And Libéo specifies that these new functionalities will enable companies to adapt to the new regulations of the public authorities.
- **Offering a complete experience:** Libéo now boasts that it is one of the few European FinTechs to be able to offer a complete payment experience, from the settlement of supplier factors to the collection of customer payments.

MARKET PERSPECTIVE

- Founded in 2019, Libéo now has over 150,000 VSEs and accountancy firms as clients across France and the UK.

Source : [Presse release](#)



Open Banking

StellarFi makes credit scoring inclusive

StellarFi describes itself as a public benefit company founded in Texas to fight poverty. One of its recent initiatives is based on the deployment of a reverse scoring system, capable of helping the poorest Americans to access credit. This is being done in partnership with the major scoring organizations.

FACTS

- The system developed by StellarFi is based on a simple concept. The company transmits to the main American scoring organisations (Experian, TransUnion and Equifax), evidence of the good financial management of the poorest Americans.
- The main evidence provided by StellarFi is the payment of their rent, utilities, energy, streaming and other bills.
- To obtain this evidence, StellarFi pays the bills on behalf of its customers and then goes back to them for reimbursement. If the latter pay their debt to StellarFi, it then declares their good-payment status to the official scoring organisations.
- The system thus creates a positive payment history for Americans who are unable to obtain credit through the traditional system.
- More than 40,000 applications that were previously on the waiting list are now being processed by StellarFi, enabling as many individuals to obtain credit for the first time.
- The service is currently accessed through a web application, with a mobile application to be rolled out later this year.
- StellarFi is a paid service, offered under three subscriptions, ranging from \$4.99 to \$19.99, which allow users of the service to add a specific or unlimited number of bills to be processed on their behalf.

CHALLENGES

- **Democratising credit:** 132 million Americans currently have poor or no credit score. StellarFi has therefore worked to integrate new financial data that is equally reassuring to credit agencies to open up their scoring system and include more people.
- **Cash advance for individuals:** Users of StellarFi's service are asked to pay their bills immediately to the company, but also have the option of delaying payment for 45 to 60 days.
- **Revisiting a paradox:** The historical Anglo-Saxon credit scoring system is based on a paradox, since it allows citizens to improve their score as they repay their loans. In order to obtain a loan, one must therefore be able to prove one's status as a good borrower.

MARKET PERSPECTIVE

- The redesign of Anglo-Saxon scoring systems has been in the news in recent years. Data and credit scoring giant Experian presented its Experian Boost service at the end of 2020 to integrate new data to improve scores.
- This data includes energy bills, telephone bills and even other forms of subscription, such as Netflix or Amazon Prime. The service is now also offered by StellarFi, which is adding a cash advance system to improve its customers' financial situation as much as possible.

Source : [Presse release](#)



Tink presents its settlement account

Swedish open-banking start-up Tink, which will be taken over by Visa in June 2021, has just announced the launch of a new service aimed at completing its payment offer for merchants. This time, it is a settlement account designed to facilitate the management of refunds.

FACTS

- The Tink open banking platform has just announced the launch of its new settlement account. Aimed at its merchant customers, this service should allow them to make refunds more easily, within the framework of an automated procedure and simplified reconciliation linked to their other Tink payment initiation services.
- The settlement account features include
 - real-time payment confirmation,
 - instant refunds and payments,
 - automated reporting.
- Technically, the service will be based on Tink's Payment Initiation Service (PIS) technology and can be integrated through an API.
- The FinTech already has a first customer for its new offering, Solidi, a platform specialising in crypto-asset trading and one of the first Financial Conduct Authority (FCA) approved crypto specialists in the UK.
- The new offering will primarily be available to Tink's UK merchant customers. Visa's company plans to expand it more widely across Europe, although it has not yet specified which countries will be covered.

CHALLENGES

- **Attracting merchants with a comprehensive offering:** For instant transfer payments to become established, they must cover all merchant payment uses, particularly refunds. Tink is continuing to develop new services with the main objective of presenting a complete range of solutions to make it as easy as possible for its customers, both individuals and businesses, to manage their payments and to pursue Visa's ambition to prepare a "post-card" world.
- **Reducing costs:** Tink is highlighting the economic benefits of its solution in reducing operational overheads across the payment cycle, including integration costs, by enabling payments to be initiated and settled using a single API rather than multiple APIs from different providers.

MARKET PERSPECTIVE

- With its new service, Tink is strengthening its service base for professionals and merchants. But more than that, the FinTech is demonstrating its appetite to meet the needs of specialists in the crypto-asset market, a market of the future according to most observers.
- Especially since, as Solidi emphasises in the announcement of its association with Tink, the immediacy of payments represents a key issue, an obligation, in the context of its activity.

Source : [Presse release](#)



Integrated Payments

Raisin Bank enters the payment business in Germany

Raisin Bank, the bank owned by Raisin in Germany, has announced the acquisition of the payment services division of Bankhaus August Lenz & Co. This strategic step allows it to integrate a payment offering and finally enter this market to complement its Banking-as-a-Service offering. This acquisition will also enable it to find new sources of revenue and consolidate its position in Europe.

FACTS

- Raisin Bank is the result of the 2019 acquisition of MHB Bank. This operation enabled Raisin to obtain a banking licence, opening the doors to Europe to offer its Banking-as-a-Service platform to numerous fintechs.
- This acquisition in the field of payments will strengthen its network in Germany and expand its offer, both in electronic payments and in cash management.
- This new offer will be aimed at retail players: restaurants, petrol stations, distributors and ATM network managers.
- On the latter point, this acquisition will enable it to manage a network of more than 4,500 ATMs in Germany, with MHB Bank working with Euronet, NoteMachine and Prosegur for example.

CHALLENGES

- **Diversify and strengthen its position in Germany by acquiring an existing customer base:** Raisin Bank is already present in a number of business sectors, such as factoring and fractional payments, and of course savings, its parent company's traditional business. Raisin Bank recently announced a partnership with fintech Mondu, enabling the latter to offer its Buy Now Pay Later service in Europe. The diversification into payments makes Raisin Bank a key player in Banking-as-a-Service and further strengthens Raisin's position in Europe.
- **Enriching its sources of revenue:** as payment is a volume market, Raisin Bank finds here a new source of revenue, which consolidates its model.

MARKET PERSPECTIVE

- Raisin is now at the head of a powerful group, the result of a strategy of acquisitions (Deposit Solutions and) and partnerships. It covers both :
 - savings, by acting as an intermediary between European savers and the savings offers of European and American banks,
 - investment, offered in Germany in the form of a robo-advisor, Raisin Invest, and a retirement tool, Raisin Pension,
 - and Banking-as-a-Service in the cloud, via its Raisin Bank offering.

