
From: Barlow, Emily
Sent: Wednesday, 9 June 2021 4:59 PM
To: Vanessa Chapman
Cc: Adrian Lovney; Basile, Mark; Staltari, Danielle; Black, Susie; Wu, Connie; Reed, Alex
Subject: Payments amalgamation - information request - NPPA [SEC=OFFICIAL] [ACCC-ACCCANDAER.FID2638078]

Dear Vanessa

We refer to previous correspondence regarding the application for merger authorisation for an amalgamation of ownership of BPAY Group Pty Ltd and BPAY Pty Ltd (**BPAY**), eftpos Payments Australia Limited (**eftpos**) and New Payments Platform Australia Limited (**NPPA**) by way of share acquisition (the **proposed amalgamation**).

The Australian Competition and Consumer Commission (**ACCC**) requires further information to conduct its analysis. We request NPPA's response to the questions below by **close of business on 18 June 2021**.

1. Please provide copies of the most recent version of the NPPA Constitution and the NPPA Shareholders Agreement.
2. Please confirm the number of directors on the NPPA Board and the composition of the NPPA Board, including which shareholders nominated and/or appointed directors, and the number of those directors.
3. NPPA's statement states that the only overlay service that exists on the NPP is Osko by BPAY. The expert industry opinion of Lance Blockley describes 'a number of newer overlay services/veneers' that are now available.
 - a. Please explain how Osko differs from services offered via the NPP by providers such as AzuPay, Assembly Payments and Monoova.
 - b. Can services offered via the NPP by providers such as AzuPay, Assembly Payments and Monoova be appropriately characterised as overlay services? Please explain why, or why not.
 - c. Please list all providers such as AzuPay, Assembly Payments and Monoova who are offering services via the NPP. Please describe the services offered by each provider via the NPP.
4. Please describe how in-store retail payments can or could be made using the SCT, the level of costs that is required or may be required from merchants to adopt SCT for in-store retail payments, and the likelihood and extent of growth in the use of SCT for in-store retail payments.
5. Does NPPA expect that the MPS/PayTo will be used for in-store retail payments? If so, please describe how this would work, when it is expected to be launched, and the level of costs that may be required from merchants to adopt MPS/PayTo for in-store retail payments.
6. Please describe the key use cases that are anticipated for the MPS/PayTo, and how they differ from the key use cases of the SCT and/or category purpose code messages.
7. Please describe the similarities and differences between the intended functionality of the MPS/PayTo, and the functionality of the BPAY Payments service, for bill payments.
8. Please describe the key use cases for the QR code standard that NPPA is developing. Please provide details of how the standard would operate. Please explain the similarities and differences between NPPA's QR code solution and eftpos' QR code solution.
9. Paragraph 104(c) of the NPPA statement indicates that the NPPA is targeting migration of selected payments from the Real Time Gross Settlement System to the NPP (including international funds

transfer instruction payments). Please indicate whether any other payment rails / schemes are or may also become capable of processing these payments (and if so, which payment types).

10. Please provide an update on the current status of NPPA's actions in response to each of the recommendations of the RBA's 2019 review of NPP Functionality and Access.

Subject to our consideration of any request for exclusion from the public register, a public version of NPPA's response to this letter with confidential information redacted will be placed on the ACCC's public register. This email will also be published on the public register.

Kind regards

Emily

Emily Barlow

Assistant Director (a/g) | Merger Investigations | Mergers, Exemptions and Digital

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The ACCC acknowledges the traditional owners and custodians of Country throughout Australia and recognises their continuing connection to the land, sea and community. We pay our respects to them and their cultures; and to their Elders past, present and future.