

# Progress Update



Paul Lahiff, Chair  
NPP Australia Limited

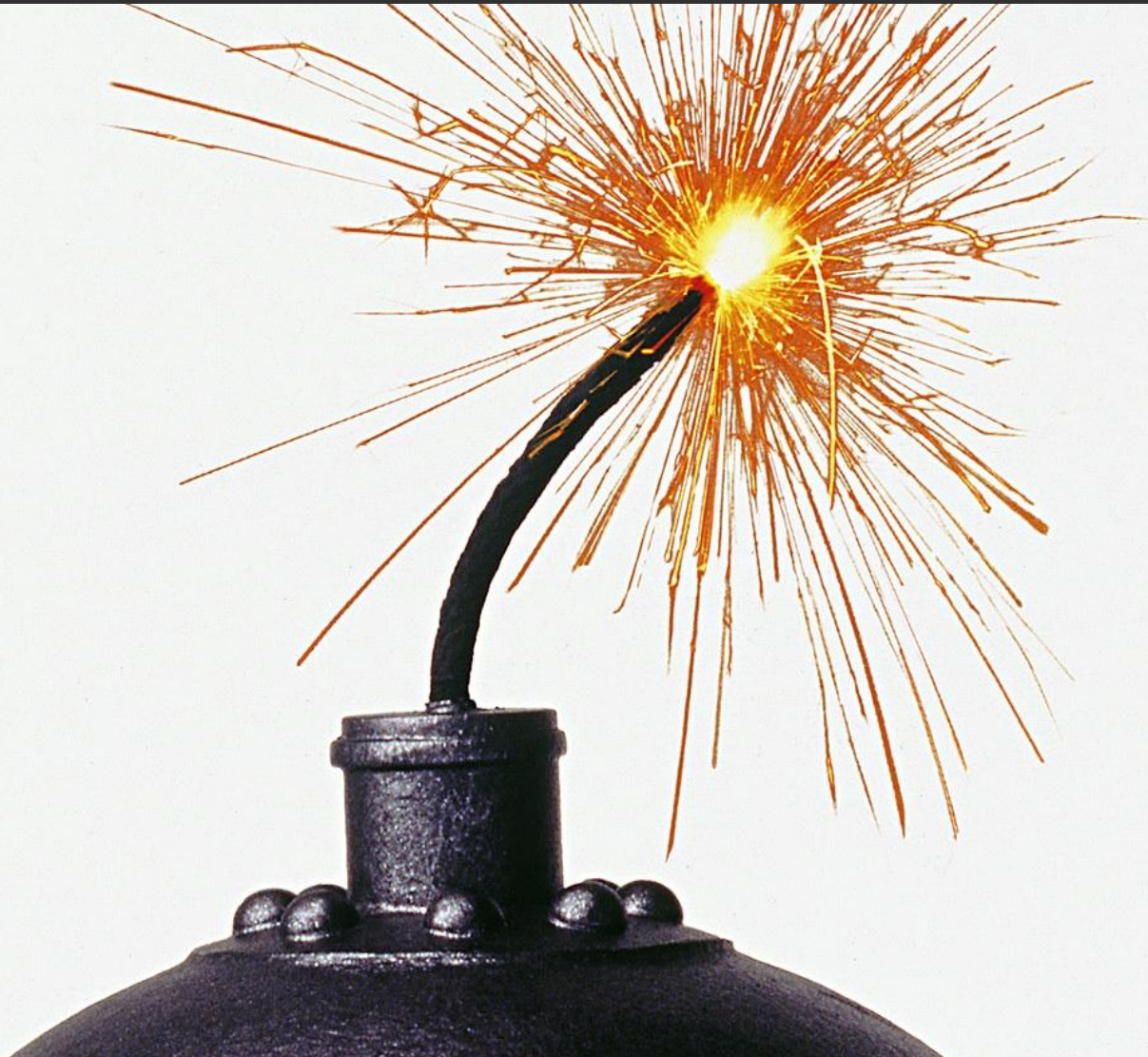
4 December 2015

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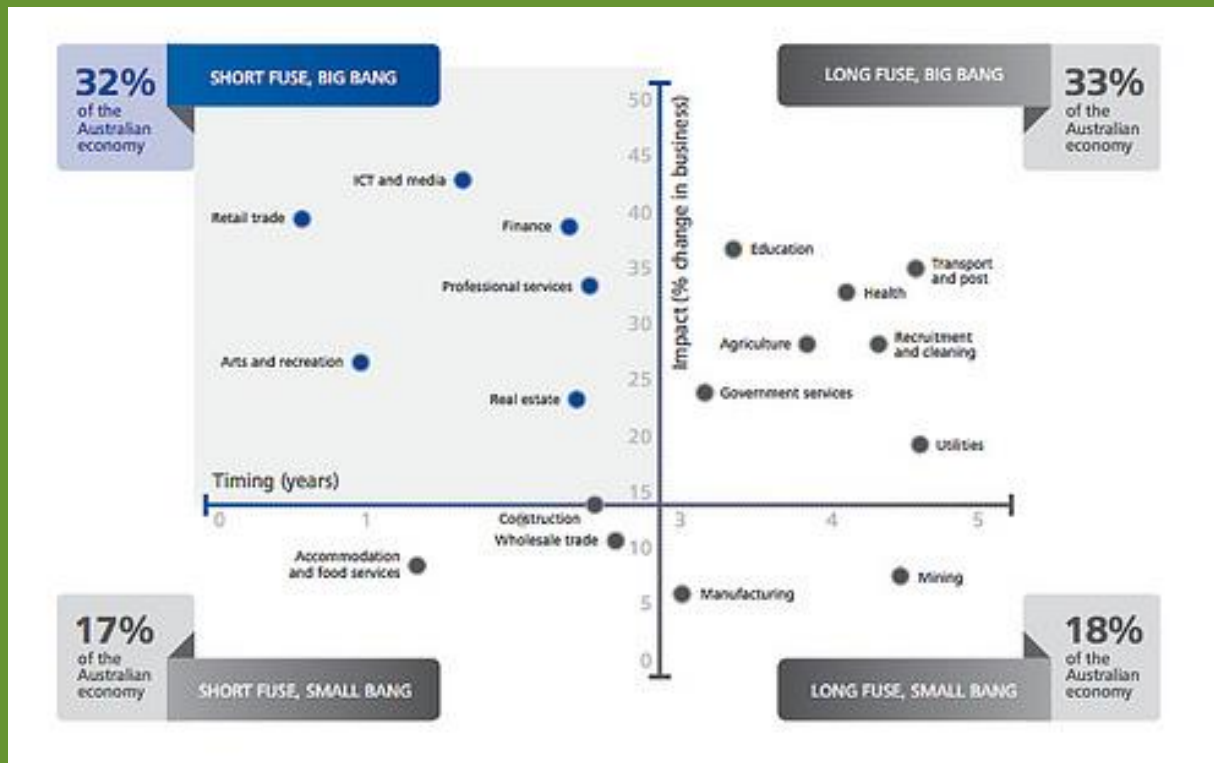
Please note that any views expressed in this presentation are the personal views of the speaker and do not necessarily represent the views of New Payments Platform Australia Limited, the Australian Payments Clearing Association or individual payment system participants.

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These are not normal times



# A reminder: why we are doing this



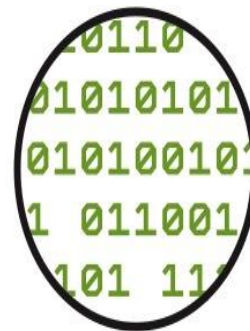