Source : [Presse release](#)



Shopify payments launched in France with PayPal

Canadian e-commerce giant Shopify has announced a partnership with online payment giant PayPal. The aim? To deploy its Shopify Payments service in France, in order to extend its ability to facilitate the activity of e-retailers on the platform.

FACTS

- Shopify offers e-retailers operating on its platform a payment acceptance service tailored to its ecosystem, called Shopify Payments.
- Until now, the service has been available in 17 countries around the world, including three European countries: Germany, Italy and Spain. France now joins this list.
- To expand its service in France, Shopify has opted for a partnership with PayPal. The online payment giant is deploying its own white label payment technology on the Shopify platform.
- All merchants are addressed by the solution, regardless of their size and the volume of their activity.

CHALLENGES

- **Encouraging the internationalisation of trade:** The main advantage of Shopify payments is its ability to simplify international trade. French e-retailers operating on Shopify will be able to use the service to manage payments in more than 100 different currencies.
- **Offer a global tool:** By opting for Shopify payments, e-merchants will also have access to a global tool for managing their finances and tracking their orders on a single interface.
- **Capture new commissions:** By deploying Shopify payments, even if it is via a partnership, the e-commerce giant is promoting an "in-house" solution that allows it to regain control of at least part of the payment commissions recorded on its platform, by dispensing with intermediaries such as Adyen or Stripe.

MARKET PERSPECTIVE

- Shopify's ambition to meet the growing needs of e-retailers is a prerequisite for the e-commerce site and a way to gain market share worldwide.
- The extension of its payment service in France supports this objective. But the group is not stopping there internationally. Shopify has just presented a new B2B offer to its merchants across the Atlantic. Called simply B2B on Shopify, this offer should help merchants manage their sales to other businesses and not just to individuals, a fast-growing segment.

Source : [Les Echos](#)

The dashboard features a top navigation bar with a search icon and the text "Rechercher", a user profile for "Helen B. My Work Space", and a green "S" logo. The main content is divided into several sections:

- VENTES TOTALES**: Displays a total of **218 \$** based on 6 total orders. It includes a small line chart and a link to "Afficher le rapport".
- TARIF**: Shows a rate of 2,4% + 90c CAD.
- COMPTE BANCAIRE**: Displays a masked account number ending in 1234.
- ACCEPTER DES PAIEMENTS**: Features icons for Visa, Mastercard, and American Express, with a link to "Afficher les versements".
- TRANSACTIONS**: A table listing five transactions with their respective IDs and amounts.

ID	Montant
#1009	150 \$
#1010	180 \$
#1011	80,00 \$
#1012	120 \$
#1013	80,00 \$

Instagram allows purchases to be made via Direct Messages

The social network Instagram is offering a new feature to its users. This opens the way to a new form of online shopping and payment, via its integrated chat allowing exchanges on its platform. The Meta subsidiary is thus demonstrating the interest of its entire group in diversifying its activities, particularly in e-commerce.

FACTS

- Instagram allows its members to chat privately in Direct Messages, its instant messaging service. But beyond a simple chat room, the service will now also allow US Instagram users to make purchases.
- The CEO and founder of Facebook (now Meta), Mark Zuckerberg, made the announcement on the social network. In a post, he states that users of the service will now be able to make direct purchases on the network from small businesses with a professional account.
- Small businesses will be able to communicate with their customers through Direct Messages and also send them a message inviting them to pay via Meta Pay to obtain their products. A few clicks are all it takes to complete the transaction.
- The same Direct Messages space created between the small retailer and his customer will then allow the latter to follow the shipment of his product until it is received.

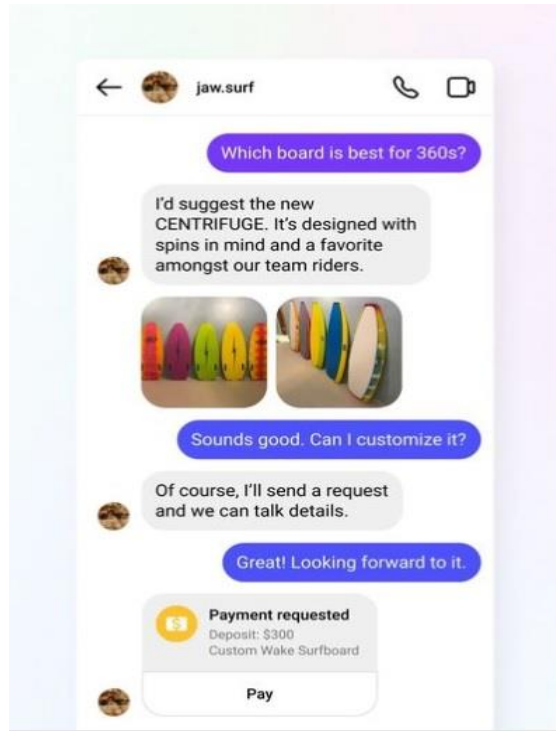
CHALLENGES

- **An increasingly integrated experience:** The service takes care of the entire payment process in order to offer an integrated end-to-end experience. It represents an evolution of a service that has long been developed by the Meta group, notably through its Facebook Shop.
- **A new use for Meta Pay:** The launch of this new feature allows the Meta group to offer its Meta Pay payment service a new use space and a new legitimacy.

MARKET PERSPECTIVE

- Meta has been working for a long time on its reorganisation and diversification towards e-commerce. More than a social network, Facebook is making the transition and is even showing its ambitions in a recent name change. Having changed its name to Meta, the group is seeking to establish itself as a new digital space for exchanges in the broadest sense, including commercial exchanges.
- The group has never hidden its ambitions to impose itself on the Social Commerce market, via various initiatives, notably on Instagram in the past.

Source : [Site officiel](#)



Youtube integrates shopping with Shopify

YouTube has decided to launch new shopping features, in partnership with Shopify, allowing its users and creators to showcase their products on their own channels.

FACTS

- Eligible creators can now link their Shopify shop to their channel and allow their fans to shop without leaving their YouTube channel.
- Through this partnership, creators can display their products directly on their channel and benefit from Shopify's real-time inventory sync.
- These features are accessible from a new "Shopping" tab in YouTube Studio.
- Eligible creators will also be able to tag their products for better SEO.
- The new shopping feature will initially only be available to users in the US, India and Brazil. But YouTube plans to roll out the shopping destination to other countries later in 2022.

