

Payments Drift Forum

Payments Drift Forum 2017 2nd edition

Jakub Górká, Iñigo Moré, Jürgen Bott

PayTech conference

European

Research Network
on Payment Systems
and FinTech

presents

Payments Drift Forum 2017

Cranach Saal, Stadthalle Aschaffenburg, Germany

Co-organized by

Main organiser:

Prof. Dr. Jürgen Bott

with organisational support:

EUROFORUM
an informa business



Hochschule
Kaiserslautern
University of
Applied Sciences



hochschule aschaffenburg
university of applied sciences

Under the sponsorship of



PPI AG



PSMEG meeting, DG FISMA, European Commission
24 October 2017, Brussels

PDF 2017 facts and figures

Two-day event for academics, business professionals and policy makers from Germany and Europe:

- ✓ 22 speakers
- ✓ 19 presentations
- ✓ 6 panel discussions
- ✓ 120+ conference delegates

Presentations and discussions grouped under four headings:

- ✓ Combating fraud in secure payments environment
- ✓ European initiative to create the most innovative payments area
- ✓ Applying new technologies in effective regulatory regimes
- ✓ Future role of cash payments in European societies

Topics:

- ✓ cyber crime and cyber security
- ✓ fraud protection
- ✓ open API banking
- ✓ innovative technologies
- ✓ financial inclusion
- ✓ economic growth
- ✓ shared prosperity
- ✓ robotics, AI and automation
- ✓ blockchain and DLT
- ✓ path-breaking legislation
- ✓ use and role of cash

PDF 2017 day one

Opening and summary of the first day:

Dr. Jakub Górk, Faculty of Management, University of Warsaw

- ✓ Fighting fraud: secure payments environment
 - Prof. Dr. Winfried Bausback, Bavarian Minister of Justice
 - Prof. Dr. Joachim Würmeling, Executive Board of Deutsche Bundesbank
 - Dr. Martin G. Curley, Senior Vice President, Global Digital Practice Lead, Mastercard
 - Christian Kothe, Head of Markets & Initiatives, EMEA, S.W.I.F.T.
 - Dr. Jakub Gorka, Gracjan Bachurewicz, Faculty of Management, University Warsaw

- ✓ European initiatives to create the most innovative payments area
 - Dr. Andreas Spengel, Vice President, International Markets, Mastercard Europe
 - Robert Herzig, Director Customer Payments & Finance, Metro Cash & Carry International
 - Marcus Treacher, Global Head of Strategic Accounts, Ripple
 - Matt Versteeg, University of Applied Sciences Kaiserslautern
 - Jürgen Klute, former Member of the European Parliament (among others: rapporteur PAD)
 - Iñigo Moré, Remesas.org, Founder

Moderation: Prof. Dr. Jürgen Bott, University of Applied Sciences Kaiserslautern

PDF 2017 day two

- ✓ Applying new technologies – financial innovations transforming market infrastructures
 - Dr. Udo Milkau, Chief Digital Officer, Transaction Management, DZ BANK
 - Dieter Becker, former project manager TARGET, European Central Bank
 - Dr. Hubertus von Poser, Member of the Management Board, PPI
- ✓ Towards path-breaking legislation
 - Dr. Dirk Haubrich, Head of Consumer Protection, Financial Innovation and Payments, European Banking Authority
 - Klaus Löber, Senior Advisor, Market Infrastructures and Payments, European Central Bank
 - Ralf Jacob, Head of Retail Financial Services and Payments Unit, European Commission
 - Jürgen Klute, former Member of the European Parliament (among others: rapporteur PAD), presentation during day one
- ✓ Future role of cash payments in European societies
 - Prof. Dr. Franz Seitz, University of Applied Sciences, OTH Weiden
 - Martina Eschelbach, Deutsche Bundesbank
 - Prof. Dr. Malte Krüger, University of Applied Sciences Aschaffenburg

Moderation:

Prof. Dr. Jürgen Bott, University of Applied Sciences Kaiserslautern

Prof. Dr. Malte Krüger, University of Applied Sciences Aschaffenburg

Closing of PDF 2017 and invitation for PDF 2018: Iñigo Moré, Remesas.org, Founder

PDF 2017: selected findings

- ✓ There is no such thing as absolute security but the task of preventing fraud and fighting back against cyber crime has to be carried out constantly, innovative services (e.g. based on open API banking) should be safe and secure, because trust of users in payments cannot be undermined.
- ✓ Technology is faster than adoption, some consumers and businesses in Europe are less ready to change their payment habits or adopt FinTech products even if the products are well designed and bring value-added.
- ✓ Financial exclusion is a problem in Europe, there are huge under-served market segments with impressive economic potential (low-income people, immigrants but also young people).
- ✓ The legislation must be fit for the purpose, routing in market needs requires unending dialogue with market participants (providers and users), there must be an ongoing effort in Europe to make the legislation better, less complex and more harmonised across countries and regions in Europe for the benefit of the market integration, competition and innovation.
- ✓ Machine learning is not enough, machine reasoning based on artificial intelligence offers new opportunities but is a challenge to be implemented, for now 100% Straight-Through-Processing automation seems to be too costly.
- ✓ Distributed computing and blockchain can result in new business models and reshape the financial intermediation.
- ✓ Cash has still a role, cash is characterised by unique features, widely accepted, anonymous, low cost for users, etc., people like cash and they are more disciplined when paying in cash than when paying with electronic payment instruments.

PDF 2017: unique features and feedback

Payments Drift Forum:

- ✓ is a platform for practitioners, politicians and officials from regulatory and supervisory bodies to exchange ideas without reservations (no media representatives in the room during PDF 2017),
- ✓ provides young, talented researchers the opportunity to express unconventional ideas openly and
- ✓ offers experienced industry experts the opportunity to get unadorned reflections,
- ✓ guides to recognise creative impulses not as “bashing”,
- ✓ ensures various types of follow-ups of the impulses set during the conference.

Several speakers and many guests immediately after PDF 2017 expressed their intention to come to PDF 2018. Some of them asked for even more “grindstones” and discussions, which are “going under the skin”.

Some of feedback-statements:

- ✓ A wide range of industry knowhow to discuss the implications of current trends and the possible effect on financial industry’s strategy.
- ✓ Top speakers from various countries, with impressive variety of background and experiences.
- ✓ After almost thirty years of industry experience, now two days with many new insights ... where to get more of it?
- ✓ Excellent speakers, relevant topics, informal networking, new nodes to my network.
- ✓ No exhibitions, less sales people, more serious discussion, with lasting impact.
- ✓ Innovative outlook, new ideas how to connect so many ends creatively.

Selected reference to PDF 2017 with keynote speech on cyber security delivered by Prof. Dr. Joachim Würmeling (Executive Board’s Member of Deutsche Bundesbank) at the website of the Bank for International Settlements (BIS) in Basel:

<http://www.bis.org/review/r170908a.htm>

Payments Drift Forum

See you in Madrid at
PDF 2018

Thank you for your attention!

websites:

<http://www.euroforum.de/payments-drift/>

<http://pdf.wz.uw.edu.pl/edition-2017/>