



## FPC Member News

### *Faster Payments Barometer: A Refusal to Settle*

#### Letter from the Executive Director



Satisfaction is fleeting. It's here and then it's gone, as the desire for more, better, or greater takes hold. Or so conveys the third installment of the FPC's [Faster Payments Barometer](#). As a whole, the results really showed that the industry is doing more, but it wants more and refuses to settle when it comes to ubiquitous faster payments in the United States.

Take adoption for instance. According to the latest results, faster payments adoption is up across all payments systems, from Same Day ACH to RTP<sup>®</sup>, push-to-card, digital wallets, and Zelle<sup>®</sup>. In fact, 86 percent of organizations report now using or enabling faster payments. That's up almost 10 percent from 2020. And these organizations are not resting on their laurels. The Barometer revealed that 85 percent of organizations are planning to implement at least one additional faster payments system within the next two years.

The new research also showed that organizations are expanding the ways in which they are using faster payments. While last year the top use cases included disbursements, payroll, and person-to-person payments, the 2021 Barometer results showed that organizations are now also using or enabling faster payments for bill pay and eCommerce.

But the industry still wants to see more. We are grappling with high upfront costs and/or implementation complexity, as well as a lack of interoperability as the top issues plaguing organizations. And these challenges are impacting industry satisfaction: From 2020 to 2021, the Barometer showed that industry satisfaction dropped 6 percent. And while some may perceive this as a negative, it also demonstrates our industry's relentless commitment to the highest possible standards.

And our research further validates this viewpoint, showing the criticality of faster payments. Eighty-four percent of organizations view faster payments as a "must-have," up nearly 10 percent from 2020.

Overall, the results of the 2021 Barometer reveal the industry has spoken, and spoken loudly. They have shown there is a strong desire for continual advancement to achieve faster payments in the United States and a resistance to settle for anything less.

At the FPC, we won't settle either. We'll continue to address the challenges and barriers that impede faster payments adoption. And with your support through Work Groups, resource development, education, and more, collectively, we'll continue to advance and evolve faster payments.

## Register Today for the FPC Spring Member Meeting!

Don't miss out! [Registration](#) for the FPC Spring Member Meeting taking place on **March 3-4, 2022 at the Loews New Orleans** is open.



A room block with a reduced rate of \$199/night is available through **February 16** – [reserve online](#) or call 877-877-4941.



Highlights of the Spring Member Meeting include:

### Wednesday, March 2

- Outdoor evening Happy Hour (weather permitting), starting at 5:00pmCT

### Thursday, March 3

- Lunch served then Member Meeting kick-off at 12:30pmCT
- Panel Session: It Takes an Ecosystem: How Payment Providers Can Transform the FI Backroom to Enable Instant Payments
- Panel Session: Fin+Tech = Unlocking Limitless Potential
- Panel Session: Lessons Learned from Faster Payments Systems in Other Countries
- Session: First Look at ACI Worldwide's Prime Time for Real-Time 2022 Report
- Panel Session: Payment Option Overload – How Much is Too Much?
- Panel Session: Two Worlds Colliding – Digital Payments and Traditional Finance
- Evening party at Barcadia restaurant, sponsored by Identifee, starting at 7:00pmCT

### Friday, March 4

- Breakfast served then day 2 kick-off at 8:00amCT featuring [Joshua Lozoff](#) Keynote, The Magic of Communication
- Panel Session: Doing Well by Doing Good - Achieving Inclusive Economic Growth in New Orleans
- Concurrent sessions hosted by FPC Work Groups
- Lunch served then meeting close by 1:30pmCT

[Register](#)

Please note the City of New Orleans Health Department requires all individuals to have received a full course of vaccination against COVID-19 or a negative PCR, molecular, or antigen test, taken within 72 hours, prior to entering event spaces such as hotel ballrooms, event venues, reception halls, restaurants, bars, and gyms. For more information, [current COVID guidelines](#) can be found on the City of New Orleans website.

The CLEAR app provides an option to create a digital vaccine card – it's secure, easy, and takes just minutes. [Visit the CLEAR](#) website to learn more and get started.

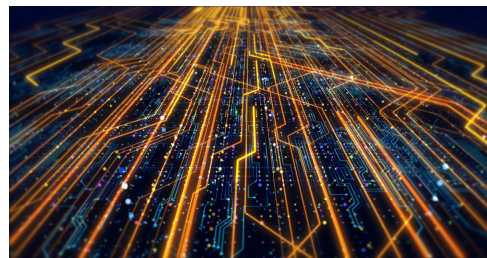
## Thank You to our Sponsors



A HUGE thank you to the sponsors of our 2022 Spring Member Meeting! We're truly grateful for the support of [ACI Worldwide](#), [BNY Mellon](#), [Identiffee](#), [North American Banking Company](#), [Open Payment Network](#), [PSCU](#), [SHAZAM](#), [The Clearing House](#), [Timeis.io](#), and [Trustly](#) in helping make this a great event!

