Letter from the Executive Director

“Faster payments equals faster fraud.” It’s the proverbial phrase that has echoed throughout the financial services industry since faster payments were introduced in the United States (well, even before they were formally introduced.) And there is possible merit to it. A recent FICO study of Asia-Pacific banks found that 78% of them experienced increased fraud losses due to the introduction of real-time payments platforms.

While we haven’t seen that kind of activity in the United States, fraud remains a concern. And that’s why we focus on risk mitigation within the payments system. Because the time to spot and stop fraud shrinks in this new faster environment, the FPC has prioritized this topic among its work efforts, recognizing it as critical to the success of faster payments in the United States. With that goal in mind, the FPC’s Fraud Information Sharing Work Group just released its first white paper, Examining Faster Payments Fraud Prevention, a fresh look at the current fraud themes and trends, and approaches for mitigating these risks in a faster payments environment.

For instance, the paper points to a new type of fraud, an Authorized Push Payment scam, as a targeted tactic that exploits the speed in which money moves in a faster payments environment. This new mode of fraud, combined with existing methods we’ve been fighting for years, make the work of the Fraud Information Sharing Work Group and the FPC all the more important.

And the white paper serves as just one outlet for our ongoing faster payments work; we continue to explore countless areas of faster payments need. For example, during our upcoming virtual Fall Member Meeting, taking place September 15-16, we will look at topics such as interoperability, and next steps to further progress around this effort. In addition, we’ll explore pressing faster payments topics via panel discussions with industry experts and roundtables centered on member participation. Watch out for more specifics on the agenda in the coming weeks.

As always, our goal at the FPC is to address the topics of the utmost importance in our industry, and we look to members to raise those topics to the surface. So, while September may feel a while away, it will be here before we know it. Mark your calendars now and register below; it’s imperative to have your voice at the table as we develop the tools and resources to tackle the challenges on the road to adoption.

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The FPC Fall Member Meeting is less than two months away! Registration for the virtual event on September 15-16, 2020 is now open and can be accessed on the FPC Member Meeting event site.

Highlights of the Member Meeting include:

**Tuesday, September 15**
- Meeting kick-off at 10:30 a.m. CT
- FedNow update featuring Ken Montgomery of the Federal Reserve System
- Election 2020 and the implications for faster payments
- Deep dive into ongoing and new FPC workstreams
- Roundtables designed to generate faster payments use cases
- Evening Happy Hours with a variety of topics and activities

**Wednesday, September 16**
- Faster Payments State of Play, featuring the FPC Network Committee
- Roundtables to discuss next steps in interoperability
- Panel discussion on the intersection of faster payments and the law
- Working Group meetings to integrate messages into work group next steps

The meeting will be packed full of information, dialogue, and meaningful opportunities to connect and act to advance our collective agenda. With expectations for a large turnout, the Fall Meeting serves as a great sponsorship opportunity for our Members. If interested, please reach out to FPC Member Services for more details on sponsorship opportunities.

We’ll continue to share updates on the agenda, speakers, and additional info on how to join the virtual meeting as we get closer to the event!

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**FPC Board Advisory Group Appointed**

The FPC is pleased to announce the newly established FPC Board Advisory Group.

Members include Charles Harkness, Corporate One FCU; Brad Ganey, Catalyst Corp. CU; Devon Marsh, Wells Fargo; Gene Neyer, U.S. Bank; Michael Sklow, Goldman Sachs; Tony Cook, FirstBank; Judy Nguyen, American Express; Laura Weinflash, Early Warning; Jorge Jimenez, Juniper Payments; Connie Theien, Federal Reserve; Rusiru Gunasena, Jack Henry; Steven Wasserman, Vments; Bridget Hall, ACI Worldwide; Kevin Toner, MITRE Corp.; Tim Dwyer, Nationwide; Josh Karoly, Netflix; Mary Gilmeister, WACHA; Jane Larimer, NACHA; and Steve Mott, Better Buy Design.

The Board Advisory Group will advise the FPC Board of Directors and FPC Staff by providing additional perspectives outside those represented on the Board and assisting the
FPC in capitalizing on and responding to trends in the faster payments market.

We look forward to working with them to continue to execute our mission and enhance the FPC member experience.

