

16 November 2012

Real-Time Payments Committee

Update

The Real-Time Payments Committee, a group of senior decision-makers from Australian financial institutions, is charged with developing a proposal for Australia's next-generation low-value payments infrastructure. Following is an update on progress made since 5 October 2012.

The Real-Time Payments Committee has been liaising closely with the Reserve Bank of Australia (RBA). In late October, the Committee met with senior executives of the RBA to explore the RBA's public policy expectations from the new system, and discuss the expected involvement of the RBA and industry representatives in a planned three-year programme to develop the new system.

The Committee held its third meeting on Friday, 9 November 2012, in Sydney. At this meeting, the Committee agreed a high-level approach for developing its proposal to the RBA for real-time payments infrastructure to support Australia's digital economy. Specific issues considered by the Committee at the meeting are outlined below.

The Committee agreed that the system will need to support a variety of business and consumer needs alongside existing systems, and that all retail banking institutions and many service providers will need to be involved. Deliberations made it clear that the infrastructure for real-time payments should allow scope and flexibility for industry participants to add related functionality and new services later, as they become available.

The Committee will consider the results of Industry Expert Group workshops, involving payment experts from financial institutions including the RBA, together with market data on future payment trends, before agreeing the preferred business architecture and other essential elements of the proposal.

The industry proposal will be presented to the RBA in time for the first meeting of its Payments System Board (PSB) in 2013. The Committee expects that, with the PSB's support for the proposal, the first half of 2013 will see programme set-up, industry consultation and requirements development involving industry participants and the RBA. This would allow qualification and selection of operational and technical service providers in the second half of 2013.

The Committee noted that a number of payments operators and technology vendors have been doing preliminary work with Australian financial institutions, exploring the complex technical and operational design issues. It was agreed this work will be of value as the RBA and financial institutions delve into the detail next year.

The Committee acknowledged that there are a number of organisations in Australia and globally with the expertise to help develop real-time payments, and confirmed that it is committed to a fair, open and rigorous selection process later in 2013.

The Committee wishes to ensure that industry participants, service providers and other stakeholders are kept informed of its activities and will continue to publish regular updates about its work on the APCA website.

The next meeting of the Real-Time Payments Committee will be held on Friday, 30 November 2012.

Media Enquiries

Ida Turner, APCA Communications
Tel. (02) 9216 4817