

Participants in the forum are reminded of their responsibility to observe anti-trust laws.

The EBA Anti-Trust Policy is available at the EBA website.

https://www.abe-eba.eu/media/azure/production/1352/eba_antitrust_policy_20170602_final_clean.pdf

The forum is an open group, where interested stakeholders can discuss and exchange information on industry-wide topics.

The content of the slides presented and the views expressed in the context of the activities of the forum are those of the respective participants in the forum, and do not represent the views of the Euro Banking Association (EBA).

Open Forum on Digital Transformation

What can we expect from payments and banking in the future? Connecting the dots!

29 November 2022
Digital meeting

Public

Agenda (1/2)

What can we expect from payments and banking in the future? Connecting the dots!

Welcome and opening remarks

Thomas Egner, Euro Banking Association

Setting the scene and housekeeping

Kate Pohl

Let's challenge the challengers! Neo-banks vs incumbents – what is the “real” story?

Dr. Michael Salmony, Payments Innovation Consulting

Digital coins and currencies – what, when, where, and why?

Cristian Cengher, Erste Group

Nicolas Kozakiewicz, Worldline

Jochen Siegert, Deutsche Bank

Coffee break

Agenda (2/2)

What can we expect from payments and banking in the future? Connecting the dots!

Instant payments > coming soon! BUT do enterprises really want / need this? Is Open Banking still the next big thing? What technology does the treasurer truly need? So where do we go from here?

Patrick Kunz, Pecunia Treasury & Finance

Simone Loefgen, Commerzbank

Francois Masquelier, Simply Treasury

Lunch break

Cross-border payments – is there help in sight?

Erwin Kulk, EBA CLEARING

Is the new world of process automation and digital, coupled with real-time, affecting our ability to ensure both compliance and security?

Steven Brown, Mastercard

David Capezza, Visa

Markus Schulz, ING

Wrap-up

Thomas Egner

**Secretary General
Euro Banking Association**

Kate Pohl

**Facilitator
Euro Banking Association**

Dr. Michael Salmony

**CEO
Payments Consulting Association**

Panel discussion

Coffee break

11:25 – 11:45 CET

During coffee break, do not “leave the meeting” i.e. stay connected while muting your sound and turning off your camera

Panel discussion

Lunch break

12:40 – 13:40 CET

During lunch break, do not “leave the meeting” i.e. stay connected while muting your sound and turning off your camera

