



Innovations in Retail Payments

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BIS surveys of e-money developments

- ✓ BIS in cooperation with the CPSS has been regularly conducting surveys since 1996
- ✓ CPSS published the results of the survey in 2000, 2001 and 2004
- ✓ This year's survey includes innovations in internet and mobile payments
- ✓ CPSS has published various reports covering the security of electronic money products and implications for central banks of the development of electronic money

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2004 Survey (I)

- ✓ individual survey responses – 95 countries and territories
- ✓ card-based e-money schemes
 - have been launched in a sizable number of countries
 - but the float, value and volume of transactions is low
 - no central bank e-money schemes
 - more successful schemes
- ✓ network-based e-money schemes
 - very limited usage, scope and implementation

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2004 Survey (II)

- ✓ Internet payments
 - Have advanced rapidly compared to e-money
 - Combine information and communication technology to meet the demands of consumers
 - Business-to-business (B2B), business-to-customer (B2C) and person-to-person (P2P) payment schemes
 - Typically the available infrastructure is used
 - Cross-border payments - PayPal

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2004 Survey (III)

- ✓ Mobile payments
 - Used largely for micropayments segment
 - Two business models are in use: paying from a prepaid balance or paying later
 - Used as an access channel for internet banking

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Policy issues related to e-money

Of particular relevance to central banks

- ✓ oversight function for payment systems
- ✓ seigniorage
- ✓ monetary policy implementation
- ✓ supervision

To others

- ✓ consumer protection
- ✓ competition and innovations

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Policy issues related to internet and mobile payments

- ✓ Securities issues – development of security standards for electronic payments
- ✓ Legal aspects – e-commerce, rights and responsibilities of the issuers and users, consumer protection
- ✓ Oversight issues – oversight of non-bank issuers and cross-border schemes
- ✓ Payment system issues- clearing and settlement generally take place through the regular channels