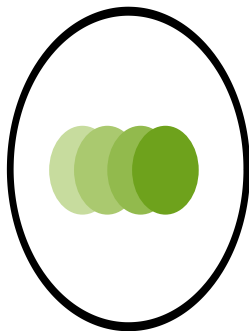
“One third of the Australian economy faces imminent and substantial disruption by digital technologies...”

*“...there is clear commitment to ongoing systemic reform of payments to meet the future needs of the Australian community. There is also recognition that this can only be achieved by sustained collaboration amongst Australian financial institutions.”*

Real Time Payments Committee,  
February 2013

# NPP: NEW PAYMENTS PLATFORM

It's an open access infrastructure for faster, more flexible, data-rich Australian payments



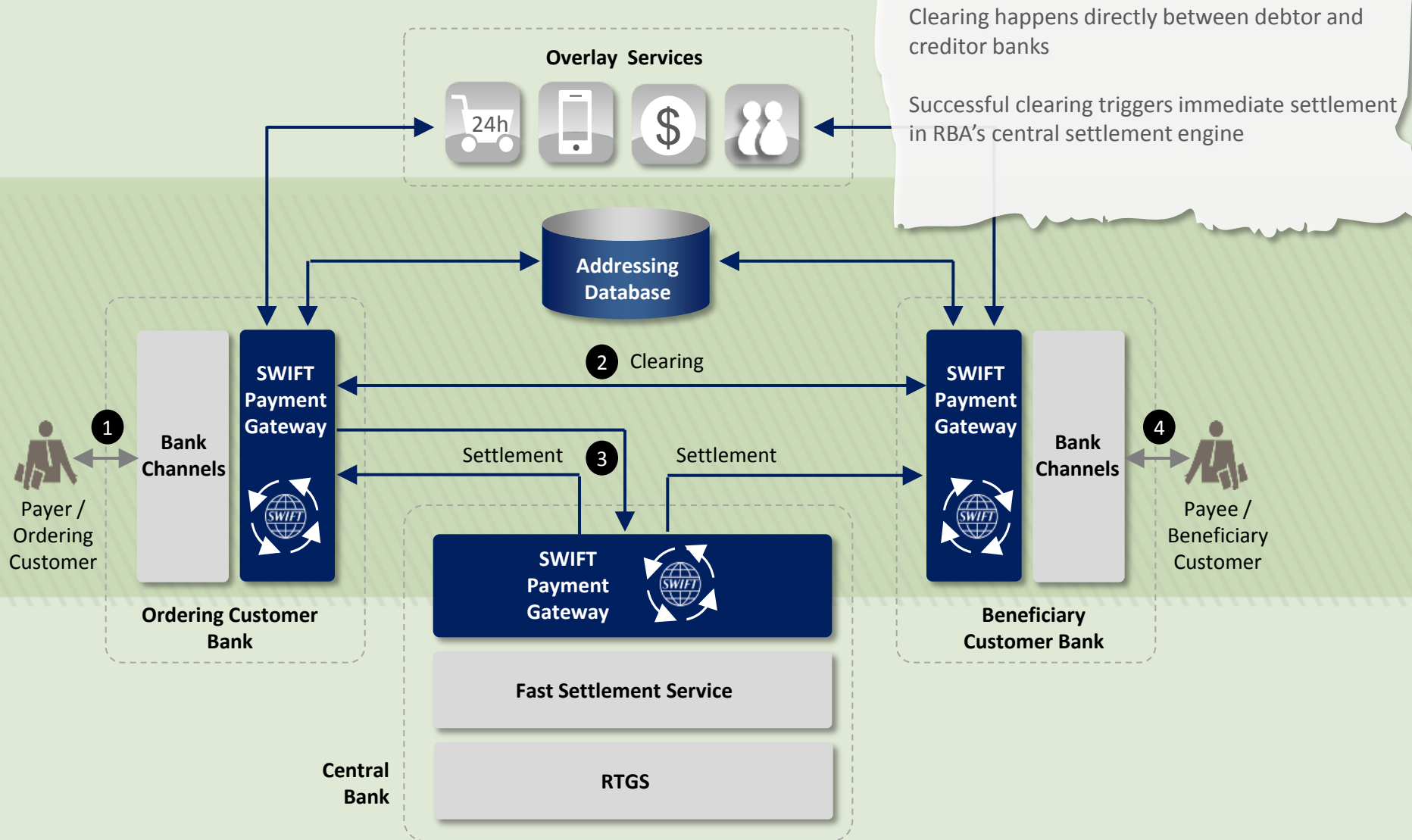
# WHO'S IN IT?