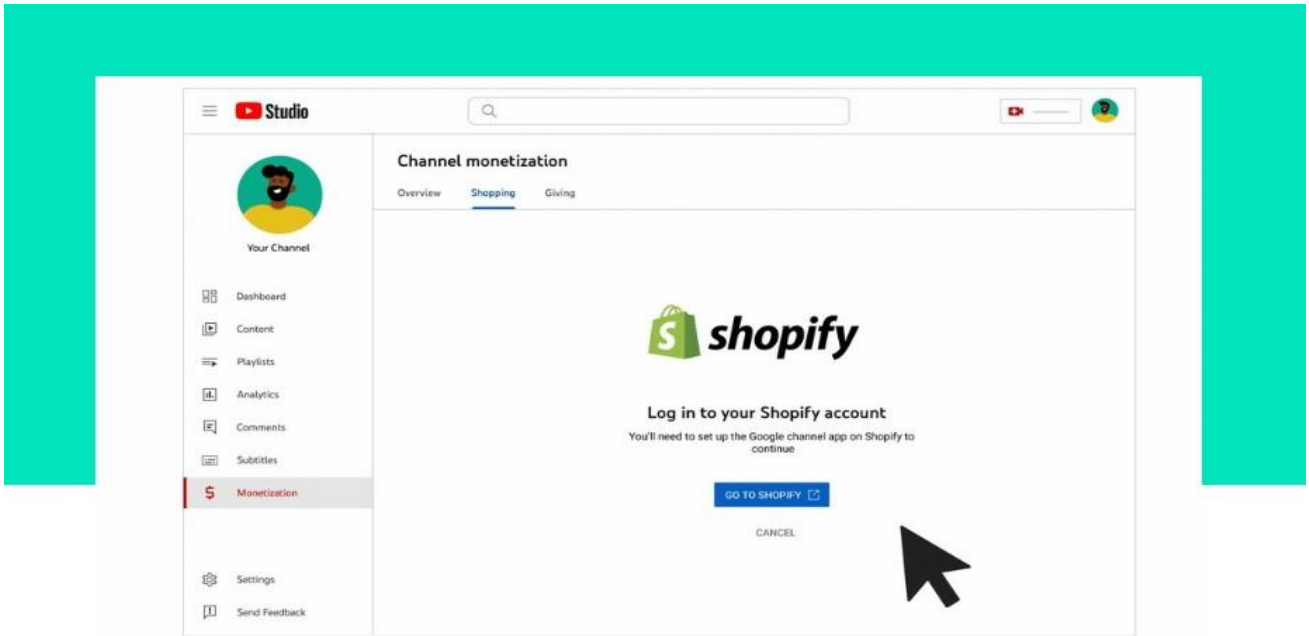
CHALLENGES

- **Transforming the medium into a true social commerce site:** YouTube says it is aware that creators spend a lot of time developing their products, so it wants to make it easier for them to manage their YouTube shops and bring their products directly to their audience with these new tools. The launch of the new features comes as YouTube strives to turn its platform into a true shopping showcase with product launches, paid promotions, or, more recently, the ability to make purchases directly from live streams hosted by creators.
- **Take advantage of a network effect:** For these new media such as Facebook, Youtubes, Instagram, TikTok..., creators are a particularly important target audience, since they generate traffic. These media are therefore redoubling their efforts to meet their expectations and help them monetise this audience. By partnering with Youtube, the company also intends to benefit from a network effect as each creator would bring their own fan base to their Shopify space.

MARKET PERSPECTIVE

- Canadian e-commerce giant Shopify has just announced a partnership with online payment giant PayPal to deploy its Shopify Payments service in France.

Source : [Presse release](#)



Fragmented payments, BNPL

Finfrog raises funds to support its microcredit offer

Finfrog, the micro-lending FinTech, has just announced a major fundraising, six years after it entered the French micro-credit market. Its alternative to overdrafts is attracting more and more borrowers, but also investors, and is continuing to grow.

FACTS

- Finfrog has just announced that it has raised 30 million euros in two parts, 10 million in capital and 20 million in debt.
- Finfrog's microcredit offers are available for amounts between 100 and 600 euros and are repayable over a maximum of 10 months.
- However, after raising funds, Finfrog plans to slightly expand its offer by proposing loans of up to 1,000 euros.
- Finfrog mainly finances unforeseen events (car or appliance breakdowns), and small everyday projects such as home renovations, for example.

CHALLENGES

- **Expanding its basic offer:** Finfrog made a strategic choice linked to current events last August, by entering the fractional payment market. It has also developed an instant transfer functionality at no extra cost to deliver its funds in less than 5 minutes in 80% of cases. The FinTech intends to use its new funds to develop its core business and to imagine new offers, without specifying the outlines for the moment.
- **Recruiting:** To do this, Finfrog is counting on expanding its teams. It plans to grow from 25 to 40 employees by the end of the year. This will also help it to gain new shares in the micro-credit market.

MARKET PERSPECTIVE

- According to a Panorabanques study carried out at the end of 2021, 46% of French people declared having been overdrawn at least once during the course of last year. 19% would even have been confronted with this situation every month.
- And the situation could get even worse, as inflation poses new difficulties for the French in terms of purchasing power. Finfrog is therefore counting on its new funds to consolidate its position in a market that is proving to be buoyant. The FinTech also states that it will have granted nearly 40 million euros in micro-credits in 2021 in France.
- More broadly, FinFrog estimates that it has served nearly 300,000 customers earning less than €2,000 net per month (38 million French people would be concerned) since its launch. 3% of Finfrog borrowers fail to meet their payments, according to the FinTech. In this case, Finfrog's teams contact the borrower to change the date of their debit and facilitate their repayments.
- This operating system now allows Finfrog to break even and aim for a future break-even point.

Source : [Les Echos](#)



New BtoB payment player, Hero raises funds

Despite increasingly fierce competition in the FinTech market, some new players are still managing to make their mark. This is the case of the young Parisian start-up Hero, which is seeking to impose its own BtoB payment model on the French financial scene. It offers a customisable service that uses the current BNPL and deferred payment trends to convince.

FACTS

- Hero was launched in France at the end of 2021. The start-up is targeting French small and medium-sized businesses by offering them various BtoB payment solutions for cash, deferred payment (between 30 and 60 days) or in several instalments (3 or 4 times to be precise).
- Hero relies on a classic payment initiation model that allows companies to generate a payment link to send to their customers to help them pay online, in just a few clicks.
- The start-up charges a 1 to 4% commission on each transaction as a fee. It currently has 200 customers and has handled some 10,000 payments. It is also said to be growing at a rate of 30% per month.
- To ensure the deployment of its offer, it has just completed a Series A financing round for an amount of 7.4 million euros in shares and 5 million euros in debt with Avellinia Capital, Paua Ventures, embedded/capital, Rapyd Ventures and other Business Angels.

