

National Australia Group Europe

	Section 3/Efficiency/ Pp15 - 26		
1		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?	Yes as more and more retail outlets are refusing to accept cheques as payment.
2		For which types of payment currently made by cheque do new alternatives need to be introduced?	For small businesses, postal payments and the elderly and between family members
3		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)?	Sooner
4		What sort of education of users is needed to support the migration away from cheques?	Mail Shots, Advertising Campaign explaining we want to be Carbon Neutral. Explain alternative more secure methods of making a payment or paying for goods.
5		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?	I would think that this goes hand in hand with the migration away from the use of cheques.
6		What other actions, if any, should there be in the National Payments Plan in relation to cheques?	
7		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?	Yes.

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8	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?	At an industry level the general opinion I have heard is that cash will remain the major payment method as it is seen as being untraceable (not necessarily for fraudulent reasons).
9	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?	*
10	What other actions, if any, should there be in the National Payments Plan in regard to cash?	*
11	What improvements would lead to the greater take-up of direct debits by users?	Greater take up needs to be balanced with greater risk on the part of the Originator. Cannot have one without the other.
12	Would you support the introduction of a time-limited guarantee for direct debits in place of the current unlimited guarantee?	This will be addressed by the introduction of the PSD whereby the intention is to introduce a time limit.
13	If so, what time limit do you think would be appropriate?	This will be addressed by the introduction of the PSD whereby the intention is to introduce a time limit.
14	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?	Standardisation of reference data.
15	Are there any other enhancements you think should be made to direct credits?	No
16	What opportunities would you identify to exploit the ATM infrastructure for non-cash transactions? How should these be reflected in the National Payments Plan?	In Switzerland ATMs are widely used for more than cash withdrawals e.g cutomers can initiate funds transfers and cross-border payment. However, this may be a bit risky.
17	Which other, if any, actions should there be in the National Payments Plan in relation to credit and debit cards and cash machines?	Decision has to be taken whether or not ATMs are free or if market forces re pricing permitted.

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18		What improvements should be made to the way in which payments in the wholesale markets are carried out?	
19		What should the Payments Council do to ensure that users in the UK can take best advantage of SEPA?	Should be at the discretion of each bank to decide
20		What issues does SEPA raise for your use of payments?	Significant system development required as further versions of the guidelines are devised.
21		What improvements should be made to cross-border payments?	Promotion of the Use of MT103+ messages with mandatory use of IBAN and BIC. No comment on cross-border card transactions.
22		What measures to enhance users' efficiency should be considered by the Payments Council?	
	Section 4/Innovation/ Pp27 - 32		
23		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?	*
24		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?	*
25		What support, if any, can the National Payments Plan offer to the development of prepaid cards?	*
26		What role should the Payments Council play in the development of mobile payment services, including setting the standards for mobile payments?	NPP could suggest minimum standards however cannot mandate. Market needs to evolve and find its position.

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27		In particular, do you agree that the National Payments Plan should support the development of mobile payment services between bank accounts?	
28		What principal characteristics would users find attractive in a mobile payment service?	The convenience of being able to conduct transaction anywhere using their phone.
29		What role do mobile phone payments potentially play in providing alternatives to traditional forms of payment?	Convenience of making low value transactions without the need for internet access or visiting an outlet.
30		What other actions, if any, should there be in the National Payments Plan in regard to mobile payments?	Look at the security around this method of payment and look at potential service provider
31		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?	I think the UK should be involved. Although this is not necessarily something we are looking at introducing short term I think as a non-eurozone country we should be involved. If standards are developed by the eurozone countries they may not meet the needs of the UK.
32		What role should the National Payments Plan play in moving this agenda forward?	Ensure that the UK is represented on the EU working groups.
33		What other actions should be included in the National Payments Plan?	
34		What other payment innovations requiring action at industry level should be considered by the Payments Council?	Most of the European initiatives are already covered. I'm not sure if there are any UK specific innovations being considered.
	Section 5/Other Issues/ Pp33 - 40		
35		What gaps are there in current financial educational initiatives in regard to payment matters?	General awareness re the absolute need for 'KYC' checks and rechecks.

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36		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?	Each of the relevant schemes. They should take the lead on education.
37		What role can the Payments Council play in promoting financial inclusion?	New services, schemes should have a benchmark to meet re financial inclusion. This benchmark should be set to ensure minimum percentage of reach is achieved. Where possible the benchmark should be cross-scheme/service and have non-banked elements.
38		What other bodies should it work with to deliver this role?	All other schemes and service providers.
39		What are the main challenges to the integrity of payment systems that need to be addressed collaboratively?	Security, non repudiation, legislation
40		How should consideration of measures against fraud be included in the assessments which the Payments Council makes of proposals for innovation?	As one of the primary factors of any development
41		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?	Setting of minimum standards, however each FI should be able to choose the level of authentication based on its own cost/risk balancing model.
42		Should minimum standards be introduced for authentication of remote transactions? If so, should a common measure of authentication be recommended/mandated?	Benchmarking of UK system security and sharing of best practices. A common measure could be recommended but I don't believe should be mandated.

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43		How should the National Payments Plan address new technologies, such as biometrics, which may contribute to customer security?	Ensure that FI are represented at appropriate forum. Provide information to FI as to developments, facilitate as appropriate.
44		What actions, if any, should the National Payments Plan include in regard to data sharing?	Set standards, particularly around the security aspects of transferring data.
45		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?	Sharing best practices and making recommendations but not mandating fraud prevention solutions.
46		What role should the Payments Council play in raising the profile of fraud and security issues and in lobbying government and the public authorities?	Carry on the work started by APACS.
47		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?	I agree that the current principles are a suitable base to start from. Although Payments Council can influence European Standards I'm not sure how easy it would be to influence global standards.
48		What, in particular, should the National Payments Plan say about messaging standards?	Global standards should be adopted at every opportunity rather than a local standard/version
49		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?	No - this would then become a political issue. The Payments Council should remain impartial.