



Scale Your Business In Brazil: The Definitive Guide to PIX



PIX, Brazil's instant payment method created by the Central Bank of Brazil, is revolutionizing daily digital transactions for its **over 155+M users**.

Questions like “Do you take PIX?” are often answered with a confident “Yes” in millions of daily conversations between customers and merchants, making PIX the **most popular payment method** in Brazil today.

Its gigantic success is even portrayed as a benchmark for global markets, providing valuable insight into payment solutions like the US's anticipated FedNow.

But why is PIX so popular in Brazil? Does its popularity spread into the digital realm, too?

And, more importantly: should your business entering the Brazilian market accept PIX?

We'll answer all and more of these questions in this **comprehensive PIX guide**. We recommend reading this piece from top to bottom – however, you can jump to the sections you're most interested in in the Table of Contents below.

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What Is PIX?

PIX is Brazil's local payment method, launched by the Central Bank of Brazil on November 16th, 2020. It allows **instant digital transactions with amounts as low as R\$ 0,01, twenty-four hours a day, seven days a week.**

With PIX, a user from Bank A can pay whatever amount they need to a user from Bank B at any time of the day, and the amount is instantly made available regardless of the payment institution.



How Does PIX Work?

PIX allows instant payment transactions between individuals, businesses, and the Brazilian government. The supported payment transactions include:

Peer-to-Peer (P2P)

Peer-to-Business (P2B)

Business-to-Business (B2B)

Peer-to-Government (P2G)

Business-to-Government (B2G)

In some cases, PIX even supports Government-to-Peer (G2P) transactions. This is the case, for instance, for transactions such as tax compensation and restitution.

Every person that owns an account with a Brazilian financial institution such as banks, digital banks, or eWallets, can make PIX transactions.

How To Make A Payment With PIX?

There are a few ways to make a PIX payment:





Using a PIX Key

The payer informs the receiver's "PIX Key" and sends the desired amount.

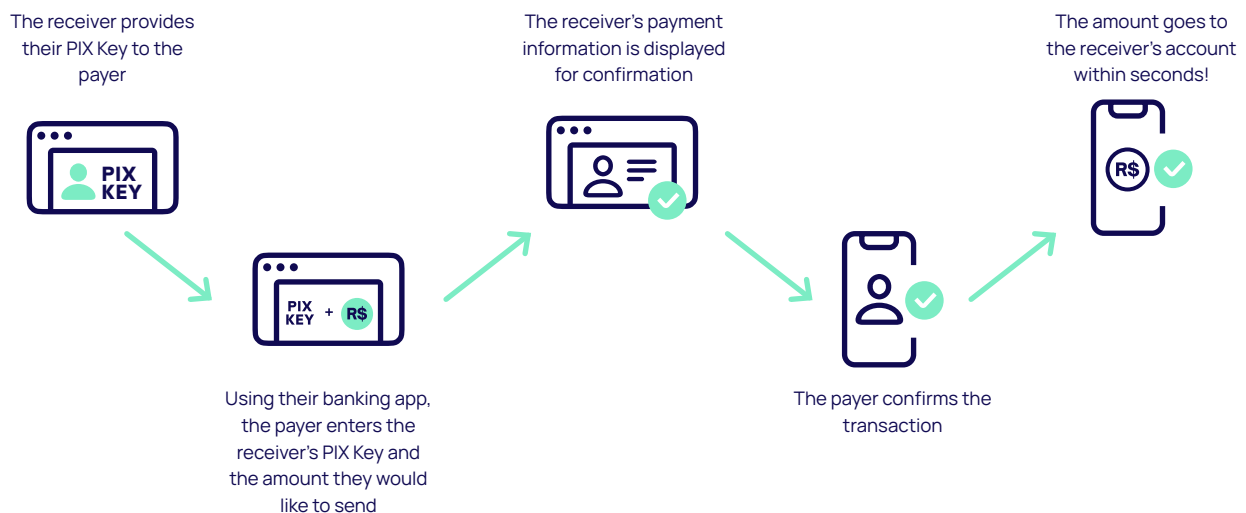
What Is A PIX Key?

A "PIX Key" is a key that identifies the receiver's financial account in Brazil.

There are four types of PIX Keys:

-  **CPF (Tax ID):** A CPF is the acronym for "Cadastro de Pessoa Fisica" and represents Brazilian's 11-digit tax identification number. Users can use their CPFs as a PIX Key to link to their account.
-  **Mobile Phone Number:** Receivers can also register their cellphone numbers to receive payments – which can come up to 14 digits, including the country code (55), the two-digit area code, and then the local 8-9 digit number.
-  **Email:** Receivers can register their email accounts to receive payments.
-  **Random Key:** The Random Key is a set of random numbers and letters generated by the Central Bank of Brazil using an "Endereço Virtual De Pagamento" (EVP) – which stands for Virtual Payment address – to identify the receiver's account. The Random Key encompasses a hexadecimal number with 32 characters and is barely used in P2P transactions, but widely used in B2B as one business can get up to 20 EVPs.

Users can use all of the available PIX Keys to identify a single account or can identify multiple accounts by choosing one PIX Key to link to it. However, a single PIX Key cannot identify various accounts.

