ANNUAL REVIEW
2021

BUILDING THE ECOSYSTEM

Australian
Payments Network
Connect Inspire Thrive

Australian
Payments
Network

Connect Inspire Thrive

This Annual Review is designed to
provide our members and stakeholders
with an overview of developments and
achievements in financial year 2020-
2021. References in this report to a year
are to financial year ended 30 June 2021
unless otherwise stated. We hope you
enjoy discovering more about payments.

CONTENTS

AUSTRALIAN PAYMENTS NETWORK IS THE INDUSTRY ASSOCIATION AND SELF-REGULATORY BODY FOR PAYMENTS.

We enable the efficiency, resilience, adaptability, and accessibility of Australia's payments system.

Through our network, we bring together a diverse range of organisations including financial institutions, major retailers, payment systems operators and technology providers.

Our members provide the products and services that enable individuals, businesses and government to make and receive payments every day.

Delivering on our purpose to promote confidence in payments, we work with a wide range of stakeholders to ensure the payments system continues to meet the evolving needs of end-users.

AS THE SELF-REGULATORY BODY FOR PAYMENTS OUR REMIT COVERS THE FOLLOWING PAYMENT TYPES.

Cards
Issuers and Acquirers Community

Direct entry
Bulk Electronic Clearing System

High value
High Value Clearing System

Cash
Australian Cash Distribution and Exchange System

Cheques
Australian Paper Clearing System

Additionally, AusPayNet's COIN infrastructure network provides connectivity for low value payments.

Andy White

CEO MESSAGE

As a result of government's response to the COVID-19 pandemic, we have seen increased policy focus on efficiency as part of economic recovery, on the integral function that the payments system plays in the smooth running of the economy, and on AusPayNet's role in that regard.

The recently published Treasury Review of the Australian Payments System is an example of that policy focus, as are our new strategic work items whose origin are in the government/regulatory space, like the Consumer Data Right (CDR), cross-border payments and e-conveyancing.

Such strategic work items – alongside others – form key parts of our three strategic pillars, designed to ensure that AusPayNet continues to deliver confidence in payments: leading payments modernisation, strategic insights, and setting industry standards.

LEADING PAYMENTS MODERNISATION

We continue to enable the efficiency, resilience, adaptability, and accessibility of Australia's payments system. With efficiency in mind, the evolution of the payments system requires the rationalisation of old infrastructure.

Our continued work supporting the customer-led decline in cheques is important in that regard. We have also started the conversation on whether setting a target date for the eventual closure of the direct entry system might be helpful, as payments transition to newer systems like the NPP. More work is required to validate a proposed target end-date and to outline a detailed migration plan with key milestones to reach that end-date.

For the payments system to continue to be adaptable and accessible, there is also a need for industry to focus on the core systems required to support the digital future, including our High Value Clearing System. Our leadership of the industry migration to the ISO 20022 message format will enable the HVCS to utilise richer, more structured data for improved screening around fraud, scams, KYC, AML and sanctions, as well as to add value to end-users.

Our review of the technology underpinning the COIN infrastructure system is important in ensuring that the network for secure transmission of various payments traffic, including eftpos and ATM payments, remains resilient.

STRATEGIC INSIGHTS

We have continued to work closely with policy makers and have lodged submissions on topics as diverse as the CDR, digital wallets, Fintech/Regtech, the Privacy Act, and critical infrastructure. On CDR specifically, we have worked with Treasury, ACCC and the Data Standards Body with the objective of building on existing payments capability to maximise the consumer benefit of future CDR Action Initiation.

We have also engaged with government and regulators on three major reviews: Treasury's Review of the Australian Payments System; RBA's Review of Retail Payments Regulation; and ASIC's Review of the ePayments Code. The final report of Treasury's Review was released in August

2021. The recommendations are strong and build on the policy thinking that led to the introduction of the CDR, putting consumers and businesses at the centre of payments policy.

Importantly, we have ensured that policy inputs are aligned with our current governance review, whose objective is to ensure that our Constitution and governance structures are fit for the future and therefore front and centre of our evolution as an organisation, as our membership continues to grow.

Key developments have been: the move to a one vote per director model at Board; the introduction of the AusPayNet Stakeholder Advisory Council; and in principle approval of changes to our Board and Membership structure. AusPayNet has also supported the Australian Payments Council in their important strategic work on resilience, the decline in cash, combatting financial crime, and digital currency.

We have also established our Economic Crime Forum. This builds on our previous success with the Fraud in Banking Forum. Through dedicated resources and by engaging a wider set of stakeholders across the full spectrum of economic crime, this will deliver better outcomes for end-users in the face of increased scams, fraud, and cybercrime.

SETTING INDUSTRY STANDARDS

Increasingly, we are evolving from being payment rails-focused to also driving strategic issues that are rails agnostic and have relevance for a wider set of market participants.

Our support of emerging digital identity services through our work on the interoperable TrustID framework has included developing guidelines for a TrustID Trustmark and definitional work on framework governance.

We have also defined and started to deliver a new strategy for Payments Acceptance Governance, which will

involve changes to our current device approval processes to ensure they remain optimal.

And we have initiated the creation of an interoperable standard for QR Code payments, creating efficiency for merchants and service providers and consistent consumer experience.

AusPayNet has also formed a cross-border payments advisory council to co-ordinate Australia's response to the Financial Stability Board's (FSB) roadmap on enhancing cross-border payments and their cost, speed, access, and transparency. This work will continue for the five years of the FSB roadmap.

In another extraordinary year, I would like to acknowledge my fellow directors, our Members, government, the RBA and other regulators, and all of our stakeholders. I especially thank them for their flexibility in engaging with us virtually. I am also grateful to AusPayNet's staff, again for their flexibility, but also for their commitment and expertise, which have driven positive outcomes for AusPayNet, for payments, and for the smooth running of the economy.

Andy White, CEO

HIGHLIGHTS

▶ AusPayNet is leading the industry migration to ISO 20022 payments messaging. A key milestone was reached in March 2021 with completion of the Planning and Design phase, and the Build phase is well underway.

▶ Our work on payments modernisation has included supporting the customer-led shift away from cheques through community outreach and advocacy, and industry consultation on the migration away from the Bulk Electronic Clearing System.

▶ In December 2020, we published the *Navigating Payments for New Entrants guide*, to assist new entrants to better understand the licensing requirements and interdependencies within the payments system.

▶ We worked closely with regulators and Government and made submissions on a range of topics including the *Review of the Australian Payments System*, the *Senate Select Committee on Fintech and Regtech Issues Paper*, the *Inquiry into Future Directions for the Consumer Data Right* and the *Review of the ePayments Code: Further Consultation*.

▶ As part of our Governance review, we moved to a flatter Board voting structure, and established the AusPayNet Stakeholder Advisory Council to ensure broader stakeholder perspectives are embedded in our decision-making process.

▶ As Australians use QR codes routinely for mandatory venue check-in, AusPayNet is focused on their potential for payments, designing a framework to support QR code interoperability.

▶ Our newly established Cross-Border Payments Advisory Council is progressing actions set out in the G20 Roadmap for enhancing cross-border payments.

