

IL SALONE DEI PAGAMENTI 2024



**C'È DI PIÙ,
CI SEI TU**



EBA CLEARING

Il nuovo schema europeo di «Verification of Payee»

e il contributo che FPAD di
EBA CLEARING può fornire

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27, 28, 29 NOVEMBRE 2024
Allianz MiCo: South Wing + Hall 4

#salonepagamenti #payvolution
salonedeipagamenti.com

E EXCELLENCE

U USER-DRIVEN

R ROBUSTNESS

O OPENNESS TO
STAKEHOLDERS' NEEDS

P PAN-EUROPEAN

A AGILITY

An introduction to EBA CLEARING

Paris

Brussels

Frankfurt

Milan

London

Helsinki

PAN-EUROPEAN

EBA CLEARING operates services with users from all across the Single Euro Payments Area (SEPA) and provides full pan-European reach for euro retail payments.

REACH

5,210

PSPs ACROSS EUROPE

VOLUME

20.7 billion

TRANSACTIONS

VALUE

71.7 trillion

EURO

RT1 - Taking Instant Payments to the next level

Key points to make instant payments more efficient

INSTANT RT1 PAYMENTS

1. Reach
2. Operational Excellence
3. Request to Pay
4. Fraud combatting



The payments environment is changing and fraud threats increasing

Fraud is increasing. Our analysis indicates fraud-related recalls in STEP2 SCT and RT1 were **above 1 billion EUR in 2023 (increase by 19% vs 2022)** and could reach **several billions** in the years to come.

SEPA credit and instant credit transfer use is growing rapidly.
Transaction volumes on **STEP2 SCT and RT1 grew by 7% and 36% in 2023 respectively**

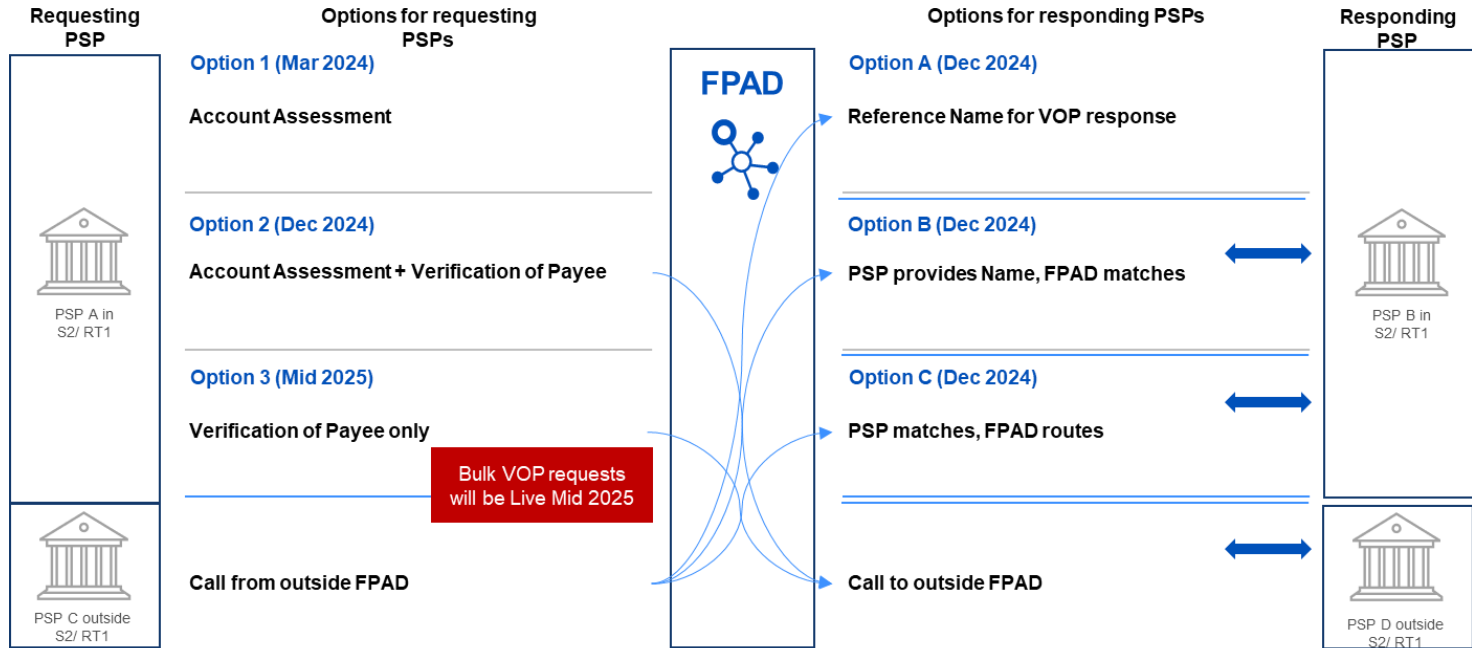
PSPs are seeing increasing fraud case rates. Fraudsters are targeting instant payments, resulting in fraud rates being **6 times higher** than for SEPA credit transfers

