II

(Acts whose publication is not obligatory)

COMMISSION

COMMISSION DECISION

of 9 August 2001

relating to a proceeding under Article 81 of the EC Treaty and Article 53 of the EEA Agreement

(Case No COMP/29.373 — Visa International) (*)

(notified under document number C(2001) 2425)

(Only the English text is authentic)

(Text with EEA relevance)

(2001/782/EC)

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Community,

Having regard to the Agreement on the European Economic Area,

Having regard to Council Regulation No 17 of 6 February 1962, First Regulation implementing Articles 85 and 86 of the Treaty [1], as last amended by Regulation (EC) No 1216/1999 [2], and in particular Article 2 thereof,

Having regard to the application for negative clearance and the notification with a view to an exemption of 31 January 1977 submitted by Visa International pursuant to Articles 2 and 4 of Regulation No 17,

Having regard to the Commission decision of 6 May 1999 to initiate proceedings in this case,

Having published a summary of the application and notification and invited interested third parties to submit their observations in accordance with Article 19(3) of Regulation No 17 with regard to the Commission's intention to adopt a positive standpoint on the notified agreement [3],

Having consulted the Advisory Committee on Restrictive Practices and Dominant Positions,

Whereas:

I. THE FACTS

1. *INTRODUCTION*

(1) On 31 January 1977 Ibanco Ltd, since 1979 known as Visa International, notified various rules and regulations governing the Visa association and its members to the Commission, applying for negative clearance or, in the alternative, an exemption under Article 81(3) of the Treaty.

(*) See also OJ C 316, 10.11.2001.
[1] OJ 13, 21.2.1962, p. 204/62.
[2] OJ L 148, 15.6.1999, p. 5.
[3] OJ C 293, 14.10.2000, p. 18.

(2) After having initially sent a comfort letter, on 29 April 1985 the Commission reopened the investigation in the Visa case, following a complaint by the British Retail Consortium against the 'multilateral interchange fee' ([4]) in the Visa International payment scheme, and the comfort letter was withdrawn on 4 December 1992. The reopened investigation also took into account a complaint filed on 23 May 1997 by Eurocommerce, a retail, wholesale and international trade representation in the Community, concerning various aspects of, *inter alia*, the Visa International payment card scheme ([5]).

2. *THE PARTIES*

2.1. VISA INTERNATIONAL

(3) Visa International Service Association (Visa) is a privately-owned, for-profit corporation owned by about 20 000 member financial institutions from around the world. Visa's turnover amounts to USD 1 455 million worldwide, of which about USD [business secret] million in the Visa EU region (1999 figures). Visa, which is incorporated in the USA, operates the Visa card system network. To that end it manages trade marks, lays down the rules of the system and provides authorisation and clearing services via a worldwide computer and telecommunication network, called VisaNet. Visa itself does not issue Visa cards to cardholders nor does it contract merchants for Visa card acceptance, but its member financial institutions, who have received a licence to that end from Visa, do.

(4) Visa has divided the territory in which it is active into six regions worldwide. In the Visa EU region, which also covers Iceland, Liechtenstein, Norway, Turkey, Israel, Cyprus, Malta and Switzerland, in addition to the Community, there are over 5 000 Visa members. Decision-making is delegated to the Visa EU regional board of directors (EU regional board), which is elected every two years from Visa member financial institutions in the EU region. The EU regional board is responsible for intra-regional affairs, such as for example the adoption of regional regulations like the Visa EU regional operating regulations and the admission and expulsion of members established in its region. In countries with so-called Visa national group members (see recital 7), the EU regional board has delegated the power to develop and administer Visa card programmes to these members.

2.2. THE VISA MEMBERS

(5) There are various classes of membership in the Visa corporation but broadly speaking all classes of membership are open to any institution organised under the commercial banking laws of its own country and authorised to accept demand deposits. However, Visa does not accept for membership any applicant that is deemed by the board of directors to be a competitor of the corporation ([6]).

(6) In some Member States there is a Visa group member. This is a Principal Visa member authorised to exercise its membership rights and operate Visa card programmes through its owners or members. Members of Visa group members are associated members. The Visa group member is responsible for acts and omissions of its owners or members ([7]). With one exception ([8]), none of the group members issues Visa cards itself. Most group members do not acquire ([9]) either ([10]). Instead (some of) their members do.

([4]) The Visa multilateral interchange fee is a fee per payment transaction that has to be paid according to the Visa rules between the two banks involved in a Visa card payment. Currently, it is paid by the merchant's bank to the cardholder's bank.
([5]) The core of the Eurocommerce complaint is the interchange fee in, *inter alia*, the Visa International payment card rules. This provision is still under examination and is not the subject of the present decision.
([6]) The Visa membership provisions are still under examination in the context of a complaint by Morgan Stanley Dean Witter (case Comp/37.860) and not the subject of the present decision.
([7]) The following Member States have a Visa group member: Austria (Visa Austria), Belgium (Visa Belgium), Denmark (PBS), Finland (Luottokunta/Kreditlag), France (Groupement Carte Bleue), Luxembourg (VisaLux), Spain (Sistema 4B and Visa España) and Sweden (Visa Sweden Association).
([8]) Luottokunta in Finland.
([9]) 'Card acquiring' involves contracting retail merchants for payment processing and other services related to Visa card acceptance.
([10]) The exceptions being Luottokunta, PBS and VisaLux.

(7) Visa has delegated to certain Visa group members the power to develop and administer Visa card programmes. These are referred to by Visa as national group members, and consist of practically all Visa group members ([11]). These National group members act as a national Visa, authorised to adopt rules applicable to the operation of Visa programmes in their country, provided these local arrangements do not infringe the Visa by-laws and operating regulations.

(8) The national group member decides on applications for licences to issue and acquire Visa cards in its territory. Visa retains the right to accept an eligible institution as a direct member of Visa if a national group member for some reason is unwilling to license that institution to carry out Visa card activities. National group members also have to give their consent to the establishment of foreign branches in their territory. The EU regional board can accept new members in all countries directly if membership has been 'unreasonably withheld' by a national group member or if the national group member consents to Visa granting direct membership.

3. *THE AGREEMENTS*

3.1. GENERAL

(9) The notification by Visa concerns rules and regulations governing the Visa association and its members, that is, the certificate of incorporation, international by-laws and regional board delegations, as well as the international provisions relating to Visa's payment cards, that is, general international operating regulations, European Union regional operating regulations, dispute resolution rules and card and marks specifications. All notified Visa rules and regulations will hereinafter be referred to as 'the Visa Rules'.

