

Extracted Issues for Consultation from:

National Payments Plan

Consulting on change in UK payments

These questions must be read in conjunction with the National Payments Plan Consultation document, available from http://www.paymentscouncil.org.uk/national_payments_plan/

Issues for Consultation

Q1 The Payments Council is minded to develop a proactive industry plan to manage what it sees as the irreversible decline in cheques. Do you agree that a plan for cheques should be developed?

Q2 For which types of payment currently made by cheque do new alternatives need to be introduced?

Q3 Would it be acceptable for the National Payments Plan to include a target date of 2018 for the closure of the cheque clearing (on the assumption that acceptable alternatives to cheques have been developed)?

Q4 What sort of education of users is needed to support the migration away from cheques?

Q5 Do you agree that, as part of the National Payments Plan, there should be an objective review of the future of the Cheque Guarantee Card Scheme?

Q6 What other actions, if any, should there be in the National Payments Plan in relation to cheques?

Q7 Do you agree that, as part of the National Payments Plan, there should be an objective review of the future of the paper credit clearing?

Q8 The Payments Council believes that the National Payments Plan should be developed on the assumption that cash will remain a major payment method for the foreseeable future. Do you agree?

Q9 Should the issues of the supply and quality of notes and coin in circulation be within the scope of the National Payments Plan? If so, how should they be addressed?

Q10 What other actions, if any, should there be in the National Payments Plan in regard to cash?

Q11 What improvements would lead to the greater take-up of direct debits by users?

Q12 Would you support the introduction of a time-limited guarantee for direct debits in place of the current unlimited guarantee?

Q13 If so, what time limit do you think would be appropriate?

Q14 What measures to improve the accuracy and end-to-end delivery of reference information, with internet and telephone banking payments

and with other direct credits, could usefully be introduced?

Q15 Are there any other enhancements you think should be made to direct credits?

Q16 What opportunities would you identify to exploit the ATM infrastructure for non-cash transactions? How should these be reflected in the National Payments Plan?

Q17 Which other, if any, actions should there be in the National Payments Plan in relation to credit and debit cards and cash machines?

Q18 What improvements should be made to the way in which payments in the wholesale markets are carried out?

Q19 What should the Payments Council do to ensure that users in the UK can take best advantage of SEPA?

Q20 What issues does SEPA raise for your use of payments?

Q21 What improvements should be made to cross-border payments?

Q22 What measures to enhance users' efficiency should be considered by the Payments Council?

Q23 Do you agree that at the present stage of market development the contactless and prepaid card sectors are best left to initiatives from individual payment service providers and the card schemes?

TfL does not fully support a hands-off approach in this area. The contactless payments space currently includes major global contactless standards in the form of Visa PayWave, MasterCard PayPass and American Express ExpressPay, and other smaller proprietary standards promoted by start-up companies. This is in stark contrast to the situation in contact payments where the two largest schemes' EMVCo organization provides the shared standard that allows most cards to be used in most merchants. As a large merchant, TfL would like to see this kind of standard harmonization occur for contactless cards such that merchants for whom high contactless transaction speeds are important can invest in new payment systems with confidence that most potential consumers will have compatible devices. If the contactless market stabilizes around one set of standards that are adopted by most issuers and are sufficiently fast, it could make sense for urban transport operators' next generation of bus and station fare payment systems to be based upon them, but this is unlikely to happen if the market is fragmented.

Q24 What support, if any, could the National Payments Plan offer to the development of contactless cards? In particular, is further action needed to ensure that the standards for contactless cards meet the needs of all sectors of users?

TfL would like to see the National Payments Plan include steps to ensure that the contactless standards around which the market finally stabilizes have transaction speeds that are fast enough for urban transport operators that choose to use them to be able to secure real improvements in vehicle boarding times and throughput when compared against current magnetic stripe ticket technologies.

Q25 What support, if any, can the National Payments Plan offer to the development of prepaid cards?

Q26 What role should the Payments Council play in the development of mobile payment services, including setting the standards for mobile payments?

Q27 In particular, do you agree that the National Payments Plan should support

the development of mobile payment services between bank accounts?

Q28 What principal characteristics would users find attractive in a mobile payment service?

Q29 What role do mobile phone payments potentially play in providing alternatives to traditional forms of payment?

Q30 What other actions, if any, should there be in the National Payments Plan in regard to mobile payments?

Q31 Do you agree that the Payments Council should indicate support for the work of the European Commission Steering Committee on e-invoicing and associated activity, including the development of international standards that facilitate supply chain efficiency?

Q32 What role should the National Payments Plan play in moving this agenda forward?

Q33 What other actions should be included in the National Payments Plan?

Q34 What other payment innovations requiring action at industry level should be considered by the Payments Council?

Q35 What gaps are there in current financial educational initiatives in regard to payment matters?

Q36 What role can the Payments Council play in promoting the education of consumers about the choice of payment methods available to them? What other bodies should it work with to deliver this role?

Q37 What role can the Payments Council play in promoting financial inclusion?

Q38 What other bodies should it work with to deliver this role?

Q39 What are the main challenges to the integrity of payment systems that need to be addressed collaboratively?

Q40 How should consideration of measures against fraud be included in the assessments which the Payments Council makes of proposals for innovation?

Q41 How can the National Payments Plan assist with issues of customer authentication? To what extent do these need to be addressed across the payments sector?

Q42 Should minimum standards be introduced for authentication of remote transactions? If so, should a common measure of authentication be recommended/mandated?

Q43 How should the National Payments Plan address new technologies, such as biometrics, which may contribute to customer security?

Q44 What actions, if any, should the National Payments Plan include in regard to data sharing?

Q45 How can the National Payments Plan help ensure that the burden of fraud prevention is shared equitably across payment service providers and users, including SMEs?

Q46 What role should the Payments Council play in raising the profile of fraud and security issues and in lobbying government and the public authorities?

Q47 What should be the role of standards in the National Payments Plan? Are the current principles as agreed by the Board a suitable base from which to start? What role should the Payments Council play in influencing international standards developments?

Q48 What, in particular, should the National Payments Plan say about messaging standards?

Q49 Would you support an initiative, led by the Payments Council, to establish a better understanding of the costs of UK payments? If so, how do you think this should be taken forward? What supporting information do you think would be relevant for such an exercise?

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