

Operational Considerations for Instant and Immediate Payments Work Group Charter

Mission & Scope

To provide financial institutions with practical guideposts for effectively managing operational changes, including process adaptation, redesign, and staffing adjustments, necessary for successful adoption of instant and immediate payments. The scope of this work group focuses on internal bank operations that necessitate change to effectively implement and manage instant and immediate payments, encompassing transaction processing, risk management, customer service, and compliance.

Objectives & Goals

- Establish critical touch points in the value chain that are key to enhance operational efficiency, manage risk, ensure compliance, and foster a positive customer experience.
- Educate financial institutions on “real-life” operations in a 24/7/365 environment and provide guidelines that will help sustain or accelerate the momentum of adopting instant and immediate payments processes.
- Explore case studies and relevant anchors applied by financial institutions that have helped sustain an effective operation once instant and immediate payments are embedded in the business model.
- Explore existing resources or tools related to instant and immediate payments operations.
- Provide resource that inform and provide insights for stakeholders to effectively manage bank operations for instant and immediate payments.
- Collaborate with other FPC work groups to integrate operational considerations perspectives across all FPC initiatives.

Deliverables

The work group will produce white papers, case studies, workshops, conference sessions, and other resources to deliver guidelines to financial institutions for immediate and instant payments. These deliverables will leverage developed guidelines to assist, aid, and educate financial institutions for operational readiness and advancement. Key considerations that will inform and complement their business operations include:

- Whitepapers will serve as foundational educational resources build upon developed guidelines, these papers will contain a culmination of research and insights on best practices in the industry. They will inform financial institutions on managing the coexistence and integration of payment rails to sustain new immediate and instant payments infrastructure, providing actionable knowledge for operational readiness through examples of best practices.
- The following considerations, derived from and embedded within the guidelines developed, will be assessed as part of the framework:
 - Recommend operational models that include the payment flow along with roles and responsibilities of both the sending and receiving institutions, ensuring clear understanding and effective implementation.
 - Explore the best practices for liquidity management, reconciliation, dispute, exception processing, and 24/7 accountholder service needs, facilitating seamless and reliable operations.
 - Raise awareness of regulations and compliance considerations that affect instant and immediate payments, providing key education for navigating the regulatory landscape.
 - Assess risk management practices for fraud and security as it relates transaction processing and resolving exceptions, aiding in the accessibility of detection tools.
- Encourage continued action and practical application of the guidelines, by exploring case studies, workshops, and conference sessions to drive operational advancement.

Membership Criteria

Background or strong interest/enthusiasm in bank operations, developing educational materials, and experience with instant or immediate payments desired. Prefer to have broad representation from industry segments including financial institutions, payment network operators, payment processors, and consumer groups.

The FPC is the industry’s only membership organization solely focused on advancing, securing, and supporting adoption of ubiquitous faster payments.

fasterpaymentscouncil.org