(10) The Visa rules govern primarily the relationship between Visa and its members, meaning banks issuing Visa cards and banks acquiring merchants for Visa card acceptance. In addition, the Visa rules also contain clauses relevant for relations between Visa members (the inter-bank relationship). Moreover, the Visa rules contain clauses with regard to the relationship between acquiring banks and merchants (such as the 'no-discrimination rule' and the 'honour all cards rule'). Visa says it does not seek to prescribe the arrangements between issuers of Visa cards and cardholders, beyond laying down the basic characteristics of the Visa card products.

3.2. SPECIFIC PROVISIONS

3.2.1. ***The no-discrimination rule***

(11) The no-discrimination rule in the Visa rules prohibits merchants from adding charges to cardholders who pay with their Visa card ([12]). In addition, the no-discrimination rule prohibits merchants from giving consumers discounts for paying with other means of payment, such as for example cash. The rule does not apply in countries where it has been abolished by national competition authorities, that is, in the United Kingdom (for credit cards), Sweden and the Netherlands ([13]).

(12) There is a similar rule for cash withdrawals: an acquirer is prohibited from adding any surcharge to a manual or ATM cash disbursement transaction, unless local law expressly requires that a member be permitted to impose a surcharge ([14]).

([11]) Except VisaLux in Luxembourg and Sistema 4B in Spain.
([12]) [business secret].
([13]) [business secret].
([14]) [business secret].

3.2.2. ***The principle of territorial licensing***

(13) Visa card issuing and merchant acquiring can only be carried out by members of the Visa payment card system, having obtained a licence to that end. Visa applies a territorial licensing policy. This means that, in principle, the Visa member's jurisdiction to carry out Visa card issuing and acquiring activities is limited to the country where it has its principal place of business ([15]). However, under some conditions members may carry out cross-border issuing and cross-border acquiring activities. The possibilities for such cross-border activities have been gradually increased by Visa (see recital 14).

3.2.3. ***The modified rules on cross-border issuing***

(14) The Visa rules oblige banks wishing to carry out issuing activities outside their country of domicile in principle to do so either through subsidiaries, which could join Visa in their own right, or through the establishment of foreign branches in the territory concerned ([16]). There are two specific exceptions to this general rule, that is, in two situations the establishment of a subsidiary or branch is not required: first Visa cards may be issued passively, without solicitation, to cardholders, provided that the card account is with the issuing bank in its country of domicile ([17]). Secondly, Visa corporate cards may be issued to employees around the world of multinational companies ([18]).

(15) In its EU regional board meeting of 26 May 2000 Visa approved amendments to its cross-border issuing rules, involving the abolition of the requirement that a Visa member should have either a branch or subsidiary in a Member State in which it wishes to issue Visa cards. In order to ensure the continued security and quality of the Visa system, Visa has adopted some minimum rules, for example, cross-border issuing is now open for members which are already proven issuers, in their principal place of business or in any country, which submit a business plan and comply with certain registered domestic rules. The modified rules on cross-border issuing entered into force on 30 April 2001.

3.2.4. ***The modified rules on cross-border acquiring***

(16) The Visa rules allow Visa banks to contract international airlines and some other specific categories of merchant for card acquiring services ([19]). Moreover, since 1994 the 'Visa EU/EFTA cross-border acquiring programme' allows banks to acquire merchants cross-border without the establishment of a subsidiary or branch in the territory, under similar conditions to those referred to in section 3.2.3 in the context of cross-border issuing. In particular, [business secret]. Moreover, cross-border transactions may be subject to certain registered domestic rules in six specific areas, [business secret]. Applicants for cross-border acquiring can obtain copies of registered domestic rules from Visa International. Initially Visa limited the programme to certain categories of international merchants only, namely car rental companies, hotels, ferries and cruise lines. Since 1 January 1999 cross-border acquiring has been made possible by Visa for all categories of international merchants ([20]).

(17) In its EU regional board meeting of 26 May 2000 Visa agreed to withdraw the requirement that in order to be acquired cross-border, a merchant must have an outlet in more than one country. The appropriate amendments to this effect in the Visa EU regional operating regulations were approved in the Visa EU executive committee meeting of 7 July 2000. The modified rules on cross-border acquiring entered into force on 1 October 2000.

([15]) [business secret].
([16]) [business secret].
([17]) [business secret].
([18]) [business secret].
([19]) [business secret].
([20]) [business secret].

3.2.5. ***The no acquiring without issuing rule***

(18) Although according to the Visa rules, principal members are formally obliged to issue cards and to acquire merchants, in practice Visa does not oblige its members to acquire. However, if they want to acquire merchants for card acceptance, before starting acquiring activities in a particular country the member has to issue a reasonable number of cards ([21]). The target is set on a case-by-case basis, taking into account the number of cards issued at that time in the country in question by existing Visa members and the potential for Visa cards within that market. In addition, the size and potential of the applicant are considered. According to Visa, in order to determine whether a reasonable number of cards has been issued before cross-border acquiring activities are allowed, cards issued in any country of the Visa EU region are taken into account.

3.2.6. ***The honour all cards rule***

(19) A merchant must accept all valid cards with either the Visa or the Visa Electron symbol which are properly presented for payment ([22]). According to Visa, merchants whose agreement requires them to accept Visa cards are not required to accept Electron cards, and merchants having an agreement to accept Electron cards are not required to accept Visa cards. The honour all cards rule applies irrespective of the nature of the transaction, the identity of the issuer, the type of card being used or the personal characteristics of the cardholder.

4. *THE FUNCTIONING OF THE VISA PAYMENT CARD SCHEME*

(20) The Visa notification concerns various rules and regulations with regard to the operation of the Visa International payment card system. Broadly speaking, Visa cards can be used either to pay a merchant for goods or services or to obtain cash, either from a bank counter or from an automated teller machine (ATM). In the first case four parties are normally involved: the Visa cardholder, the issuing bank (which issues the card to the cardholder), the merchant and the acquiring bank (which acquires merchants for Visa card acceptance). In the latter case, only three parties, the Visa cardholder, the issuing bank and the ATM operator, are involved.

(21) Before being able to use a card for payment or cash withdrawal transactions, a consumer needs to contract with an issuing bank to receive a card. This is done usually in exchange for an annual fee paid by the cardholder to the issuing bank. Moreover, with regard to a payment transaction a merchant has to conclude a contract with an acquiring bank for card acceptance. This contract sets the merchant fee and other conditions.

(22) In a payment transaction a distinction can therefore be made between two services, that is, on the one hand issuing cards to customers and on the other hand acquiring merchants for cards acceptance. In a four-party transaction the two services are often provided by different entities.

