

Susan Bray  
Head of Self-Regulation  
Australian Payments and Clearing Association  
Level 6, 14 Martin Place  
Sydney, NSW 2000  
18 Nov 2013

Dear Susan

### **Establishment of an Australian Payments Council**

Thank you for the opportunity to comment on the establishment of an Australian Payments Council and the supporting Payments Community.

PayPal is strongly supportive of the need for regular and ongoing dialogue between the industry and the Reserve Bank and PSB, to discuss strategic objectives and address issues facing the industry. PayPal has been a leader in driving payments innovation globally and developing solutions that enable commerce. We would welcome the opportunity to contribute our global experience and knowledge, in positioning the Australian payments landscape for the future.

PayPal provides global thought leadership on a range of issues including cross border trade (Modern Spice Routes\*), payments regulation (Payments Regulation for Asia Pacific\*), future of payments (The Future of POS: Point of Sale Evolution and Its Impacts\*), as well as many other issues, drawing upon our experience in 193 markets and facilitating 26 currencies around the world, processing almost 8 million payments every day.

We endorse the proposal to form two bodies namely, the Australian Payments Council and Payments Community. We are of the view that regular discussions between industry participants will enable the industry to develop innovative solutions that better meet changing customer needs, manage risks in a more coordinated and consistent manner and leverage new technologies to deliver world class solutions to Australian consumers and businesses.

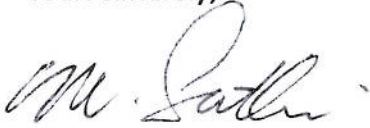
PayPal agrees with the statement that the Payments Council will need to represent views from a cross-section of the Australian Payments industry. Given the unique nature of PayPal's business, we believe that we will bring significant value to industry discussions, as a member of the Council. PayPal is supportive of the proposed membership and voting methodology.

We believe that engagement with the PSB is an essential part of the proposed process. It is envisaged that the PSB and the industry will jointly review the current state and future trends, benchmark against similar markets and set strategies to continually drive innovation and competition, for the benefit of end-users.

To summarise, PayPal believes that the establishment of the Australian Payment Council will provide a forum for industry participants and the Reserve Bank to jointly drive payments strategy for

Australia. PayPal looks forward to reviewing the Participation Agreement and would be happy to further discuss this matter with APCA and the RBA.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'M. Sathi', written in a cursive style.

Mallika Sathi

**Head of Core Payments**  
**PayPal Australia Ltd**