



Payments Council Annual Report

The Payments Council is a cooperation body, created in 2014 on the initiative of the Bank of Finland. It is a forum that brings together users and providers of payment services and the authorities for open discussion and exchange of ideas on payments. The Payments Council convenes twice a year, and all the material related to the meetings is published on the Bank of Finland website¹. This ensures the highest possible level of openness in the flow and availability of information to all participants in the payment chain.

Objective and participants of the Payments Council

The objective of the Payments Council is to support the use of advanced, internationally compatible payment methods that are effective for society as a whole. The Payments Council puts particular emphasis on the safety and reliability of payments, the availability and usability of payment services, and the efficiency of payment solutions.

The Payments Council is chaired by Seppo Honkapohja, Member of the Board of the Bank of Finland, and its work is organised by the Bank of Finland. The Payments Council consists of representatives of payment service users, providers, and authorities. The following are members of the Payments Council: the Confederation of Finnish Industries, the Finnish Federation for Communications and Teleinformatics (FiCom), the Federation of Finnish Financial Services, the Social Insurance Institution of Finland (Kela), the Finnish Commerce Federation, the Finnish Competition and Consumer Authority, Nordea Bank Finland, OP Group, the Federation of Finnish Enterprises, the Ministry of Employment and the Economy, the Prime Minister's Office, the Ministry of Finance and the Bank of Finland. The Consumers' Union of Finland became a member of the Payments Council at the end of 2015.

The vision of the Payments Council

The operations of the Payments Council are guided by a particular vision: *Finland to become a leader in the area of payment efficiency*. The main purpose is to examine the social efficiency of payments. This refers not only to technical or cost efficiency, but also to security, ease of use,

¹ See http://www.suomenpankki.fi/en/rahoitusjarjestelman_vakaus/maksuneuvosto/Pages/default.aspx



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nondiscrimination and integration of payments into companies' financial administration process.

The Payment Council's practices and key tasks

The Payments Council assesses and analyses changes in the operating environment, ongoing payments initiatives and the impacts of regulation. The Payments Council contributes to the development of payments by publishing assessments, conclusions and reports. The results of the work are also presented in the annual Payments Forum.

The Payments Council is not only a national body of cooperation; it is also the national counterparty to the Euro Retail Payments Board (ERPB)². The ERPB's aim is to support and foster an integrated, innovative and competitive single market for retail payments. The Payments Council monitors closely the work of the Euro Retail Payments Board and participates, via its interest groups, in the work of the Board's subworking groups. The ERPB's work in 2015 focused on monitoring its recommendations on SEPA payment instruments, as well as mobile and card-based contactless proximity payments. The ERPB also contributed to the promotion of instant payments in euro.

Payments Council activities in 2015

The Payments Council decided to initiate the implementation of the 'Payment Methods 2020' project. The purpose of the project is to extensively examine payments landscape in the 2020s, and this is accomplished via a series of individual studies and reports. The first stage of the initiative involves the publication of an eBook, which is a compilation of short articles, on perspectives on future payment solutions and their underlying trends. The authors of the eBook are representatives of the Payment Council's member organisations and other payment-related stakeholders.

The Payments Council Working Groups' reports '*The current payments landscape and trends*' and '*Payments in an increasingly digital economy*'³ were translated into English, which enables their utilisation also in international fora. The Payments Council monitored and contributed to the

² See <https://www.ecb.europa.eu/paym/retpaym/euro/html/index.en.html>

³ See http://www.suomenpankki.fi/en/rahoitusjarjestelman_vakaus/maksuneuvosto/pages/default.aspx



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implementation of the recommendations and initiatives presented in the Working Groups' reports.

The work of the Payments Council was presented to a wider audience in the Payments Forum in spring 2015, which, as usual, brought together more than 150 payment experts. The Forum's session *Payments development and digitalisation* focused on the Payments Council's activities in 2014 and presented the conclusions of the reports prepared by the Council's Working Groups. The other topics of the Payments Forum were *Innovative payment solutions and user needs* and *Cyber security and payments*.

Payments Council's focus of work in 2016

The 'Payment Methods 2020' project forms the basis of the Payment Council's work in 2016. The project will be launched by the eBook '*How do we pay in the 2020s? Perspectives on future payment solutions*'. The eBook examines the future of payment methods and trends. The eBook is input material for the future focus areas of the Payment Council's work, and the aim is to have it published on 10 May 2016, in connection with the 10th Anniversary of the Payments Forum.

The Payments Council's key task in 2016 is to continue to monitor and promote the implementation of the recommendations presented in the Working Groups' reports.

In addition, the Payments Council contributes, via its interest groups, to the work of the Euro Retail Payments Board. In its work schedule for 2016, the most important themes from the Finnish perspective are instant payments in euro and e-invoicing.