5. *THE PROCEEDINGS*

(23) Following the reopening of the Visa case in 1992, the Commission sent between 1992 and 2000 several requests for information pursuant to Article 11 of Regulation No 17, in particular to Visa and various of its members and to the complainant Eurocommerce. On 6 May 1999 a statement of objections was sent to Visa with regard to the no-discrimination rule and the then still existing restrictions on cross-border issuing and acquiring. Visa submitted its written observations to the statement of objections on 17 January 2000 and an oral hearing pursuant to Article 19(1) of Regulation No 17 took place on 15 March 2000. Following the results of market surveys on the

([21]) [business secret].
([22]) [business secret].

impact of the abolition of the no-discrimination rule following the national competition authorities in some countries (see recital 53) and following modification by Visa of its rules on cross-border services, the Commission published on 14 October 2000 a notice pursuant to Article 19(3) of Regulation No 17 ('the Article 19(3) notice') ([23]), inviting interested third parties to provide their observations on the Commission's intention to take a favourable position towards the no-discrimination rule and the modified cross-border services rules as well as the other specific provisions in the Visa rules referred to in recitals 18 and 19.

6. *OBSERVATIONS BY THIRD PARTIES*

(24) The Commission received several observations from third parties in response to the Article 19(3) notice. The vast majority of the reactions were from individual retailers and organisations of retailers. One reaction was received from another payment card scheme and two from national competition authorities in the EEA.

(25) The reactions of the retailers relate mainly to the announced intention of the Commission to take a favourable opinion on the no-discrimination rule in the Visa International payment card scheme. The retailers complain about the merchant fees which they have to pay for the use of Visa cards and several of them hold the view that the costs should be borne by the cardholders. Some of them make a link between the no-discrimination rule and multilateral interchange fees — although these were not the subject of the Article 19(3) notice — and conclude that the no-discrimination rule cannot be cleared as long as there is a multilateral interchange fee.

(26) In its observations on the Article 19(3) notice Eurocommerce objects not only to the intended clearance of the no-discrimination rule, but also to the intended clearance of the honour all cards rules in the Visa International scheme and the intended clearance of Visa rules on cross-border acquiring. Although Eurocommerce does not explain its position in its reaction to the Article 19(3) notice in so far as the honour all cards rule is concerned, it has stated in proceedings concerning its complaint against Visa that it considers that the honour all cards rule in the Visa International scheme obliges merchants to accept different types of card with the Visa brand (for example, credit, deferred debit or direct debit cards, classic or corporate cards), including new types of card that may be introduced by Visa in the future. Eurocommerce opposes this since merchant fees are said to be different according to the type of card being used, and Eurocommerce therefore regards the different types of card as different products, which merchants should, in its view, have the choice to accept or not. Eurocommerce fears that the honour all cards rule will be used to oblige merchants to accept (present or future) types of Visa-branded cards with relatively high merchant fees.

(27) Eurocommerce objects to the Visa rules on cross-border acquiring in so far as these lay down that cross-border acquirers may be subject to (registered) domestic rules of Visa members relating to (domestic) interchange rates. According to Eurocommerce, which objects to all interchange fees, not only in the Visa International scheme but also more in general, this creates an impediment to cross-border acquiring which is ultimately to the detriment of the merchant.

(28) However, in its letter of 2 February 2001, Eurocommerce informed the Commission that it had decided to withdraw its complaint with regard to the no-discrimination rule and the honour all cards rule in the Visa International payment card rules, 'on the assumption that the Commission will prohibit the multilateral interchange fees...'. Eurocommerce considers the essence of its complaint to be the multilateral interchange fees. According to Eurocommerce, if multilateral interchange fees were prohibited, a further prohibition of the no-discrimination rule and/or the honour all cards rule would not add significantly to the objective of restoring competition in payment card markets.

([23]) OJ C 293, 14.10.2000, p. 18.

(29) The two national competition authorities which reacted to the Article 19(3) notice hold the view that the no-discrimination rule is restrictive of competition. Both competition authorities prohibited that rule in, among others, the Visa scheme in their respective countries, respectively in 1994 and in 1998. One of the competition authorities in question stated that the no-discrimination rule, in its view, restricts competition between merchants, limits merchants' freedom to determine prices according to cost, restricts competition between different payment systems and restricts competition between card companies. The other competition authority pointed out that the fact that most merchants do not presently make use of the possibility to charge consumers in the absence of the no-discrimination rule is not decisive but that the importance of the rule for competition conditions on the payment card market should be considered.

(30) The domestic payment card scheme which submitted its observations to the Article 19(3) notice agrees with the Commission's intention to clear the no-discrimination rule. Concerning the Visa rules on cross-border issuing (see recital 16), it also remarked that in its view its members should be able to apply all domestic rules, whether registered with Visa International or not.

(31) For the assessment of the no-discrimination rule, the honour all cards rule and the Visa cross-border acquiring rules under the Community competition rules, reference is made to recital 53.

II. **LEGAL ASSESSMENT**

7. ARTICLE 81(1) OF THE TREATY/ARTICLE 53 OF THE EEA AGREEMENT

7.1. THE RELEVANT MARKET

7.1.1. ***According to Visa***

(32) Visa argues that the relevant product market comprises all consumer payment instruments, that is, apart from (all types of) payment cards ([24]) also cheques ([25]) and cash. To that end Visa refers in particular to the opinion of several of its members. Moreover, Visa mentions two previous Commission decisions relating to cheques, in which the Commission allegedly recognised substitutability between cheques and other means of payment ([26]). In addition, Visa refers to some judgments of US Courts, stating, in the context of complaints against respectively the multilateral interchange fee and the no-discrimination rule in the Visa International scheme, that the relevant market in which Visa operates and competes is that for all consumer payment systems ([27]).

(33) As far as the relevant geographical market is concerned, Visa submits that in the light of global e-commerce on the Internet and the introduction of the euro, the market is moving towards a Community-wide or even worldwide market. This view is according to Visa shared by several of its members.