# Case Study - New Payments Platform Australia

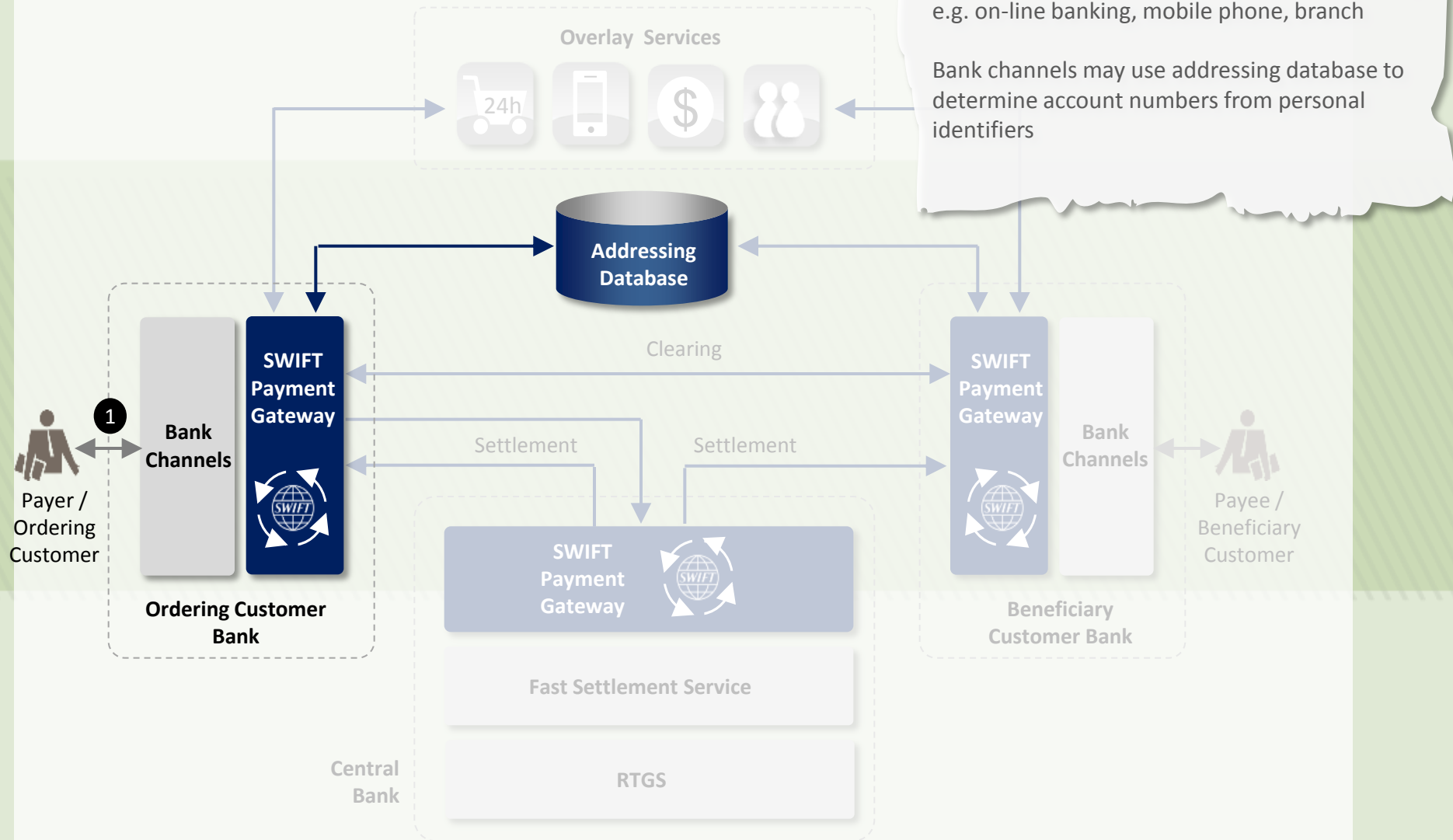
## *How it works*





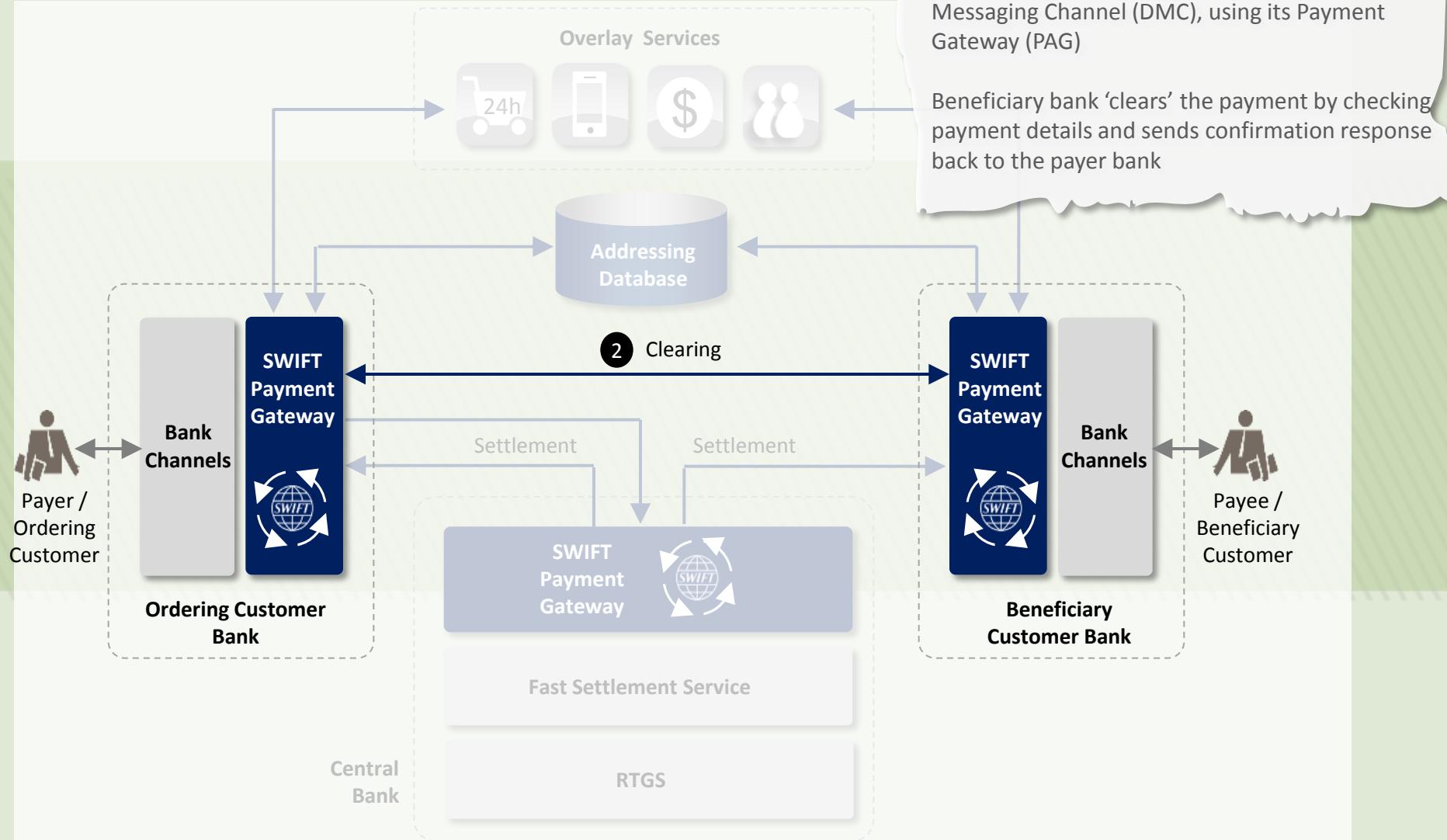