▶ We established a new Economic Crime Forum to deliver a coordinated response and better outcomes for consumers and businesses in the face of increasing scams, fraud and cybercrime.
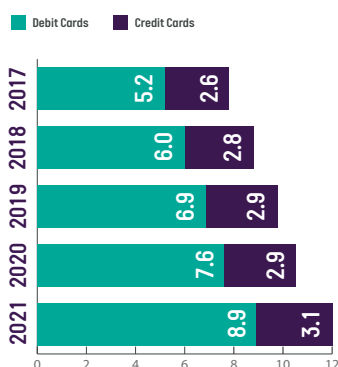
▶ In reviewing our payment acceptance governance frameworks, we consulted broadly and explored the latest technology and business models to define an enhanced approach.

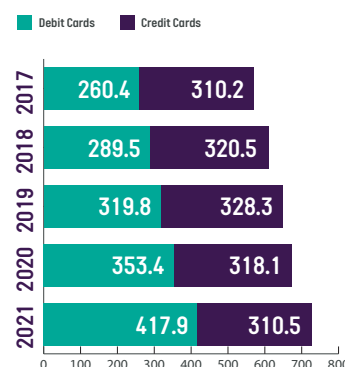# COVID-19 IS FAST-TRACKING THE SHIFT TO DIGITAL PAYMENTS

Cards

This year, card payments had the strongest growth rate in a decade, both by number and by value. Consumers made over 11.9 billion card payments, up 13.1% on FY2020. By value, card payments grew 8.5% to reach $728.3 billion. This unprecedented growth was driven by debit card payments, which surged by 16.3% in number and 18.2% in value. Conversely, credit card payments dropped by 2.4% in value, but increased by 5.0% in number.

NUMBER OF CARD PAYMENTS (Billions)

Debit Cards   Credit Cards

Year	Debit Cards	Credit Cards
2017	5.2	2.6
2018	6.0	2.8
2019	6.9	2.9
2020	7.6	2.9
2021	8.9	3.1

VALUE OF CARD PAYMENTS ($ Billions)

Debit Cards   Credit Cards

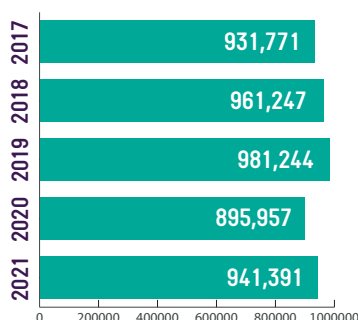| Year	Debit Cards	Credit Cards
2017	260.4	310.2
2018	289.5	320.5
2019	319.8	328.3
2020	353.4	318.1
2021	417.9	310.5

Source: Reserve Bank of Australia

ATMS and POS devices

The number of POS terminals across Australia increased by 5% to 941,391 in June 2021, following an 8.7% drop in June 2020. This increase can in part be attributed to merchants re-opening businesses after initial closures and lockdowns with the onset of the pandemic in 2020. Similarly, the number of ATMs increased, albeit only by 1.2% to 26,047 reflecting continuing decline in cash use for everyday purchases.

NUMBER OF POINT-OF-SALE DEVICES

Year	Number
2017	931,771
2018	961,247
2019	981,244
2020	895,957
2021	941,391

NUMBER OF ATMS

Year	Number
2017	32,095
2018	30,940
2019	28,797
2020	25,719
2021	26,047

Source: AusPayNet

Direct Entry

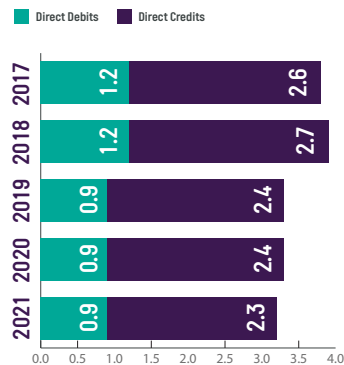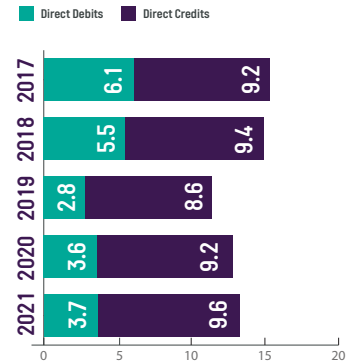While the direct entry system carries the bulk of consumer payments by value, volumes have been decreasing. This is likely due to traffic transitioning to newer payment systems like the NPP. The number of direct credits dropped by 2.6% in FY2021, while direct debits remained largely unchanged (down 0.4%). By value, direct credits increased by 4.3% to $9.6 trillion and direct debits by 3.8% to $3.7 trillion, suggesting that Australia's economy has fared well during the pandemic.

NUMBER OF DIRECT ENTRY PAYMENTS
(Billions)

Legend: Direct Debits, Direct Credits

Year	Direct Debits	Direct Credits
2017	1.2	2.6
2018	1.2	2.7
2019	0.9	2.4
2020	0.9	2.4
2021	0.9	2.3

VALUE OF DIRECT ENTRY PAYMENTS
($ Trillions)

Legend: Direct Debits, Direct Credits

Year	Direct Debits	Direct Credits
2017	6.1	9.2
2018	5.5	9.4
2019	2.8	8.6
2020	3.6	9.2
2021	3.7	9.6

*A break in the data series occurred in 2019 due to change in the RBA's method of statistical collection.
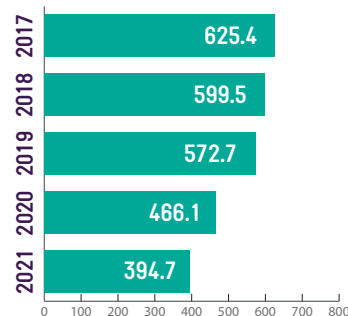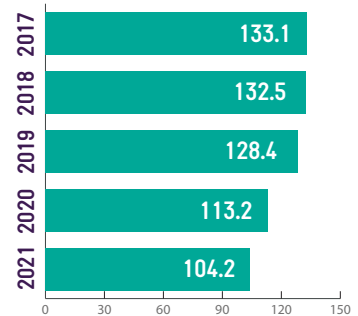
Source: Reserve Bank of Australia

Cash

Cash use has been declining for just on a decade and COVID-19 has accelerated this trend. The number of cash withdrawals fell by 15.3% to 394.7 million, following a 18.6% drop in FY2020. Similarly, the value of ATM withdrawals decreased by 8.0% to $104.2 billion, having dropped by 11.9% the previous year. The surge in online shopping, contactless payments and digital wallets during the pandemic appear to have significantly displaced cash.

NUMBER OF CASH WITHDRAWALS
(Millions)

Year	Value
2017	625.4
2018	599.5
2019	572.7
2020	466.1
2021	394.7

VALUE OF CASH WITHDRAWALS
($ Billions)

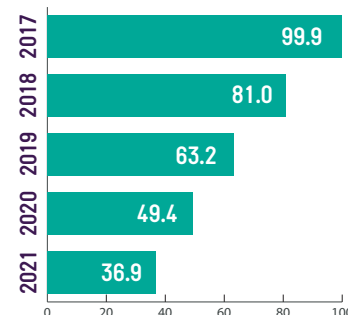| Year	Value
2017	133.1
2018	132.5
2019	128.4
2020	113.2
2021	104.2

Source: Reserve Bank of Australia

Cheques

As customers embrace convenient and secure digital payments, they are abandoning cheques at a record rate. Cheque use plummeted by 25.3% down to 36.9 million this year, having dropped by an annual average rate of 21% from FY2017 to FY2020. Similarly, the value of cheques fell by 26.1% to $377.4 billion, following a record 29.8% drop in FY2020. Cheques are estimated to account for less than 0.2% of all consumer payments and are fast disappearing.

