

Payment Fraud Overview

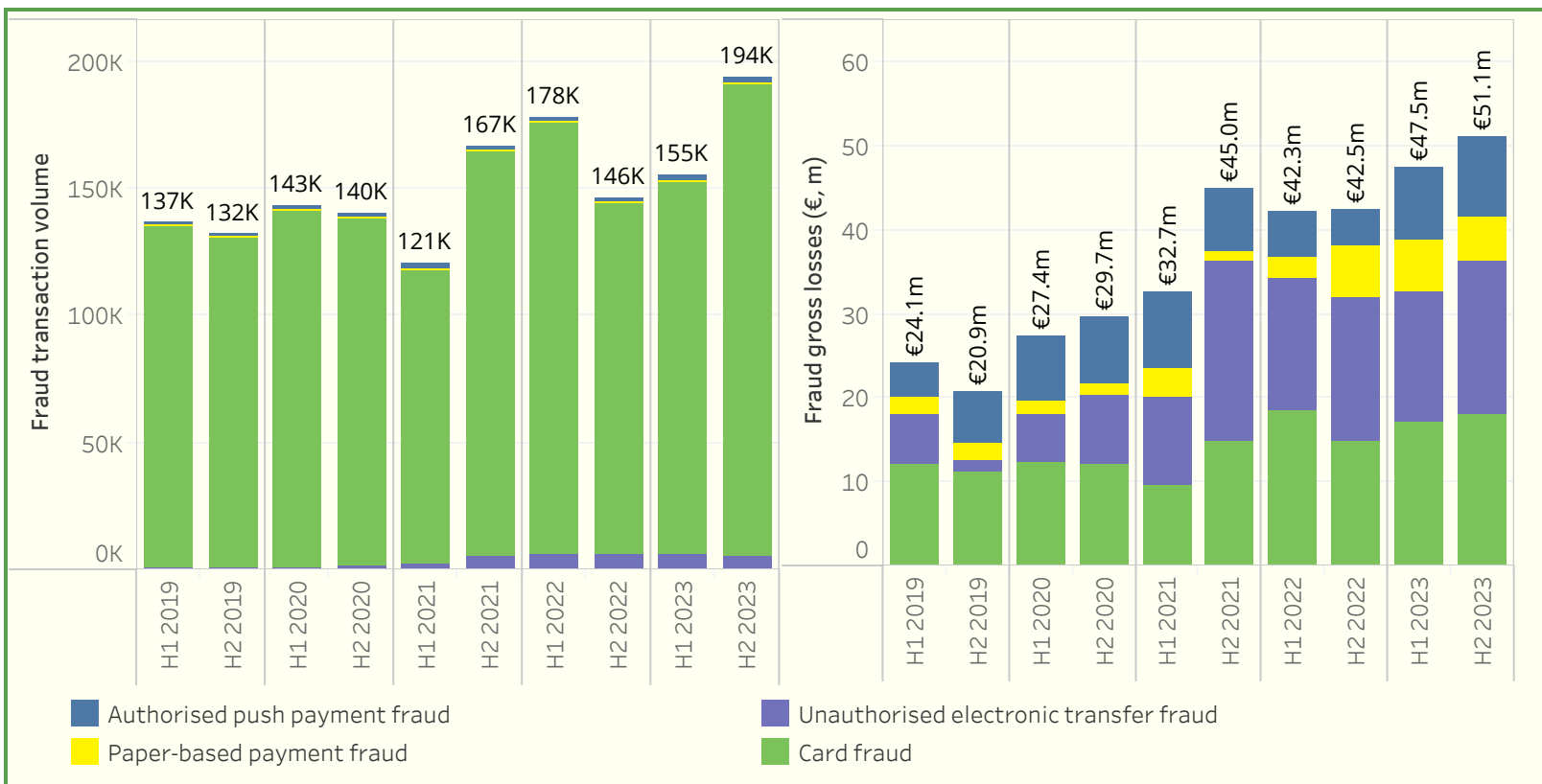
	Number			Gross losses (€, m)			Average Value (€)	
	2022	2023	YoY	2022	2023	YoY	2022	2023
Card fraud	308,205	332,576	7.9%	33.4	35.2	5.4%	108	106
Unauthorised electronic transfer fraud	12,194	11,376	-6.7%	32.8	33.8	3.0%	2,692	2,972
Authorised push payment fraud	3,212	4,576	42.5%	9.9	18.1	82.2%	3,086	3,947
Paper-based payment fraud	395	300	-24.1%	8.5	11.5	34.3%	21,617	38,219
Grand Total	324,006	348,828	7.7%	84.7	98.6	16.4%	261	283