# Case Study - New Payments Platform Australia

## *How it works*



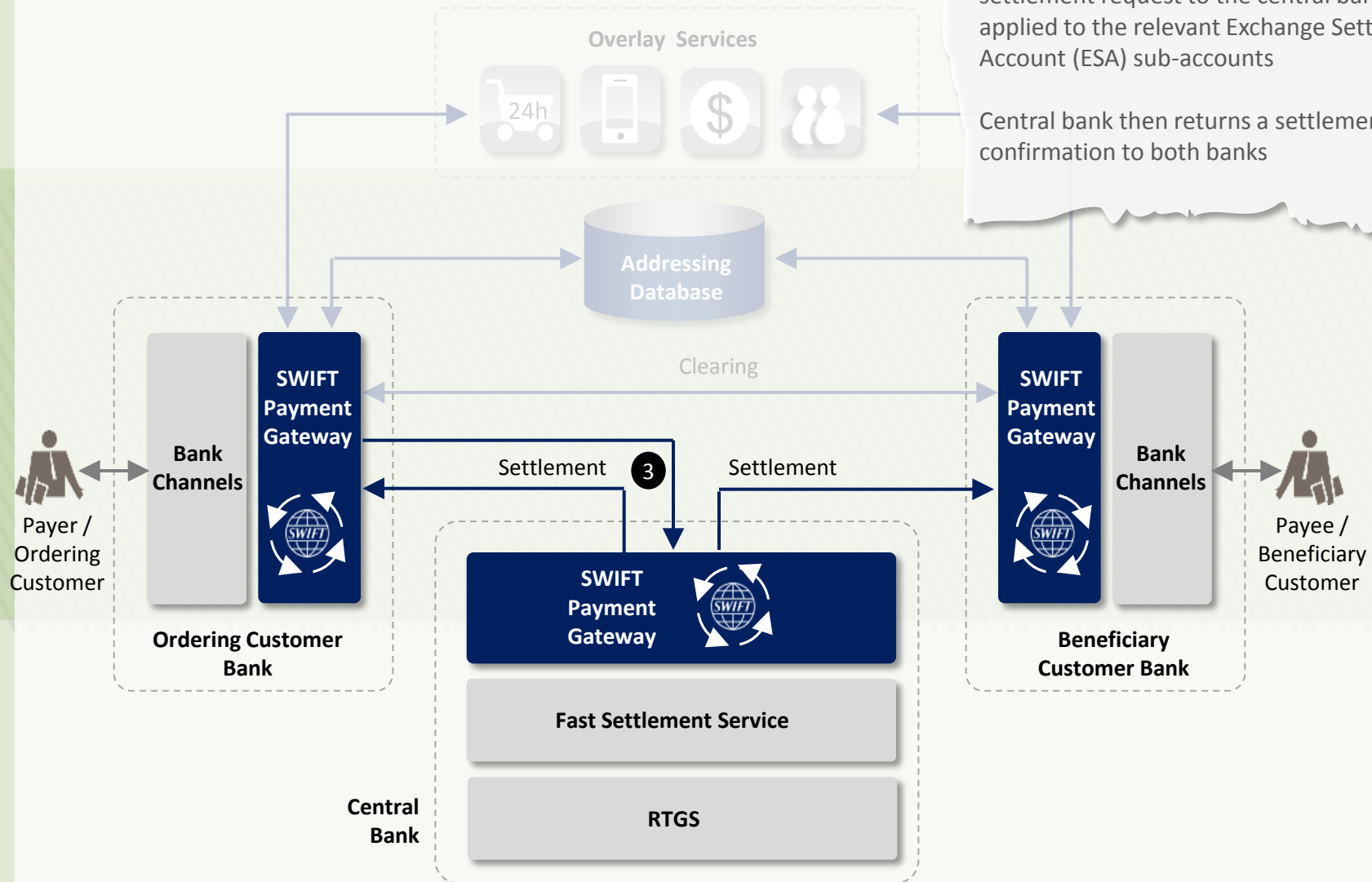
# Case Study - New Payments Platform Australia

