

Real-Time Payments Could Unlock \$271 Million of Additional GDP to New Zealand's Economy by 2027

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- *Exclusive Cebr economic impact study reveals macroeconomic benefits and cost savings for consumers and businesses if real-time payments were to be introduced in New Zealand*

MIAMI & AUCKLAND, New Zealand--(BUSINESS WIRE)--Dec. 1, 2022-- New Zealand's economy could benefit from additional economic growth of \$271 million, or 0.1%, by 2027 — if the country were to introduce a domestic real-time payments scheme, according to a study by the Centre for Economic and Business Research (Cebr) — commissioned by [ACI Worldwide](#) (NASDAQ: ACIW), a global leader in mission-critical, [real-time payments software](#), and [Payments NZ](#), the payments industry association responsible for the governance of New Zealand's core payment systems.

The study models three scenarios — slow, moderate and fast growth — and uses data from ACI's [Prime Time for Real-Time](#) report to calculate cost savings and additional GDP growth for Aotearoa if real-time payments were to be introduced in 2025. However, the untapped benefits of real-time payments are much higher. According to the Cebr, the theoretical impact of all payments being real-time could add \$6.5 billion, or 2.2%, to formal GDP by 2027. However, these are theoretically modeled benefits; they do not suggest that there is no place for non-instant electronic payments or paper-based payments in the future.

Aotearoa currently does not have a real-time system in place, but planning is underway. Payments NZ released a real-time payments discussion document in November designed to broaden the conversation regarding the key features, capabilities and design components of future real-time infrastructure, which is part of a broader payments modernization framework. The industry is actively seeking perspectives and feedback on the rationale for significant modernization of Aotearoa's payment systems.

"Payments NZ has recently started to lead industry-wide discussions about the real-time infrastructure and capabilities which are crucial to the future of payments in Aotearoa. This report is an important part of these discussions and provides useful insight into the potential benefit real-time can bring," said Steve Wiggins, chief executive of Payments NZ.

"We view real-time payments as an important component of the payments ecosystem of the future," added Wiggins. "There are several other projects Payments NZ is leading with the industry which will make Aotearoa's payments system truly world-class. This includes moving the country to 365-day payments in 2023 and our continued work on open banking through the Payments NZ API Centre. Together, these projects will enable faster, simpler and more secure payments for all of Aotearoa."

ACI's [Prime Time for Real-Time](#) report includes the most comprehensive economic impact study of real-time payments to date and reveals a clear correlation between real-time payments adoption and economic growth.

"Our research shows that real-time payments drive economic growth, innovation and the creation of digital and secure payment ecosystems. They help businesses grow and thrive. Real-time payments will make every Kiwi's life a little bit easier," commented Chris Hill, head of Pacific, ACI Worldwide. "With more than 60 real-time payment schemes already live around the world, the move is inevitable. The question isn't if, it's when."

"Governments that advance the modernization of their national payments infrastructure with real-time payments create a win-win situation for all stakeholders in the payments ecosystem," added Hill. "Consumers and businesses benefit from fast, frictionless and hyper-connected payment services, and financial institutions future-proof their business in a highly competitive environment by speeding up cloud-first and data-centric modernization. National governments boost economic growth, reduce the size of their shadow economy and create an impartial financial system for all."

"By enabling money to transfer between parties within seconds rather than days, real-time payments can significantly improve overall market efficiencies in the economy and play an important role in helping facilitate growth," commented Owen Good, head of economic advisory, Cebr. "Real-time payments improve liquidity in the financial system and therefore act as a catalyst for economic growth."

Key figures of the economic impact study at a glance:
(Based on a hypothetical launch date of 2025)

Predicted cost savings for consumers and businesses by 2026

- Slow growth: \$7.1 million
- Moderate growth: \$27.3 million
- Fast growth: \$55.0 million

Predicted cost savings for consumers and businesses by 2027

- Slow growth: \$9.7 million
- Moderate growth: \$41.3 million
- Fast growth: \$100.1 million

Additional GDP growth by 2026

- Slow growth: \$20.0 million (0.007%)

- Moderate growth: \$62.0 million (0.022%)
- Fast growth: \$135.7 million (0.049%)

Additional GDP growth by 2027

- Slow growth: \$25.1 million (0.009%)
- Moderate growth: \$91.2 million (0.032%)
- Fast growth: \$271.2 million (0.095%)

Hypothetical macroeconomic benefit — additional GDP growth — if all payments in NZ were real-time:

- 2026: \$6,393 million (2.2%)
- 2027: \$6,503 million (2.2%)

About ACI Worldwide

[ACI Worldwide](#) is a global leader in mission-critical, [real-time payments software](#). Our proven, secure and scalable software solutions enable leading corporations, fintechs, financial disruptors and merchants to process and manage [digital payments](#), power [omni-commerce payments](#), present and process [bill payments](#), and manage [fraud and risk](#). We combine our global footprint with a local presence to drive the [real-time digital transformation](#) of payments and commerce.

About Payments NZ

[Payments NZ](#) was formed in 2010 by the industry with the support of the Reserve Bank of New Zealand. It governs Aotearoa New Zealand's core payment systems and manages the API Centre which is leading opening banking in Aotearoa. Payments NZ is committed to a world-class payments network and empowering Aotearoa's payments future.

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