NUMBER OF CHEQUE PAYMENTS
(Millions)

Year	Value
2017	99.9
2018	81.0
2019	63.2
2020	49.4
2021	36.9

VALUE OF CHEQUE PAYMENTS
($ Trillions)

Year	Value
2017	1.15
2018	1.02
2019	0.73
2020	0.51
2021	0.38

Source: Reserve Bank of Australia

OUR YEAR IN REVIEW

LEADING PAYMENTS MODERNISATION

As digitisation accelerates, the industry is modernising messaging, systems, and infrastructure to ensure the payments system remains efficient and resilient into the future.

MIGRATION TO ISO 20022 MESSAGING

- Leading the modernisation of messaging in the HVCS
- Planning and design phase completed
- Second of four phases – build phase – currently underway

EVOLUTION OF PAYMENT SYSTEMS

- Modernisation and rationalisation of old infrastructure
- Focus on the core systems required to enable the digital future
- Supporting the consumer-led decline of cheques
- Consultation on the future of BECS

SECURE INNOVATION

- 62 terminals and solutions assessed
- New Tap-to-Phone with PIN Payments Solution approved
- Contributed to development of PCI's Mobile Payments on COTS standard
- Contributed to PCI SSC HSM V4

PAYMENT SYSTEMS OPERATIONAL RESILIENCE

- Evaluating results of review of the technology underpinning COIN
- Recommendations to be made by December 2021

ADJUSTING DURING COVID-19

- Continued support of temporary increase in contactless limit
- Issuers and acquirers assisting government with COVID-19 contact tracing
- High levels of engagement and interaction with members and stakeholders throughout pandemic

STRATEGIC INSIGHTS

We work closely with industry, regulators, and government on payment matters to ensure market-based outcomes that benefit end-users.

PREVENTING FRAUD AND SCAMS

- Leading initiatives to enhance the security and convenience of payments
- CNP Fraud Mitigation Framework helping to reduce fraud levels
- Action plan developed with industry to target scam activity
- New Economic Crime Forum established

SHAPING PAYMENTS POLICY

- Treasury's Review of the Australian Payments System
- RBA's Review of Retail Payments Regulation
- Innovation (Senate Select Committee on Financial Technology and Regulatory Technology)
- Responding to change (Treasury's Modernising Business Communications consultation)

EMERGING TECHNOLOGY

- Evaluating impact of technological developments to support innovation
- Focus areas include open banking, payment acceptance, and QR codes

SHAPING GLOBAL AND LOCAL STANDARDS

- Participating in standards bodies including ISO, PCI, EMVCo and Standards Australia
- Convened ISO Working Group and Chaired Standards Australia IT005
- Taking part in all major PCI Working Groups

EFFECTIVE SELF-GOVERNANCE

- Ensuring Board and membership structures are appropriate for changing landscape
- Moved to a flatter Board voting structure with one vote per Director
- AusPayNet Stakeholder Advisory Council established

MEMBER AND STAKEHOLDER ENGAGEMENT

- Welcomed seven new members, taking our membership to 141
- Published the "Navigating Payments for New Entrants" guide
- Ongoing liaison with regulators and government bodies
- Online events held in place of our 2020 summit

SETTING INDUSTRY STANDARDS

We are driving strategic issues that are rails agnostic and have relevance for a wider set of market participants.

PAYMENT ACCEPTANCE DEVICE CERTIFICATION

- Review of approach to payment acceptance governance
- Ensuring governance mechanisms remain fit for purpose
- Implementing revised approach to assessment of payment acceptance solutions

TRUSTID FRAMEWORK

- Improving the security, privacy and convenience of accessing online services
- Framework presents rules for design, manufacture and operation of products and services
- AusPayNet has led work with members on branding and framework governance

QR CODES

- ETEG working to ensure QR code interoperability
- Work expected to complete in early 2022

CROSS-BORDER PAYMENTS

- Cross-Border Payments Advisory Council formed
- Supporting delivery of G20 roadmap for enhancing cross-border payments
- Roadmap activities commenced

E-CONVEYANCING CODE

- Facilitating joint development of e-conveyancing code
- Code will ultimately enable interoperability in e-conveyancing ecosystem
- Working with industry to complete code by September 2022

LEADING PAYMENTS MODERNISATION

As digitisation accelerates, the industry is modernising messaging, systems, and infrastructure to ensure the payments system remains efficient and resilient into the future.

MIGRATION TO ISO 20022 MESSAGING

In line with the global shift to adopt the ISO 20022 messaging standard in payment systems, AusPayNet is leading the industry project to modernise messaging in the High Value Clearing System (HVCS). Migration to ISO 20022 messaging will lead to a myriad of benefits including richer and enhanced messaging content harmonised with NPP and cross border formats.

The ISO 20022 industry migration program commenced in February 2020, following AusPayNet's appointment by the RBA as central coordination body. This is a once-in-a-generation project involving nearly 50 financial institutions operating in Australia for up to the next three years and beyond.

The first phase of the program, Planning and Design, was completed in March 2021, with the publication of technical message specifications, documented requirements, and guidelines for back-office operations. More recently, both the Industry Test Strategy and Transition to Live Plan have been developed and released to financial institutions. The program is currently in the 12-month Build phase, during which financial institutions are adapting their internal systems to be ISO 20022 ready. A timeline of the program, which concludes in November 2024, is provided below.

Throughout the year, we held a range of industry information sessions for financial institutions including workshops, forums, panels and knowledge sharing events. These sessions will continue into the 2022 financial year as we support financial institutions through the crucial build, test, and implementation activities.
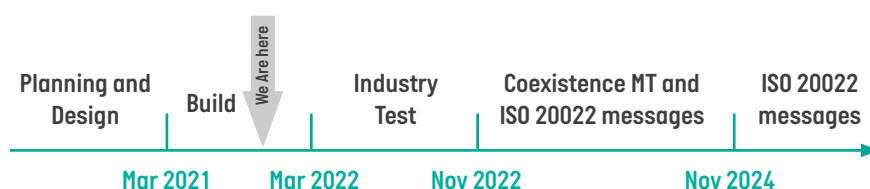
EVOLUTION OF PAYMENT SYSTEMS

Customer uptake of newer payment options that offer greater convenience and security has naturally led to a decline in use of older systems. As foreshadowed in our Future State of Payment Action Plan published in August 2020, this has implications for the direct entry system (BECS) and cheques.

Transitioning away from BECS

BECS is the workhorse of the payments system, carrying more than $13.4 trillion in payments annually. In recent years, BECS volumes have started to drop as payments migrate to newer payment systems like the NPP.

This year, we consulted with members to understand their views on the future of BECS. It is widely accepted that over time industry has invested in newer payments systems with greater capability and functionality. With efficiency in mind, the evolution of the payments system requires modernisation and rationalisation of old infrastructure – allowing industry to focus on the core systems required to enable the digital future. To this end, there is industry alignment on the need to set a date for the migration away from BECS and the efficiency benefits of closing down BECS. Further work on defining the core components of an industry roadmap that is widely supported across all stakeholders will be undertaken throughout the 2022 financial year.