7.1.2. ***The Commission's view***

7.1.2.1. **The relevant product market**

(34) Two types of competition relevant to payment cards can be distinguished. The first is between different payment systems/networks (different payment card schemes/networks and possibly means of payment other than cards), while the second is between financial institutions (usually banks) for card-related activities (essentially issuing of cards to individuals and 'acquiring' of card payments

([24]) For example, credit cards, deferred debit cards (also known as charge cards), direct debit cards, electronic purses, proprietary cards (also known as store cards or own label cards), whether national or international cards.
([25]) For example, eurocheques, traveller's cheques, national cheques.
([26]) Decision of 30 June 1993 in Case IV/M.350 WestLB/Thomas Cook which states in paragraph 9 that '...it would seem that traveller's cheques to a certain degree are in competition with other methods of payment, such as, e.g. credit cards and eurocheques.' Commission Decision 85/77/EEC in Case IV/30.717 — Uniform eurocheques (OJ L 35, 7.2.1985, p. 43) which states in recital 41 that a person travelling to a foreign country generally has a choice between several means of payment, such as cash, traveller's cheques, postal payment orders, credit cards, ATM cards and eurocheques.
([27]) *Nabanco Bancard Corporation* v *Visa USA* (596 F. Supp.1231 (S.D. Fla. 1980)) affid 770 F 2d 592 (11th Cir. 1986) and *South Trust Corporation* v *Plus System* (71.219 (N.D. Ala. 1995)).

from merchants). The former of these two types of competition is conventionally termed 'system/network market' or 'upstream market', while the latter is conventionally termed 'intra-system or downstream market'. On the intra-system markets, within each payment system (Visa, for example), financial institutions compete with each other to issue cards bearing that brand or to acquire merchants accepting that card.

(35) All these types of competition are affected by the Visa rules. Firstly, they affect the competitive position of Visa with regard to other payment systems. Secondly they affect competition between banks within the Visa system in so far as they lay down certain standard terms and conditions for issuing or acquiring contracts, thus preventing banks from differentiating themselves from other banks by offering different terms and conditions. However, the system market is the most important, as it is the market on which Visa International itself is active, and from which it derives its revenues.

(36) For a payment card to be widely used, it must be accepted by large numbers of merchants, and then cardholders must choose to use that card among the different cards they hold and which are accepted by the merchants in question. Demand from both merchants and cardholders must therefore be analysed in order to determine the correct definition of the system market ([28]). This demand is interrelated: even if a card is free to cardholders, it will not be used unless accepted by merchants, and vice versa.

(37) In light of the above, the Commission is not convinced by Visa's view that the relevant market comprises all consumer means of payment. This can be explained as follows.

(38) First of all, according to the Commission, cash can be excluded from the relevant market, for several reasons. For merchants, cash is legal tender, and they are obliged to accept it wherever possible. The costs of accepting cash are largely administrative costs, and hard to compare with the cost of accepting cards. From the customer's point of view, cash is inconvenient and dangerous to carry in large amounts, and unsuitable for expensive purchases. It frequently runs out and must be renewed (normally by means of a cash withdrawal card). In all Member States, the average amount of a cash purchase is far lower than the average amount of a card purchase, and although for some medium-value payments either cash or cards are used, there is a clearly discernible distinction in the use of cash and cards by the amount of the operation. It is therefore unlikely that a small but significant price increase of either cards or cash (for either merchants or their customers) would lead to a significant shift in usage from one to the other.

(39) Secondly, according to the Commission, cheques can be excluded from the relevant market. In most Member States, cheques are hardly ever used for over-the-counter purchases (being reserved for distance payments) ([29]). In those Member States where cheques are often used for face-to-face purchases (mainly France, the United Kingdom and Ireland), the regulatory framework sometimes differs (for example, in France, banks are currently prohibited by law from charging for issuing cheques), and in any case, cheques have significantly different characteristics compared with cards (a chequebook frequently runs out, a cheque is often only accepted in conjunction with either a cheque guarantee card or an identity card, and a cheque must be filled in, thus losing time) ([30]).

([28]) In a four-party payment card system such as Visa, both merchants (in their capacity as clients of the acquiring services) and cardholders (in their capacity as clients of the issuing services) are to be considered as consumers, and in order to determine which products are sufficiently substitutable to Visa cards, both the position of merchants and cardholders will have to be taken into account.

([29]) It is to be noted in this regard that the Commission decisions referred to by Visa, apart from the fact that they are rather old and do not take into account the latest developments in the payment sector, relate to substitutability of other means of payment to cheques and not the other way around. Moreover, the Commission in both decisions left the exact definition of the relevant market open.

([30]) At the moment eurocheques written in euro are guaranteed up to a maximum of EUR 170. As from 1 January 2002 the guarantee functionality of the eurocheque product will be abolished.

(40) Moreover, obviously all types of distance payments (giro transfers and so on) can be excluded from the relevant market since they cannot be used to pay for items across the counter in shops.

(41) It remains to be seen whether all types of card must be included on the relevant market. Possible criteria for effecting a distinction between different cards are whether the card can be used internationally or only within the State where it is issued, and the payment facility offered by the card (immediate debit, deferred debit or credit). In practice, credit cards are normally (but not exclusively) international, and debit cards are normally (but not exclusively) domestic. In many Member States many individuals hold both the domestic debit card and an international credit card. But international credit cards can also of course be used for domestic payments (a great majority of payments with international cards are domestic payments), and for very many credit cards, the credit facility is never used. Visa cards are always internationally usable cards, but their payment facility varies, they can be credit or deferred debit cards, and sometimes even immediate debit cards (some Visa/CB cards issued in France, and some Visa/Delta cards issued in the United Kingdom, for example).

(42) In the current Decision, the provisions in the Visa rules in question are found to be not restrictive of competition, or not to have an appreciable effect, even on the narrowest possible market definition (that is, that of international cards only). Therefore it is not necessary to determine whether the relevant market should include other types of payment card than international cards.

(43) It should also be briefly mentioned that the no-discrimination rule could potentially have an effect on the markets on which merchants are active (that is the markets for the different goods and services which they sell), since it limits the freedom of merchants to determine a marginal aspect of their pricing on these markets. But, again since the effect of the no-discrimination rule is found not to be appreciable (see recital 53), there is no need to define each of these very numerous markets in any further detail.

7.1.2.2. **Relevant geographical market**

(44) The relevant geographical market comprises the area in which the undertakings concerned are involved in the supply of products or services, in which the conditions of competition are sufficiently homogeneous and which can be distinguished from neighbouring areas because, in particular, conditions of competition are appreciably different in those areas.

(45) As far as the geographical market is concerned, the Commission believes that the relevant market to be taken into account for assessing competitive issues relating to payment card schemes is still national. The markets for issuing and acquiring payment cards are basically national markets ([31]). This is still the case for domestic payment cards. Also for international payment cards the conditions for issuing and acquiring are not yet sufficiently homogeneous between the different Member States. For example, there are still important differences in merchant fees between different countries ([32]). Moreover, the level of competition varies between Member States. For example, in some Member States merchant acquiring is in the hands of one or only some acquirer(s) while in other Member States the acquiring market is more competitive.