EU Commission legislative proposal seeks to accelerate the rollout and use of instant payments





FPAD VOP will offer full reach and a very flexible solution with different options


Overview





FPAD to address the multiple challenges faced by European Payment Service Providers

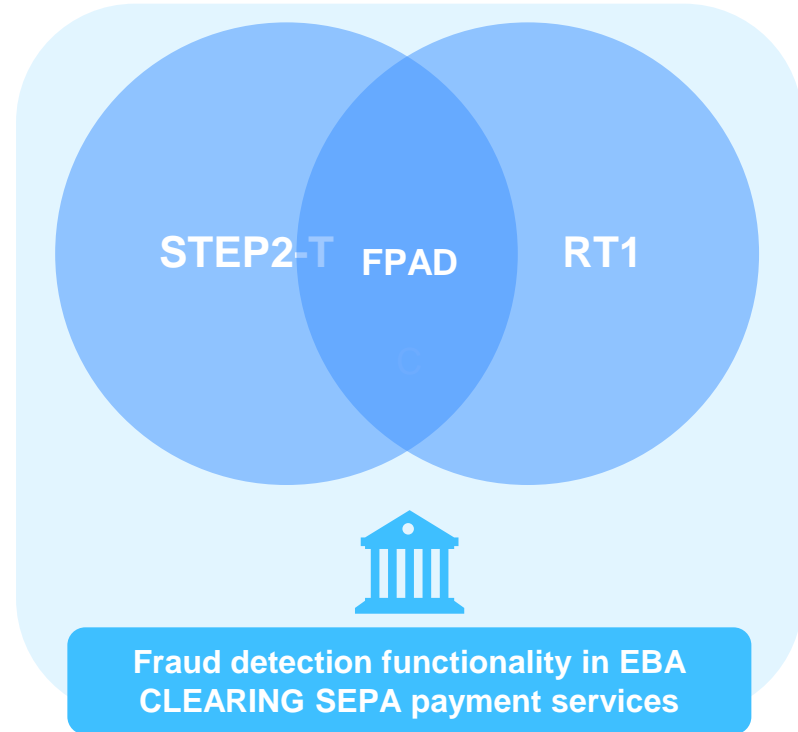
 Fast moving, changing fraud Threats

 Payments growth, Regulatory change

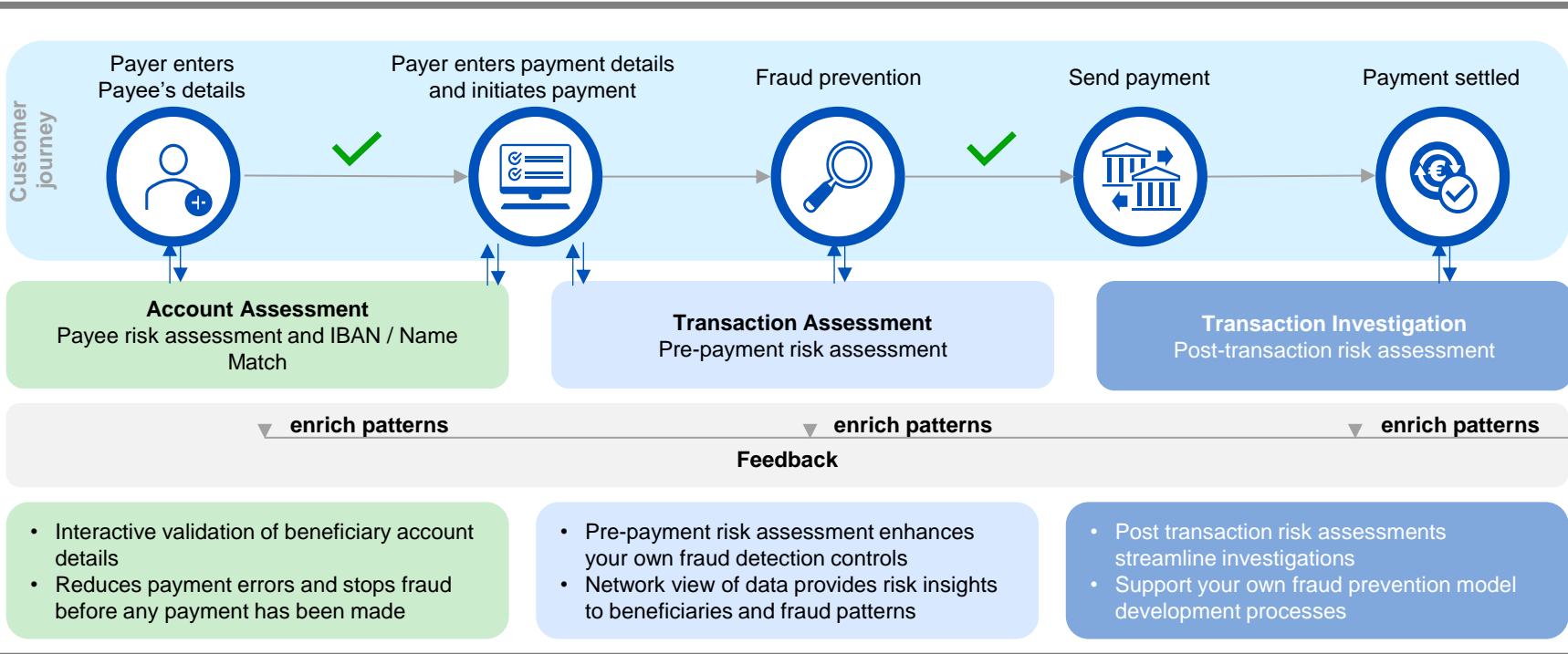
 Operating alone
No common capability

 Incomplete view of risk

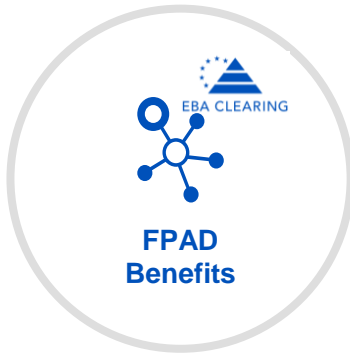
 Need for a **centralised fraud detection solution**



Options for integrating FPAD into payment initiation and fraud investigation flows



Example FPAD benefits for Payments Processing and Fraud Prevention



IBAN / Name Match

Ensure correct creditor details

Creditor Activity

Creditor account payment spikes and concentrations

New Creditor Relationships

Identify new relationships with new accounts

Known Fraud

Creditor accounts with fraud recalls

Payment Name Mismatches

Mitigates payment redirection fraud



FPAD and VOP Key statistics

FPAD to create friction when needed and avoid it when it is not necessary

55 participants have started to use FPAD since its launch in March 2024

350+ million IBANs with 330M debtor names (KYC reference names) and over 900M creditor names

99% of all creditor IBANs of STEP2 SCT and RT1 transactions covered by FPAD. FPAD might not have all accounts, but likely all active accounts in SEPA

35% reduction in fraud losses from early adopters in the first 6 months of usage

50% of all fraud recalls have a perfect name match and would not have been stopped by a VOP check

10% of all legitimate transactions would fail a VOP name match, PSPs should enrich their anti-fraud tools with network-based risk indicators