Planning and Design	Build	We Are here	Industry Test	Coexistence MT and ISO 20022 messages	ISO 20022 messages
Mar 2021		Mar 2022	Nov 2022		Nov 2024

Supporting the customer-led decline of cheques

While cheque use has been declining for nearly two decades, the accelerated shift to digital payments is seeing cheque volumes plummet at record rates. In FY2021, cheque use fell by 25.3% to a low 36.9 million. This compares to the average number of card transactions made in a single day (32.7 million).

AusPayNet is working on a number of fronts to manage this customer-led evolution so that no cheque users are left behind. This includes community outreach with industry bodies and not-for-profit organisations to raise awareness and support adoption of digital payment methods, and advocacy for payment neutrality in legislation so that cheques are not prescribed by law as a payment method. We also made changes to the APCS framework rules to enable financial institutions to make their own decisions in relation to cheques.

SECURE INNOVATION

RBA figures illustrate the continued rise in the number of card-based payments in Australia. This year, the number of card payments reached a record 11.9 billion – up 13.1%, reflecting the accelerated shift to digital payments during COVID-19. Additionally, Australia continues to have among the highest penetrations of point-of-sale (POS) terminals.

This growth was mirrored in the number of new terminals and card acceptance solutions that AusPayNet approved for use, certifying 62 new solutions this year.

We were delighted to approve a new Tap-to-Phone with PIN payments solution for use in the Australian market.

As part of our ongoing commitment to championing the payments system, we have reviewed how our frameworks enable the effective governance of payments acceptance. As a result, a revised approach to assessment of payment acceptance solutions will be introduced (see page 27).

Global developments

With the focus on commercial-off-the shelf (COTS) mobile devices for payment acceptance gaining momentum, AusPayNet is making a significant contribution to the development of PCI's Mobile Payments on COTS standard. Building on the existing PCI Software-based PIN Entry on COTS (SPoC) and PCI Contactless Payments on COTS (CPoC) standards, the new standard will also introduce new requirements to support payments using PIN-based contactless transactions on COTS devices. Publication of the new standard is due in the first quarter of 2022. We also made an important contribution to PCI SSC HSM V4, due for release in December 2021, which addresses the use of cloud based HSMs.

As an Affiliate Member, we continue to play an integral role in developing these PCI standards.

PAYMENTS SYSTEM OPERATIONAL RESILIENCE

Resilience of the COIN

AusPayNet's Community of Interest Network (COIN) carries a large proportion of domestic transactions, including direct entry payments, eftpos and ATM transactions, BPAY and cheques.

Given the importance of the COIN's role in the payments system, this year we completed a review of the technology underpinning the COIN to ensure its performance and suitability for the future. The COIN Management Committee is currently working through the results of this review, with a view to making recommendations before the end of December 2021. The recommendations will be driven by the need for resilience, high levels of service, crisis and incident management capability, and transparency.

ADJUSTING DURING COVID-19

Industry continues to support the temporary increase to the contactless PIN limit introduced in April 2020 in response to the COVID-19 outbreak. The higher limit of $200, up from $100, has helped reduce the need to touch the terminal in-store when paying for purchases. The $200 limit is reviewed and extended in line with the Government's COVID-19 Biosecurity Emergency Declaration, which is currently scheduled to expire on 17 December 2021. Additionally, issuers and acquirers have been playing an active role in assisting state health departments with contact tracing requests.

OUR EVOLVING ECOSYSTEM

▶ **CUSTOMERS ARE INCREASINGLY CHOOSING NEW PAYMENT METHODS**

NUMBER OF MONTHLY DIGITAL WALLET TRANSACTIONS –
UP 90%*

1 IN 2 AUSTRALIANS STRONGLY PREFER ONLINE BANKING

44% OF AUSTRALIANS TRIED NEW PAYMENT METHODS OVER THE PAST YEAR*

'* Year to March 2021'

Sources: CBA; NAB; Mastercard

▶ **E-COMMERCE IS SEEING RECORD GROWTH**

AUSTRALIANS SPENT
$50.74 BILLION
ON ONLINE RETAIL –
UP 29.8%*

A RECORD
5.9 MILLION
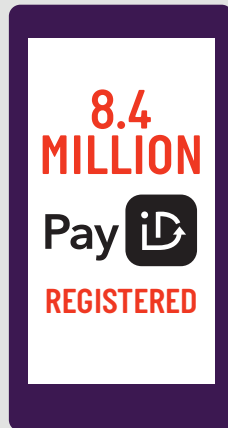HOUSEHOLDS SHOPPED ONLINE IN AUGUST 2021

* 12 months to August 2021

Sources: NAB Online Retail Sales Index: August 2021; Australia Post

P2P PAYMENTS ARE ON THE RISE

UP 59%*

* As of 20 September 2021
Source: NPP Australia Limited

8.4 MILLION
Pay iD
REGISTERED

AUSTRALIA RANKS 6TH GLOBALLY AND 2ND IN ASIA-PACIFIC FOR FINTECH ACTIVITY

RANKING		COUNTRY	REGION
1		UNITED STATES	NORTH AMERICA
2		UNITED KINGDOM	EUROPE
3		ISRAEL	MIDDLE EAST & AFRICA
4	1	SINGAPORE	ASIA PACIFIC
5		SWITZERLAND	EUROPE
6	2	AUSTRALIA	ASIA PACIFIC
7		SWEDEN	EUROPE
8		THE NETHERLANDS	EUROPE
9		GERMANY	EUROPE
10		LITHUANIA	EUROPE

AND THE HIGHEST ACTIVITY IS IN PAYMENTS*

* As of December 2020   *Sources: Global Fintech Index, Findexable 2021; KPMG*

NEW PLATFORMS ARE SUPPORTING DIGITISATION

MORE THAN 757.3 MILLION
NPP PAYMENTS –
UP 84%

OVER 3.3 MILLION
PEXA EXCHANGE TRANSACTIONS –
UP 37%

Sources: RBA; PEXA Annual Report 2021

THE FUTURE IS LIKELY TO EVOLVE

77% OF ORGANISATIONS
EXPECT CDR TO HAVE A SIGNIFICANT IMPACT ON THEIR SECTOR

Source: Quill Peak Consulting

STRATEGIC INSIGHTS

We work closely with industry, regulators, and government on payment matters to ensure market-based outcomes that benefit end-users.

PREVENTING FRAUD AND SCAMS

The COVID-19 pandemic has seen significant acceleration in pre-existing trends including a surge in e-commerce. AusPayNet is leading a number of industry-wide initiatives aimed at enhancing the security and convenience of payments, including efforts that specifically target fraud and scams in the online environment.

Online Card Fraud

The industry has remained vigilant as online transactions rapidly increased in the wake of COVID-19. Our fraud statistics show that overall card fraud remained largely unchanged in 2020 - up 0.6% to $467.6 million - with a drop in in-person card fraud. Following an 18% drop in 2019, card-not-present (CNP) fraud, occurring mainly online, increased by 3.8% to $418.9 million, alongside a surge in online spending. The NAB Online Retail Sales Index estimates that online retail spending grew by 44%.

Financial institutions have continued to update their fraud capabilities including use of secure technologies such as real-time monitoring, machine learning, tokenisation, and strong customer authentication. The application of these tools has helped keep CNP fraud levels below the peak levels of 2018 and 2017. Moreover, the industry CNP Fraud Mitigation Framework introduced in July 2019 is having an impact. Under the Framework, merchants who consistently exceed agreed fraud threshold targets are required to introduce strong customer authentication, a measure specifically targeted at reducing online fraud.