## *How it works*



# Case Study - New Payments Platform Australia

## *How it works*



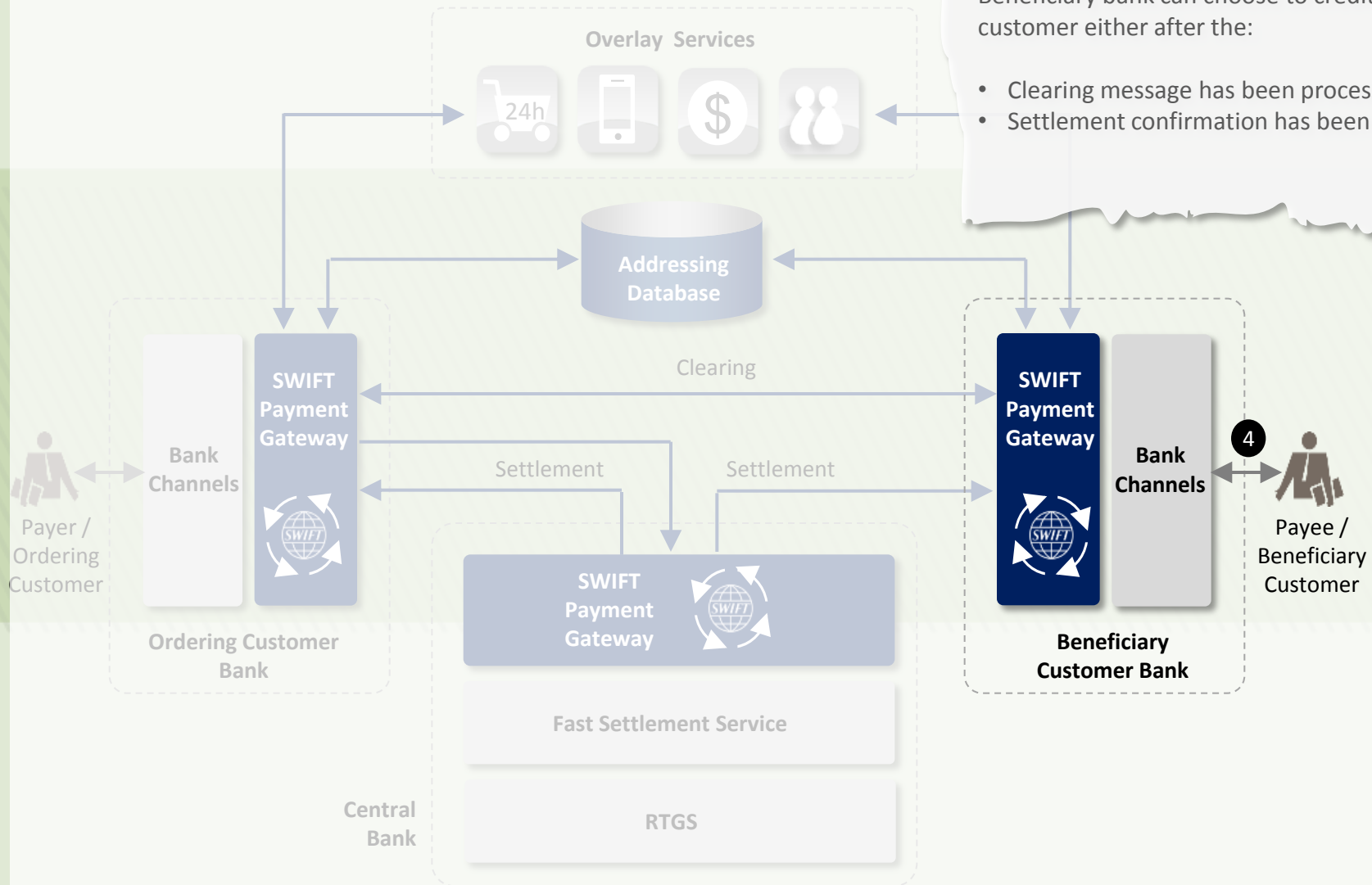
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Payer bank initiates settlement by sending a settlement request to the central bank which is applied to the relevant Exchange Settlement Account (ESA) sub-accounts

