



Trusted, Open and Ubiquitous Innovation: New Models?



Chris Hamilton, CEO

Australian Payments Clearing Association

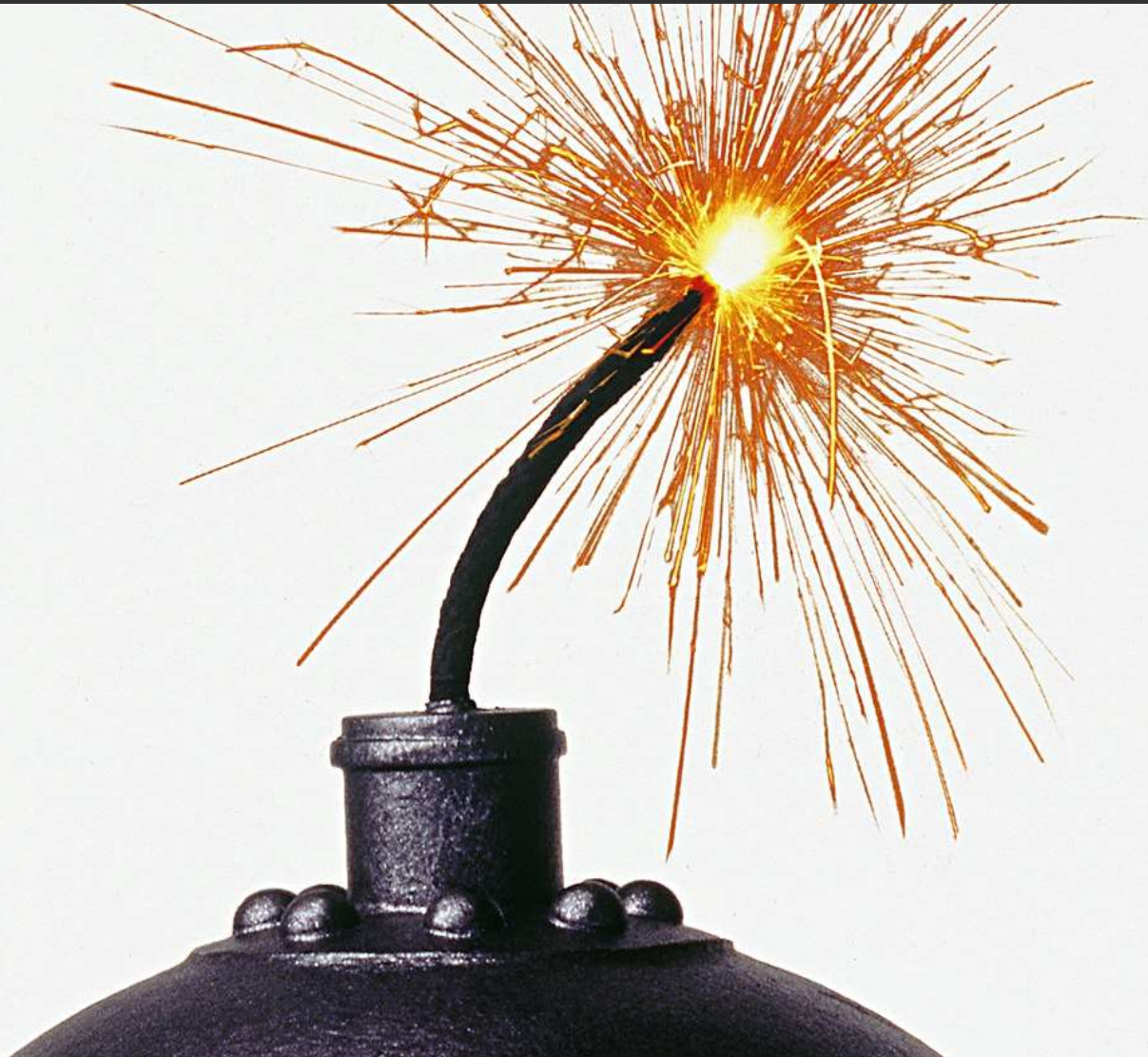
24 September 2015

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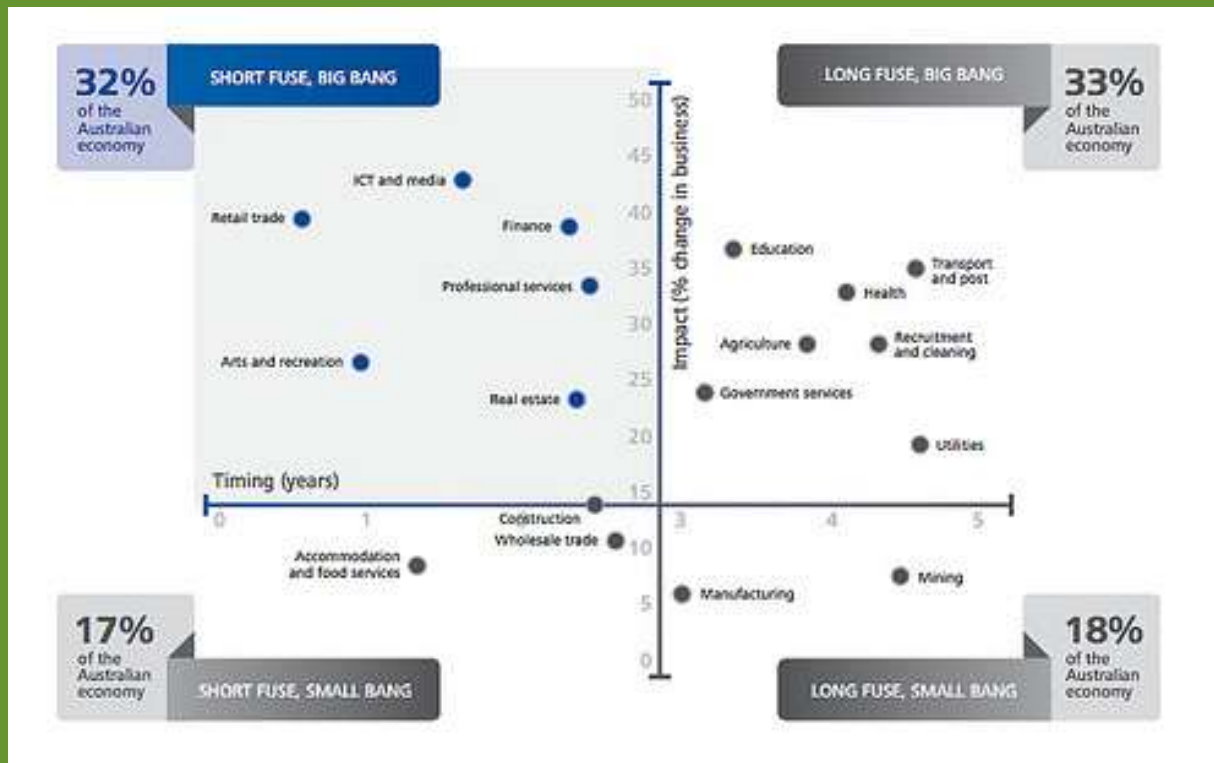
Please note that any views expressed in this presentation are the personal views of the speaker and do not necessarily represent the views of New Payments Platform Australia Limited, the Australian Payments Clearing Association or individual payment system participants.

