

Operational Considerations for Instant and Immediate Payments Work Group Charter

Mission & Scope

Provide financial institutions with guideposts to effectively manage operational change that instant and immediate payments have on bank operations. The scope of the work group is receive-side of the internal bank operation that has instant and immediate payment processes in place.

Objectives & Goals

- Establish critical touch points in the value chain that are key to operating efficiently, manage risk, have a good customer experience, and ensure compliance.
- Educate financial institutions on “real-life” operations in a 24/7/365 environment and provide guidelines that will help sustain or accelerate the momentum of instant and immediate payments processes.
- Explore case studies and relevant anchors applied by financial institutions that have helped sustain an effective operation once instant and immediate payments are embedded in the business model.
- Explore existing resources or tools related to instant and immediate payments operations.
- Provide guidelines that inform and provide insights for stakeholders to effectively manage bank operations for instant and immediate payments.

Deliverables

1. Produce a white paper for financial institutions that contains guidelines for immediate and instant payments and key considerations to inform and complement their business operations.
 - a. The white paper will contain a culmination of research and insights on best practices in the industry.
 - b. The guidelines will inform how the coexistence and integration to sustain a new immediate and instant payments infrastructure is effectively managed through examples of best practices.
 - c. The following considerations will be assessed as part of the guideline framework.
 - i. Operational models that include the payment flow, roles and responsibilities of the operator and receiving bank.
 - a. Explore best practices for liquidity management, reconciliation, dispute, and exception process, and 24/7 customer service needs.
 - ii. Raise awareness of compliance and regulations that affect instant and immediate payments.
 - iii. Assess risk management practices for fraud and security as it relates to sending or receiving the transaction and resolving exceptions.

Membership Criteria

Background or strong interest/enthusiasm in bank operations, developing educational materials, and experience with instant or immediate payments desired. Prefer to have broad representation from industry segments including financial institutions, payment network operators, payment processors, and consumer groups.

The FPC is the industry's only membership organization solely focused on advancing, securing, and supporting adoption of ubiquitous faster payments.