Kindly reconnect on time for the afternoon sessions

Erwin Kulk

**Head of Service Development and Management
EBA CLEARING**

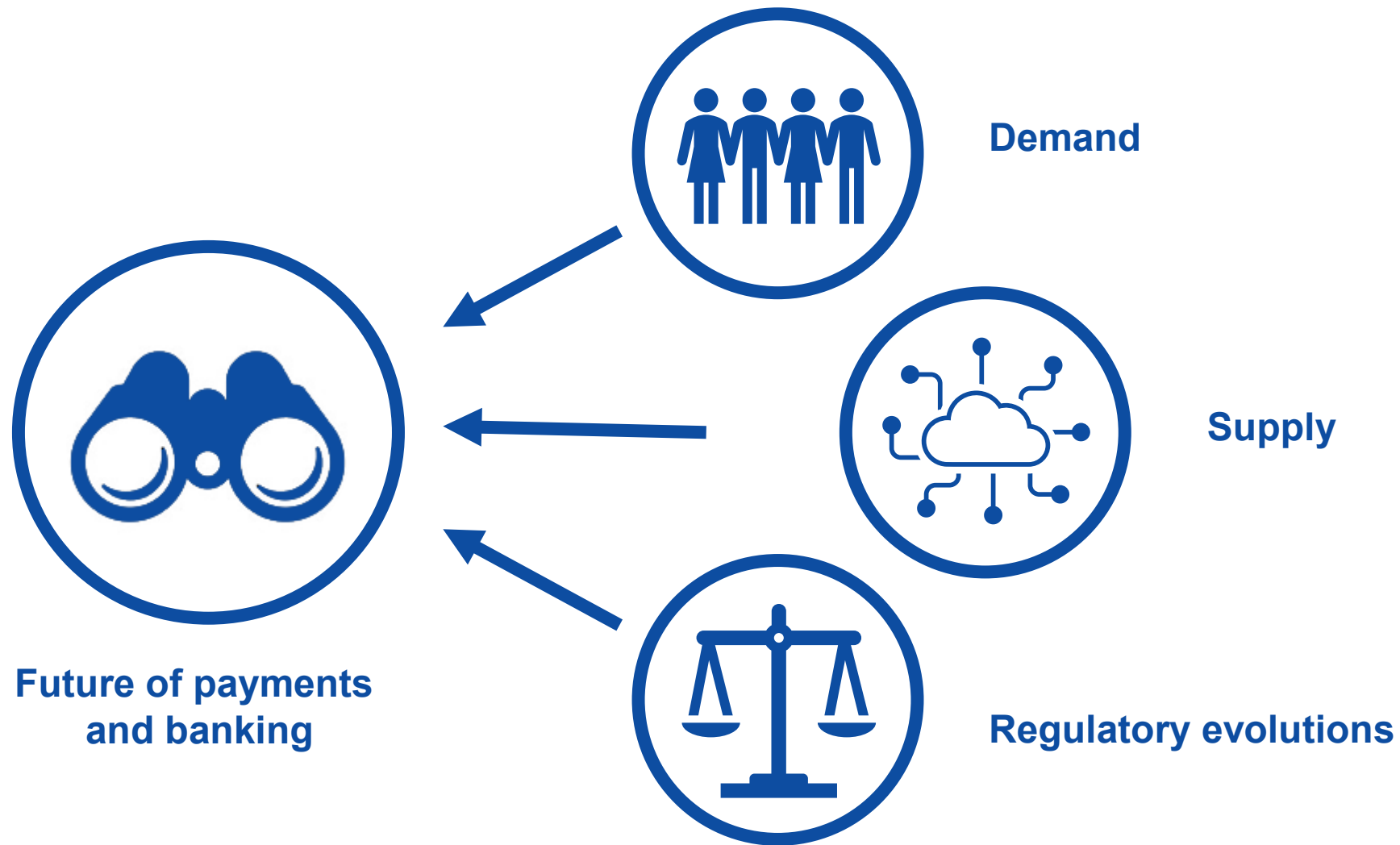
Cross-border payments - is there help in sight?

What can we expect from payments and banking in the future? Connecting the dots!

Erwin Kulk
EBA Open Forum
29 November 2022

Confidential

What are the driving forces of the future of payments and banking?



Evolution of RT1 volume in recent years

~50% year-on-year growth, 25% - 45% of transactions are cross-border



EBA CLEARING facts and figures

RT1 volume and value in perspective of high-value EURO1 and SEPA STEP2 traffic

EURO1 Service

The private-sector high-value payment system for euro payments providing liquidity savings, resilience and choice

AVERAGE DAILY VOLUME

171 K

AVERAGE DAILY VALUE

€ 191 B

PARTICIPANTS

34

STEP2 Services

Reaching all corners of SEPA for euro retail payments

AVERAGE DAILY VOLUME

60 M

AVERAGE DAILY VALUE

€ 89.8 B

PARTICIPANTS (in SCT)