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These are not normal times

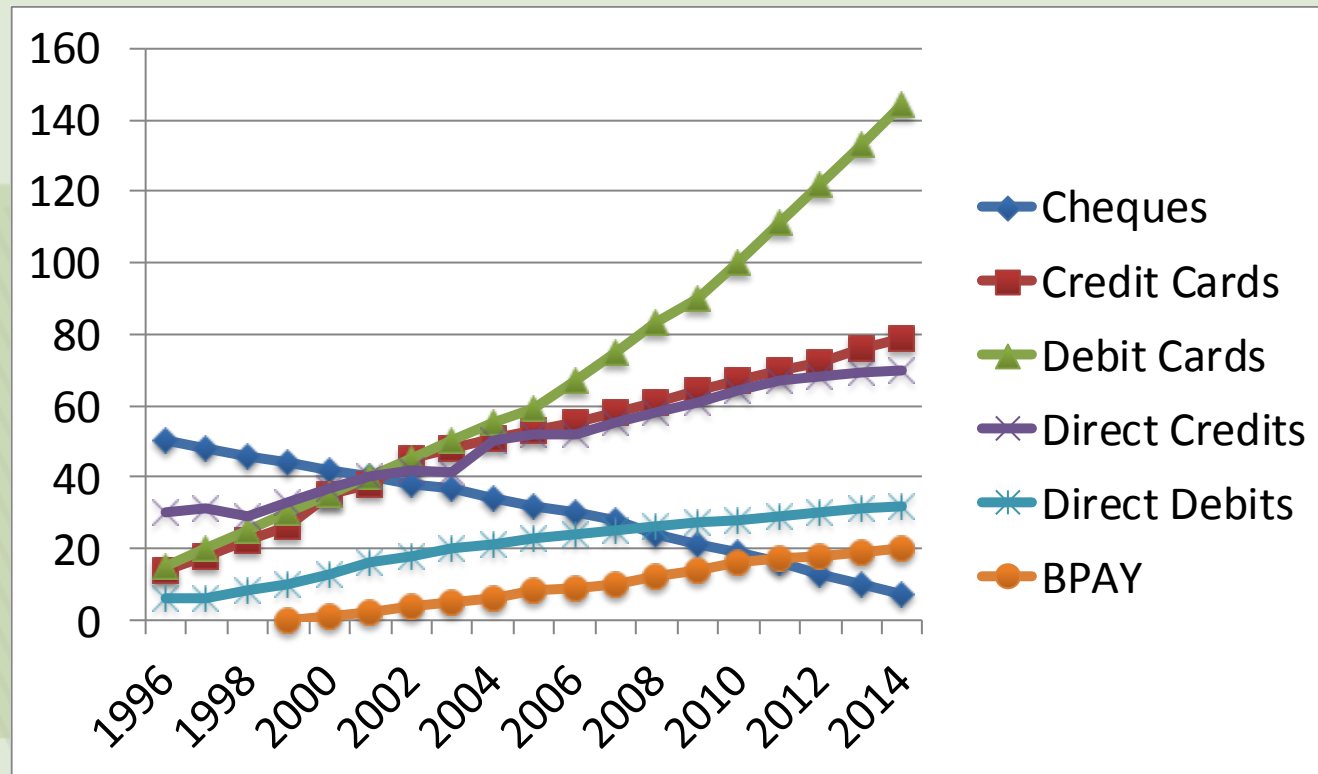


It's the economy, mate...