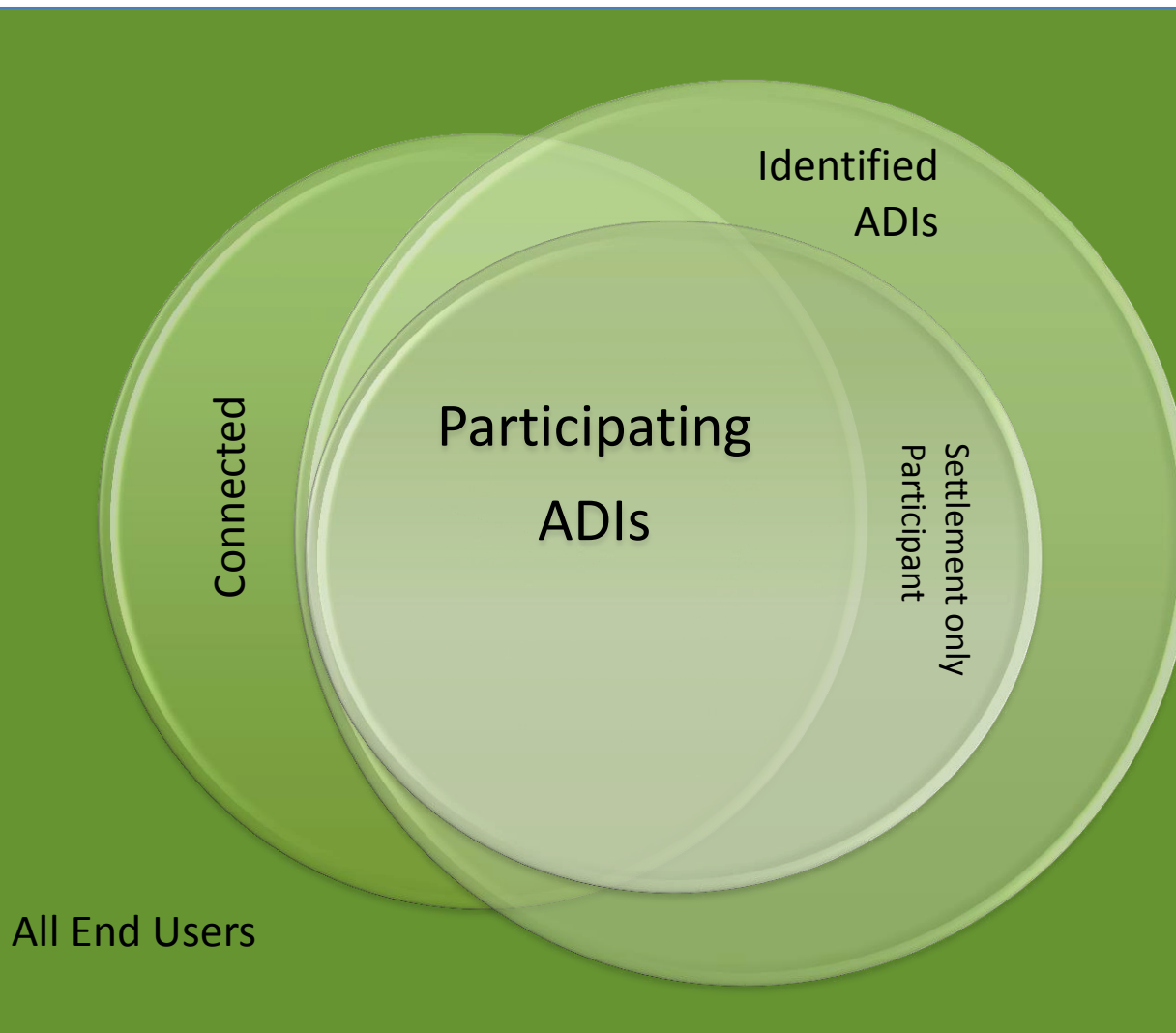
Central bank then returns a settlement confirmation to both banks