155

RT1 Service

The leading pan-European infrastructure for euro instant payments

AVERAGE DAILY VOLUME

1.92 M

AVERAGE DAILY VALUE

€ 1.4 B

PARTICIPANTS

81

Reference period: October 2022

RT1 – 5 years of live operations

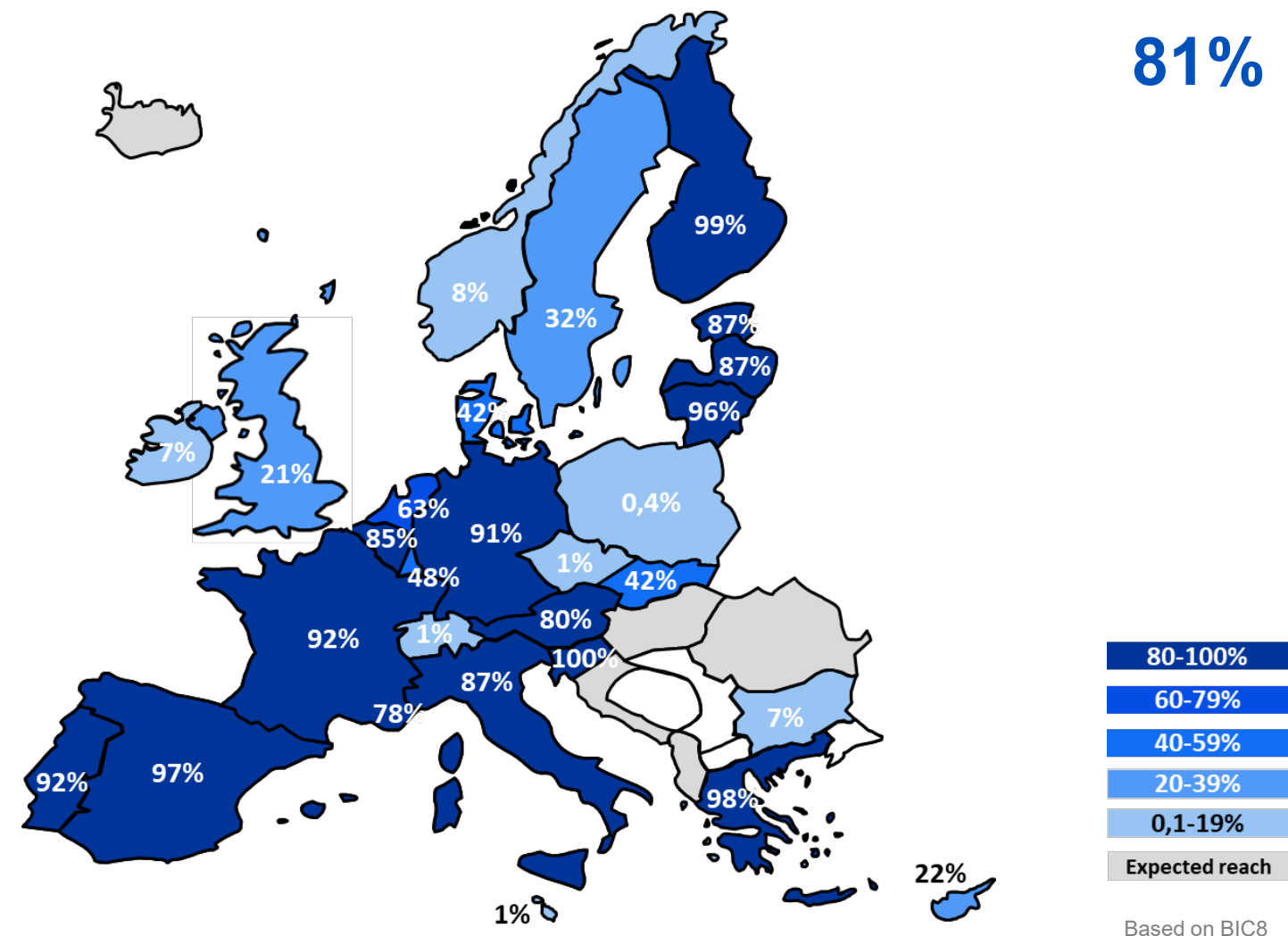
Facts and figures

INSTANT RT1 PAYMENTS

- A pan-European infrastructure solution overseen by the ECB
- Instant finality
- Full reach amongst the adhering PSPs
- Very stable live operations since launch in November 2017
- 24 x 7 operations and transactions
- On average around 2 million transactions per day
- Around 1,3 billion transactions processed since the launch of the system with a value of around 780 billion EUR
- Fast processing (on average around 1 second) and relative low rejection rates (<1.5%)