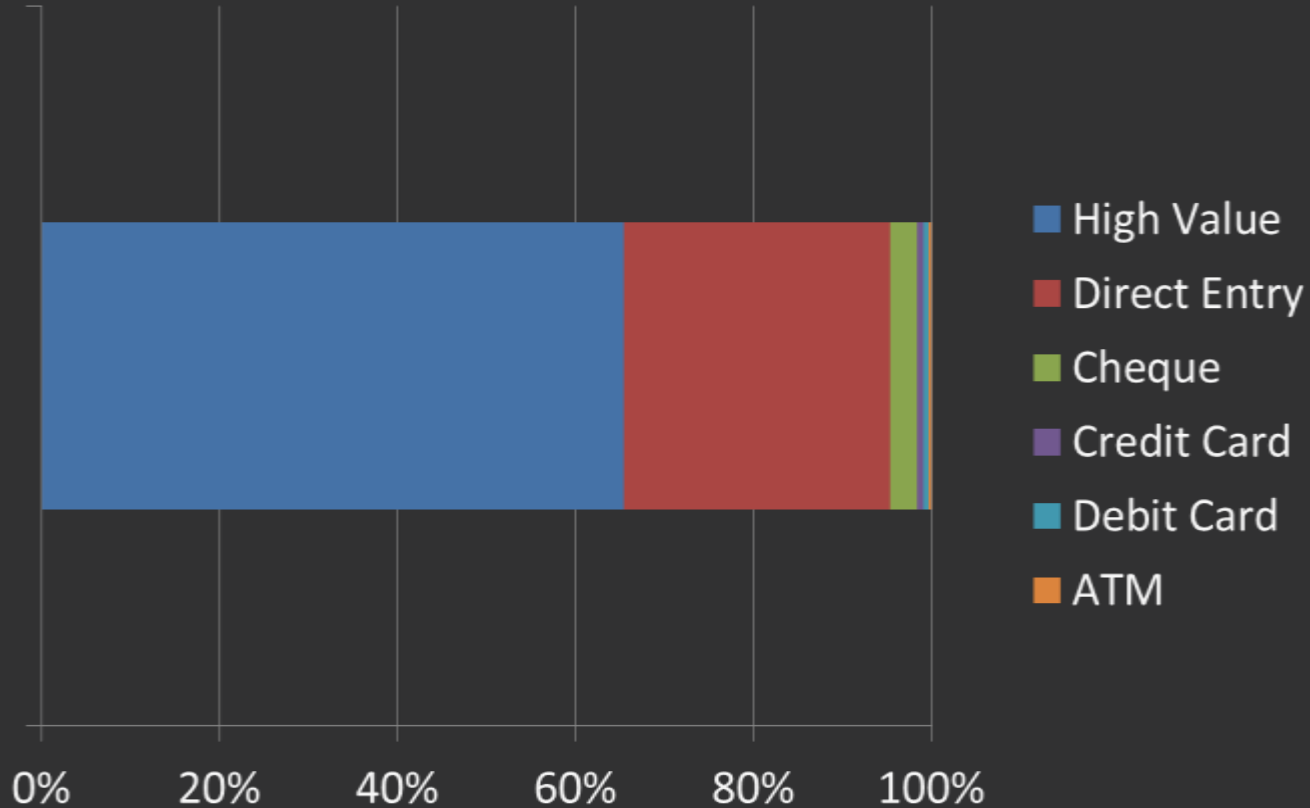
“One third of the Australian economy faces imminent and substantial disruption by digital technologies...”