([31]) See for example Commission Decision 96/454/EC — Banque Nationale de Paris/Dresdner Bank in Case IV/34.607 (OJ L 188, 27.7.1996, p. 37), in which the Commission divided banking and other financial services into three major categories: retail banking services, wholsesale banking services for undertakings and legal entities and activities related to financial markets. As regard the relevant geographical markets, the Commission concluded that retail banking activities (under which payment cards fall) are national.

([32]) Payment cards in Europe 1997, Retail Banking Research Ltd, International Overview p. 33, figure 29.

(46) However, although the relevant market is still basically national, international merchants in particular (that is merchants with premises in several Member States) and international banks are increasingly showing their interest in cross-border activities, in particular central acquiring, that is concluding a contract with one Community bank who offers the best conditions, for card acceptance at retail outlets throughout the Community. So far in particular international car rental companies and hotels have actually concluded central acquiring contracts with internationally operating banks for Visa cards. Moreover, at the Commission's request Visa has gradually removed remaining obstacles to cross-border services (see recital 58). Therefore, the market is at least potentially a Community-wide market. However, the exact market definition for the purposes of this case can remain open, having regard to the fact that the purpose of the present Decision is to establish the absence of an infringement of Article 81(1) of the Treaty and/or Article 53 of the EEA Agreement and that such absence would be established even using the narrowest market definition.

7.2. THE STRUCTURE OF THE PAYMENT CARD MARKET

7.2.1. ***Inter-system competition***

(47) Apart from Visa, the following major international payment organisations are currently active on the European market: Europay International and MasterCard International (through Europay), Japan Credit Bureau (JCB) and the international three-party systems American Express and Diners Club International. Of these international payment organisations Europay (in close cooperation with MasterCard) is by far the most important competitor of Visa in Europe. The position of Visa is in general stronger than that of Europay, but there are important differences between the Member States ([33]). Visa is in particular strong in the United Kingdom, Spain, France and Italy. Europay on the other hand is stronger in, *inter alia*, Germany, the Netherlands and Austria ([34]).

(48) Apart from international payment card operators various national payment card operators are also active in the different Member States. National debit cards are often the most used non-cash means of payment in certain Member States.

7.2.2. ***Intra-system competition***

7.2.2.1. **Issuing Visa cards**

(49) In most Member States Visa cards are issued by several banks, either directly as a principal or associate Visa member or as a member of a group member. The number of issuers varies per Member State. Only in Finland is there just one Visa issuer, that is, the national group member Luottokunta.

7.2.2.2. **Acquiring merchants for Visa card acceptance**

(50) Visa acquiring activities are generally more concentrated, but the number of actual acquirers varies from country to country. For example, in France there are many Visa acquirers, while there is de facto only one single principal visa acquirer in Denmark (PBS, the sole acquirer for both Visa and for Europay transactions) and Finland (Luottokunta, the sole acquirer for both Visa and Europay transactions). In the other Member States with a Visa group member (that is, Austria, Belgium, Spain, France and Sweden), not the group members themselves but several of their members acquire merchants for Visa transactions. Nevertheless, in practice the acquiring business is often dominated by one single acquirer. For example, in the Netherlands VSB International is by far the most important acquirer, in Portugal Unicre is. Moreover, in Belgium around 90 % of all Visa transactions are acquired by Bank Card Company.

([33]) Moreover, it has to be kept in mind that cards are not available on a large scale in all Member States.
([34]) Retail Banking Research Ltd, Payment cards in Europe, 1997.

7.3. MARKET POSITION OF VISA

(51) On the national markets for cards (international cards like Visa and Eurocard/Mastercard, store cards and main national debit schemes) Visa holds, in terms of number of cards in circulation a market share varying between 4 % and 69 %. In terms of volume and value of Visa card transactions Visa's market share varies respectively from 2 % to 95 % and 2 % to 93 % ([35]). However, the market power of Visa should not only be measured in terms of market shares. In fact, Visa has developed and operates a whole range of payment cards, including international credit and deferred debit cards (Visa), international debit cards (Electron), ATM cards (Visa Plus) and an electronic purse (Visa Cash). These cards are issued and merchants are acquired throughout the world through a network of banks. In fact, like Europay, Visa has important network economies: almost all banks issue Visa cards and Visa cards are accepted in an important number of merchant outlets throughout the Community. Moreover, a significant number of merchant categories, such as airlines, Internet retailers, mail order companies and restaurants, are dependent on international card networks such as Visa with numerous users.

(52) Although there are no significant technical or legal/regulatory barriers for card systems to enter the Community payment card market and banks are free to join competing systems such as American Express and JCB, the Visa and Europay systems enjoy networking economies and represent sunk investments on the part of the banks so that it is unlikely that a major new system could be established. A very high proportion of banks in the Community is a member of one or both of those systems, either directly or through a group. In such circumstances it would be commercially difficult for any new product outside of those existing systems to establish itself in the market. However, the presence of other credit and charge card companies such as American Express, Diners Club and JCB shows that market entry is not impossible.

7.4. DECISIONS OF AN ASSOCIATION OF UNDERTAKINGS/AGREEMENTS BETWEEN UNDERTAKINGS

(53) Visa and each of its members, whether credit institutions or entities owned by credit institutions, engage in an economic activity and are hence undertakings within the meaning of Article 81(1) of the Treaty and Article 53 of the EEA Agreement. In addition, both Visa (a non-stock corporation which is controlled by its member banks in particular by their representation in the international and regional boards of directors) and its national group members are associations of undertakings within the meaning of Article 81(1) of the Treaty and Article 53 of the EEA Agreement. Hence, the rules governing the Visa payment card systems can be regarded either as decisions of an association of undertakings or as agreements between undertakings. The decisions/agreements in question are the by-laws and the (international and EU) operating rules, the association/undertaking is Visa; and the constituent members of the association/undertakings are the licensees under the Visa payment systems.

7.5. RESTRICTION OF COMPETITION

7.5.1.1. ***The no-discrimination rule***

(54) The no-discrimination rule in the Visa rules restricts the freedom of merchants to act, in so far as it prevents them from (sur)charging for Visa card use. This may have a restrictive effect on competition. However, any such possible effect is not appreciable in the light of the results of the market surveys ([36]) which were carried out at the Commission's request in countries where the no-discrimination rule has been abolished (that is, Sweden and the Netherlands). This can be explained as follows.

([35]) See tables 1 to 3.
([36]) ITM research on the effects of the abolition of the NDR in the Netherlands (March 2000) and IMA research on the effects of the abolition of the NDR in Sweden (February 2000).