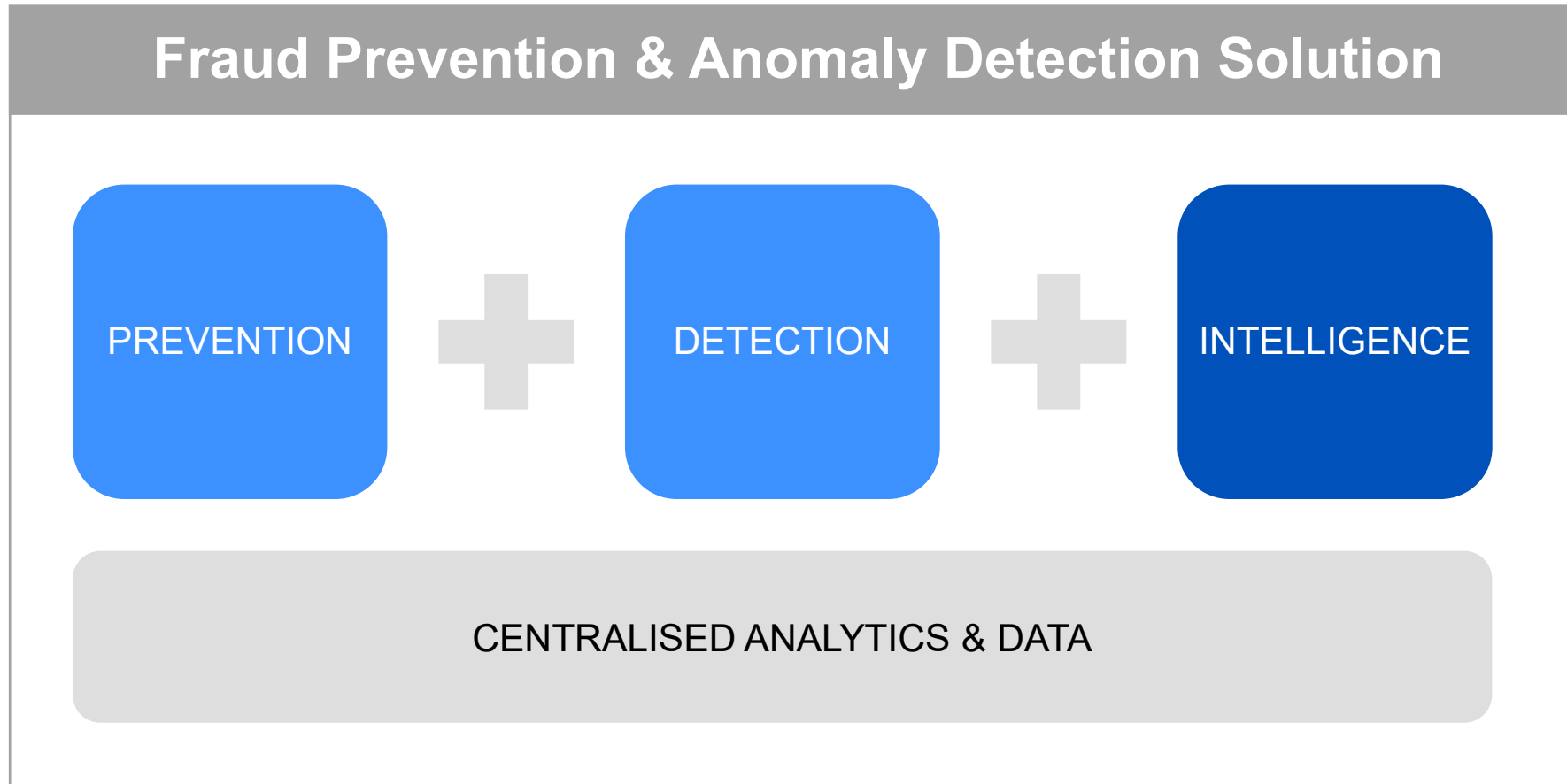
RT1 reach ramp-up (by volume)