# Case Study - New Payments Platform Australia

## *How it works*

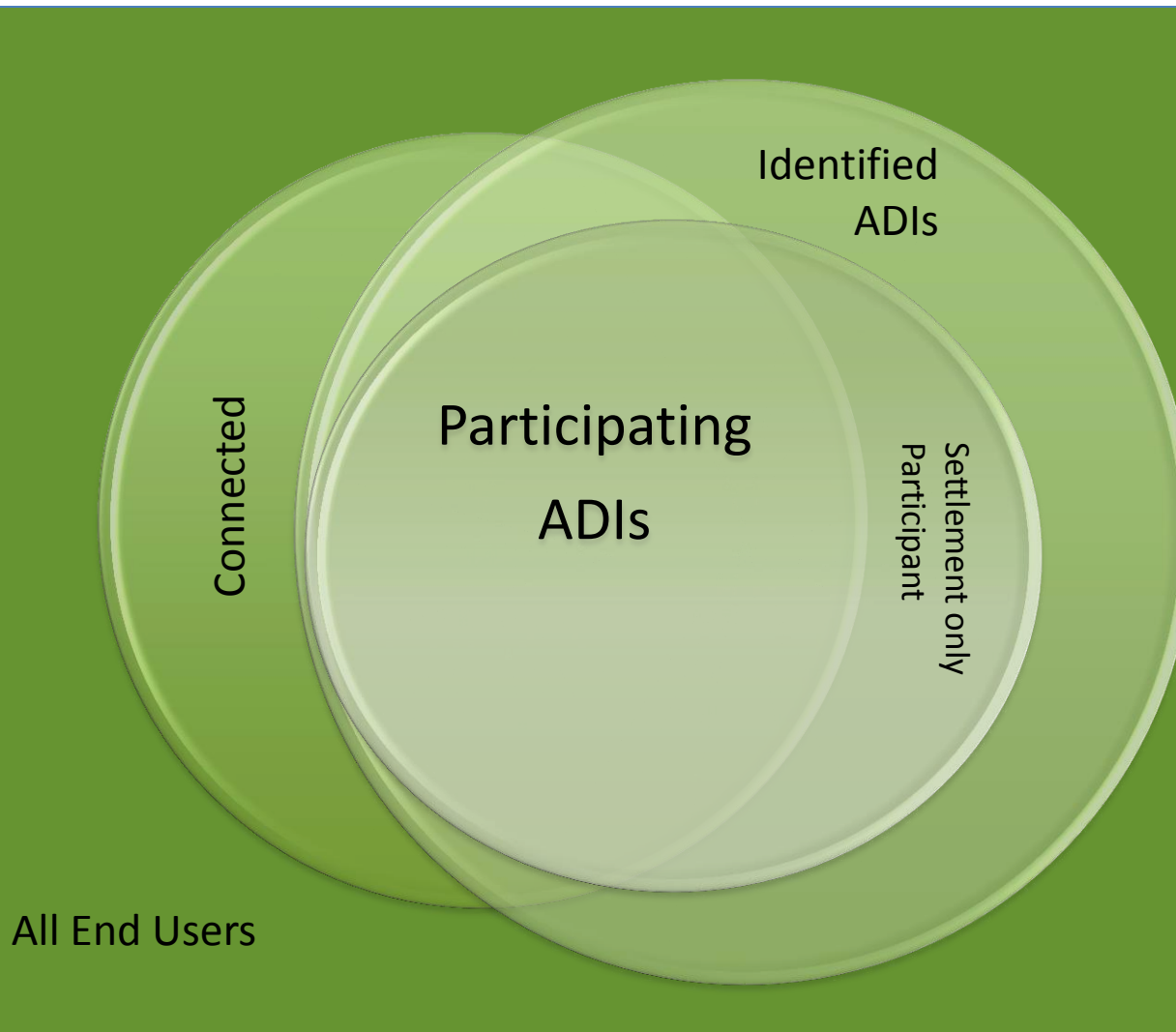


# Our Community



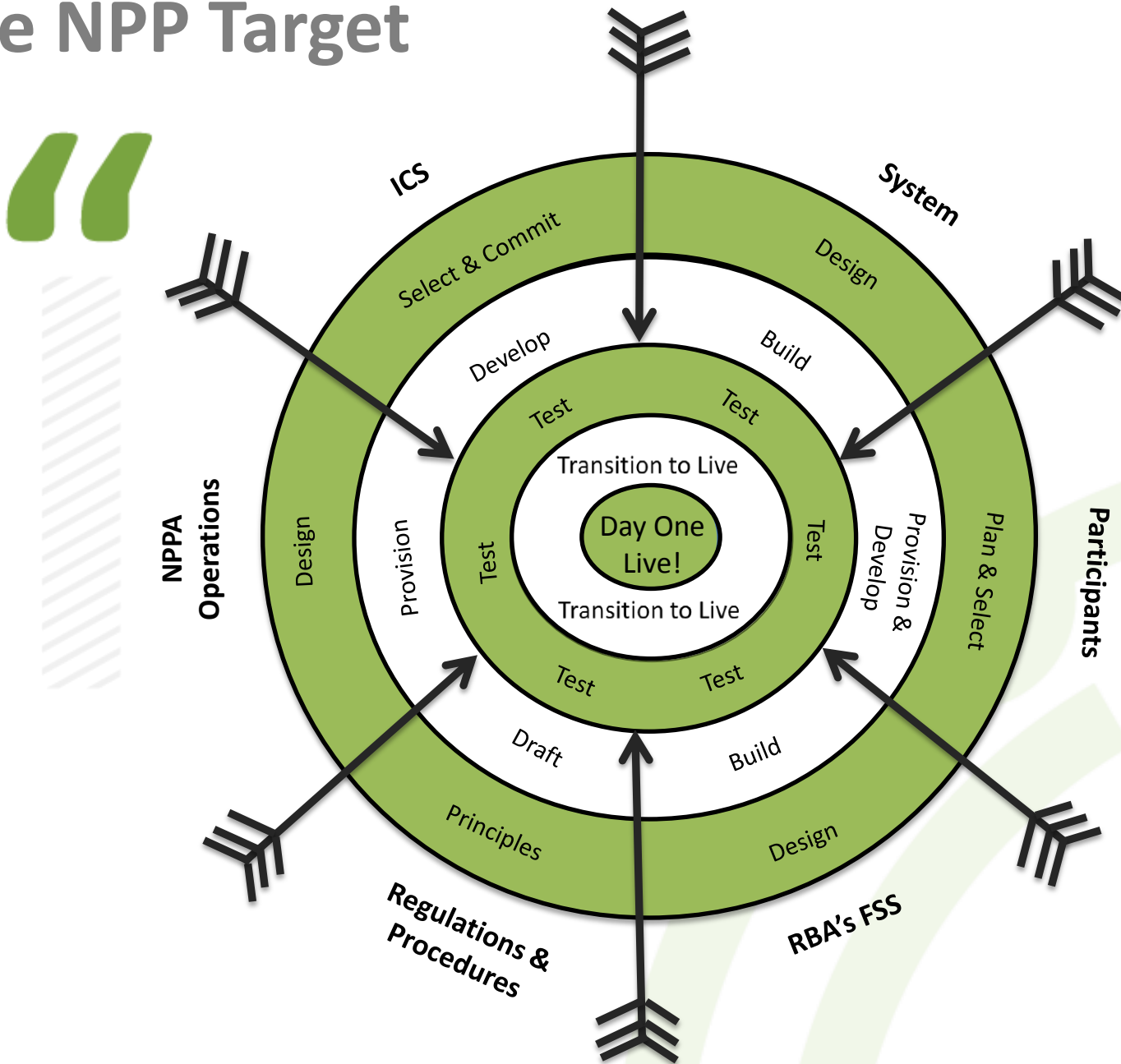
- “Participants” have equity in NPPA; they clear payments and/or process value
- “Identified” ADIs control accounts
- “Connected” institutions sign and send messages
- A “Settlement only Participant” uses another ADI to clear

