

# National Retail Payment System

**Presentation to RBAP Symposium**  
Grand Ballroom, Marriot Hotel  
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# The National Retail Payment System (NRPS)

**NRPS is a policy and regulatory framework which aims to establish a safe, efficient, reliable and affordable retail payment system in the country.**



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# What is NRPS?



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# NRPS Vision

The NRPS aims to have in place by 2020

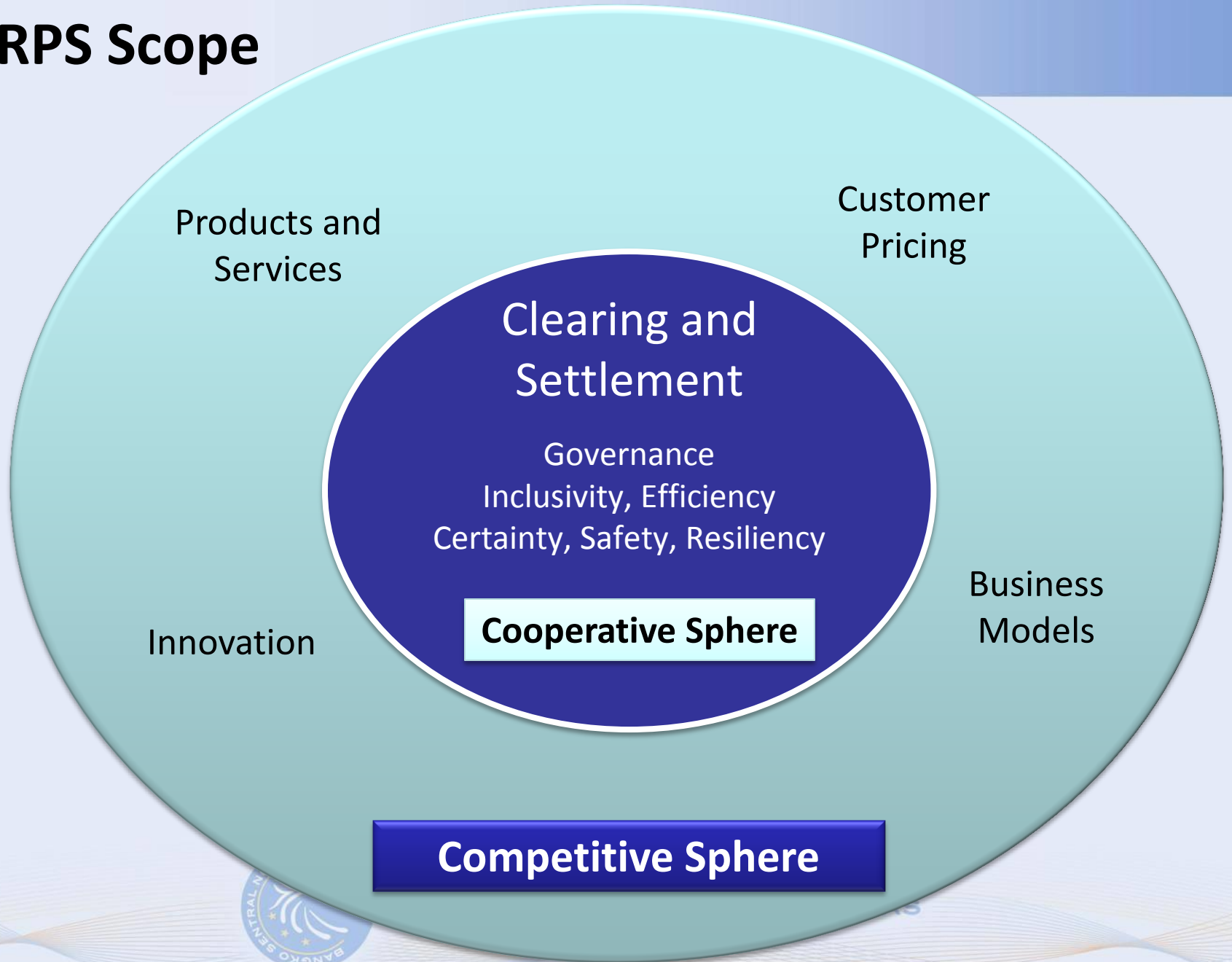
- more Filipinos have access to an account or electronic instrument to store money, and send and receive payments via any electronic device;
- payment service providers have fair access to the payment system
- at least 20% of total retail payments are made through electronic means.

# NRPS Objectives

- \* Enables effective and efficient interface and interoperability among participants
- \* Fosters innovation and new business models
- \* Facilitates the provision of a wide range of products and services with needed certainty, affordability and trust
  - \* Ensures transparency



# NRPS Scope



# Key Governance Principles

- Governance shall be separate and distinct from the actual operations.
- Governance shall be -
  - responsible in the **formation of principles, policies, standards and business rules** among payment system participants.
  - performed by a **single stand-alone self-governing body** which is payment industry led and duly recognized by the BSP.
- All direct clearing participants, qualified banks and non-bank EMIs, shall participate in the governance structure.

# Payment System Management Body (PSMB)

The PSMB is a single stand-alone self-governance structure run by the payment industry participants and duly recognized by the BSP to develop and enforce clearing rules and agreements.

## Payment System Management Body (PSMB)

Card-based  
ACH

EFT Credit  
ACH

EFT Debit  
ACH

Check-Based  
ACH

Real-Time  
Low Value  
Push  
ACH

Cross-Border  
ACH



# Membership to PSMB

- Duly licensed by BSP (banks and non-bank EMIs)
- Engage in holding funds of customers
- Active participant in at least one ACH
- Certified to meet the technical and operational standards of clearing operator
- Directly participates in clearing
- Settle clearing results with BSP's PhilPaSS either directly or through sponsoring bank

# Automated Clearing House (ACH)

- ACHs are multilateral legally binding agreement/s signed by direct clearing participants and govern the clearing and settlement determination
- The formation of and participation in an ACH shall be open to qualified clearing participants
- ACHs shall be considered a business arrangement to be agreed upon between participants of an ACH

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# OPPORTUNITIES

- Lower participation cost
  - PSMB Membership
  - Transaction cost
- ACH Participation
  - Clearing rules, procedures, agreement/s
- Competitive products and services
- Business models customized to target market
- Wider market base



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# RESPONSIBILITIES

- Ensure that core banking system is capable to electronically debit and credit accounts of clients
- Certified to meet technical requirements of clearing operator
- Capacity to monitor and maintain liquidity of funds for settlement



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