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**Two New FPC White Papers Published**

Chaired by Andrew Haskell, the FPC Fraud Information Sharing Work Group (FISWG) has been hard at work developing its first deliverable: [Examining Faster Payments Fraud Prevention](#). The newly published white paper presents findings from two areas of Fraud Prevention as they pertain to Faster Payments: 1) Fraud Themes and Trends: Examination of current events to provide clarity and insight; and 2) Approaches for Mitigating Fraud. Congratulations to the entire FISWG on this great achievement!

Also, if you haven’t downloaded our most recent study with Glenbrook Partners, [Faster Payments and the Potential to Transform Consumer Bill Pay](#), be sure to do so. It validates how important faster payments can be to bill pay, while underscoring the need for continued industry collaboration to make faster payments possible in the bill pay environment.

These resources and others can be found in our [Faster Payments Knowledge Center](#) on fasterpaymentscouncil.org.

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**Call for Volunteers: New Membership Committee**

The FPC is seeking volunteers for a newly established Membership Committee. The FPC Membership Committee will help design strategies that drive recruitment and retention of FPC members as the organization continues to grow.

If you’re interested in learning more or would like to volunteer for the FPC Membership Committee, please send a paragraph bio to Reed Luhtanen at rluhtanen@fasterpaymentscouncil.org.

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**FPC Welcomes New Member**

The FPC would like to welcome its newest member: MITRE Corporation. Our members are the reason the FPC exists. Your contributions, passion, and support allow us to advance our efforts and make progress on our goal of ubiquitous faster payments in the United States.

We thank you for making the commitment to the Faster Payments Council and helping make our vision a reality!
FPC Work Groups Advance Efforts

Our FPC Work Groups have been making tremendous progress this month, focusing on tangible actions and results, summarized below.

**Cross Border Payments Work Group** – The Group finalized its updated charter with approval from the Operations Committee and is now working together to confirm its first deliverable and next steps. The Group will identify what the industry needs to do in the cross-border space to create the environment necessary for faster cross border payments. Leveraging its newly established subgroups on settlement models and use cases, the Group will focus on various models and the variety of use cases where there is a need or desire by consumers and businesses for real time payments across borders.

**Education and Awareness Work Group** – The Group finalized the Faster Payments Glossary of Terms, a Members-only resource, and received great feedback from the Operations Committee. Through its other subgroups, a Faster Payments Use Case template is available for the Group to start collecting stories, a Faster Payments Solutions resource will soon be converted to an online survey/RFI for service providers, and an SOP draft was built to manage Knowledge Center content.

**Fraud Information Sharing Work Group** – The Group finalized and published its first deliverable, a research white paper titled, “Examining Faster Payments Fraud Prevention.” The comprehensive paper explores two key areas of fraud prevention in faster payments including fraud themes and trends, and approaches for mitigating fraud. The resource can be downloaded from the FPC’s Faster Payment Knowledge Center and is also available in the Members Area of fasterpaymentscouncil.org.

**QR Code Interface Work Group** – The Group is building an inventory of the existing QR Codes used to facilitate faster payments, assessing the solutions available now, and identifying a set of use cases in market today. The Group’s two new subgroups, one focused on the research component and the other on use cases, will continue to work in lockstep to ensure all angles and relevant use cases are covered.

**Regulatory Work Group** – The Group is working to finalize its first deliverable, a Members-only resource, which will provide an overview of the current U.S. faster payments laws and regulations affecting consumers and businesses. The Group’s newly established “micro teams” are focused on topics that include authentication, consumer protection, funds availability, funds transfer – mechanics, integrity, privacy, and risk management.

**Directory Models Work Group** – The Group reviewed the historical context on the Federal Reserve’s Faster Payments Task Force Directory Work Group and its deliverables. The Group plans to refine its charter with a narrowed scope and defined deliverable in 3Q. The work group members are collaborating on additional Directory Model resources for consideration during the process.

Member contributions in our FPC Work Groups are key to our progress. If you haven’t joined a Work Group, we encourage you to do so. You can find more information about FPC Work Groups and [join here](#).
We Value You as an FPC Member!

Thank you for your engagement and commitment to advancing faster payments.

If you have any questions, please contact us at memberservices@fasterpaymentscouncil.org and visit fasterpaymentscouncil.org.