P27 - The payment gamechanger

November 14, 2019
P27 has the ambition to build a payments superhighway connecting the 27 million people living in the Nordics – and beyond.
P27 is on a three year mission

2018 | 2019 | 2020 | 2021
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Project started | Rulebooks developed | Vendor selection
Staffing of company | Interim company started | Vendor signed
Potential acquisition | Funding secured | Clearing Licence
Merger filing | First transaction | Bill Payments R2P

P27 is still in a preliminary stage, and the establishment of P27 is subject to regulatory approvals and requirements.
5 brutal forces shaping the payments industry globally

- Real-time payments
- Open Banking and PSD2
- New Ecosystem players
- Rise in cross-border payments
- Cyber-risk, fraud & AML

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We see several industry initiatives in sync with the regulatory push for the next generation sector agenda for Payments in Europe.

<table>
<thead>
<tr>
<th>Regulatory efforts</th>
<th>Industry initiatives</th>
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<tbody>
<tr>
<td>• SEPA CT Instant rulebook</td>
<td>• Harmonize <em>settlement infrastructure</em> for instant payments</td>
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<td>• Mobile Initiated SEPA CT Interoperability Implementation Guidelines</td>
<td>• Foster <em>interoperability</em> between European mobile payment schemes</td>
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<td>• Pan-European “Request-to-Pay” rulebook</td>
<td>• Pan-European “Request-to-Pay” infrastructure</td>
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<td>• PSD2-directive to enable third party access to accounts (XS2A)</td>
<td>• Standardize <em>methods for third-party accessibility</em></td>
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<td>• Fintech Act</td>
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How to deal with the challenges?

Reactive

Proactive

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Imagine if people and corporates in the Nordics could…

- Pay with mobile payments in other Nordic countries
- Have a cost-efficient direct debit scheme instead of current old and expensive
- Pay and receive payments instantly also from other countries in a simple and secure way

Tomorrow needs one harmonized Nordic payments platform

**Current situation**

- 9 different clearing systems
- Different products in different countries often with overlap
- Platforms with overlap of investment needs and limited scale

**With P27**

- One clearing system and platform – the initial vision at launch of P27
- Harmonized payment products where so required
- One point of entry for participants (including EUR transactions)
Denmark, Sweden and Finland are moving ahead and Norway is welcome to join.

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P27 facilitates a new Nordic ecosystem of payments

P27 ONGOING COMMUNICATION WITH BANKING SECTOR

National central banks

P27 participant forum

Nordic Reference Group (NRG)

National and European Competition Authorities

Fintech community

National financial services authorities

Implementation timeline and development priorities

Obtain local solution requirements

Implementation and settlement discussions

Pan-Nordic assessment of priorities

Obtain approval from relevant authorities

Provide input on the future of the finance industry

Obtain approval from national authorities

Representatives of the banking communities

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A large number of Nordic banks are already jumping on board and have joined the Nordic Payment Council.
Layer 1: Core clearing and settlement platform

- API gateway
- Customer screening
- Inter-operability of mobile schemes
- PSD2 compliant API library
- Transaction fraud management
- Direct debit and invoicing
- Mobile P2P registry
- Transaction screening
- Digital receipts
- Consent Management platform
- Identity security
- Data enrichment
- Tokenization

P27 aims to enable a future-proof payment ecosystem

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P27 will create a true change in the Nordic payments industry

First step towards all being instant

Help corporates to improve their payment models.

Take down system risk.

Payments to flow seamlessly across the Nordics

Support cross border trade in the Nordics.

Enable Nordic mobile payment solutions.

A foundation for future payments innovation

Help the Nordic Fintech community to prosper.

Standardisation
Are you coming?

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