Tackling scams

Scam activity has grown alongside the accelerated shift to online transactions. ACCC figures show that in 2020, Australians lost $851 million to scams, up 34% on 2019.

AusPayNet is leading a coordinated approach to reduce the harm caused to customers. This year, we developed an action plan in conjunction with the Australian Banking Association, the Australian Financial Crimes Exchange, major banks and NPP Australia. The plan highlights opportunities across industries to combine and align scam data reporting and improve industry intelligence information sharing. Additionally, a co-ordinated campaign to raise customer awareness of scams was launched in September 2021.

An industry-wide approach will drive better targeting of scam activity and protection of consumers, and support greater collaboration with law enforcement.

ECONOMIC CRIME FORUM

This year, AusPayNet established the Economic Crime Forum (ECF) which has taken over from and expands on the Fraud in Banking Forum's (FBF) role. The FBF was formed to strengthen cooperation between financial institutions and law enforcement and support regular strategic intelligence sharing.

Building on the FBF's significant work, the ECF will bring together a broad set of participants to coordinate a joint response to all economic crime – scams, fraud, financial crime and banking-related cyber incidents – and share intelligence on emerging threats.

SHAPING PAYMENTS POLICY

Managing the transition from a payments system to an ecosystem has been a central focus for regulators over the last 12 months. A series of complementary consultations have sought to ensure that as payments evolve, the regulatory settings remain fit for purpose providing strong consumer protection and enabling greater competition and choice.

Treasury's Review of the Australian Payments System

In August 2021, the Federal Government released the final report and recommendations of its Review of the Australian Payments System. The Review's recommendations were broadly aligned with AusPayNet's submission in January, and included enhanced payments leadership, more aligned payments regulation and simplified payments licensing:

- a strategic plan created by Government in collaboration with regulators, industry, and end-users; such strategic direction and clarity in policy objectives will provide much needed certainty for industry investment decisions;

- expanding the RBA's ability to designate new and emerging payment systems under the Payment Systems (Regulation) Act, and a Ministerial designation to designate payment systems and participants where it is in the national interest to do so; these will combine to add much needed regulatory flexibility as payments continue to change;

- a single, tiered payments licensing framework, with payments licence holders needing to comply with standards set by authorised industry bodies; this will address a current licencing 'gap' and ensure a 'same risk, same rules' approach to filling it, which will protect consumers and make it easier for payment service providers to access the payments system.

We look forward to coordinating any adjustments that may be required to current arrangements for self-governance once the Government has released its response to the Review.

RBA's Review of Retail Payments Regulation

The Reserve Bank's Review of Retail Payments Regulation which commenced in late 2019 and was paused in March 2020 (in light of COVID) recommenced and draft standards were published in May 2021. Consistent with our original submission to the consultation, our response to the draft standards highlighted the accelerated pace of change, a diversified value chain and the emergence of new business models. In response to this accelerated change, we recommended that where practical, retail payments regulation should be principles based, focused on clear policy outcomes.

Consistent with our response to Treasury's Review, following confirmation of the RBA's final standards, we look forward to coordinating our members' response to any changes that may be required on an industry wide basis.

The themes of innovation and responding to change have been consistently reflected in all formal consultations this year.

Innovation

AusPayNet made submissions in support of payments innovation, noting the need to balance technology and product innovation with the broader public interest. Last December, we responded to the second Issues Paper published by the Senate Select Committee on Financial Technology and Regulatory Technology. Our submission expressed support for the Committee's interim report, which highlighted the important role that industry self-governance plays in enabling competition and innovation, and promoting efficiency and control, while effectively managing risk. To effectively manage risk in online transactions we proposed a digital identity framework that enables innovation and choice.

In March, we responded to the Parliamentary Joint Committee on Corporations and Financial Services inquiry, recognising the amendments proposed by the Council of Financial Regulators in its Review of Retail Payments Regulation: SVF Final report. We highlighted the constraints of the current SVF, noting that the range of activities undertaken by service providers no longer fits within the originally intended scope of the SVF. We provided examples of overseas jurisdictions that have introduced licensing regimes on a "same risk same rules" basis and offered these as positive examples of something that could be introduced in Australia.

Responding to change

AusPayNet proposed technology neutrality in legislation to enable effective regulation in a time of rapid change.

In February, AusPayNet made a submission to Treasury's Modernising Business Communications consultation. We recognised the need for payments neutrality in legislation, and that payment agnostic requirements would afford greater flexibility in adopting new payment methods. For example, we highlighted legislation that gives preference to a particular payment method, such as cheques. Our CEO Andy White participated as a member of the expert panel advising the Department of the Prime Minister and Cabinet's Deregulation Task Force focused on Modernising Business Communications. In these discussions, payments neutrality in legislation was seen as a positive move towards enabling the modernisation of business communications and payments.

Following the work of the expert panel, on 21 April, the Treasurer announced a commitment to modernising laws within the Treasury portfolio, so that they are technology neutral.

The importance of maintaining a technology neutral stance was also a strong theme in our response to ASIC's continued consultation on the ePayments Code. Given the rapid pace of change, we advocated for technology neutral approaches to ensuring strong consumer protection, which is key to ensuring public confidence in payments.

EMERGING TECHNOLOGY

Through our Emerging Technology Experts Group (ETEG), a broad set of members contribute to the evaluation of technology, with the goal of proactively supporting scalable and sustainable innovation. National and international developments are considered, and opportunities are identified for cross-industry collaboration requiring co-ordination and leadership. This year, ETEG's focus areas included open banking, payment acceptance, digital identity, QR codes and cross-border payments. Topics currently under discussion include AI and 5G innovation.

SHAPING GLOBAL AND LOCAL STANDARDS

AusPayNet is at the frontline of standards development as a participant on global and domestic standards bodies including ISO, PCI, EMVCo, and Standards Australia. A key focus is to increase standards alignment and consistency where possible, while ensuring the security and interoperability of card payments In Australia.

Through to June 2021, AusPayNet technical experts held the positions of Convenor of an ISO Working Group and Chair of Standards Australia IT005. We are also a member of the Board of Advisors of the PCI SSC and participate in all major PCI Working Groups. During the COVID-19 pandemic, international participation has occurred via virtual meetings across many time zones.

EFFECTIVE SELF-GOVERNANCE

Last year we commenced a review of AusPayNet's Constitution and governance structure to ensure that our approach to self-governance remains fit for purpose.

To date, our review has focused on ensuring that:

- our Board and membership structures are appropriate for the growing and changing payments landscape
- wider stakeholders' and new entrants' viewpoints are adequately heard and represented
- we maximise the value to longstanding members of including the views of newer members in our considerations
- our funding structure is appropriate, stable, flexible and transparent.

The review has been guided by a sub-committee of the Board – the Governance Review Committee (GRC) – taking a principles-based approach. A key principle has been that the review must ensure sufficient flexibility to enable continuous evolution in a time of accelerated change.

Board structure and representation

The first recommendation to come out of the review was a change to the Board voting structure, which was unanimously approved by members at the 2020 Annual General Meeting. Effective 1 December 2020, our Board has moved to a flatter Board voting structure of one vote per director, improving confidence and accountability in our Board's decision making.

