

Towards a New Payments Platform

The New Payments Platform (NPP) Program is a collaborative industry initiative to develop new, fast, flexible and data-rich payments infrastructure for Australia. The Program began on 20 June 2013 with the first meeting of the NPP Steering Committee, comprising senior representatives from Australian ADIs, the Reserve Bank and APCA. The Committee has appointed KPMG as the Program manager and APCA as the administrator. The Program is open to all ADIs and currently has 17 participant organisations. In August, 70 executives from these organisations came together for the Program's initial plenary workshop. In September, Mr Paul Lahiff was appointed independent chair of the Committee. (See [Media Releases](#).)

The following is an update on recent activities.

Since September 2013, the NPP Steering Committee, the Program's peak body, has met twice to review progress - on 4 October and 1 November.

The Program is well into the second half of the initial "define and plan" phase, which is on track for completion by the end of 2013. During this phase, business requirements for the proposed platform are being developed, together with a detailed plan and budget for the next phases of development.

KPMG has been working closely with the 17 participant organisations throughout the current phase. A broad cross-section of industry executives led by KPMG has been collaboratively addressing the business and technical requirements. This process has been structured around three cycles of work, two of which are now complete. A wide range of issues have been explored, including:

- The transaction processing workflow that will be used for developing the business requirements;
- The settlement cycle for payments processed through the basic infrastructure; and
- The conceptual design of the addressing solution.

On 22-23 October, 75 executives from across the participant organisations came together in Melbourne for the second of three planned plenary workshops. Facilitated by KPMG, these collaborative events promote a shared understanding of the Program and each cycle of work. At October's workshop, among other activities, participants:

- Validated the basic infrastructure design and identified areas for further review.
- Created "use cases" that will be used to further test the basic infrastructure design.
- Worked on developing a common language and some key elements for communications to Program stakeholders.

The third workshop will be held later this month in Sydney and will focus on developing the Plan for the main part of the Program.

At this stage, the Program is progressing broadly to the schedule envisaged by the industry proposal, and accepted by the Payments System Board, in February 2013. Following completion of the current phase, a Request for Tender for, and selection of, the key elements of the operating solution is planned for the first half of 2014.

The next NPP Steering Committee will be held in mid-December 2013.

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