(55) First, although the abolition of the no-discrimination rule restores merchants' freedom to set their own prices as they see fit, only relatively few merchants (about 5 % in Sweden and 10 % in the Netherlands) use this freedom by actually charging cardholders. The vast majority of merchants do not use the possibility of surcharging in the absence of the no-discrimination rule. The main reason for this is, according to the interviewed merchants, a foreseen negative cardholder reaction, leading to loss of customers. This fact indicates a limited effect of the no-discrimination rule on competition on the inter-system market between card systems, since (sur)charging is a factor which could influence the decision of a consumer which card to use, but even after the abolition of the no-discrimination rule this factor did not enter into play much.

(56) Secondly, not only do most merchants not surcharge, they also say that the abolition of the no-discrimination rule has had no effect on their merchant fees. Some merchants even say their merchant fees have increased since the abolition of the rule. Therefore, the abolition of the rule had only a very marginal impact on the intra-system acquiring market (it does not seem to increase competition between acquiring banks so as to drive prices down).

(57) Thirdly, as far as the impact of the abolition of the no-discrimination rule on competition between merchants is concerned (on the markets for the different goods and services which merchants sell), one has to note first that the ability to pay by card is an ancillary service to the merchants' core commercial activity and that this service is never 'sold' in isolation. The pricing of this ancillary service represents only a marginal component of the merchants' offer and the market studies do not show that the abolition of the no-discrimination rule substantially affected price competition between merchants on those markets, because little card (sur)charging has taken place, nor has it increased price transparency for consumers because, in practice, only few merchants surcharge. Even if they do surcharge, as such this does not inform consumers conclusively about the costs of the card, since merchants may actually charge more than the merchant fee, for example in the taxi and travel agencies sector in particular.

(58) Therefore, in light of the empirical evidence obtained by the market surveys the no-discrimination rule does not have an appreciable effect on competition and can therefore not be said to be restrictive of competition within the meaning of Article 81(1) of the Treaty and/or Article 53 of the EEA Agreement.

7.5.1.2. ***The modified rules on cross-border issuing***

(59) In their initial form the Visa rules on cross-border issuing raised several barriers for banks wanting to issue Visa cards throughout the Community. First, the Visa rules did not — apart from the two very specific exceptions — allow cross-border issuing in the real sense, since a branch or subsidiary had to be established in the territory concerned. Such a requirement would be contrary to the mutual recognition principle in Directive 2000/12/EC of the European Parliament and of the Council of 20 March 2000 relating to the taking up and pursuit of the business of credit institutions ([37]) if imposed by a public authority. Secondly, in those countries where Visa national group members exist (which is presently the case in the majority of the Member States) these have to give their prior consent to the establishment of the foreign branch and they may impose further conditions on the applicants.

(60) The Commission considers that the modified Visa rules on cross-border issuing, which no longer require the establishment of a subsidiary or branch and consequently the prior approval of a group member, are not restrictive within the meaning of Article 81(1) of the Treaty and Article 53 of the EEA Agreement.

([37]) OJ L 126, 26.5.2000, p. 1. This Directive repealed, *inter alia*, Second Council Directive 89/646/EEC of 15 December 1989 on the coordination of laws, regulations and administrative provisions relating to the taking up and pursuit of the business of credit institutions and amending Directive 77/780/EEC (OJ L 386, 30.12.1989, p. 1).

7.5.1.3. ***The modified rules on cross-border acquiring***

(61) Like for cross-border issuing, the possibilities of cross-border acquiring were also initially very limited under the Visa rules. Except for very specific categories of international merchants, the prior establishment of a branch or subsidiary in the territory concerned was required and group members had to give their consent to the establishment of a foreign branch. However, Visa International extended its cross-border acquiring programme from 1 January 1999 to all categories of international merchants and, from 1 October 2000, also to national merchants.

(62) The fact that, under the Visa rules, cross-border acquirers may have to respect certain domestic rules which are applicable in the country concerned, provided that these have been registered with Visa International, can as such not be considered as an impediment to cross-border acquiring by Visa International, because otherwise, the Visa international rules would apply by default, and it is not apparent why cross-border acquiring would be more difficult under national rules than under the international rules of Visa International. This is without prejudice to the compatibility of these domestic rules with the Community competition rules.

7.5.1.4. ***The principle of territorial licensing***

(63) The principle of territorial licensing in the Visa rules restricts the commercial freedom of action of the banks participating in the Visa card payment systems: banks are in principle not allowed to issue cards and to acquire merchants' transactions outside the area in which they have established a branch or subsidiary and for which they hold a licence, which usually covers a single Member State ([38]). Moreover, the Visa rules on cross-border services have a restrictive effect on the freedom to act of potential cardholders and merchants, who are restricted in shopping around for the supplier of payment card services of their choice.

(64) Although restricting the commercial freedom of the parties involved, the Commission does not consider the principle of territorial licensing as such as an appreciable restriction of competition within the meaning of Article 81(1) of the Treaty and Article 53 of the EEA Agreement since each Visa member may obtain an amendment to the original trademark licence or an 'additional licence', depending on local trademark law, for any other territory where it is authorised to carry on banking activities.

7.5.1.5. ***The no acquiring without issuing rule***

(65) The requirement that all members of the Visa payment card system must issue cards before acquiring and that they should issue a reasonable volume of cards restricts the commercial freedom of the participating banks. However, the obligation to issue cards may be said to promote the development of the Visa card system by ensuring a large card base, and thereby making the system more attractive for merchants. The no acquiring without issuing rule does not in itself create significant barriers to entry on the acquiring market. In particular, as far as cross-border acquiring is concerned, according to Visa cards issued in all EC/EFTA countries are taken into account. Therefore, the no acquiring without issuing rule does not in itself restrict competition in an appreciable way and therefore falls outside the scope of Article 81(1) of the Treaty and Article 53 of the EEA Agreement.

([38]) Except as between Ireland and the United Kingdom which is considered by Visa as a single territory.

7.5.1.6. ***The honour all cards rule***

(66) It should be noted that the honour all cards rule in the Visa payment card system, which requires merchants to accept all valid cards with either the Visa or the Electron symbol which are properly presented for payment, does not imply that merchants who accept a particular Visa card are obliged to accept all other Visa products, e.g. the Electron debit card, under the same conditions. However, merchants are obliged to accept every valid Visa card of a particular brand. For example merchants accepting Visa cards have to accept all Visa cards, whether they are issued as credit cards (as is normally the case in the United Kingdom), as deferred debit cards (for example, as is usually the case in Belgium), or as immediate debit cards (which is occasionally the case in the United Kingdom and France, for example) and whether they are issued as for example classic Visa cards or corporate Visa cards.