Broader stakeholder participation

Earlier in 2021, the Board established an AusPayNet Stakeholder Advisory Council (ASAC) for the purpose of enabling broader perspectives to be considered by the Board. The ASAC, which had its inaugural meeting in August 2021, is made up of stakeholder representatives who do not currently have representation on our Board, including representatives from consumer groups, fintechs and retailers.

Further changes will be presented to members at the 2021 AGM, ensuring broader stakeholder perspectives are heard and embedded in our decision-making process.

MEMBER AND STAKEHOLDER ENGAGEMENT

Member engagement is at the core of everything we do. Through engagement activities, we collectively develop a broader understanding of the opportunities and challenges facing the payments industry. This year, AusPayNet had more than 330 bilateral relationship meetings with members and held a number of information sessions for various member groups.

Our annual member survey enables us to evaluate our engagement activities and measure member satisfaction (MSAT). This year, members' overall satisfaction with their interactions with AusPayNet was a positive 94.4%; this compares to 95.2% in 2020. Member feedback showed alignment with the strategic direction of AusPayNet. The priority areas for focus include the customer-led decline

of cheques, the future of direct entry, emerging technologies, payments acceptance and open banking.

As the payments ecosystem evolves, so does our membership. This year, we were delighted to welcome the following organisations:

- **three new framework members:** Adyen, Worldpay and Prosegur

- **an IAC affiliate member:** Change Financial, and

- **our first three IAC merchant affiliate members:** Microsoft, eBay and Webjet.

AusPayNet now has more than 140 members. A full list of our members is provided on page 34.

Supporting new entrants

The acceleration of innovative technologies has seen a proliferation of fintechs and service providers in payments. Opportunities for new entrants to provide complementary services to existing payment systems continue to grow.

In December 2020, we published a practical guide to help new entrants better navigate the interdependencies within the payments system. The guide, entitled "Navigating Payments for New Entrants", was produced in close collaboration with the fintech community. Areas covered by the guide include: overview of payment system regulation, the different models for participation, and the regulatory licences that might be required. The guide has been well received as a resource of information for those organisations looking to participate in the Australian payments system.

Our quarterly information sessions for fintechs in payments continue to provide an important forum for ongoing discussion. We were delighted to have 15 fintechs represented at their first online session held in March 2021 and we continue to strengthen our engagement with the fintech community.

Liaising with regulators and government

We continue to work closely with regulators and government bodies to ensure self-regulatory and market-based outcomes that are in the interests of all users. AusPayNet has an ongoing relationship with the RBA, which includes formal liaison arrangements with their Policy department to promote discussion on issues affecting the payments system. We also liaise with Treasury, the Digital Transformation Agency (DTA) and the Productivity Commission on issues of payments policy. Public regulators we work with include the Australian Prudential Regulatory Authority (APRA), the Australian Securities and Investments Commission (ASIC) and the Australian Competition and Consumer Commission (ACCC).

Payments Summit

Our annual summit is an important event in the industry's calendar, bringing together over 300 participants from across the payments community to discuss the most pertinent topics. Due to the ongoing uncertainty caused by COVID-19, in 2020, in place of the summit, we held a series of online events. Starting on 30 October, the series explored a range of topics including Digital ID, Combatting Financial Crime, Leveraging AI and Digital Currency.

The series culminated in the much-anticipated keynote address by the Governor of the Reserve Bank, Philip Lowe, on 7 December 2020. The series was well received and we thank everyone who participated.

On 9 December 2021, we will be holding a half-day online Summit. We're delighted that the RBA Governor will once again open the day with his annual address to the payments industry.

ADJUSTING DURING COVID-19

Throughout the pandemic, fluctuating lockdown restrictions have necessitated AusPayNet working in an agile manner, combining the use of technology and in-person meetings to manage frameworks, projects, member events and working groups. The industry has adapted quickly to those challenges, and we have maintained high levels of engagement and interaction with members and stakeholders.

SETTING INDUSTRY STANDARDS

We are driving strategic issues that are rails agnostic and have relevance for a wider set of market participants.

PAYMENT ACCEPTANCE DEVICE CERTIFICATION

The payments industry is rapidly changing; new technology and new business models mean that the way that we initiate and accept payments is evolving fast. This year, we reviewed our approach to payment acceptance governance to ensure governance mechanisms we manage on behalf of the industry are fit for purpose.

As a result of the review, a revised approach to assessment of payment acceptance solutions based on registration will be introduced in 2022. Solutions that meet a recognised standard (for example, PCI) will be registered for use in Australia with no additional requirements. Solutions that do not meet a recognised standard will undergo a structured risk assessment to identify security risks and any appropriate mitigants for introducing the solution to Australia.

The revised approach promotes innovation by supporting solutions that outpace standards development, and improves speed to market by increasing alignment with globally recognised and supported approval processes. Additionally, the approach has repeatable processes that deliver efficient and consistent outcomes.

TRUSTID FRAMEWORK

To improve the security, privacy and convenience of accessing online services, the APC led the creation of the Trust ID framework. The framework addresses security vulnerabilities and related problems by reducing the requirement for sharing personally identifiable information. It presents a series of rules and guidelines for organisations to adhere to in their design, manufacture and operation of products and services.

During the last 12 months, industry has been focused on developing solutions that will offer interoperable services to consumers and businesses under the framework. In parallel, AusPayNet has led work with members on topics of branding and framework governance. The outcomes from these work streams will be announced later in 2021. Importantly, the potential role that the TrustID Framework could play in securing the data economy was acknowledged in the report of the Inquiry into the Future Directions for the Consumer Data Right (CDR). It is anticipated that, in due course, a number of interoperable Digital Identity services will become available in the Australian market.

QR CODES

The growth of mobile wallets and the extension of account-based payments into the retail space has increased interest in the use of QR codes across several jurisdictions that have previously been categorised as card-dominated markets. To ensure there are no barriers to adoption in Australia, ETEG has been exploring the topic of QR codes for payments, with the goal of ensuring interoperability between international and domestic schemes. This work, which involves retailers, domestic and international payment schemes and banks is expected to complete in early 2022.

CROSS-BORDER PAYMENTS

AusPayNet has formed the Cross-Border Payments Advisory Council to oversee and coordinate Australian industry level activities to support delivery of the G20 roadmap for enhancing cross-border payments. The Council will also support any actions taken to implement recommendations from domestic bodies, such as the Treasury's Review of the Australian Payments System.

The Financial Stability Board developed the roadmap in coordination with the Committee on Payments and Market Infrastructure (CPMI) and other relevant international organisations. It provides a high-level plan for addressing the key challenges of cross-border payments: cost, speed, access and transparency.

The Advisory Council will support and coordinate industry activities, including involvement in consultations and delivering change, which will be key to successfully implementing the roadmap and domestic cross-border payment priorities. Activities commenced in July 2021 with a consultation on 'targets for addressing the four challenges of cross-border payments'. The roadmap will run over five years, with various stages of activity and implementation.

E-CONVEYANCING CODE

In June 2021, we welcomed the Council of Financial Regulators' announcement that AusPayNet, working with e-conveyancing operators (Electronic Lodgement Network Operators or ELNOs), will be facilitating the joint development of an industry code on e-conveyancing payments. The code will standardise payment integration for e-conveyancing. It will enable financial institutions and intermediaries who are payment integrated with one ELNO to integrate with any subsequent ELNO.