Almost 350,000 fraudulent payment transactions were made in 2023, 7.7% , more than in 2022, according to BPFI members, as authorised push payment (APP) credit transfer and card fraud volumes increased. Gross fraud losses rose by 16.4% to €98.6 million, mainly driven by a jump in APP credit transfer fraud.

Gross losses from APP electronic credit transfer fraud jumped by 82.2% year on year to €18.1 million, while fraud volumes rose by 42.5% to 4,576. These were the highest annual levels since the data series began in 2019.

Card fraud accounted for 95% of fraudulent electronic payment transactions by volume but only 36% of fraud losses. Card fraud losses rose by 5.4% year on year in 2023 to €35.2 million.

Gross losses from unauthorised electronic transfers rose by 3% to €33.8 million. Losses from paper-based payment fraud (mainly credit transfers but including cheques) jumped by 34.3% to €11.5 million driven in part by a sharp increase in the average loss from €21,617 in 2022 to €38,219 in 2023.



Unauthorised fraud

An unauthorised transaction is a payment or cash withdrawal made by another person without the account holder's authorisation or permission and results from the loss, theft or misappropriation of sensitive payment data (such as account numbers and PINs) or a payment instrument (such as a card or cheque).

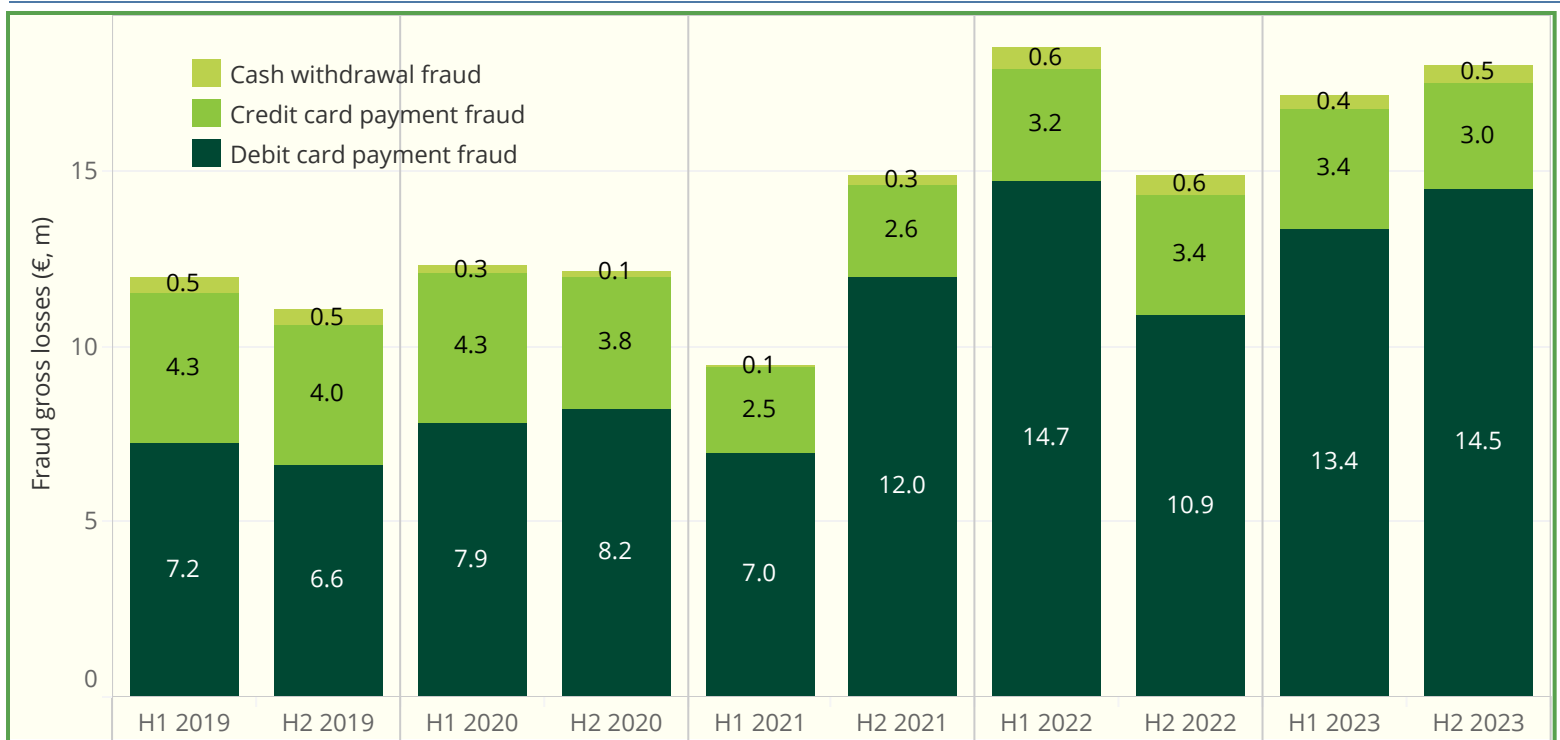
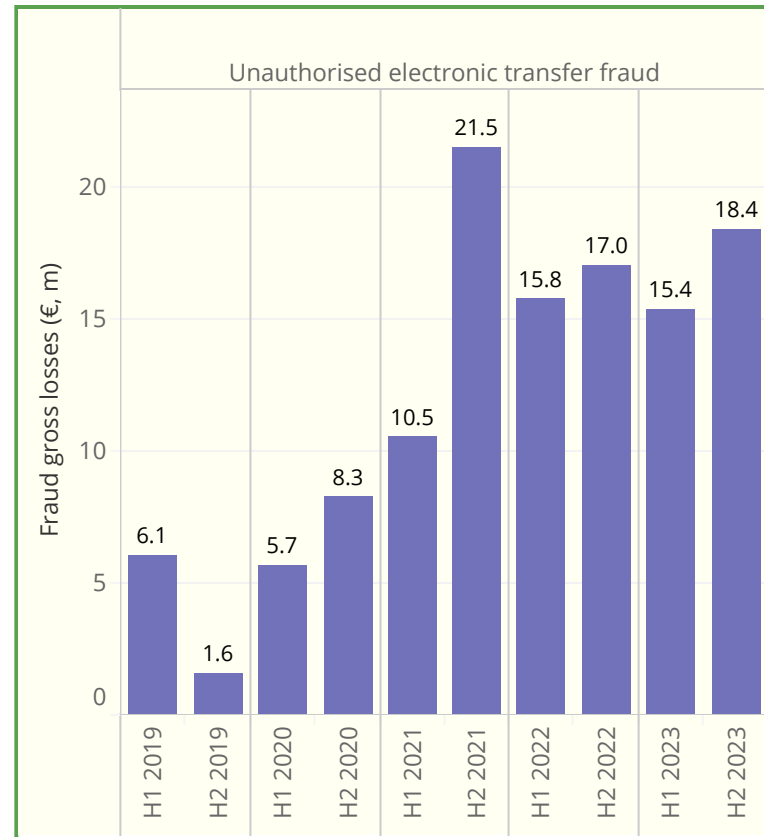
Unauthorised Payment Fraud Losses

The number of fraudulent debit card payments rose by 11.6% year on year to almost 262,000 in 2023. Debit card gross fraud losses were 8.8% higher at €27.9 million. The average fraudulent debit card transaction value fell to €106.48.

Credit card fraud losses fell by 2% year on year to €6.5 million as the average transaction value rose by €10 to €101.19 while the number of fraudulent payments fell by 3.4% to less than 67,000.

Some nine out of ten card fraud transactions were conducted with lost/stolen cards or stolen card details.

The number of unauthorised electronic transfers (primarily transfers through online or mobile banking) fell by 6.7% in 2023 to 11,376 but the value of fraud losses rose by 3% to €33.8 million as the average fraudulent payment value increased by €280 to €2,972.



