

LATIN AMERICA'S

Payment Authentication Rate Benchmark

How the best 3DS solutions achieve **90%+** payment authentication success rates

Latin America's payments ecosystem is maturing at an outstanding rate. The bar for the industry average payment authentication rate is now set between 55-70% – but that still lags behind regions with more mature payments ecosystems like Europe and the Middle East.

Regional Payment Authentication Rates Benchmarks

	Latin America	Top performing Latin American Financial Institutions on Apata	Europe	Middle East
Average payment authentication rate	55-70% ¹	84-97% ²	Up to 90% ³	72-80% ⁴

Are time-outs the culprit or a symptom?

Timeouts remain the main culprit for lower authentication rates in Latin America. Time-out rate ranges have a strong relationship with authentication success rates. But are they a symptom or a cause?

Authentication success, time-out, and error rate relationships in Latin America

Authentication Success Rate Ranges	Associated Time-out Rate Ranges	Associated Error Rate Ranges
90% +	1-2%	Up to 0.8%
80%-89%	3-10%	Up to 5.4%
70%-79%	6-13%	Up to 7%
Below 70%	Up to 22%	Up to 8.9%

Apata proprietary data

Average Time-out Rate	Average Error Rate
11%	3.59%

Apata proprietary data

Top performing financial institutions in Latin America using Apata's 3DS ACS platform are achieving authentication success rates above 90% by significantly reducing time-out rates. Error rates also rise as authentication success rates fall but with an average error rate of **3.59%**, our data shows the rate typically experienced by financial institutions across Latin America is more stable with high ranges typically the consequence of outliers.

How are these teams reducing time-outs significantly and increasing successful authentications without significant adjustment to their risk decisions? They're enabled by a 3DS ACS providing:

- Sophisticated risk rules giving fraud and issuing teams confidence to balance frictionless transactions with chargeback volume.
- More options for challenge method configuration and step-up flows to reduce reliance on telecomms infrastructure for SMS OTPs.
- Customisable landing pages with better cardholder experience.
- High-visibility dashboards help teams monitor authentication performance, spot time-out and failure trends, and identify issues before they impact the wider portfolio.

Did you know?

The United Arab Emirates (UAE) banned SMS and Email OTPs as a standalone authentication method for card-not-present transactions in early 2026?

The ban is reducing time-out rates as authentication completion is now less reliant on telecom network performance while reducing the impact of established fraud tactics like SIM-swapping, voice phishing via social engineering, and SMS interception tools.

Interested in knowing more?

Relying on SMS OTP is killing your checkout conversion. Discover best practices in advanced risk rules and challenge methods to maximize your payment authentication rates. Schedule a call with our payment authentication experts today for an optimized, friction-free payment flow.

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