## Our Community : examples



- Major banks will be full participants
- A regional or foreign bank may choose to be a “settlement only” participant
- An overlay provider or a large customer may (eventually) be connected institutions sign and send messages
- A small credit union may rely on a service provider, and simply be “identified”

# The NPP Target



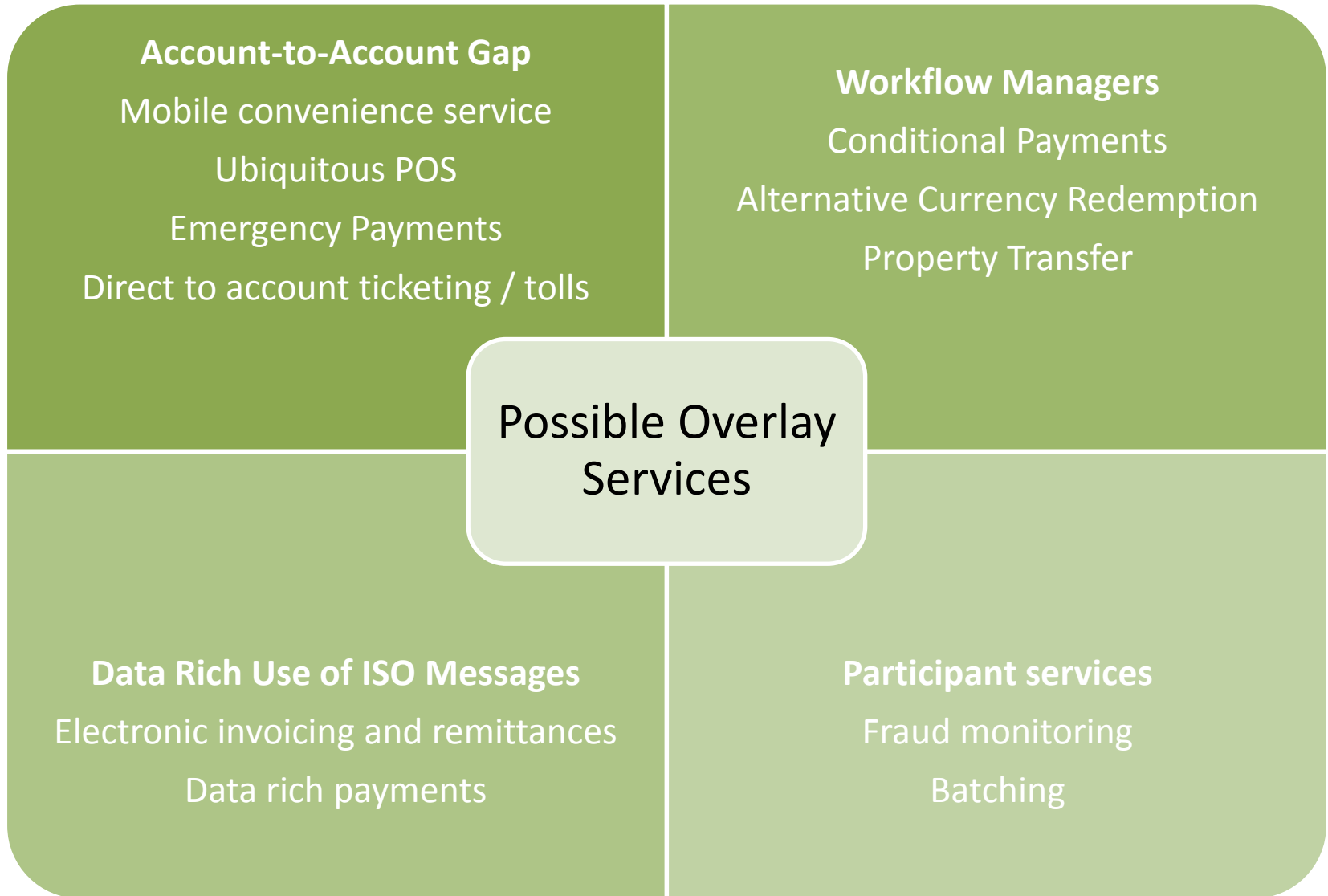


## *🌿 First Overlay: the Initial convenience service*

- Mass-market, convenience
- Intended to prove concept and encourage use
- FIs to promote to their customers
- BPAY recently announced as ICS provider



## *Potential new overlays*



So how do we support the  
economy of the future



## Overlays = Open standards

- APIs
- Ubiquitous messaging
- Standard data forms

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