CHALLENGES

- **Combining the best of both offers:** In order to stand out against established competitors such as Defacto or Libeo, Hero is banking on an alternative positioning capable of offering both (i.e. a direct payment solution such as that of Libeo and a fractional payment offer such as that of Defacto).
- **Capitalize on a market with great potential:** The corporate payment market reached 942 billion dollars in 2021 and should pass the 1,500-billion-dollar mark in 2027 on a global scale.

MARKET PERSPECTIVE

- In its last report on the first half of 2022, the FinTech Observatory noted a repositioning of FinTech investors and a change in their strategy. The more uncertain economic climate will have changed the habits established in recent years, with fund-raising going more to younger players, for smaller amounts than usual.
- 66 fundraising operations were thus carried out in the first half of 2022, compared to 56 in the same period in 2021, for a total amount of 1.4 billion euros compared to 1.3 the previous year. The average investment, at 21 million euros, is nevertheless down by 28%. Investors are therefore betting more on young companies, whose seed and Series A financing operations are attracting fewer funds.
- Hero's recent fundraising is fully in line with this trend for the second half of 2022.

Source : [Les Echos](#)



Deutsche Bank enters the BNPL market

As the BNPL market undergoes its first crisis, the German bank unveils a BNPL solution that targets online merchants and marketplaces with easy, non-intrusive integration and signals its return to the payments business.

THE FACTS

- Deutsche Bank has partnered with Austrian fintech Credi2 to develop its white-label BNPL solution for invoice and instalment purchases.
- Deutsche Bank intends to start a pilot of the new BNPL solution this year.
- Within Deutsche Bank, the BNPL project is being driven by the Merchant Solutions unit, a division of Payment Services, which was reactivated last year and is part of the corporate customer business.
- The solution will be offered on a white label and own label basis for online merchants and e-commerce marketplaces in Germany.
- Deutsche Bank assesses the risk of non-payment and fraud in real time and includes the claims from the respective sales contract in its own risk portfolio.
- It can be flexibly integrated into the payment process.

CHALLENGES

- **Not to interfere in the customer relationship:** To distinguish itself from other players already in the market such as Klarna, which positions itself as the main point of contact with customers, Deutsche Bank is offering a white label service. Merchants can offer this payment solution under their own brand name, which ensures customer loyalty and increases sales. Deutsche Bank wants to establish itself as the main payment partner for its corporate customers, i.e. to become a true "acquiring" bank once again.
- **A timed issue:** While the BNPL market is currently going through a period of turbulence, with the valuation of the main players in the market falling, the bank is betting that it is more the business model of these players that is problematic than BNPL itself. In addition, traditional banks can speculate that regulation and rising interest rates may favour traditional banking players in the medium term.

PUTTING IT INTO PERSPECTIVE

- Bill buying, which has dominated Germany for decades, has firmly established itself as one of the top 3 payment methods in terms of number of transactions in e-commerce, alongside wallet payments and direct debits.
- In Germany, where the banking landscape is quite fragmented, local banks have not entered the BNPL market. Santander Bank, which has a Consumer Finance business in Germany, has launched its Zinia offering, an apparently quite successful BNPL solution, with 2.5 million customers, and plans to expand across Europe.
- Financial institutions, such as Magerkurth-Volksbank or Hamburg Varentgold Bank, act as refinancers for BNPL providers such as Billie or Ratepay.

Source : [Press release](#)



[credi2]

Pos, Checkout & mPos

Feedback: SumUp celebrates its 10th anniversary with a major fundraising event

The FinTech SumUp, specialised in mobile payment for small professionals, has just celebrated its 10th anniversary. This is an important milestone, which allows it to take stock of its development but also to raise funds to support its future projects.

FACTS

- SumUp has just raised nearly €590 million from Bain Capital Tech Opportunities, with the participation of funds managed by BlackRock, btov Partners, Centerbridge, Crestline, Fin Capital and Sentinel Dome Partners.
- This round of financing will enable the FinTech to reach an estimated valuation of 8 billion euros. In its 10 years of existence, it will have raised a total of nearly 1.5 billion euros.
- SumUp also has more than 4 million corporate clients worldwide, to whom it now offers numerous services within its financial "Super App":
 - a free corporate account and card
 - an online shop,
 - an invoicing solution,
 - and cash register services.

CHALLENGES

- **Sustaining its growth:** The global health crisis has not slowed down SumUp's deployment ambitions and it claims to have grown by 60% during this period.
- **Develop new services:** On the strength of this growth and its recent fundraising, SumUp says it now wants to accelerate the development of its services, without giving further details for the moment.

MARKET PERSPECTIVE

- The announcement of SumUp's new fundraising is a breath of fresh air for the FinTech which, despite its sustained growth, is now suffering the effects of an unfavourable economic climate linked to inflation and the fall in technology stocks. SumUp was valued at 20 billion euros at the beginning of the year, compared to "only" 8 billion today.
- SumUp is not the international FinTech most affected by this situation. Klarna has just made the headlines by seeing its valuation fall by 85%, from \$45.6 billion last year to \$6.5 billion. It is currently seeking to raise new funds after announcing an operating loss of \$748 million and a plan to cut 700 jobs (about 10% of its workforce).

Source : [Presse release](#)



Revolut presents a new mobile payment offer

The online neo-bank Revolut will now offer its business customers a payment solution presented as easy and convenient. It is based on a dongle and should help the neo-bank to conquer a new market while enriching its offers for its customers.

FACTS

- Revolut Business will now offer Revolut Reader, the neo-bank's new payment service.
- The service will be available primarily in the UK and Ireland.
- It is intended for merchants to help them accept payments in mobile situations. It takes the form of a simple, small, ultra-portable box that can accept card payments, including in contactless mode. Mobile wallets that support cards are accepted.
- The payment terminal is easy to use and configure from a dedicated mobile application. When connected to a smartphone or tablet, the Revolut Reader allows users to accept payments and receive them directly (within 24 hours) into their associated Revolut Business account.
- On the pricing side, Revolut defends a competitive approach with fees of 0.8% + £0.02 per transaction, and a sliding scale but still fixed fee for businesses handling large volumes.

CHALLENGES

- **Conquering a new market:** The advent of mobile and convenient payment systems has allowed disruptive new players to enter a market previously dominated by a few large companies. However, since Square (renamed Block), alternative offers have multiplied and a growing number of players are now positioning themselves with in-house offers. The latest examples are Libéo and even Apple, for example. Revolut can therefore largely justify a certain legitimacy to launch itself on this market.
- **Continue to diversify:** Revolut currently offers payment, insurance, savings and trading services, but has also recently entered the decentralised finance and BNPL market. The launch of its cash offer represents a new step in this strategy of multiplying services.