Standardised payment integration will deliver interoperability in the e-conveyancing ecosystem by removing a barrier for financial institutions to integrate multiple ELNOs. This will simplify an ELNO's entry to the market, and in turn, increase competition and choice. Work on the industry code will commence in February 2022, following testing of the e-conveyancing interoperability framework, and is expected to be completed by September 2022.

BOARD OF DIRECTORS

Under the leadership of an independent chair, the Board currently has 12 members comprising independent directors, the CEO, and non-executive directors appointed or elected by AusPayNet members.

There were two changes to the Board during the year. Michelle McPhee stepped down as a director and was replaced by Stephanie Connors in April 2021. After seven years as Chair and a director of AusPayNet, Rob Craig stepped down at the end of July 2021. The Board thanked Ms McPhee and Mr Craig for their service. Independent director Jennifer Clark was appointed interim chair in August 2021 and recruitment of a new independent chair is underway. The names of the directors in office as at 30 September 2021 follow.

ANDY WHITE, CEO
BA (HONS), MA (OXON), GAICD

CEO, AusPayNet

Appointed as CEO and an executive director of AusPayNet in March 2019.
Mr White serves as Chair and member of the Governance Review Committee and Payments Review Committee, and member of the Audit, Risk and Finance Committee, Remuneration Committee and the Australian Payments Council.

JENNIFER CLARK, Chair, Independent Director
FAICD

Non-Executive Director and former investment banker

Appointed in June 2014 as an independent director and in September 2021 as interim AusPayNet Chair.
Ms Clark serves as Chair of the Policy Experts Group, Chair of the Remuneration Committee, and member of the Audit, Risk and Finance Committee.

LYNDA MCMILLAN, Deputy Chair
MBUS, GAICD

Head of Payments Representation, Business Banking, CBA

Appointed as a non-executive director by the CBA in April 2018 and as Deputy Chair by the Board in December 2019.
Ms McMillan also serves as Chair of the Economic Crime Forum and Nomination Committee, and member of the Governance Review Committee and Payments Review Committee.

CHRIS CAMPBELL
BEC, MBUS (FINANCE)

Head of New Payments and Payments Policy, Westpac Group

Appointed as a non-executive director by Westpac in April 2003.
Mr Campbell serves as Chair of the Issuers and Acquirers Forum, and member of the Nomination Committee, Payments Review Committee and Policy Experts Group.

STEPHANIE CONNORS

BEC, MBUS (FINANCE)

Acting Head of Banking, RBA

Appointed as a non-executive director by the RBA in April 2021.
Ms Connors serves as member of the Audit, Risk and Finance Committee, Nomination Committee and Remuneration Committee.

JACKIE KALLMAN

BPSYCHSC (HONS), MAICD

Head of Payments Industry, ANZ

Appointed as a non-executive director by ANZ in April 2018.
Ms Kallman serves as Chair of the HVCS Management Committee, and member of the Payments Review Committee.

KEES KWAKERNAAK

MSC, MAICD

Managing Director,
First Data Network Australia

Appointed as a non-executive director by Electing Members in October 2016.
Mr Kwakernaak serves as Chairman of the ACDES Management Committee, and member of the Nomination Committee.

OLIVIA MCARDLE

B COMM (ACCOUNTING & LAW), MBA, CA, MAICD

Head of Deposits and Payment Products, Macquarie Bank Limited

Appointed as a non-executive director by Electing Members in November 2017.
Ms McArdle serves as member of the Audit, Risk and Finance Committee and Remuneration Committee.

KATE MULLIGAN

BA, LLB(HONS), MAICD

Managing Partner, King Irving

Appointed as an independent director in June 2014.
Ms Mulligan serves as Chair of the AusPayNet Stakeholders Advisory Council and COIN Management Committee, and member of the Governance Review Committee.

DIANNE SHAY

BTH, MAICD

Head of Payments Industry, NAB

Appointed as a non-executive director by NAB in December 2019.
Ms Shay serves as Chair of the APCS Management Committee, and member of the Payments Review Committee.

MARK TIBBLES

MAICD

CEO, Australian Settlements Limited

Appointed as a non-executive director by Building Society Members in April 2019.
Mr Tibbles serves as Chair of the Audit, Risk and Finance Committee, and member of the Remuneration Committee.

DEREK WEATHERLEY

BCOMM, MACC, GAICD

CEO, Indue Limited

Appointed as a non-executive director by Credit Union Members in April 2018.
Mr Weatherley serves as Chair of the BECS Management Committee, and member of the Payments Review Committee.

GOVERNANCE FRAMEWORK

The AusPayNet Board is responsible for setting the organisation's strategic direction and corporate governance.

CHAIR AND CEO

The Chair of AusPayNet is also an independent voting director. Current independent director, Jennifer Clark, has been appointed as Chair on an interim basis to fill a vacancy until a new Chair is appointed. The CEO is charged with implementing Board endorsed strategy and managing the day-to-day affairs of the company. The CEO is a non-voting, executive director.

BOARD COMMITTEES

The Board has established a management committee for each AusPayNet framework including its clearing systems, Issuers and Acquirers Community, and infrastructure system (COIN). Acting under delegated authority from the Board, management committees are responsible for the efficient operation and management of each framework. Specialised sub-committees are also established under certain frameworks to address technical and operational issues requiring subject matter expertise.

The Board has also established the following committees to assist in managing the company's affairs:

- Audit, Risk and Finance Committee: reviews the company's internal financial practices, budget and audit results and monitors the effectiveness of the company's financial controls and administrative policies.

- Governance Review Committee: is conducting an overarching review of AusPayNet's Constitution and governance and recommending an approach and implementation plan to the Board, including proposed constitutional changes.

- Nomination Committee: supports the Board on matters relating to the eligibility, appointment and election of directors.

- Payments Review Committee: acts as a steering and oversight committee for the Board approved strategies.

- Remuneration Committee: establishes remuneration policies and practices for the company generally and recommends remuneration levels and contractual arrangements for the CEO, independent chair and independent directors.

BOARD CHARTER, CODE OF CONDUCT AND INDUCTION

The Board carries out its functions and exercises its powers in accordance with the Board charter, which sets out its role and responsibilities. The charter is supplemented by various board policies including a conflicts management policy, a competition protocol and a Code of Conduct, which all directors, management committee members and employees must comply with, and which is designed to ensure high standards of ethical and professional conduct and compliance.

The Board reviews the charter and other policies regularly. An induction program for newly appointed board members provides an overview of AusPayNet's governance and policy framework and operations, as well as an understanding of their role and responsibilities.

RESERVE BANK OF AUSTRALIA

As a participant in payment systems, the RBA has been a member of AusPayNet since its inception in 1992. The RBA has appointed a director to the AusPayNet Board, in accordance with its rights under the AusPayNet Constitution. Additionally, since May 2007, the RBA and AusPayNet have been liaising on payments policy issues under an agreed set of procedures which have been set out in a Memorandum of Understanding, which includes senior staff of the RBA consulting with AusPayNet on a regular basis on issues of common interest. This ensures continued close cooperation between the RBA and AusPayNet.

RISK MANAGEMENT

AusPayNet has put in place a risk management framework which the Board oversees. Key risks and risk appetite are regularly reviewed, and the risk framework is submitted to both internal and external review.

OUR TEAM

Our Executive Committee is responsible for leading the AusPayNet team in delivering on strategic objectives.