Non-cash payments per capita, Australia, 1996-2014



Source: APCA, RBA

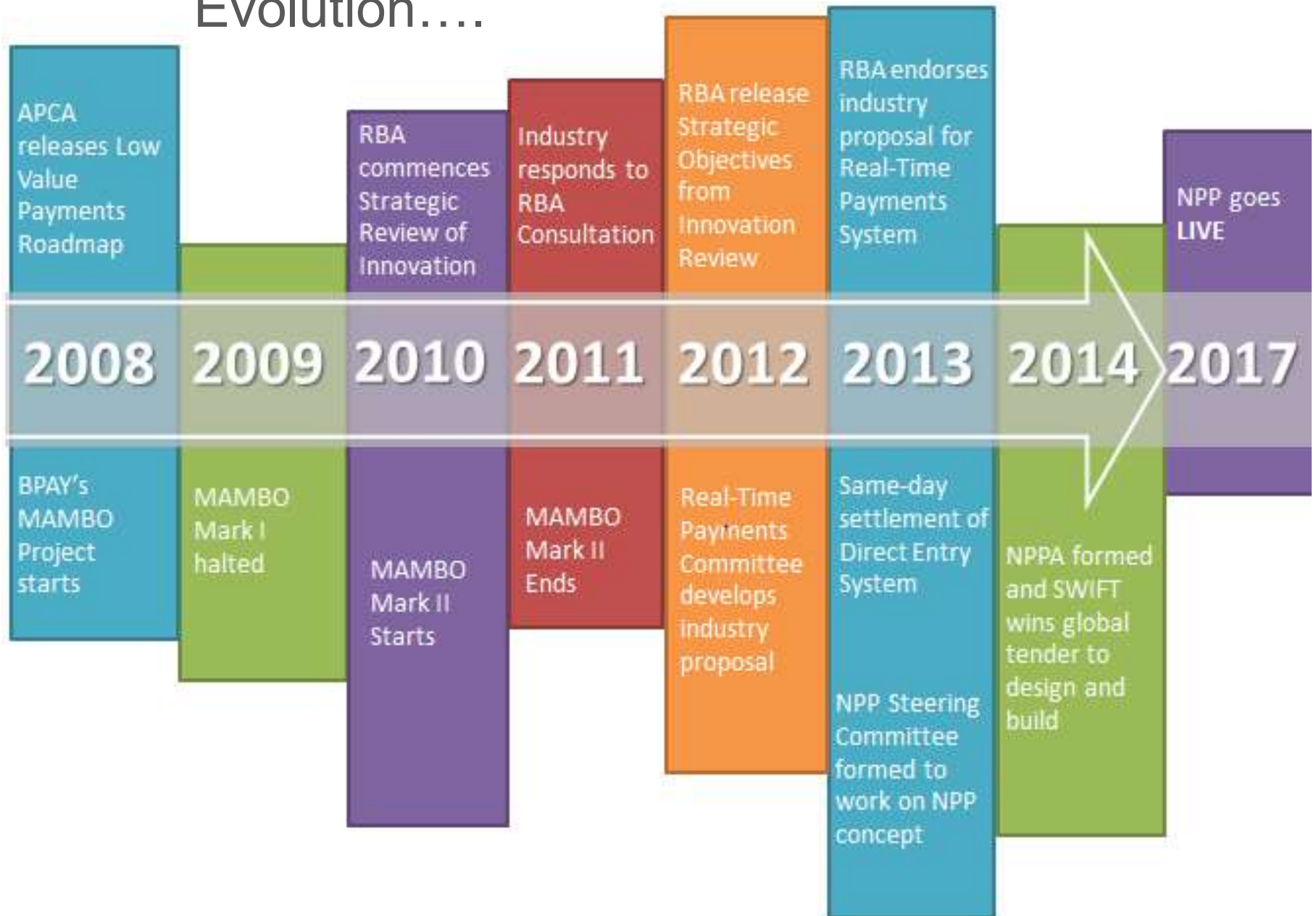
Non-cash value by system 2014



Source: APCA, RBA

🦄 DE – the work horse

Evolution....



“...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.”