MARKET PERSPECTIVE

- With 18 million individual customers and more than 500,000 professional customers, Revolut is now consolidating its position as an alternative financial services provider for individuals and professionals.
- Its ambitions are still high, as illustrated by its significant dynamism in recent months. And things should not stop there for the neo-bank which has just signed a partnership with another renowned FinTech, Stripe. This partnership will allow Revolut to use Stripe's API to develop online payment services. This will further demonstrate its appetite for payment services.

Source : [Presse release](#)



FDJ strengthens its position in payment services

La Française de Jeux, the French leader in gaming, intends to take advantage of its ideal positioning with tobacconists to develop a new activity of payment of public service bills and other everyday bills. The acquisition of Aleda should enable it to accelerate this diversification strategy. La Française de Jeux, the French leader in gaming, intends to take advantage of its ideal positioning with tobacconists to develop a new activity of payment of public service bills and other daily bills. The acquisition of Aleda should enable it to accelerate this diversification strategy.

FACTS

- The FDJ has published a press release about its entry into exclusive negotiations with Aleda, the software publisher (created in 2005), which notably offers Kapseo cash registers.
- Aleda is a specialist in cash collection solutions for local shops (bars, newsagents, etc.) and dematerialised payment services (telephone top-ups, prepaid bank cards, money transfers, etc.).
- Aleda has nearly 100 employees in France, spread over the sites of Limoges, Challans and Montpellier.
- Through its entity called FDJ Services, the gambling operator is building on the success of the "Proximity Payment" service developed for the Direction Générale des Finances Publiques (DGFIP) in partnership with the Confédération des Buralistes.
- The results of this first experiment:
 - 6,700 French municipalities covered
 - 13,400 tobacconists approved by 31 December 2021
 - 2.5 million public bill payment transactions.

CHALLENGES

- **Diversifying its business:** This acquisition confirms FDJ's desire to develop its payment and services business. In 2021, this branch will represent only 2.8% of its turnover. It also reinforces the Group's commitment to supporting retailers by offering them value-added services to help them manage and develop their points of sale.
- **Addressing the digital divide:** According to a study conducted by Harris Interactive*, 20% of French people - i.e. 6 million households - are not charged for their daily bills. 56% are afraid of being defrauded when paying over the Internet and 1 out of 4 French people are unfavourable to the dematerialisation of payment methods. Given this situation and the huge challenge that invoice collection represents for companies, this new service, which will soon be available, could represent an interesting solution.
- **Take advantage of a large territorial network:** With the closure of bank branches, the tobacconist network provides an interesting solution for users for many banking services such as outsourcing the collection of their bills.

MARKET PERSPECTIVE

- This is FDJ's second attempt to buy a point-of-sale terminal operator, following its acquisition of Bimedia, which was rejected by the French Competition Authority in August 2020.
- When it was floated in 2019, Française des Jeux paid €380 million to the state to benefit from the gaming monopoly for 25 years. The European Commission must check whether this amount is fair. If

it is insufficient, the bill could be very high. According to Citigroup, FDJ could have to pay €1.06 billion more than the amount initially paid.

Source : [Presse release](#)



Actor's strategy

Crédit Mutuel Arkéa to close Pumpkin

Crédit Mutuel Arkéa continues to refocus its strategy on its Transitions 2024 plan by shedding its ties with many FinTechs, particularly in the payment sector. After selling Budget Insight, Leetchi and MangoPay, the group is reportedly about to shut down Pumpkin, its friend-to-friend repayment app.

FACTS

- While the group has not yet made its decision official, it is reportedly working on a shutdown for Pumpkin, expected by the end of the year, due to the lack of a buyer.
- The services of the FinTech specialising in payment between individuals should be gradually stopped.
- 56 positions are expected to be eliminated, but the Pumpkin employees concerned will be invited to join the mutualist group via job offers adapted to their profile.
- The reasons for the closure are economic. Despite its community of 1.6 million users, Pumpkin has not reached the critical size to develop a sustainable business model.

CHALLENGES

- **A profound reorganisation project:** This decision to stop Pumpkin illustrates a new stage in the strategy of the Crédit Mutuel Arkéa group, which is returning to its model of co-construction with FinTechs, inaugurated in the 2010s: successive takeovers of Leetchi, Grisbee, Linxo, Younited Credit, Pytheas Capital Advisors, Yomoni and Budget Insight. But the group finally embarked on a major restructuring of its FinTech portfolio a few months ago. As a result, the group's former acquisitions have suffered similar fates, with Budget Insight, Leetchi and MangoPay being announced one after another.
- **A refocusing on the lines of its Transitions 2024 strategic plan, which is very focused on real estate in particular:** this refocusing logically leads to the unwinding of partnerships, as in the case of Budget Insight, which has since taken off internationally, within an American fund. For Pumpkin, the diagnosis is slightly different, since it is its inability to reach a certain scale that leads to this situation, in a particularly tense financial context for FinTechs. Arkéa, meanwhile, is moving into real estate, as shown by its recent acquisition of Liberkeys, or the launch of its flat configurator within its Flex offering.

MARKET PERSPECTIVE

- Pumpkin, launched in 2014, was acquired by Arkéa in 2017, with the ambition of gradually becoming a neo-bank. Hence the launch of a current account in 2020 to serve this ambition.
- In the portfolio of Crédit Mutuel Arkéa, there is still its in-house FinTech Aumax for me. Launched in 2017, Aumax pour moi was notably looking towards a premium offering in February 2021 to help the group explore different business models. The fate of the latter is also dependent on its ability to generate revenue, which is not the case at the moment.

Source : [Les Echos](#)



The action of the National Cashless Payments Committee is bearing fruit

The National Committee for Cashless Payments (CNPS), makes a progress report on the implementation of the national payment strategy in France. This is a first mid-term review, as the plan began in 2019 and is due to end in 2024. The results are considered positive, driven by a favorable context.

FACTS

- The CNPS gave a progress report on the implementation of the national cashless payments strategy for 2019-2024 and on the objectives and priorities of the second phase of this plan, which is now underway.
- The result is presented as largely positive, as more than half of the 56 actions defined by this strategic plan have already been achieved.
- The CNPS also emphasises its efforts on the key points of this strategy, which are linked to current payment issues, and which concern
 - instant transfer, as more than 25 million users of Paylib's interbank offer can currently make instant payments between individuals,
 - contactless payment, which has been boosted by the health crisis and has seen a 35% increase in usage over the past year. More than half of all card payments at the point of sale are currently made in contactless mode,
 - open Payment, which continues to be deployed and currently has around twenty cities equipped in France,
 - open Banking, which now enables a large majority of market players to offer innovative solutions associated with value-added services,
 - and finally the dematerialisation of invoices, which will become an obligation by 2026.