Percentage of STEP2 SCT traffic that can be received by PSPs addressable in RT1



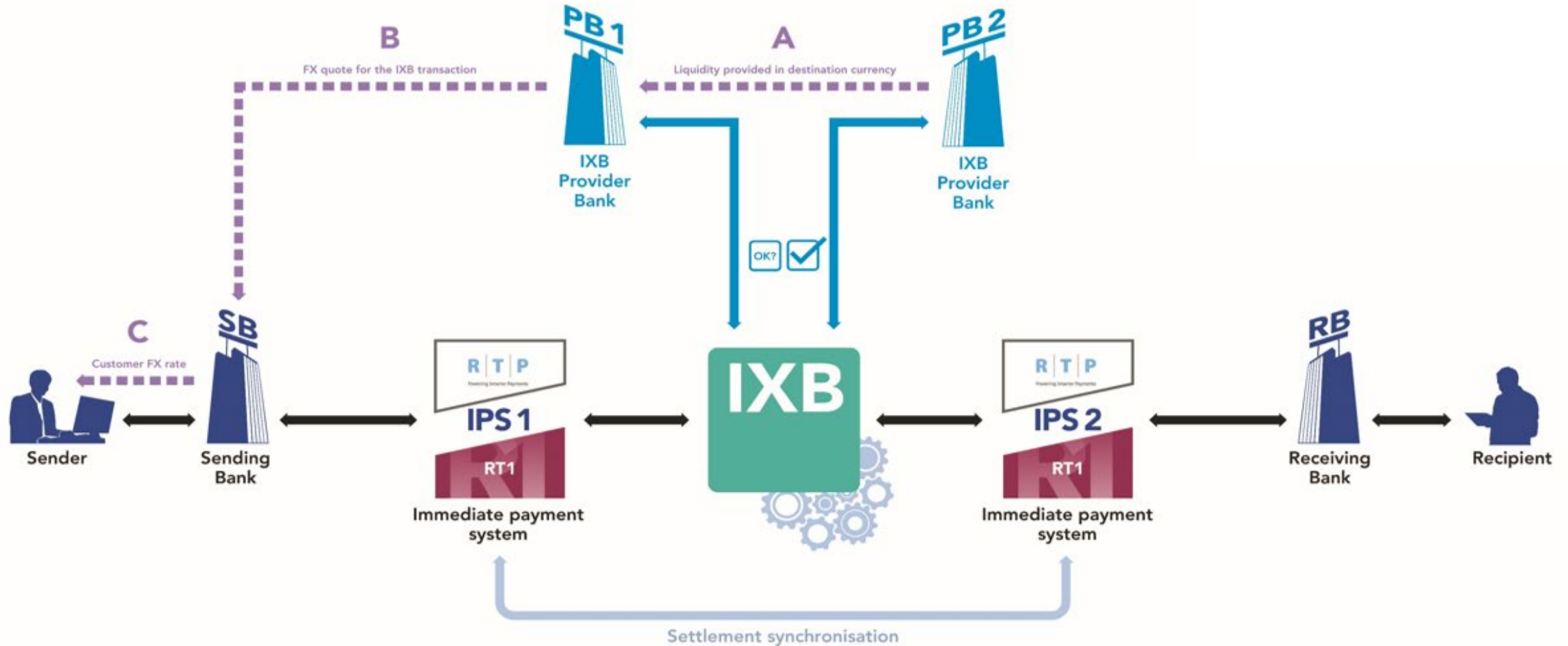
Fraud Pattern & Anomaly Detection (FPAD)

