



Instant Payment Service Implications for Liquidity Management

MMCG, Frankfurt 03. December 2018

Instant Payment Services

1.

Sepa Instant credit transfer scheme

Already 2042 payment service
Providers have joined the scheme
(=49% of European PSPs from
16 countries)

2.

more than 1.250 German banks

- HVB (Unicredit) 11/2017
- **385 Savings banks 07/18**
- Commerzbank, DZ Bank with cooperative banks,
Deutsche Bank 11/18

3.

German savings banks

- 50 millions clients
- 1 millions transactions in October 2018
- 20% RT1 /80% within the saving bank sector
- 700 € average payment per transaction

4.

Challenges:

- High investment costs
- Fraud-Detection
- Sanctions checks
- Manage Peak times

5.

Open issue:

- Intra day money ?
- Instant Payment new autonomous factor ?
- Google Pay/Apple pay/paypal vs. Instant payment
- 24h/7d experiences ?

source: EPC – European Payments Council/ DSGVO



Dynamic growth of instant payment

Taking a broader view.....24h/7d it is possible....

24h/7d

epexspot

› EPEX SPOT SE (the Europeans Power Exchange) is an exchange for power spot trading in Germany, France, the United Kingdom, the Netherlands, Belgium, Austria, Switzerland and Luxemburg.

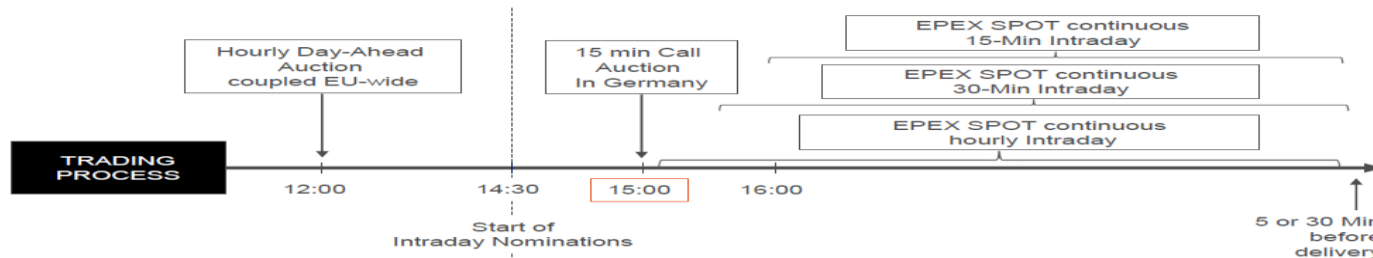
Day-ahead markets

› EPEX SPOT operates day-ahead power markets for Germany/Austria/Luxembourg, France, the United Kingdom, the Netherlands, Belgium and Switzerland. These day-ahead markets are organized by an auction process, matching once a day supply and demand curves and thus fixing prices in an anonymous, yet transparent and secured manner. Members of the Exchange enter their orders for hourly quantities of power into the order book which is closed 12 pm for all markets. EPEX SPOT calculates the offer and demand curves and their intersection for each hour of the following day. Results are published and 12.55 pm all other markets.

Intraday markets

› EPEX SPOT also operates intraday power markets for Germany/Luxembourg, France, The United Kingdom, the Netherlands, Belgium, Austria and Switzerland. The intraday markets are organized by continuous trading – orders of the members are entered perpetually into the order book. As soon as two orders are compatible, the trade is executed. Contracts for hourly quantities of power can be traded up to 30 minutes before physical fulfillment, and even up to five minutes within the respective German control zones, within Belgium and within the Netherlands. In Switzerland and across borders, trade is possible until 60 minutes before delivery.

The wholesale energy trading process



source: EPEX/Wikipedia