CHALLENGES

- Although its strategy is still being deployed, external threats, such as the announcement of the deployment of a digital euro by Circle for example, are pushing the CNPS to demonstrate today the yet concrete impact of its actions on the evolution of payment in France.
- Created in April 2015, the National Cashless Payments Committee's main objective is **to coordinate the implementation of the French strategy on payment methods**. Chaired by the Banque de France, it is co-managed by the French Banking Federation and the French Association of Corporate Treasurers. The latter can thus today justify their commitments in terms of redesigning payment methods and, above all, integrating new technologies into processes, without however emphasising their ambition to totally replace cash in the long term.

MARKET PERSPECTIVE

- The progress currently being made by the CNPS echoes other initiatives currently being carried out more widely by the Banque de France. In April, for example, the institution committed itself to the democratisation of the instant transfer.
- The issue of European sovereignty over the payment market is more than ever at the heart of concerns. And innovations in the field of payments represent both a threat and an opportunity for the main bodies responsible for ensuring the transition of offers at national and European level.

Source : [Presse release](#)



BPCE takes a stake in Swile

Swile, a French unicorn specialising in employee benefits, and the banking group BPCE have announced that they have entered into exclusive negotiations with a view to combining their activities. It is therefore a double operation which would see the Bimpli brand (ex-Apetiz) disappear in favour of Swile and BPCE enter the capital of the fintech.

FACTS

- The start-up created in 2017 by Loïc Soubeyrand (ex-Teads) became a unicorn last October following an investment from Softbank.
- Following this transaction, Swile would own 100% of Bimpli and Groupe BPCE would become Swile's largest shareholder with a 22% stake.
- 140 million in 2022, with a profitability target of 2024.
- This project is still subject to the approval of the employee representative bodies and the regulatory authorities and should be validated before the end of the year.

CHALLENGES

- **A marriage based on complementarity:** In terms of client profiles, the new entity will cover all types of groups: VSEs/SMEs, major accounts, and the public sector. But, also in their approach. Swile is a great app with a strong focus on digitalisation, whereas Bimpli has made the diversity of the activities covered its strong point.
- **International ambition:** This project would allow Swile to be particularly well placed to seize development opportunities, especially in Brazil, the leading market for employee benefits and engagement.

MARKET PERSPECTIVE

- The acquisition of an entity of a large group by a start-up is a very rare occurrence. The acquisition of Sygma, a subsidiary of BNP Paribas, by the start-up Wynd (in-store checkout software) had marked the French Tech ecosystem in 2021.
- The new entity will have 5 million user employees in 75,000 companies. This still leaves it far behind Edenred (50 million users worldwide) and Up (24 million)

Source : [Presse release](#)



Bridge raises new funds from BPCE

The French bank BPCE is renewing its financial support for Bridge, the former BtoB activity of Bankin'. Once again, it has teamed up with Truffle Capital to organise this fund-raising, which is a confirmation of their joint ambition to take the plunge into the world of payment by transfer.

FACTS

- As a European reference in Open Banking with more than 200 connected European financial institutions, Bridge is once again attracting investment from Truffle Capital, as well as a minority share from the French bank BPCE via BPCE Digital & Payments.
- 20 million is being sought to help Bridge to
 - continue to develop its payment solutions, particularly in the area of account-to-account payments
 - accelerate its development in Europe (and cover 7 new countries by the end of 2022, namely Germany, Belgium, Spain, Italy, the Netherlands, Portugal and the United Kingdom)
 - strengthen its position as the leader in Open Banking in France, and more specifically its banking aggregation and data enrichment solutions
 - conquer new market segments.
- To this end, Bridge plans to recruit 40 new profiles in the coming months to strengthen its current team of 60 employees.

CHALLENGES

- **Continuing the momentum:** BPCE and Truffle Capital first invested in Bridge as recently as last March. At the time, their joint commitment led to the demerger of Bridge and Bankin', with Casino becoming the sole owner of the latter.
- **Confirming strategic ambitions:** The first round of investment by BPCE and Truffle Capital in Bridge illustrated their interest in payment initiation, the first use case envisaged thanks to Bridge's skills. Today, their new investment makes it even clearer that this ambition has become a priority for the French bank in particular, in a context of renewal for payment services.

MARKET PERSPECTIVE

- The Banque de France itself is currently working on accelerating cashless payments and, in particular, the mass adoption of instantaneous credit transfers, in an attempt to put the failure of EPI behind it and preserve European sovereignty in the payment market.
- This commitment is also accompanied by the adoption by French financial institutions of cutting-edge solutions such as Request-to-Pay. The DGFIP is currently working on the creation of an instantaneous transfer link based on the request-to-pay system.

Source : [Presse release](#)



Qonto ready to buy a German competitor

The French neo-bank for professionals Qonto is building on its success story. With its status as the most valued French unicorn, it is now seeking to establish itself as a European leader. It currently covers 4 markets, including Germany, where it plans to acquire one of its main competitors.

FACTS

- The information has just been confirmed by the main parties involved, after several days of rumours. Qonto has signed a binding share purchase agreement to acquire Penta.
- As a reminder, Penta is a specialist in financial services for companies. Its BtoB positioning is therefore the same as Qonto's, making the two players direct competitors.
- Penta's investors (HV Capital, the start-up studio Finleap, ABN Amro Ventures, etc.) have become Qonto's investors.
- Its purchase by Qonto should represent several tens of millions of euros, without the amount being confirmed.
- The Penta brand will disappear in favour of the Qonto brand, which aims to establish itself as a single strong brand on the European territory.

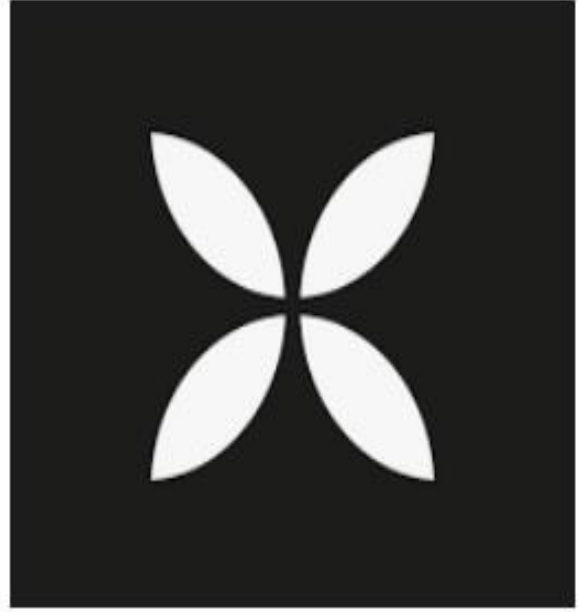
CHALLENGES

- **Accelerate its expansion in Germany:** If in France, Qonto has established itself as a reference in its market, its takeover of Penta could also enable it to become the leading provider of financial services for professionals in the German market while shedding its biggest local competitor.
- **A profitable partner:** Penta had 40,000 customers at the end of 2021. A relatively large number, but one that nevertheless allowed the FinTech to generate a monthly turnover of almost 600,000 euros.
- **Consolidating their business in a down cycle:** As investors become more wary, one way to continue to grow is through a buyout. If Penta is the first investment of the French unicorn, it may not be the last.

