

The Faster Payments Task Force calls upon all stakeholders to seize this historic opportunity to realize the vision for a payment system in the United States that is faster, ubiquitous, broadly inclusive, highly secure, and efficient, with all service providers enabling ubiquitous receipt for end-user customers by 2020.

BACKGROUND

The Faster Payments Task Force was convened by the Federal Reserve in May 2015 to identify and evaluate alternative approaches for implementing safe, ubiquitous, faster payments capabilities in the United States. Participation in the Faster Payments Task Force was comprised of more than 300 diverse payments experts.

Consistent with their mission, the task force developed The U.S. Path to Faster Payments, inclusive of the following work products:

Glossary of Terms	Set of relevant definitions that establishes a common lexicon for task force work products
Effectiveness Criteria	A description of stakeholder needs that can be used to assess faster payments solutions and as a guide for innovation in the payments industry
Capability Showcase	Online forum where solution providers can showcase payment capabilities that can support end-to-end faster payments solutions
Solution Proposals and Qualified Independent Assessment	End-to-end faster payment solution proposals were submitted to be assessed against the Effectiveness Criteria by an independent, team of experts
Recommendations	Ten recommendations to achieving ubiquitous, faster payments in the United States by 2020

FASTER PAYMENTS SOLUTION PROPOSALS

In early 2016, the task force solicited proposals for end-to-end faster payments solutions that could address the need for safe, ubiquitous, faster payments and established an external Qualified Independent Assessment Team (QIAT) to assess them against the Effectiveness Criteria. The proposal assessment process was designed to enhance potential market solutions, not to choose solutions. Additionally, the process facilitated diverse stakeholder input for the benefit of potential operators, end users of these systems, and the public at large. After receiving comments from the full task force, **16 solution proposers have released their proposals to the general public.**

By highlighting the possibilities for realizing fulfillment of the task force’s Effectiveness Criteria, the proposals help illustrate the task force’s vision for a better payment system for the United States.

TASK FORCE VISION

The Faster Payments Task Force believes the United States must leverage new technologies and new paradigms around speed, security, and efficiency to create a better payment system: one that is faster, ubiquitous, broadly inclusive, safe, highly secure, and efficient. This vision will be realized through collaboration among all stakeholders, including faster payments solution operators, payment service providers, end users, and others.

It will be a payment system in which competing solutions interoperate to meet the Effectiveness Criteria and deliver broad benefits to American consumers, businesses, and government agencies through enhanced security and fraud prevention, and seamless end-to-end payments.

CHALLENGES AND OPPORTUNITIES

The task force believes there are four primary cross-solution foundational issues that need to be addressed in order to implement faster payments in the United States:

Broad Adoption	A large population of consumers, businesses, and government agencies will need to have knowledge of, access to, and the motivation to use faster payments.
Safety, Integrity, and Trust	There must be a level of security across solutions such that end users and individual service providers are willing to allow payments originated in other solutions to traverse to their solutions.
Interoperability	There is a need for a mechanism for enabling each solution to identify and communicate with other solutions, and complete transactions on behalf of the end users they serve.
Ecosystem	Faster payments solutions will need a supporting ecosystem that provides a trusted framework to facilitate collaboration and inclusive decision-making across solutions and stakeholder communities.

GOALS AND RECOMMENDATIONS

To maintain the momentum to create a faster payments system, the task force recommends ongoing collaboration to develop a faster payments system in the United States that fulfills its vision, with work beginning in three key areas:

Governance and Regulation First, the task force believes there must be a framework for ongoing collaboration, decision-making, and rule setting. This includes three specific activities:	<ul style="list-style-type: none">• Establishing a formal governance framework• Establishing rules, standards, and a baseline set of requirements for the faster payments system that would enable payments to cross solutions securely and reliably, and ensure end users have predictability and transparency• Evaluating laws and regulations affecting payments and payment service providers
Infrastructure Second, the task force recommends enabling needed infrastructure to support faster payments. This includes:	<ul style="list-style-type: none">• Developing a design for faster payments solutions to interoperate via directory services• Requesting the Federal Reserve develop a 24x7x365 settlement service• Requesting the Federal Reserve explore and assess other operational role(s) the Federal Reserve might need to play to support ubiquity, competition, and equitable access to faster payments
Sustainability and Evolution Third, the task force recommends that the faster payments system in the United States be future-focused and able to address evolving security threats, meet changing end-user needs, and foster continuous innovation through new technologies. This encompasses a variety of activities, including:	<ul style="list-style-type: none">• Developing methods for fraud detection, reporting, and information sharing• Creating advocacy and education programs to support broad adoption• Researching cross-border payments to identify and address gaps and barriers to enabling faster payments for this use case• Continuing research on emerging technologies to deepen understanding of the risks they may pose as well as the benefits they may offer

With this report, the task force issues a *call to action* to all payments stakeholders to:

- Embrace and promote the vision and the Effectiveness Criteria;
- Actively participate in the ongoing dialogue;
- Contribute to work group efforts and deliverables; and
- Take steps to make your own organization *faster payments* ready by 2020.

To learn more or join in the next phase of this ground-breaking work, visit FasterPaymentsTaskForce.org.