

Outcome
Advisory Group on Market Infrastructures on Payments
Ad hoc meeting on instant payments

Tuesday 6 February 2017, 2017, 16.00 – 17.30, Room C2.01
European Central Bank, Sonnemannstrasse 20, 60314 Frankfurt am Main

1. Welcome and adoption of the agenda

Outcome:

The Chair welcomed the members and in particular Mr Paulo Ferreira (Novo Banco), new AMI-Pay member.

The members agreed on the agenda.

2. Exchange on the TIPSapp event

Participants will be invited to exchange views and share their main take aways on the TIPSapp event that took place on 6 February 2018.

Outcome:

In its September 2017 meeting, AMI-Pay supported the idea of organising an event ensuring that apps are offered to make use of instant payments once they are available. The TIPSapp event took place on 6 February before the ad hoc AMI-Pay, with the presence of several AMI-Pay members and observers.

AMI-Pay members and observers had an exchange on the event. The event proved very successful with a high participation from various parties involved in the implementation of instant payments.

The members generally were of the view that this was a necessary event that highlighted the need to communicate between different layers involved in the implementation of instant payments, including possibly at the national level.

3. TIPS project status update

The ECB will provide an update on the TIPS project.

Outcome:

The ECB provided a status update on the TIPS project with a focus on the connectivity dossier. It was noted that the project is on track for go live on 30 November 2018 and that two NSPs are currently undergoing the connectivity compliance check procedure, after having been sponsored by TIPS participants.

Participants were further informed of the proposal discussed in the TIPS Contact Group to enlarge the character set supported by TIPS from Latin to UTF-8. TIPS Contact Group members and AMI-Pay members are invited to provide feedback on this issue, especially taking into account the possible impact on their own internal applications. In this regard, some members noted that TIPS being based on SCT Inst, this issue should be discussed at the EPC level, while TIPS should be a priori agnostic. The ECB noted the need to distinguish between the TIPS capacity from a software perspective and the industry needs as the EPC scheme defines a minimum. It was noted that the EPC best practices on character set should be taken into account in considering this question.

A formal consultation process on this point will be organized by the Secretariat after the meeting.

4. Potential development of instant payments in the euro area

A recent comparative study¹ by Monika Hartmann, Lola Hernández, Mirjam Plooij and Quentin Vandeweyer from the ECB asked whether instant payments would become the new normal. Following a presentation of the main findings of this comparative study, participants will be invited to have an exchange of views on this topic.

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https://www.ecb.europa.eu/pub/conferences/shared/pdf/20171130_ECB_Bdl_conference/payments_conference_2017_academic_paper_hartmann_hernandez_plooij_and_vandeweyer.pdf

Outcome:

Ms Plooij (ECB) presented the main findings of the comparative study conducted with Monika Hartmann, Lola Hernández and Quentin Vandeweyer from the ECB, asking whether instant payments would become the new normal. That study looked at six countries – both in Europe and elsewhere – where instant payments had been introduced in recent years and identified seven factors which had contributed to their uptake: active involvement of relevant authorities; cooperation between payment service providers; added value in terms of speed relative to legacy systems; good pricing conditions; presence of complementary services; widespread use of internet and mobile data; and high levels of internet banking.

On the basis of those drivers, the paper concluded that the euro area was in a good position to support instant payments and analysed four different scenarios as regards their adoption.

The members took note of the presentation.

5. Any other business

Outcome:

- The workshop on value dating and other issues related to instant payments will take place on 8 March.
- The next regular meeting will take place on 17 April.