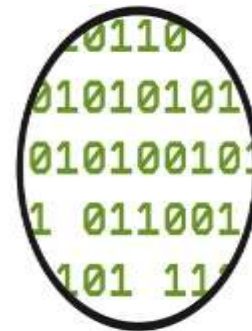
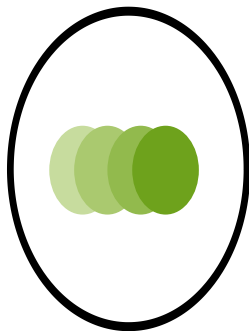
Real Time Payments Committee,
February 2013

WHAT IS — THE — NPP

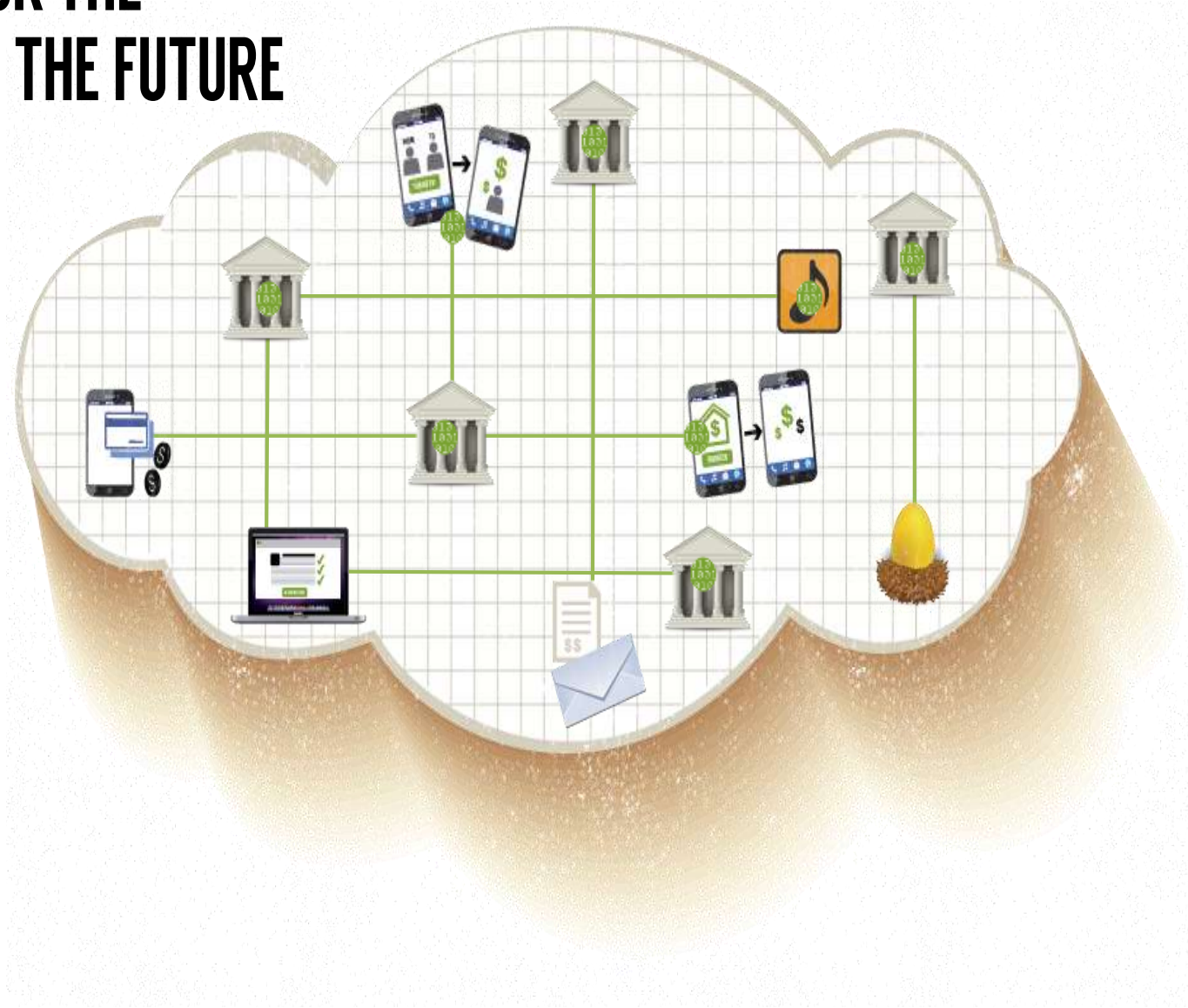
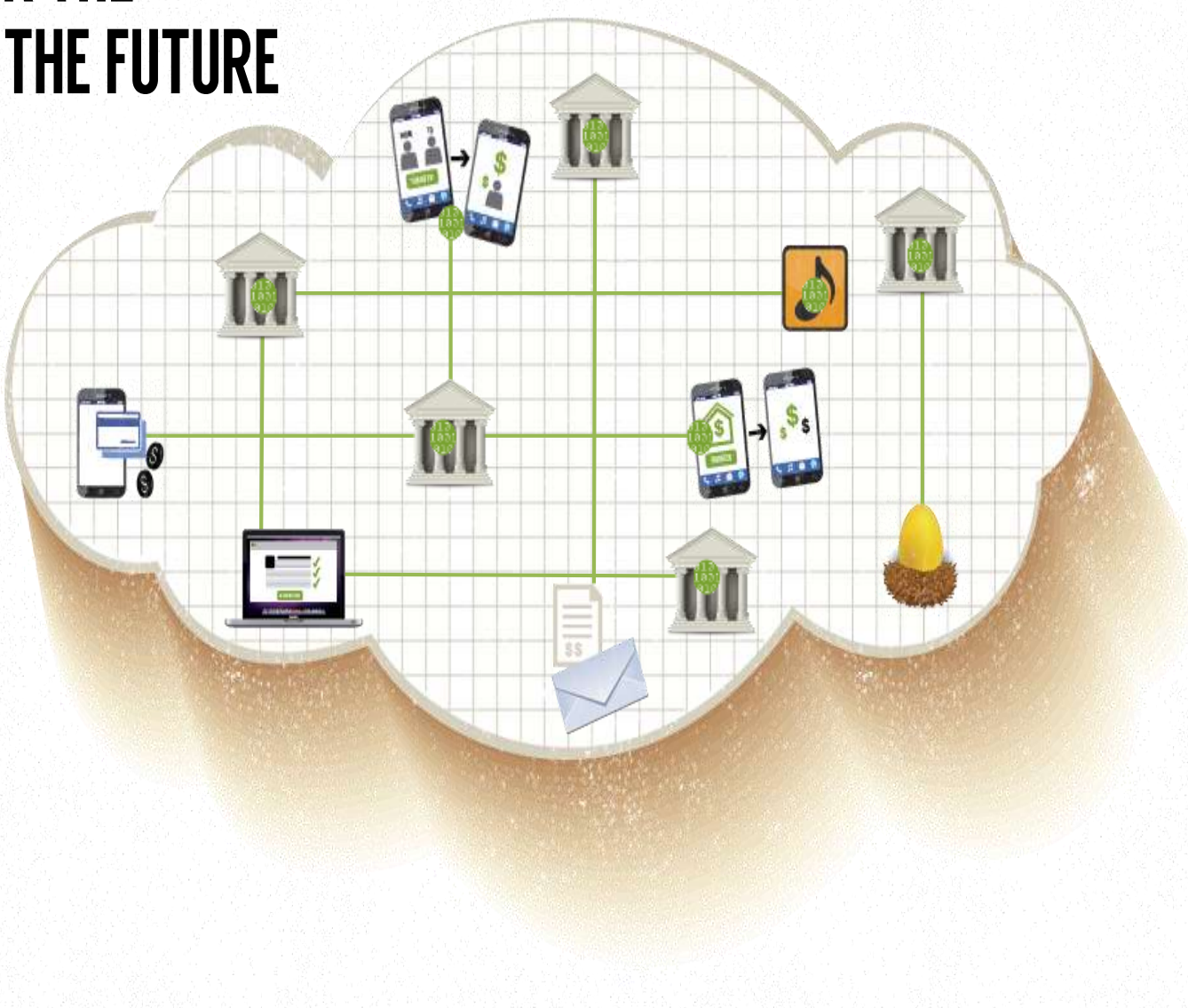