Payment types

Electronic transfers include electronic credit transfers (ECTs), which are mainly digital banking transfers via online and mobile banking platforms) and direct debits. The level of direct debit fraud is negligible.

Paper-based payments include cheques, bank drafts and paper-based credit transfers.

Card fraud comprises debit card payment fraud, credit/delayed debit card fraud and card-based cash withdrawal fraud. Credit card fraud losses for 2021 have been restated upwards to reflect data previously excluded in error.

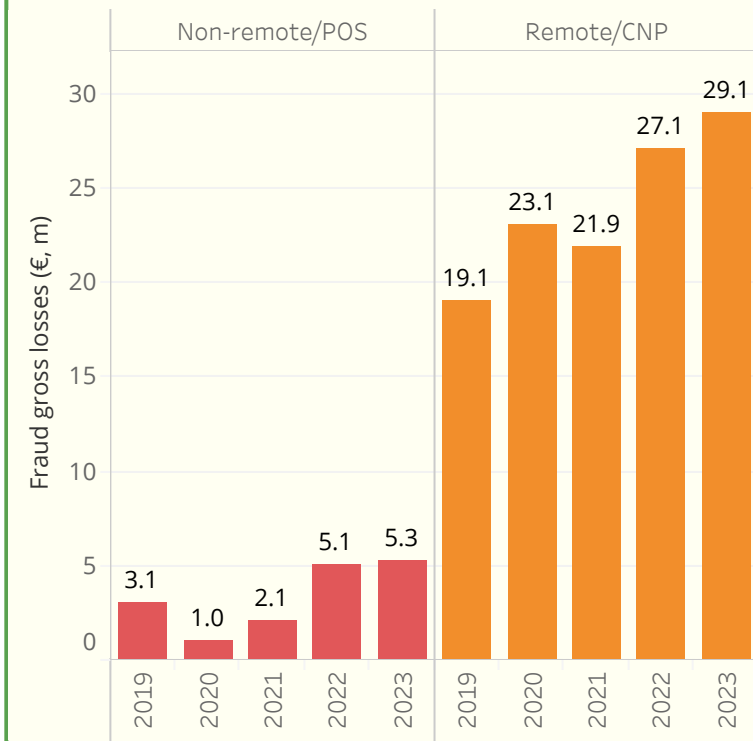
Card Fraud Trends

Card not present (CNP) fraud continued to dominate card fraud with CNP card fraud losses, accounting for about 84% of the number and 85% of the value of card fraud. CNP fraud losses increased by 7.2% year on year to €29.1 million in 2023, while CNP fraud volumes rose by 10.5% to almost 275,000 transactions.