## Hot Off the Presses: New Directory Models Infographic Published

The FPC Directory Models Work Group is pleased to share its latest deliverable, *Making the Case for an Interoperable Directory to Facilitate Faster Payments* infographic. The new publicly available resource can now be accessed in both the [Faster Payments Knowledge Center](#) and the [Members Area](#) of our website.



*Making the Case for an Interoperable Directory to Facilitate Faster Payments* takes the DMWG's two recent white papers on directory models for faster payments and reduces both into easily digestible content for better industry understanding. The infographic outlines the key core and value-added characteristics that can strengthen the value of a directory service and highlights several areas where a directory can provide efficiencies, revenue, and cost savings.

Congratulations to the entire Directory Models Work Group on another tremendous achievement!

## Trustly's Ross McFerrin Guest Blogs on FPC.org

Ross McFerrin, VP Enterprise Growth, at Trustly recently



shared his thoughts on [Embracing the Real-Time Payments Transformation](#) on the FPC's blog.

Ross discusses how consumers were first introduced to real-time payments (RTP) a few years ago with the likes of Venmo and Apple Pay, with very positive results. Still for many banks and businesses, RTPs continued to be seen as an infrastructure luxury applicable only for peer-to-peer transactions. However, in reality, it has become a very common method of payment for all sorts of use cases around the world.

Check out the full post on the [FPC blog](#) to learn more from Ross about the major applications and benefits of real-time payments for businesses including improved customer satisfaction, user experience, and customer loyalty.

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## FPC's "Off the Rails" Podcast – Double the Episodes in 2022!

The FPC launched season 2 of "Off the Rails from the from the U.S. Faster Payments Council" podcast with not one, but two episodes in January!

On this season's episode 1, FPC Executive Director Reed Luhtanen goes Off the Rails with guests **Charles Harkness** and **Steve Wasserman**, the leaders of FPC's Education and Awareness Work Group. Charles, Steve, and Reed talk about the importance of getting educated on faster payments trends, helping spread the word within your personal network, and whether winter is better in Hawaii than upstate New York.



In episode 2, Reed chats with **Peter Davey**, Head of Product Innovation and Labs at **The Clearing House**. Reed and Peter discuss the trends in faster payments, the added value of data in the payments flow, and the Virginia craft beer scene.

The podcast is accessible from your favorite apps including Apple Podcasts, [Spotify](#), [Audible from Amazon](#), [Podcast Addict](#), among others. It's also on the [FPC website](#). Please take a listen and subscribe to stay up to date with future episodes featuring FPC members. In 2022, episodes will go live the second and fourth Thursdays of each month. Our next guests in February will be **Carl Slabicki** from **BNY Mellon** and **Lou Grilli** and **Vlad Jovanovic** from **PSCU**.

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## Faster Payments Solution Providers Phase 2: Request For Survey Participation

As part of our mission, the FPC, and specifically the Education and Awareness Work Group (EAWG) is focused on increasing industrywide awareness of the benefits and opportunities surrounding faster payments. To promote awareness of faster payment solutions, and in response to





past FPC member surveys, the EAWG created a [Solution Providers Catalogue](#) to gather and share information regarding faster payment solutions, products, and services provided by our members.

We are requesting your participation in the catalogue that will help us gather and publish information on faster payments solutions available in the marketplace or in development. If your organization does not provide, or plan to provide, a faster payments solution, please ignore this request. To participate in the catalogue, there is an online survey designed to collect detailed information on faster payments solutions offered by providers. The survey provides the option to skip detailed questions and respond at a high level. If your organization has multiple solutions, a survey can be submitted for each solution. Depending on the level of detail provided, the survey should take approximately 15-20 min to complete.

Individuals completing the survey MUST ensure that they have the full support and authorization of their organization to complete the survey and share the requested information. By clicking on the checkbox in the survey, the respondent acknowledges the release of information per the FPC Publication of Deliverables Policy.

Responses submitted by a solution provider will not be altered by the EAWG or FPC and will be used exclusively for educational purposes. The final consolidated matrix will be showcased in the Faster Payment Knowledge Center section of the FPC website.

While the survey is completely voluntary, we hope you will take this opportunity to help us continue to educate our membership and the industry at large on the multitude of faster payments solutions accessible today or under development. To allow ample time to complete the survey, we are requesting that responses are completed by **February 18, 2022**.

[Access the Survey](#)

## Federal Reserve Announces FedNow™ Service Pricing Approach, Credit Transfer Limit

The Federal Reserve [recently announced](#) the anticipated pricing approach for its FedNow Service for instant payments. The 2023 FedNow Service fee schedule to be published later in 2022 is currently expected to include the following fees and other pricing information:



- A \$25 monthly FedNow Service participation fee for each routing transit number (RTN) that enrolls in the service to receive credit transfers.
- A fee of \$0.045 per credit transfer to be paid by its sender, including returns.
- A fee of \$0.01 for a request for payment (RFP) message to be paid by the requestor, including both requests for a new payment or funds to be returned. A participating financial institution can send an RFP through the FedNow Service to another participating financial institution to request payment of a bill, invoice or other amount owed by the receiving

financial institution's customer.