NPP: NEW PAYMENTS PLATFORM

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



THE FUTURE





WHY BUILD IT

The Australian economy
needs fast new infrastructure
that is:

flexible and

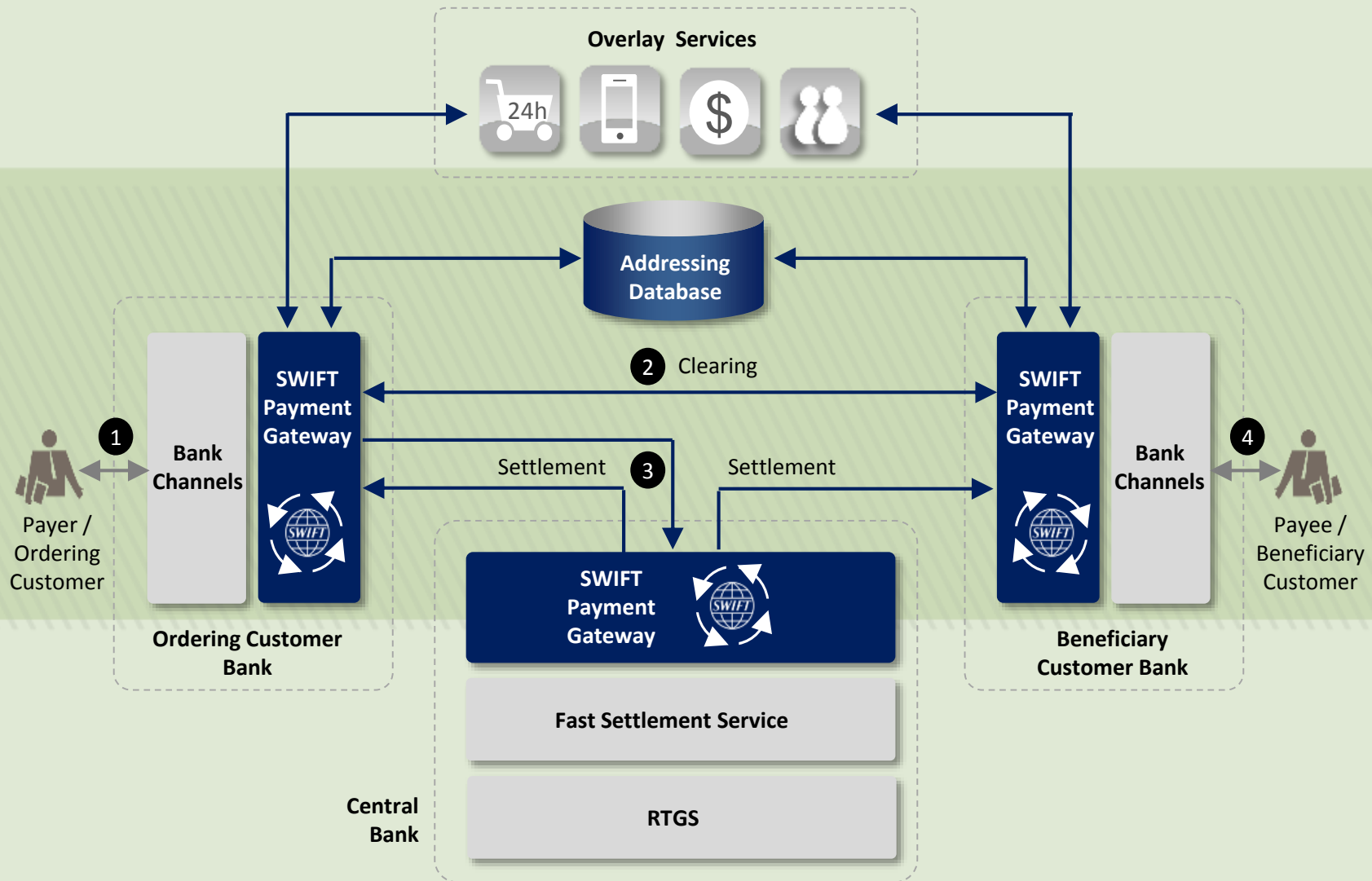
scalable for

next-generation payments

Australia's leading financial institutions
are the founding members, supported by **APCA**



How it works



GOVERNANCE: Not just compliance....

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Real Time Payments
Committee
2012

4 majors, 3 others, hand
picked, Independent
chair.

APCA funding



NPP Steering
Committee
2013-2014

4 majors, 4 smaller orgs
(varied), RBA,
Independent chair

Participation Agreement



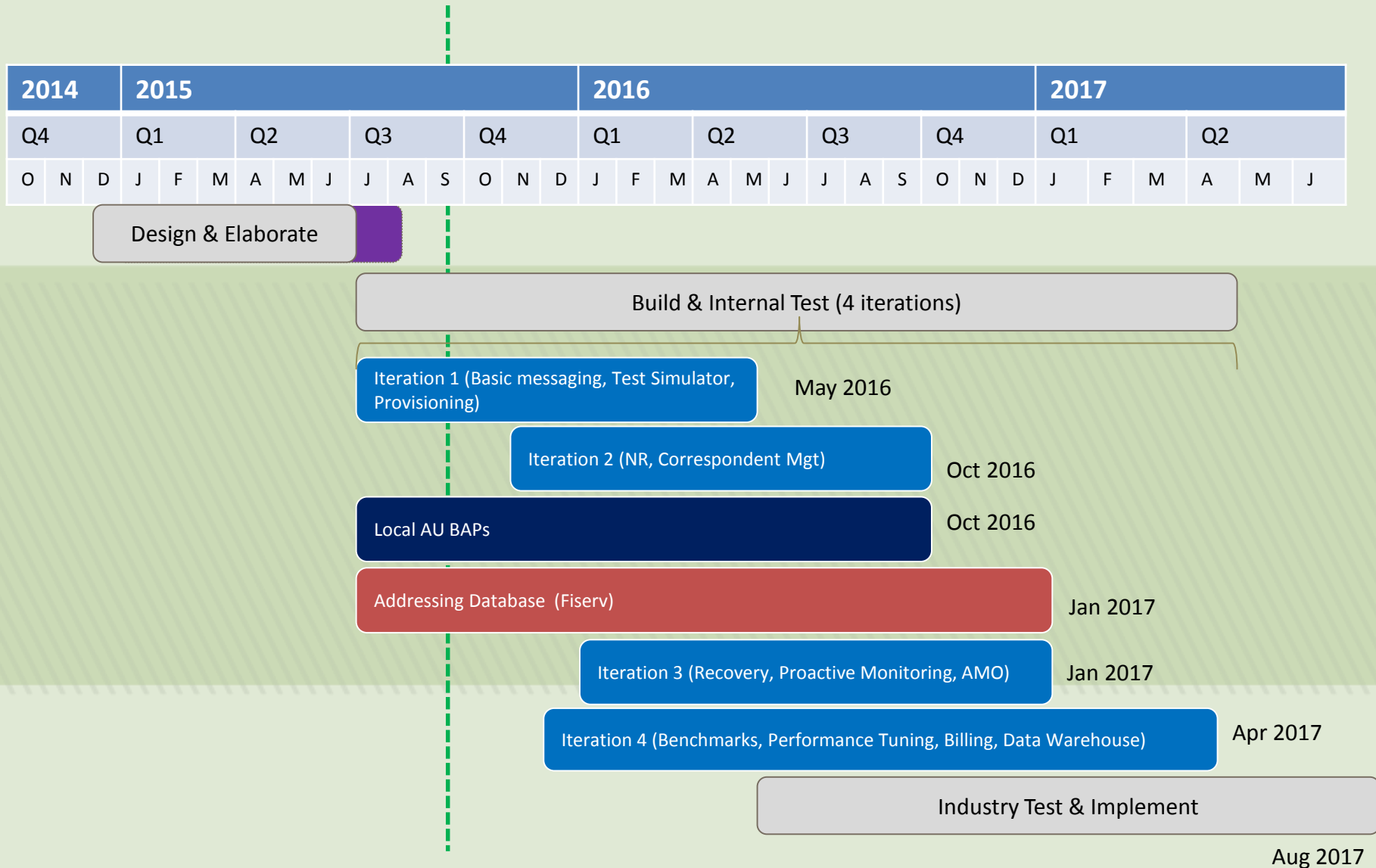
NPP Australia
Limited
2014-launch

Company with tiered
membership (high,
medium, low), voting
rights to match, 4-year
support commitment