Addressing pan-European payment fraud



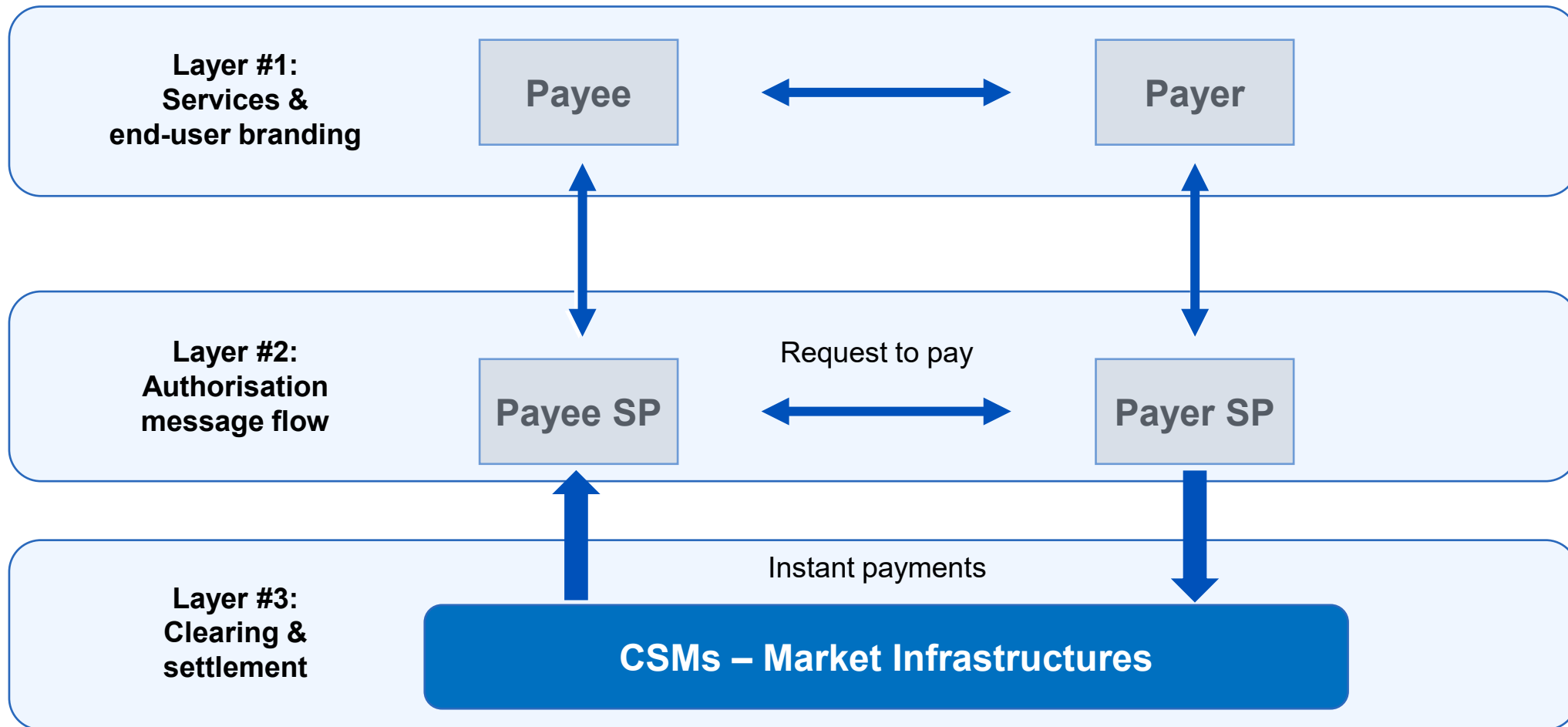
Improving cross-border payments

Interlinking payments systems



A layered approach for request to pay

PSPs compete on service levels and user experience – not infrastructure



Announcing the IXB Pilot service

Brussels, New York, Paris, 6 October 2022

Immediate Cross-Border Payments (IXB) Pilot Set to Revolutionise International Payments

First participants are preparing to exchange cross-border instant payments as part of a live pilot with financial institutions in the United States and Europe. The pilot will leverage the real-time payment systems, RTP® and RT1, the IXB solution and key SWIFT components for transactions in the euro and U.S. dollar currency corridor.