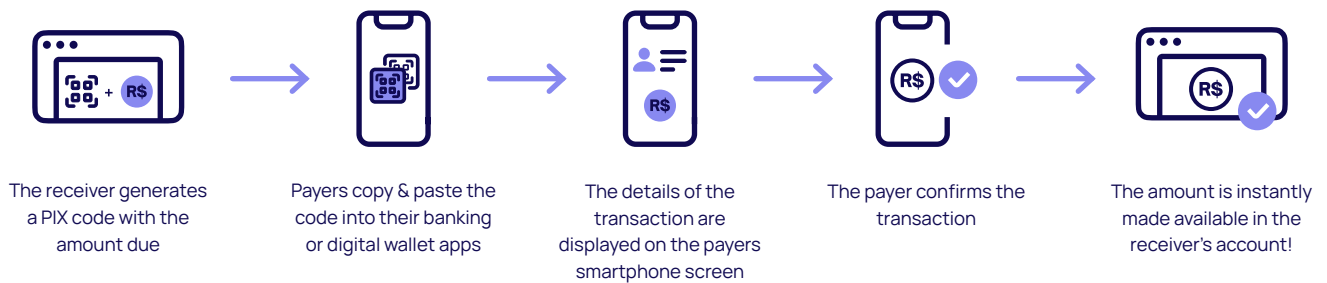


Using PIX Copia e Cola

The receiver informs a PIX code with the set amount for that transaction, which payers must copy & paste into their banking or digital wallet apps and confirm the transaction.

What Is PIX Copia e Cola?

“PIX Copia e Cola” is the way Brazilians pay with PIX using their smartphones. The receiver sets the amount due and generates a code that identifies the transaction, and payers copy & paste it into their banking or digital wallet apps. “PIX Copia e Cola” is used when the user experience is happening directly on the mobile device of users of any online merchant.



Discover CommerceGate's native PIX Payment solutions in Brazil with top speed, scalability and transparency. Our services are designed to propel your business forward in this high-growth market.



Scanning a PIX QR Code

Using their smartphones, payers can scan a dynamic or static QR code to complete the payment. The QR Code is used when the user experience is “omnichannel” – in other words, desktop users of any online merchant with a mobile device in hand.

What Is A PIX QR Code?

A “PIX QR Code” is a QR Code generated by the receiver which identifies their account information. PIX QR Codes can be either Static or Dynamic.

Static PIX QR Codes:



A Static PIX QR Code is a payment QR Code that doesn't change, and can be used multiple times. When generating a Static QR Code, receivers can either set a fixed amount (for example, R\$ 10,00) or leave it to payers to set the amount they desire (for example, one payer can choose to make a R\$ 10,00 payment while another payer can choose to make a R\$ 15,00 payment). Once the Static QR Code is generated, payers can use that same QR Code every time they want to make a transaction, making it a great option for repetitive payments.



Dynamic PIX QR Codes:



A Dynamic PIX QR Code, on the other hand, is exclusive for each transaction. They can only be used once, meaning a new QR Code must be generated for every transaction. This option allows receivers to include an amount, set an expiration time (for example, if the payment isn't complete after 10 minutes, the QR Code is no longer valid and the order is canceled), and identify the transaction with the receiver and the payer's information. This option is generated by a PIX API integration and is often used by online businesses.



PIX: 2024 Market Data

Pix has been an enormous success in Brazil. Since its launch, the payment method has compounded over 155M users, introducing 71.5M Brazilians into the financial system, according to data from the Central Bank of Brazil.

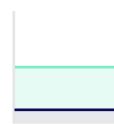
Latest data from the Banco Central do Brasil also shows that:



PIX's market share reached 39% in number of transactions made in 2023



PIX's usage grew by 75% in 2023, compared to the previous year



PIX's average transaction value stood at R\$ 409,00 (€ 67,00) – superior to cards, which stood at R\$ 80,00 (€ 13,00)

The Future Of PIX

The Central Bank of Brazil has big plans for PIX. The hottest upcoming feature, PIX Automatico, should be introduced on October 28th, 2024, and will allow **recurring payments with PIX**.

Also in the Central Bank of Brazil's roadmap are:

- **PIX Offline:** Allowing Brazilians to make a PIX payment without being connected to the internet.
- **PIX Garantido:** Enabling installment payments with PIX.
- **International PIX:** Enabling international transactions with PIX.

While the features do not have a set launch date, the Central Bank of Brazil is continuously discussing the possibility of introducing these resources in the future.



Best PIX Solution For Businesses In Brazil: Meet CommerceGate, Your Payment Adviser In Brazil

CommerceGate is your payment adviser in Brazil that allows you to seamlessly plug into Latin America's largest market. **Leverage the power of real-time transactions in Brazil with a native, user-friendly PIX solution and ensure top security, scalability, and transparency.**

CommerceGate's highly customizable PIX Payment Platform eases your entry into Brazil. With a fully authorized service provider at your side, you can be sure of:

- **Tailored solutions matching your business needs**
- **Proprietary PIX flows covering Dynamic and Static QR codes for repeat payments, increasing your Customer Lifetime Value (CLTV) up to +7%**
- **Advanced PIX Fraud prevention (AML PIX Solution) with a unique QR code created for each individual user's tax ID, increasing Operational Efficiency up to +13%**
- **Top-tier security & high authorization rates**
- **Average transaction time of only 3.7 seconds**
- **Fully transparent pricing tiers with no hidden fees**
- **No FX & no IOF (Brazilian tax on financial operations), charged only when converted from R\$**
- **Transparent FX and overseas settlements**
- **Superior Customer Service**

Contact CommerceGate today to learn more about how we can support your success in Brazil or **book a free consultation here**.



Find out more details about our
solutions for Brazil and LATAM