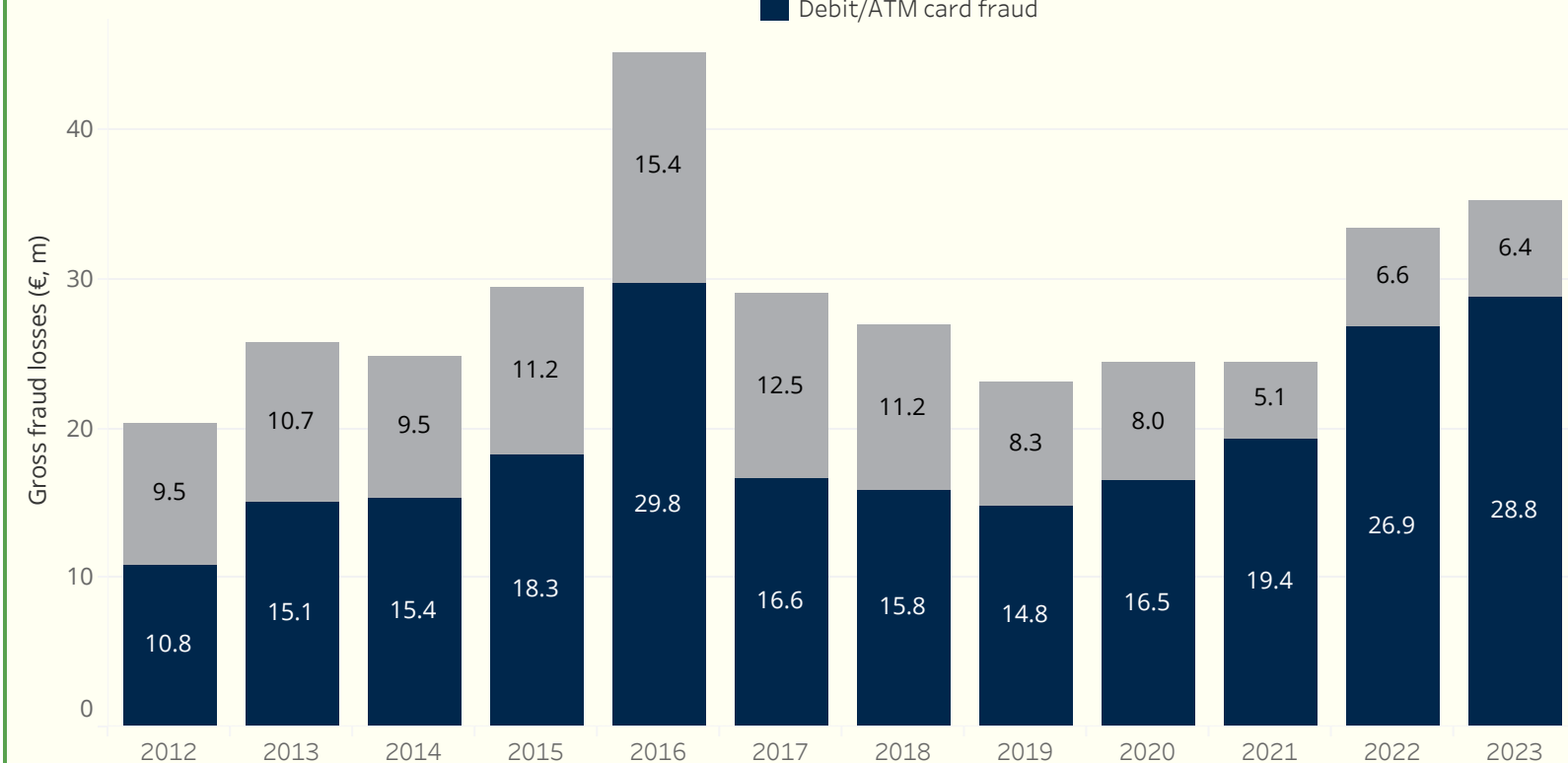
There were almost 54,000 point of sale (POS) card fraud transactions valued at €5.3 million. An estimated 91% of the volume and 77% of the value of POS fraud in 2023 involved contactless payments.

Combined debit/ATM card fraud losses rose by 7.2% year on year to €28.8 million, the second highest level recorded since the data series began in 2011, after 2016 (€29.8 million).

Payment Card Fraud by Channel



Card Fraud - Historical Trends



Card use channels

CNP (Card not present) payments include all payments made remotely such as over the Internet (including mobile Internet, via mail or over the phone).

Point of sale (POS) payments are initiated at a physical terminal and include payments using physical cards and payments via mobile devices such as mobile wallet (e.g. Apple Pay or Google Pay).

APP Fraud Trends

			YoY
APP Fraud Transactions	3,212	4,576	42.5%
APP Fraud Gross Losses (€, m)	9.9	18.1	82.2%