ANDY WHITE, CEO

Nancy Bryla
General Counsel

Lynette Hickey
Chief Financial Officer

Lauren Johnson
Chief People and Culture Officer

Victoria Richardson
Chief Strategy Officer

Luke Wilson
Chief Operating Officer

CONTINUED RESPONSE TO COVID-19

Throughout the last year we have continued to keep the health and wellbeing of our team at the heart of how we work. We formally implemented an enduring hybrid work arrangement which enables employees to have greater flexibility and choice regarding where they work beyond the pandemic. Our systems evolved to continue to support our changing work conditions, which allowed us to enter the second lockdown supported by high quality infrastructure to continue to deliver on our priorities. Our response to COVID-19 continues to be guided by government advice.

OUR JOURNEY TO PURPOSE-LED

Our strategic plan through to 2023 adopts a purpose-led approach to better balance the different interests of our increasingly diverse members and stakeholders. To meet this strategic imperative, we continue to build our leadership capability across the business. We have completed the facilitated component of our leadership development program and are now focused on embedding our new skills. Our aim is to enable our team to feel more ownership for how their work contributes to, and positively impacts, our corporate strategy and goals, to the benefit of our members.

MEMBERSHIP

AusPayNet has 141 member organisations including participant members, operator members, COIN members and affiliates.

We thank them all for their support and contributions.

PARTICIPANT MEMBERS

Adyen Australia Pty Limited ●
Agricultural Bank of China Limited
Alex Bank Limited
AMP Bank Limited
Arab Bank Australia Limited
Australia and New Zealand Banking Group Limited ●
Australia Post
Australian Military Bank Ltd
Australian Mutual Bank Limited
Australian Settlements Limited
Australian Unity Bank Limited
Auswide Bank Ltd
B&E Ltd trading as Bank of Us
Bank Australia Limited
Bank of America, National Association
Bank of China
Bank of China (Australia) Limited
Bank of Communications Co., Ltd Sydney Branch
Bank of Queensland Limited
Bank of Sydney Ltd
Bendigo and Adelaide Bank Limited
Beyond Bank Australia Limited
BNP Paribas
BNP Paribas Securities Services
Capricornian Ltd (The)
China Construction Bank Corporation, Sydney Branch
China Merchants Bank Co., Ltd.
Citibank N.A.
Citigroup Pty Limited
CLS Bank International
Coles Group Limited ●
Commonwealth Bank of Australia ●
Community First Credit Union Limited
Credit Union Australia Limited
Cuscal Limited ●
DBS Bank Ltd., Australia Branch
Defence Bank Limited
Deutsche Bank AG
EFTEX Pty Limited
First Data Network Australia Limited ●
G&C Mutual Bank Limited

Gateway Bank Ltd
Global Payments Australia 1 Pty Ltd
Greater Bank Limited
Heritage Bank Limited
Holiday Coast (now known as Regional Australia Bank Ltd)
Hong Kong and Shanghai Banking Corporation Limited - Australian Branch
HSBC Bank Australia Limited
Hume Bank Limited
IMB Ltd
In1bank Ltd
Indue Ltd
Industrial and Commercial Bank of China Limited
ING Bank (Australia) Limited (trading as ING)
ING Bank NV (Sydney Branch)
JPMorgan Chase Bank, National Association
Judo Bank Pty Ltd
KEB Hana Bank
LCH Clearnet Limited
Macquarie Bank Limited
Maitland Mutual Limited
Mega International Commercial Bank Co, Ltd
Members Banking Group Limited trading as RACQ Bank
Members Equity Bank Pty Limited
Mizuho Bank, Ltd
MUFG Bank, Ltd.
MyState Bank Limited
National Australia Bank Limited ●
Newcastle Permanent Building Society Ltd
Northern Trust Company (The)
Oversea-Chinese Banking Corporation Limited
Police & Nurses Limited
Police Bank Limited
QPCU Limited
Queensland Country Bank Limited
Rabobank Australia Limited
Rabobank, Australia Branch (Co-Operative Centrale Raiffeisen-Boerenleenbank B.A.)
Railway Credit Union Limited trading as MOVE Bank

Regional Australia Bank Limited
Reserve Bank of Australia ●
Royal Bank of Canada
Southern Cross Credit Union Ltd
Split Payments Pty Ltd
Standard Chartered Bank
State Bank of India
State Street Bank and Trust Company
Sumitomo Mitsui Banking Corporation
Summerland Credit Union Ltd
Suncorp-Metway Limited ●
Taiwan Business Bank, Sydney Branch
Teachers Mutual Bank Limited
Tyro Payments Limited ●
UBS AG, Australia Branch
United Overseas Bank Limited
Uniting Financial Services
Unity Bank Limited
Victoria Teachers Limited, trading as Bank First
Volt Bank Limited
Warwick Credit Union Ltd
Westpac Banking Corporation ●
Windcave Pty. Limited ●
Woolworths Group Limited ●
Worldpay Pty Limited

OPERATOR MEMBERS

American Express Australia Limited
Austraclear Limited
BPAY Group Limited ●
Diners Club Australia Pty Ltd
eftpos Payments Australia Limited ●
Google Payment Australia Pty Ltd
Mastercard Asia/Pacific (Australia) Pty Ltd
NPP Australia Limited
PayPal Australia Pty Ltd
Royal Australian Mint
S.W.I.F.T. Services Australia Pty Limited
UnionPay International Co., Ltd.
Visa AP (Australia) Pty Ltd

● Also a COIN member

COIN MEMBERS

A2B Australia Limited
First Data Resources Australia Limited
Fuji Xerox Businessforce Pty Ltd
Genpact Australia Pty Ltd
Property Exchange Australia Limited (PEXA)
Transaction Network Services Australia Pty Ltd

AFFILIATES

Advam Pty Ltd
Armaguard Technology Solutions Pty Ltd
Cardtronics Australasia Pty Ltd
Change Financial Limited
Diebold Nixdorf Australia Pty Limited
eBay Commerce Australia Pty Limited
Giesecke & Devrient Australasia
Ingenico International (Pacific) Pty Ltd
Microsoft Pty Limited
NCR Australia Pty Ltd
Optus
Prosegur SPV 1 Pty Limited
Quest Payment Systems Pty Ltd
Southern Payment Systems Pty Ltd (trading as Pin Payments)
Thales
Threatmetrix Pty Ltd
UL Transaction Security
Verifone Pty Ltd
Webjet Marketing Pty Ltd

Members as at 30 September 2021

GLOSSARY

ACDES	Australian Cash Distribution and Exchange System
AI	Artificial Intelligence
AML	Anti-Money Laundering
APC	Australian Payments Council
APCS	Australian Paper Clearing System
APRA	Australian Prudential Regulation Authority
BECS	Bulk Electronic Clearing System
CDR	Consumer Data Right
CNP	Card-not-present
COIN	Community of Interest Network
Digital ID	Digital Identity
Direct Entry	Payments system for direct debits and direct credits
EMV	Europay, MasterCard, and Visa
ETEG	Emerging Technology Experts Group
Fintech	Collaboration between financial services companies and technology innovators
HVCS	High Value Clearing System
IAC	Issuers and Acquirers Community
ISO	International Organization for Standardization
KYC	Know Your Customer
NPP	New Payments Platform
PCI	Payment Card Industry
PCI SSC	PCI Security Standards Council
POS	Point-of-sale
QR Codes	Quick Response Codes
RBA	Reserve Bank of Australia
SVF	Stored Value Facilities
SWIFT	Society for Worldwide Interbank Financial Telecommunications