MARKET PERSPECTIVE

- Qonto would now be able to shine a little brighter on the European FinTech market, thanks to an exceptional Series D financing round in January, for an amount of 486 million euros. In addition to establishing the unicorn as the most valued company in France, this round of financing will have given it new financial capacity, allowing it to consider this acquisition.
- This is a timely decision, because although Qonto announced last January that it had 220,000 professional customers, it never specified how many it served on the German market.
- With Penta, Qonto should also have 900 employees and aims to recruit 2,000 employees by 2025. These employees should then serve one million customers, according to Qonto's objectives.

Source : [financefwd](#)



Cryptos and CBDC

EU agrees on crypto-assets

The members of the European Union have finally agreed to present a clear regulatory framework for crypto-assets, crypto-asset issuers and crypto-asset service providers. Two agreements have been reached, called MiCA (Market in Crypto-Assets) and TFR (Transfer of Funds Regulation) respectively. They remain provisional but lay the expected foundations for the European positioning in this market.

FACTS

- The future European regulation on the issue of crypto-assets was highly anticipated. It has therefore resulted in two agreements reached between the Presidency of the European Council and the Parliament, which will still have to undergo a classic formal adoption procedure.
- The two agreements reached on 29 and 30 June concern
- the TFR (Transfer of Funds Regulation), dedicated to the fight against money laundering and terrorist financing. They should guarantee the financial transparency of crypto-asset exchanges,
- MiCA (Market in Crypto-Assets), a proposed coverage for issuers of un-backed crypto-assets and stablecoins, as well as trading platforms and crypto-asset wallets.
- The EU also plans to limit the development of stablecoins based on European or non-European currency, in order to preserve the region's monetary sovereignty. These stablecoins will also be supervised by the European Banking Authority.

CHALLENGES

- **Ensuring consumer protection:** The MiCA regulation is presented as a new tool to protect consumers against the risks of investing in crypto-assets. It should help them avoid fraudulent systems and the pitfalls of this market, which is still under construction, particularly in terms of financial instability.
- **Supervising the sector's players:** The aim of the TFR regulations is also to impose on crypto asset service providers "the obligation to collect and make accessible certain data on the originator and beneficiary of the crypto asset transfers they process". An obligation already in place for wire transfers and is simply being extended to this new payment and funds exchange environment to enforce EU standards across all markets. Crypto asset service providers will also need an authorisation to operate within the EU.
- **Harmonising the market:** Some Member States already had their own legislation regarding crypto-assets, so it became particularly urgent to propose a specific EU regime to safeguard harmony.

MARKET PERSPECTIVE

- These burdensome requirements, which only apply to European issuers - so a US issuer could perfectly well issue a euro stablecoin without having to comply with MiCA - may limit the issuance of stablecoins in Europe.
- The issue has become even more pressing since the announcement of the launch of the first Euro-backed stablecoin by the US FinTech Circle. The company plans to issue this new digital currency from the United States, bypassing the European authorities.

- In addition to the MiCA regulation, the package contains a digital finance strategy, a regulation on the digital operational resilience of the financial sector (DORA) - which will also cover crypto-asset service providers - and a proposal for a pilot regime, a regime for exceptions to certain financial regulatory requirements for the trading and settlement of transactions in security tokens.

Source : [Presse release](#)



Monoprix sets up an NFT corner in its shops

French retailer Monoprix, part of the Casino group, is taking another step into the world of Web 3.0 by opening physical corners in some of its Parisian shops to sell a novel, dematerialised product in the form of NFT. This is a new step in its positioning strategy in a market that is as volatile as it is innovative.

FACTS

- Some Monoprix shops in Paris are hosting a new summer campaign, launched by the group on 8 July. It is due to end on 21 July and has been called "Web3 for all".
- The campaign, which is designed to raise awareness of this new market, takes the more concrete form of setting up ephemeral corners dedicated to NFTs in three Parisian Monoprix stores on the Champs-Élysées, in Montparnasse and in Beaugrenelle.
- Educational workshops on the themes of NFT and Metaverse are to be held there, led by Web 3.0 experts.
- These corners will also allow visitors to buy NFTs from the Rude Kidz collection, thanks to the installation of NFT vending machines designed by a French start-up, Ownest. 550 NFTs at a unit price of 249 euros will be on sale.
- In addition to their digital asset, purchasers of these NFTs will leave Monoprix shops with a printed poster depicting the image of their token, a Rude Kidz T-shirt and canvas bag, as well as a €20 Monoprix voucher.
- Payment for these NFTs will be required in Euros.

CHALLENGES

- **Reinforcing its avant-garde positioning:** This is not the first time that Monoprix has positioned itself on the NFT market. The French retailer already indicated its interest in this market last April. At that time, it put two exclusive NFT collections on sale, in collaboration with a pastry chef and a designer.
- **Creating excitement in its points of sale:** The sale of NFT in the context of a corner installed within a physical shop also represents a means for the retail group to create buzz around its brand, to surf on a current phenomenon and to animate its shops.
- **Democratising Web 3.0:** Monoprix intends to play a role that is somewhat detached from its core business, by ensuring that the general public meets the Web 3.0 market.

MARKET PERSPECTIVE

- The "biggest idiot theory". These are the words of Bill Gates, tech billionaire, founder of Microsoft and renowned computer scientist, who recently defined the NFT market. A personal opinion, but one that carries a lot of weight given the quality of the author of these words, which also echo many other similar opinions.
- Especially since the elusiveness of this market favours its volatility and its risks. For example, if the NFT of the first tweet ever published by social network founder Jack Dorsey were sold for \$2.9 million in March 2021 at an auction, it would currently be worth only 0.0166 Ether (ETH), or approximately \$29.
- When it was reoffered for sale in April for \$48 million, the owner was unable to find a buyer and this situation illustrates a general decline in NFT prices across the market.

- However, some industry observers point out that this drop is directly related to the decline in the cryptocurrency market and that the NFT sector is expected to be worth around \$13.6 billion worldwide by 2027.

