G20 Cross-border payments programme: Progress, achievements, and next steps

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 Targets for addressing cross-border payment challenges*

By 2030

- Global average 1%
- 75% within 1 hour, rest within 1 business day
- 90% to have access to electronic remittances
- Min. 1 option per payment corridor
- All end user to have at least 1 option

Access

- Global average 3%
- Minimum defined list of information
- 75% within

Transparency

- Wholesale payments
- Retail payments
- Remittances


* High level summary
Priority themes to achieve G20 targets for speed, costs, transparency and access

Payment system interoperability and extension

1. Central bank operators’ community of practice
2. FPS interlinking across borders
3. Cross-border payment service level agreements/schemes

Legal, regulatory and supervisory frameworks

4. Bank/non-bank regulation and supervision
5. Information to end-users
6. AML/CFT rules application

Data exchange and message standards

7. Interaction with data frameworks
8. ISO 20022 harmonisation requirements
9. API harmonisation
10. LEI use

11. Payments Summit
12. Industry taskforces
13. Monitoring and progress reporting
14. Technical assistance
15. Public sector outreach
Priority actions focusing on stakeholder engagement

- **Taskforces**
- **FSB’s Payments Summit**
- **Expert groups (e.g., on service levels, ISO 20022 or APIs)**

Detailed, technical advice channels

- Practitioner advice and collaboration mechanism on provision and modification of cross-border payments

- Forum for the exchange of implementation experiences and coordination between public and private sector
Cross-border payments interoperability and extension (PIE) task force

- **Chair:** Ulrich Bindseil, European Central Bank
- **Members:** Approximately 30 from a wide variety of jurisdictions and regions and comprising private-sector institutional types and business models
- **Objective:** Bring together the strategic industry perspective and practical subject matter expertise required to implement cross-border payment enhancements

Central bank operated payment systems (COPS) community of practice

- **Chair:** Carlos Conesa, Bank of Spain
- **Members:** Currently around 40, more than half of it non-CPMI members
- **Objective:** Forum of exchange for central banks on developing or upgrading their payment systems, factoring an international dimension into them and discussing innovative developments (eg synchronisation)
Considerations on governance and oversight of FPS interlinking arrangements

**Strategic alignment**
Compatible strategic and economic policy priorities create favourable conditions for agreement on potentially sensitive issues.

**Objectives and vision**
Common objectives and long-term vision is an important starting point of an arrangement’s governance framework.

**Design interdependencies**
Ownership structure and legal set-up has strong interdependencies with key aspects of the governance framework.

**Flexibility and scalability**
Flexibility and scalability facilitate future expansion and an evolution of the role of central bank involvement.

**Business viability**
Leveraging the experience from the interlinked domestic FPS to increase adoption to contribute to the business viability.

**Interaction between governance and oversight**
Considering oversight expectations and involving overseers during the design and implementation of the governance framework, as well as daily operations.

**Oversight cooperation**
Cooperation among overseers is necessary for overseers to fulfill their respective regulatory, supervisory, or oversight mandates.

**Oversight expectations**
Overseers consider the PFMI as a starting point for discussions on shared oversight expectations.

**Proportionate oversight**
Pragmatic and proportionate approach on risk management and oversight.

**Stakeholder involvement**
Representative stakeholder involvement in the governance can increase acceptance of the cross-border interlinking arrangement.
Priority action: ISO 20022 harmonisation

- 12 harmonised ISO 20022 data requirements across a core set of ISO 20022 messages, complementing existing market usage guidelines.
- Aim of ensuring that the benefits of ISO 20022 can be realised to the maximum possible extent for cross-border payments.
- Requirements are set for end-2027 with a two-year transition period between 2025 and 2027 (during which the requirements can be treated as recommendations).