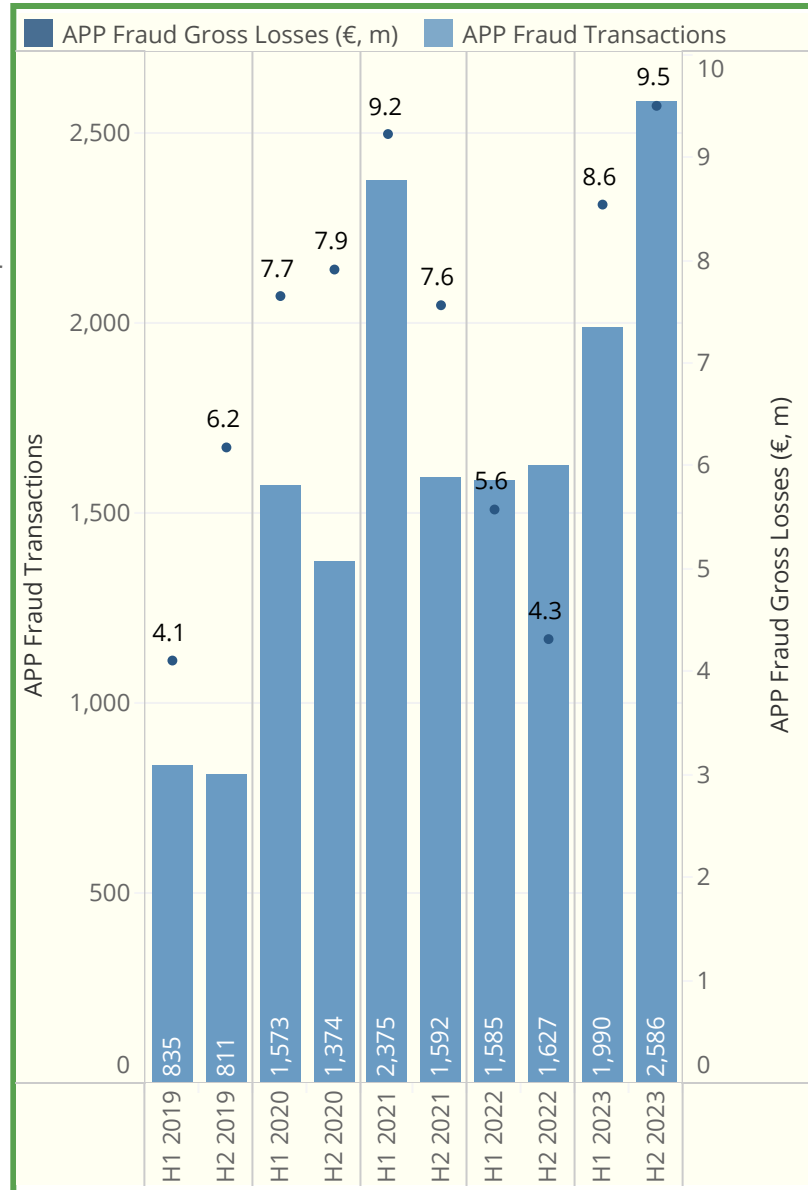
Authorised Push Payment (APP) fraud, also called manipulation of the payer, happens where a fraudster tricks a person or business to instruct their payment service provider, such as their bank, to send money from their account to an account controlled by that fraudster.

There were 4,576 APP electronic credit transfer payments in 2023, 42.5% more than in 2022. APP fraud losses jumped by 82.2% to €18.1 million, the highest value since the data became available in 2019.

The rise in APP fraud values partially reflects a sharp rise in the average fraud loss to €3,947, up from €3,086 in 2022.

The vast majority of APP credit transfer fraud transactions are believed to be initiated via online or mobile banking. Scammers may also try to convince victims to make payments using other methods such as card, cheque, bank drafts or even cash.

For example, many of the fraudulent paper-based credit transfers may be in-branch payments resulting from APP fraud, especially investment scams.



APP fraud

There are two broad types of APP fraud:

- APP disputed payments, where the customer makes a payment to the account intended but later disputes the payment as the payee has manipulated and scammed the payer. Types of APP disputed payment include advance fee scams, investment scams, purchase/online shopping scams, and romance scams;
- APP misdirection/impersonation, where the customer makes a payment intended for a legitimate recipient but where the scammer manipulates the customer to make the payment to the scammer's account. Types of APP misdirection/impersonation include impersonation scams and invoice re-direction scams.

Disclaimer/About this data

Banking & Payments Federation Ireland (BPFI) is the principal voice of the banking and financial services sector in Ireland. For queries, contact Anthony O'Brien, Head of Sector Research & Analysis, BPFI at anthony.obrien@bpfi.ie.

This report is based on statistical information supplied to BPFI by the participating member institutions (AIB, Avanti Money, Bank of Ireland, KBC Bank Ireland (up to 2021), permanent tsb and Ulster Bank). Some data breakdowns are estimated where detailed data is not available.

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