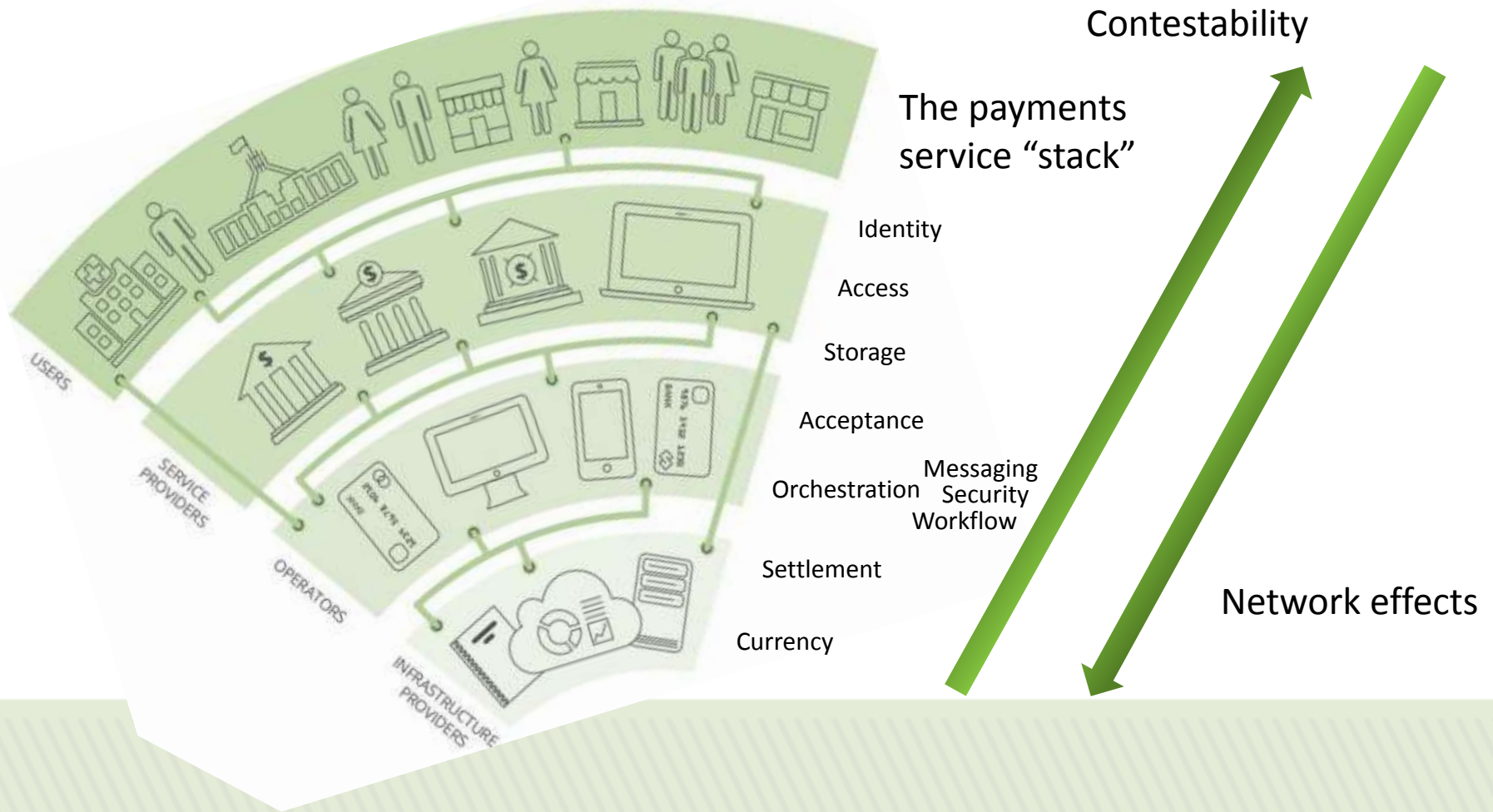
Shareholders Agreement
with equity calls

APCA as midwife...

Where are we up to?