EBA CLEARING, The Clearing House (TCH) and SWIFT announced today that the delivery of the Immediate Cross-Border Payments (IXB) pilot service is on track and is set to revolutionise cross-border payments. The IXB pilot service will leverage the existing real-time payment systems RTP® in the United States, run by TCH, and RT1 in Europe, run by EBA CLEARING. IXB will begin processing the first live transactions in the euro and U.S. dollar currency corridor in the coming months.

Developed with the support of 25 financial institutions from both sides of the Atlantic, the IXB pilot has been progressing during the past six months, resulting in the timely delivery of the IXB solution processing the technical messaging between the pilot institutions engaged in the testing and the respective payment systems. End-to-end testing between RTP, the IXB app and RT1 is ongoing with user integration and testing following shortly thereafter.

EBA CLEARING, TCH and SWIFT have been working to move from a successful proof of concept to the design and development of a live IXB service. In cooperation with the supporting financial institutions, the three private-sector organisations designed a service that takes advantage of existing building blocks to ensure a shorter time to market and to leverage existing investments. IXB will enable synchronised settlement of RTP and RT1 payments. This will ensure certainty of execution of immediate cross-currency transactions and constitute a core value of the future IXB service.

"We are very pleased that the delivery of the IXB pilot is fully on track and we are eager to see the service take up live operations in the coming months," said Petra Plompen, Head of New Initiatives at EBA CLEARING. "We look forward to the important insights and learnings we expect to gain from this pilot phase, which should help us tune the service for commercial rollout in 2023."

"The IXB pilot will help prepare for a full commercial rollout that will revolutionize the way cross-border payments are made between the United States and Europe," said Rusiru Gunasena, Senior Vice President, RTP® Product Management and Strategy, at The Clearing House. "The connection between RTP and RT1 delivers a new way of moving money across borders safely, quickly, and at lower cost. The IXB model is also designed to add additional currency corridors in the near future."

"SWIFT is committed to ensuring instant, frictionless and interoperable transactions around the world," said David Watson, Chief Strategy Officer, SWIFT. "We are working on many fronts to achieve this, and bringing common standards to the linking of market infrastructure projects is a fundamental pillar of our strategy. We are pleased to support the IXB project as it comes to fruition and the live exchange of cross-border instant payments gets underway."

The IXB pilot service is planned to be followed by the launch of a full service IXB offering. The service will be aligned with the focus areas related to speed, access, cost and transparency, as outlined by the Committee on Payments and Market Infrastructures (CPMI) and Financial Stability Board (FSB) for enhancing cross-border payments. Based on a model that can be replicated across other currency corridors and payment systems, the IXB initiative is expected to add additional currencies from an early stage to meet customer expectations for instant cross-border payments across the globe.

[IXB Press release](#)

Thank you!

Panel discussion

Wrap-up

Thank you!

Participants in the forum are reminded of their responsibility to observe anti-trust laws.

The EBA Anti-Trust Policy is available at the EBA website.

https://www.abe-eba.eu/media/azure/production/1352/eba_antitrust_policy_20170602_final_clean.pdf

The forum is an open group, where interested stakeholders can discuss and exchange information on industry-wide topics.

The content of the slides presented and the views expressed in the context of the activities of the forum are those of the respective participants in the forum, and do not represent the views of the Euro Banking Association (EBA).