

# Payments Community Update

22 December 2014

## 1. Introduction

The first meeting of the Payments Community was held on 4 December at the Intercontinental Hotel in Sydney and was well attended by most organisations that have subscribed to the Australian Payments Council Participation Agreement.

The meeting was chaired by Ms Christine McLoughlin, Chairman of both the Australian Payments Council (APC) and the Payments Community.

## 2. Presentations

Presentations were given by:

### ***Dr Tony Richards, Head of Payments Policy, RBA***

Dr Richards emphasised the importance of the APC and Payments Community initiative to the PSB in its engagement with the industry.

This would provide the industry with the opportunity to be on the front foot when it came to the PSB's next consideration of the payments agenda and strategic objectives. Dr Richards provided a more general expression of support for the industry in any areas where this would be of value.

### ***Richard Miller, Deloitte***

Richard Miller provide an overview of the competitive landscape for payments systems, leading the community into considering where the disruption and innovation was likely to emerge and what the impact may be on industry incumbents. His presentation is available [here](#).

### ***Oliver Kirby-Johnson, KPMG***

Mr Kirby-Johnson provided insights into the payments environment in the UK with the introduction of the new regulator, the Payments System Regulator. He explained the rationale for this and what had been felt to be lacking within the self-regulatory UK Payments Council, broadly a greater sense of commitment to the end-user. His presentation is available [here](#).

### ***Paul Lahiff, Chairman NPP Steering Committee***

Mr Lahiff described the New Payments Platform and the stage in its evolution and then provided commentary on the benefits to the payments industry and the broader economy of this enabling infrastructure.

He described the NPP system as providing the plumbing to enable innovation to meet customer needs, with the potential to build overlay services as a way of future-proofing for innovation.

His presentation is available at [here](#).

### 3. Australian Payments Plan

#### ***Rachel Slade, Westpac***

Ms Slade introduced the Council proposal to develop an Australian Payments Plan (APP) and the benefits that this would bring to the payments industry. She noted the need to clearly articulate areas of industry collaboration where a common benefit could be achieved, contrasted with contestable opportunities and to ensure that this resulted in globally supportable solutions.

The APP would provide a roadmap for the execution of the collaborative vision.

#### ***Brad Pragnell, APCA***

Dr Pragnell commented upon the likely content of such a plan. This could include:

- Impact of globalisation on payments technology, users and regulation;
- Role for utility payment systems responding to security risks; and
- Transparent and efficient regulation.

His presentation is available [here](#).

#### **Panel Discussion**

***Rachel Slade, Westpac***

***Chris Hamilton, APCA CEO***

***Oliver Kirby-Johnson, KPMG***

***Dr Tony Richards, RBA***

***Mike Aston, Accenture***

The Panel discussed the potential issues that could be addressed in the proposed APP and touched on the need to address issues of cyber security at the collaborative level.

Themes emerging from this discussion included:

- The importance of inclusion and ease of access – an issue of some importance to the new UK regulator;
- The growing momentum of disruption / innovation within the payments industry and the rapid adoption of new payments technologies where customer needs are met ;
- The importance of customer demand in driving change – for example, the UK experience where the new regulator is putting end-user front and centre
- dealing with legacy systems – ensuring that these are not crowding out new technologies while meeting the needs that they have historically provided for.
- The importance of bearing in mind the global perspective and ensuring efficiency and harmony in the adoption of standards for payments systems or users operating globally;
- All this within the very clear objective of maintaining customer trust and confidence in a stable, reliable and secure system.

The Community will meet again in mid - 2015.