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APCA launches next generation connectivity for Australian payments

The Australian Payments Clearing Association (APCA), the payments industry self-regulatory body, today announced that its newly established Community of Interest Network (COIN) is operational and carrying live payments traffic.

The COIN will provide network services and connectivity for the domestic EFTPOS and ATM, direct debit and direct credit, and cheque payment systems and the BPAY bill payments service which together represent around 98% by value of Australia's non-cash retail payments.

Payments participants need highly reliable connections to transfer millions of payment files and messages each day. The COIN replaces multiple bilateral links with universal connectivity to the payments system through a single connection for each participant to a network cloud. This new configuration will facilitate access for new entrants and reduce costs for participants.

Telstra provides the IP-based virtual private network for the payments COIN. Acting Executive Director of Telstra's Data, IP and Enterprise Services, Carol White, said "We have worked closely with APCA and its members to develop a highly reliable and innovative network solution for the transmission of clearing and settlement transactions. Telstra's secure and scalable Next IPi network will support the industry's growth well into the future. Members will also have the flexibility to specify different bandwidth and redundancy levels based on their individual business needs."

APCA CEO Chris Hamilton said "The COIN has been designed and deployed as collaborative core infrastructure for the future of Australia's low value payments. Participants now have an integrated platform capable of supporting all their payments traffic, with plenty of potential for expansion."

The COIN operates independently of APCA's clearing systems and is open to all participants in the payments system. It has its own governance framework including technical rules and membership criteria. The industry will manage the evolution of the COIN through a management committee comprising COIN members.

Currently ten of Australia's largest payments services providers are transitioning payments traffic to the COIN, with a further two in the application process. This number will continue to increase as the migration of some 200 existing connections nears completion. This is expected to occur by the end of 2011.

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About Australian Payments Clearing Association (APCA)

APCA is Australia's payments industry association. Its role is to set, manage and develop regulations and standards governing payments clearing and settlement within Australia. APCA has around 80 members including banks, building societies, credit unions, the Reserve Bank and other participants across five clearing systems. Its clearing systems cover: cheques and other paper based payment instruments; direct entry (credit and debit payments); EFTPOS and ATM transactions; trading and distribution of bulk notes and coin between banks; and settlement of high value, real-time payments.