

Exploring the potential of instant payments for EU consumers and businesses - panel 2

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- **Opportunities for merchant facing PSPs**

New service revenues and early mover advantage for local, EU-based IT providers?

- **Challenges for merchant facing PSPs**

- How does such a new service fit into the mainly card-oriented acceptance infrastructure?

- reduced functionalities (e.g. up to now: no reservations, no cancellations, no refunds)

- Where is the business case for providers? (“hen-egg-problem”)

- **Advantages for merchants**
 - *a new 4-party payment service with no interchange and no scheme fees*
 - *faster, non-revocable settlement to merchants*

- **Advantages for merchant facing PSPs**
 - *Room for innovative settlement services to merchants?*
 - *instant payment “one-stop acquiring” by non-bank acquirers?*

- **How to realize both Instant Payments and card payments at a POS (POI)?**
 - *either use the IT of the cashier system (e.g. by QR code communication)*
 - *or:*
 - integrate Instant Payments on an EMV-NFC capable bank card for use at a POS card terminal?*

Potential for EU action:

- **Promote the voluntary development of open technical interface “industry standards”, like**
 - *the new Request-to-Pay (RTP) option by the EPC,*
 - *Open API interfaces like the ones standardized by the Berlin Group, and*
 - *standardized real-time, push information on the acceptance side (e.g. early thoughts for “camt 053 push” by EBICS in several markets)*
- **Promote the voluntary development of new functions:**
 - *Like cancellations, refunds, reservations...*
 - *Extend the option for other European currencies and currency conversion options*
 - *Give the market time and incentives to develop, refrain currently from “hard regulation”*