The planned FedNow Service's credit transfer transaction value limit will be \$500,000. However, participants will have a default limit of \$100,000, with the option to adjust it up or down. The Federal Reserve will evaluate the credit transfer limit on an ongoing basis and adjust as appropriate.

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## Reminder: 2022 Member Invoices Sent

The 2022 FPC membership invoices were emailed in early November. Thank you to those who have already renewed your membership and for your continued support of the FPC!

If you did not receive your invoice, if you have questions about it, or revisions to make to your membership tier/primary representative, please contact us at [memberservices@fasterpaymentscouncil.org](mailto:memberservices@fasterpaymentscouncil.org).

Please note that the deadline to renew memberships for 2022 is the end of March.

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## FPC Work Groups Focus on Industry Education

Our FPC Work Groups have once again been hard at work this month, focusing on tangible actions and results, summarized below.



***Cross Border Payments Work Group*** – The Group continues to develop its next deliverable on the topic of *Central Bank Digital Currencies and Cross-Border Faster Payments*. The Group's research and deliverable subgroups met their initial objectives, and a new outline subgroup has been formed to start organizing content for the first "bulletin-type" newsletter planned for release to members in 1Q. The Group will provide a preview at the upcoming Spring Member meeting.

***Education and Awareness Work Group*** – The Group's Solution Providers subgroup has opened up another round of submissions to the Solution Providers Catalogue and will next explore a potential Service Provider Catalogue. The Glossary of Terms subgroup has shared the next version of the glossary with the full Group for feedback and the FAQs subgroup has submitted their draft deliverable to the Operations Committee for review. The Use Cases subgroup is also currently in the design stage for an infographic being created.

***Directory Models Work Group*** – The Group has published its new publicly available infographic, Making the Case for an Interoperable Directory to Facilitate Faster Payments, in the FPC's Knowledge Center. The deliverable summarizes the Group's two Members-only white papers published this year and reduces both into easily digestible content for better industry understanding. The Group's two new subgroups, focused on international implementations and a cross work effort, continue to make progress on their initiatives.

***Financial Inclusion Work Group*** – The Group is currently reviewing the draft of its first deliverable, a white paper that will explore a holistic approach to advance financial

inclusion and drive interest in the adoption of faster payments. The Group will next create an executive summary of the paper and plans to publish the report by Q2. Adam Rust of the National Community Reinvestment Coalition has been named Vice Chair of the Work Group.

***Fraud Information Sharing Work Group*** – The Group has put forth the draft of its report that analyzes the Fraud Survey responses to the Operations Committee for review. The deliverable expands on themes identified with the answers provided by survey respondents and shares additional insights on what readers of the report should act on. The Group plans to finalize the report this quarter and share the initial results from the survey with FPC members at the Spring Member Meeting.

***QR Code Interface Work Group*** – The Group has completed the first draft of its white paper, QR Codes for Faster Payments, which describes the use cases for QR Code initiated payments with recommendations for best practices. The Group is currently in the process of reviewing the draft and providing feedback with plans to finalize and publish the paper by Q2.

***Real-Time Recurring Work Group*** – The Group is currently reviewing the draft of its first deliverable, an industry report on the topic of *Beneficial Characteristics of Real-Time Recurring Payments* and will then put forth to the Operations Committee. The report will discuss how to apply core and value-added beneficial characteristics to the real-time recurring process framework. The Group plans to finalize the report this quarter and will provide a first look at the paper at the FPC Spring Member Meeting.

***Secure Instant & Immediate Payments APIs Work Group*** – The Group has started planning for its deliverables for the coming year. As part of the process, the Group is creating a list of APIs to research, looking at APIs for legacy payments, reviewing business processes for APIs, and identifying key stakeholders. Nominations for a Chair and Vice Chair of the Work Group are currently being accepted.

Member contributions in our FPC Work Groups are key to our progress. If you haven't joined a Work Group, we encourage you to do so. Also, remember that anyone from your organization can join work groups and contribute, so spread the word within your organization. Also, please feel free to share public-facing FPC deliverables with others in the industry. The more we all share knowledge, the more we will be able to advance the adoption and usage of faster payments.

You can find more information about the FPC's eight Work Groups and [join here](#). We are also always looking for new work group ideas! If there is something happening in the industry that the FPC can help with – an FPC Work Group is the way to make that happen.

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## We Value You as an FPC Member!



Thank you for your engagement and commitment to advancing faster payments.

If you have any questions, please contact us at [memberservices@fasterpaymentscouncil.org](mailto:memberservices@fasterpaymentscouncil.org) and visit [fasterpaymentscouncil.org](http://fasterpaymentscouncil.org).

Thank you to the FPC's Accelerating Sponsors – [ACI Worldwide](#), [BNY Mellon](#), [Finzly](#),

[Mindgate Solutions](#), [NEACH](#), [PSCU](#), [The Clearing House](#), and [Trustly](#).

# Faster Payments Council

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