(67) The Commission agrees with Visa that the honour all cards rule promotes the development of its payment systems since it ensures the universal acceptance of the cards, irrespective of the identity of the issuing bank. The Visa payment system could not properly function if a merchant or an acquiring bank were able to refuse, for example, cards issued by a bank established abroad (or, for that matter cards issued by other domestic banks). The development of a payment system depends on issuers being able to be sure that their cards will be accepted by merchants contracted to other acquirers. Without such assurance, a brand or logo on a payment card loses most of its meaning and utility, especially where an international card is concerned, and cards are often relied upon by travellers for foreign payments.

(68) The fact that under the honour all cards rule, merchants are obliged to accept all valid cards with a certain brand, regardless of the type of card and regardless of the merchant fee, cannot be said to be restrictive of competition. The fact that the fees that acquiring banks may charge to merchants may be different does not demonstrate that different types of Visa cards are unrelated products. Moreover, the merchant fee is decided by merchant acquirers, not laid down by Visa International, and in many cases merchant fees are negotiated on a case-by-case basis. Leaving it up to an individual merchant whether to accept or not a particular Visa card, solely on the basis of the merchant fee which it is charged by its bank, would seriously endanger the universal acceptance of Visa international payment cards. Cardholders would not know in advance whether their Visa card would actually be accepted. It has also to be taken into account that the type of Visa card issued may vary from issuer to issuer and in particular from one country to another. Clearly, if it were left to merchants whether or not to accept a particular Visa card, solely on the basis of the merchant fee they may have to pay, this would endanger the international function of the card. Finally, the Visa International honour all cards rule does not oblige merchants to accept future types of Visa card, since merchants are free at any time to stop accepting Visa.

(69) The honour all cards rule (in the Visa rules) is thus found to fall outside Article 81(1) of the Treaty and Article 53 of the EEA Agreement.

7.6. EFFECT ON TRADE BETWEEN MEMBER STATES

(70) The Court of Justice of the European Communities has consistently held that, in order for an agreement or a practice to affect trade between Member States, it must be possible to foresee with a sufficient degree of probability on the basis of a set of objective factors of law or fact that it may have an influence, direct or indirect, actual or potential, on the pattern of trade between Member States, such as might prejudice the realisation of the aim of a single market in all Member States ([39]). The effect on intra-Community trade is normally the result of a combination of several factors which, taken separately, are not necessarily decisive ([40]). Moreover, the Court has constantly held that the effect on intra-Community trade should be appreciable, although it has specified that a potential effect suffices ([41]).

([39]) See, for example, Case 42/84 *Remia* v *Commission* [1985] ECR 2545, paragraph 22.
([40]) See, for example, Case C-250/92 *Gøttrup-Klim Grovvareforeninger* v *Dansk Landbrugs Grovvareselskab AmbA* [1994] ECR I-5641, paragraph 54.
([41]) See, for example, Case C-219/95 *Ferriere Nord* v *Commission* [1997] ECR I-4411-19 and Joined Cases C-215/96 and 216/96, *Bagnasco* [1999] ECR I-135).

(71) Visa cards are by their nature cross-border means of payment, that is, cards which can be used by cardholders not only in the country where the cards are issued, but also for payments at merchant outlets or for cash withdrawals in other Member States. According to Visa, in 1998 [business secret; about 10 %] of all Visa transactions at merchants outlets in the Community were international transactions. The Visa rules are applicable at least in the whole common market.

(72) In view of the foregoing, the various provisions contained in the Visa rules have at least potentially an effect on trade between the Member States,

HAS ADOPTED THIS DECISION:

Article 1

On the basis of the facts in its possession, the Commission finds no grounds for action under Article 81(1) of the EC Treaty and/or Article 53 of the EEA Agreement in respect of the following provisions of the notified rules and regulations governing the Visa International payment card scheme:

— the principle of territorial licensing in section 2.10 of the Visa International by-laws and regional boards delegations ('the by-laws'),

— the no-discrimination rule in section 5.2.C of the general rules — Visa international operating regulations — volume 1 ('the general rules'),

— the modified rules on cross-border issuing in section 2.10 of the by-laws, section 3.03 of the by-laws and section 3.2.G of the general rules,

— the modified rules on cross-border acquiring in section 2.10 of the by-laws, section 4.2.A.2b of the general rules and section 4.11 of the European Union — regional operating regulations,

— the no acquiring without issuing rule in sections 2.04 to 2.07 of the by-laws,

— the honour all cards rule in sections 4.2.A.1.C and 5.2.B.1 of the general rules.

Article 2

This Decision is addressed to:

Visa International Service Association
European Union region
99 Kensington High Street
London W8 5TE
United Kingdom.

Done at Brussels, 9 August 2001.

For the Commission
Mario MONTI
Member of the Commission

ANNEX

Table 1: number of cards in circulation as at 31 December 1999 (where available) — POS capability (1)

Number of cards	Visa	MasterCard/Europay	American Express	Diners Club	Store/Private label	National bank schemes and proprietary bank schemes (2)	Total	Estimated market share Visa (%)
All data in '000s			1998 data (3)	1998 data (3)	1998 data (3)	1998/99 data (4)		
EU countries								
Austria	711	4 255	50	115	400	795	6 326	11,24
Belgium	2 133	5 414	145	140	1 950	8 291	18 073	11,80
Denmark	1 498	284	11	140	995	2 525	5 453	27,47
Finland	1 270	34	25	70	1 124	3 500	6 023	21,09
France	15 896	11 507	889	84	29 453	6 262	64 091	24,80
Germany	5 769	81 139	1 200	340	4 000	25 000	117 448	4,91
Greece	1 402	2 707	50	226	150	2 426	6 961	20,14
Ireland	811	390	35	10	15	588	1 849	43,86
Italy	9 257	11 965	695	500	4 317	21 200	47 934	19,31
Luxembourg	212	65				230	507	41,81
Netherlands	1 520	17 770	220	160	1 330	17 500	38 500	3,95
Portugal	8 060	896	52		556	2 188	11 752	68,58
Spain	22 815	17 215	285	80	16 781	28 689	85 865	26,57
Sweden	3 136	1 557	177	150	2 815	730	8 565	36,61
United Kingdom	50 957	31 911	1 630	310	18 586	21 791	125 185	40,71
Total EU countries	125 449	187 109	5 464	2 325	82 472	141 715	544 534	23,04
EFTA countries								
Iceland	301	153					454	66,30
Norway	2 300	1 251	70	135	620	4 421	8 797	26,15
Total EFTA countries	2 601	1 404	70	135	620	4 421	9 251	28,12
Total EU and EFTA countries	128 050	188 513	5 534	2 460	83 092	146 136	553 785	23,12

Sources:
Visa quarterly operating certificate (completed by Visa members), Europay, Retail Banking Research Limited, Lafferty and as per accompanying data sheet for national bank schemes and proprietary bank schemes.
Excludes Visa commercial cards and, for European countries, business card data for MasterCard/Europay, but includes business card data for T & E organisations.