Source : [Twitter](#)



Edenred also manages the collections of NFT

Employee benefits and prepaid solutions specialist Edenred is adding a new string to its bow. Or rather, it is enabling its Kadéos gift cards to support a new value that is particularly in line with the trend. These are Sorare digital cards representing famous sportsmen and women. The group is thus opening up to the web3 environment.

FACTS

- Edenred has just made official its partnership with Sorare, an NFT platform specialising in gambling and the collection of football-related tokens. It uses the blockchain to allow Internet users to exchange cards bearing the image of football players.
- From now on, the 1.8 million users of this service will be able to acquire digital cards of their favourite sportsmen on the Sorare website thanks to a Kadéos card. These cards can now be registered as a means of payment on the Sorare platform.
- Kadéos thus becomes the first gift voucher to support such content and to open up to the Web3 ecosystem.

CHALLENGES

- **Participate in the emergence of NFTs:** Edenred specifies that its ambition is to participate in the emergence and even the democratisation of NFTs in France. Various players have recently embarked on this mission, such as Monoprix for example.
- **Diversifying its gift cards:** For Edenred, the integration of sports NFTs into its gift cards represents a way of increasing the density of its offer and, above all, of integrating avant-garde digital cards, which are a source of modernisation for its own cards. Its digital gift vouchers are thus presented as the logical continuation of the employee benefits solutions available via the Edenred My Edenred Super App.

MARKET PERSPECTIVE

- Sorare made headlines in France at the end of last year when it became the sixteenth French unicorn. It managed to raise 680 million dollars (about 580 million euros), bringing its valuation to 4.3 billion dollars. A record given the date of the company's creation, in 2018.
- This craze nevertheless illustrated a fundamental trend in the NFT market. A trend that has already been put to bed, given the volatility of this market. Thus, while many observers estimate that the NFT sector should be worth nearly 13.6 billion dollars worldwide by 2027, it is currently marked by a sharp decline.

Source : [Presse release](#)



Fraud

The new face of payment fraud

Last week, the Payment Security Observatory published its report, which was relayed by the Banque de France. It shows a slight decline in payment fraud this year. But if the amounts are less important, the fact remains that fraudsters are becoming more and more imaginative and that new scams are emerging.

FACTS

- The growth of digital uses is at the heart of the new OSMP report this year. For if the Observatory identifies a decrease in fraud on internet payments, it is accompanied by a change in practices.
- The amount of fraud thus reached 1.24 billion euros in 2021 (for 7.5 million fraudulent transactions recorded), compared to 1.28 billion in 2020. This is despite the fact that the number of transactions continues to rise (28.4 billion recorded over the year, for a total amount of 42,204 billion euros) in a context of economic recovery.
- While the card is still at the heart of the vast majority of fraud, its share will fall to 92% in 2021, compared with 97% in 2020. It remains responsible for 33.9% of the total amount of fraud. Cheques are in second place among the means of payment linked to fraud but stand out by accounting for 37% of the total amount of fraud (a record). This is followed by credit transfers, which account for 23.1% of the total amount of fraud.
- SEPA payment instruments (credit transfers and direct debits) remain the least defrauded payment instruments, with a fraud rate of around 0.001%.
- The Observatory also highlights a change in the very typology of fraud. Technological fraud is therefore decreasing in favour of more manipulations. Scams involving identity theft (of bank advisers, for example) are on the increase.

CHALLENGES

- **Welcoming strong authentication:** The Payment Security Observatory underlines the interest and, above all, the effectiveness of the application of strong authentication solutions in France in the fight against fraud. The generalisation of this type of device is thus identified as the key to the decrease in fraud this year.
- **Analyse payment trends:** In addition to the amounts and nature of fraud, the Observatory has observed a change in payment methods. The card has thus passed, in amount, before the cheque for the first time. It is now the third most common cashless payment instrument, in terms of amounts processed, after credit transfers and direct debits. Moreover, the card remains the most used payment instrument in terms of number of transactions (57%).

MARKET PERSPECTIVE

- The evolution of fraud, and particularly identity theft campaigns, poses a fundamental problem in terms of consumer protection solutions. The UFC-Que Choisir recently estimated that banks were trying to escape their duty to reimburse in case of fraud.
- The organisation has filed a complaint against 12 banks following reports of 4,300 unreimbursed frauds sent to the consumer association since 2019. The French Banking Federation (FBF) assures however that 85% of the requests addressed by the customers are the object of a refund.

- One of the conditions for reimbursement is the absence of negligence on the part of consumers. However, with the increase in cases of identity theft, these cases of negligence could increase and reinforce the problem of customer refunds. This is an issue on which the Payment Security Observatory is actively working.

Source : [Presse release](#)



bservatoire
de la sécurité
des moyens de paiement

www.observatoire-paiements.fr



Biometry and e-ID

ING includes a payment validation service in itsme

Since 2017, ING Belgium has been offering the itsme service, a mobile digital identity application. In addition to managing the digital identity of its users, it will now also be able to validate remote payments. This diversification of uses illustrates the numerous reflections on the integration of payment and identity management, with the European wallet at the forefront.

FACTS

- itsme allows its users to identify themselves, connect, confirm or sign documents online in complete security. More than just documents, ING Belgium has now announced that the service will also allow users to validate payments.
- The itsme application allows you to identify yourself to your bank to confirm a payment without a card reader. While signing payments via itsme was already available on a computer, ING Belgium is making the service available via the service's mobile application.
- The solution is thus an alternative to 3D Secure and, above all, to the physical card reader...

CHALLENGES

- **A harmonised solution:** itsme was launched in May 2017 by a consortium of the country's four major banks: BNP Paribas Fortis, KBC, Belfius and ING. The three telecom operators (Proximus, Telenet and Orange) also joined the project, before being joined by the SFPI, Société fédérale de participations et d'investissement, and itsme shareholder since June 2021.
- **Convergence of digital identity and payment:** ING offers, instead of a card payment, an online payment either via the web on a PC or via app using the Itsme electronic signature, which uses Itsme strong authentication and signature for dynamic lining.
- **Boosting usage:** Between 25 and 35 million actions are carried out each month in Belgium with itsme. The addition of a payment functionality should further boost usage.

MARKET PERSPECTIVE

- ING Belgium's itsme digital identification application has seen a resurgence in interest among the Belgian population following the Covid-19 pandemic and its growth appears to be exponential, with itsme attracting nearly 3 million new users over the past year. It now has more than 6 million users in Belgium, representing more than half of the country's population and nearly 80% of the Belgian population over the age of 18. It also plans to open up internationally, starting with the Netherlands.
- However, the Belgian government, despite being a shareholder, is not unanimous in its support, particularly because of its overwhelming presence on the market and the costs deemed disproportionate.

Source : [Presse release](#)