Unpacking payments network effects

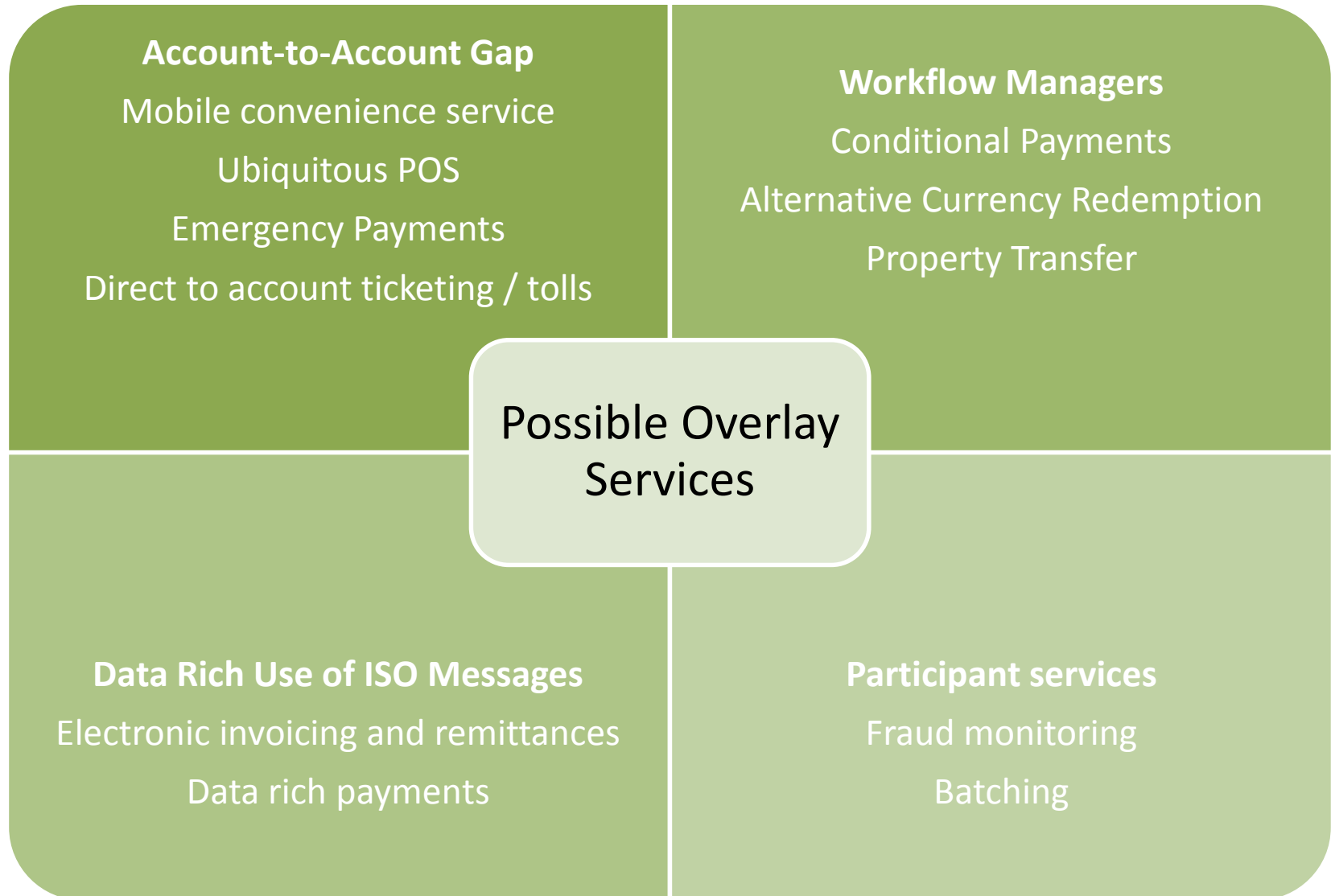


🌱 First Overlay: the Initial convenience service

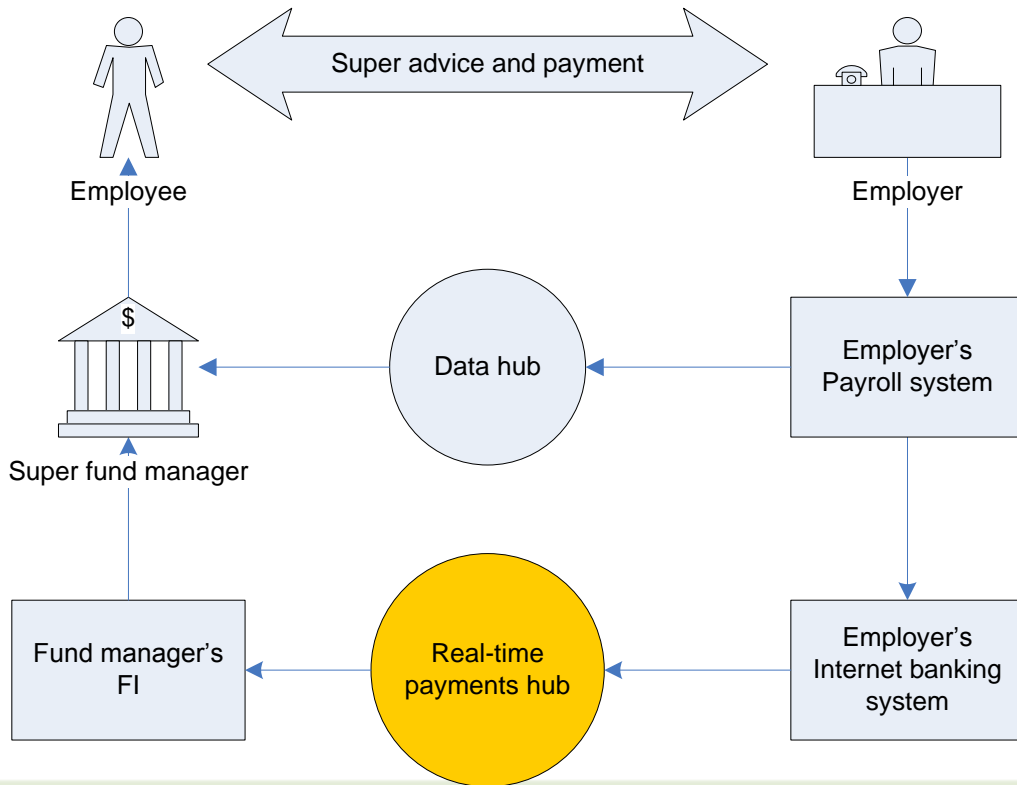
- Mass-market, convenience
- Intended to prove concept and encourage use
- Probably mobile-oriented
- FIs to promote to their customers



Potential new overlays



Example: SuperStream



By 30 June 2015, all Australian employers and super funds were required to automate super contributions.

The only part of the process that needs manual intervention is the payment.

So how do we
support the
economy of the
future?



Overlays = Open standards

- APIs
- Ubiquitous messaging
- Standard data forms



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24 September 2015