(1) This table excludes (where data is available) cards without POS capability (e.g. ATM only cards).
(2) Data for national bank card schemes and proprietary bank schemes may include cards also badged with a MasterCard/Europay mark or Visa mark.
The estimated market share of Visa does not include these cards and may therefore be higher.
(3) Data for 1999 was not available. 1998 figures may be substantially below the 1999 figures.
(4) All data 1998 unless otherwise specified on accompanying data sheet.

Table 2: total number of card transactions at POS for year end 31 December 1999 (where available)

	Visa	MasterCard/Europay	T & E organisation (1)	Store/Private label	National bank schemes and proprietary bank schemes (2)	Total	Estimated market share Visa (%)
All data in '000s			1998 data (3)	1998 data (3)	1998/99 data (4)		
EU-countries							
Austria	15 349	71 678	9 900	500		97 427	15,75
Belgium	45 927	113 715	7 100	28 500		195 242	23,52
Denmark	167 103	10 381	5 250	1 990	656 000	840 724	19,88
Finland	43 425	4 636	3 400	30 000	236 400	317 861	13,66
France	1 455 590	953 732	37 000	343 000	341 970	3 131 292	46,49
Germany	89 277	645 990	30 000	33 000		798 267	11,18
Greece	19 324	7 838	7 480	20		34 662	55,75
Ireland	33 144	13 562	2 500	0	17 000	66 206	50,06
Italy	152 924	166 192	17 400	7 900	746 600	1 091 016	14,02
Luxembourg	9 066	2 490	0	0		11 556	78,45
Netherlands	13 788	767 934	5 745	2 600		790 067	1,75
Portugal	169 265	6 579	936	1 072		177 852	95,17
Spain	445 063	187 233	19 000	60 915		712 211	62,49
Sweden	153 832	68 345	8 200	56 500		286 877	53,62
United Kingdom	1 845 905	1 179 613	68 000	82 000	1 510 000	4 685 518	39,40
Total EU countries	4 658 981	4 199 918	221 911	647 997	3 507 970	13 236 777	35,20
EFTA countries							
Iceland	37 828	15 022				52 850	71,58
Norway	165 458	58 599	3 800	1 000	473 000	701 857	23,57
Total EFTA countries	203 286	73 620	3 800	1 000	473 000	754 707	26,94
Total EU and EFTA countries	4 862 267	4 273 539	225 711	648 997	3 980 970	13 991 484	34,75

Sources:
Visa quarterly operating certificate (completed by Visa members), Europay, Retail Banking Research Limited, Lafferty and as per accompanying data sheet for national bank schemes and proprietary bank schemes.
Excludes Visa commercial cards but includes business card data for MarterCard/Europay and T & E organisations.

(1) Retail Banking Research Limited does not define T & E organisations. It certainly includes American Express and Diners Club and may include JCB, which it mentions in its glossary as best known for issuing the JCB T & E card.
(2) Data for national bank card schemes and proprietary bank schemes may include cards also badged with a MasterCard/Europay mark or Visa mark.
The estimated market share of Visa does not include these cards and may therefore be higher.
(3) Data for 1999 was not available. 1998 figures may be substantially below the 1999 figures.
(4) All data 1998 unless otherwise specified on accompanying data sheet.

Table 3: Total Value of Card Transactions at POS for year end 31 December 1999 (where available) (1)

	Visa	MasterCard/Europay	T & E organisation (1)	Store/Private label	National bank schemes and proprietary bank schemes (2)	Total	Estimated market share Visa (%)
All data in USD '000s			1998 data (3)	1998 data (3)	1998/99 data (4)		
EU countries							
Austria	1 485 004	4 834 448	1 386 659	178 053		7 884 164	18,84
Belgium	3 960 382	6 504 033	1 251 523	4 278 715		15 994 653	24,76
Denmrk	8 051 908	1 148 949	369 218	139 951		9 710 026	82,92
Finland	2 116 461	394 844	248 860	1 723 556	10 794 559	15 278 280	13,85
France	74 044 891	45 490 585	14 745 901	39 391 484	149 134 524	322 807 385	22,94
Germany	7 417 655	56 341 610	3 326 300	4 465 266	28 150 590	99 701 421	7,44
Greece	1 354 157	445 447	624 901	1 928		2 426 433	55,81
Ireland	2 502 968	1 063 128	245 633	0	902 866	4 714 595	53,09
Italy	13 753 304	13 558 653	2 464 285	1 277 237	103 813 753	134 867 232	10,20
Luxembourg	862 608	298 549	0	0		1 161 157	74,29
Netherlands	1 032 651	39 724 553	1 077 140	493 491		42 327 835	2,44
Portugal	7 008 553	386 208	88 671	78 239		7 561 671	92,69
Spain	21 894 655	8 943 151	1 969 373	3 659 130		36 466 309	60,04
Sweden	9 193 646	5 410 209	936 847	2 330 107		17 870 809	51,45
United Kingdom	131 139 750	77 369 785	10 906 528	4 037 063	90 375 016	313 828 142	41,79
Total EU countries	285 818 595	261 914 152	39 641 838	62 054 220	383 171 309	1 032 600 114	27,68
Total EU countries							
Iceland	3 160 854	700 673				3 861 527	81,86
Norway	9 571 372	4 075 513	342 763	1 599 562	36 853 394	52 442 604	18,25
Total EFTA countries	12 732 226	4 776 186	342 763	1 599 562	36 853 394	56 304 131	22,61
Total EU and EFTA countries	298 550 821	266 690 338	39 984 601	63 653 781	420 024 703	1 088 904 245	27,42

Sources:
Visa quarterly operating certificate (completed by Visa members), Europay, Retail Banking Research Limited, Lafferty and as per accompanying data sheet for national bank schemes and proprietary bank schemes.
Excludes Visa commercial cards but includes business card data for MasterCard/Europay and T & E organisations.

(1) Retail Banking Research Limited does not define 'T & E organisations'. It certainly includes American Express and Diners Club and may include JCB, which it mentions in its glossary as best known for issuing the JCB T & E card.
(2) Data for national bank card schemes and proprietary bank schemes may include cards also badged with a MasterCard/Europay mark or Visa mark.
The estimated market share of Visa does not include these cards and may therefore be higher.
(3) Data for 1999 was not available. 1998 figures may be substantially below the 1999 figures.
(4) All data 1998 unless otherwise specified on accompanying data sheet.