

**Name:** ASHISH SHRIVASTAVA  
**Organization:** GLOBALFUND  
**Industry Segment:** Government/Regulatory

### **General**

1. Are you in general agreement with the payment system gaps and opportunities identified in the "Payment System Improvement Public Consultation Paper"? Please explain, if desired.

**Yes. PAYMENT SYSTEM GAP- Required fee deposition from recipient country/beneficiary by international money transfer as western union/money gram/DHL/RIA not followed foreign origin sender guidelines of recipient country.**

1i. What other gaps or opportunities not mentioned in the paper could be addressed to make improvements to the U.S. payment system?

**Notified international fund remittance process for verification/authenticity since 2012 by RISK RADAR.**

2. Are you in general agreement with the desired outcomes for payment system improvements over the next 10 years? Please explain, if desired.

**Yes. For addressing international banking transparency of legitimate money/funds transfer.**

2i. What other outcomes should be pursued?

**World bank should also authenticate all world/international funds transfer.**

3. In what ways should the Federal Reserve Banks help improve the payment system as an operator, leader, and/or catalyst?

**As leader and regulator**

### **Ubiquitous near-real-time payments**

4. In discussions with industry participants, some have stated that implementing a system for near-real-time payments with the features described in the second desired outcome (ubiquitous participation; sender doesn't need to know the bank account number of the recipient; confirmation of good funds is made at the initiation of the payment; sender and receiver receive timely notification that the payment has been made; funds debited from the payer and made available in near real time to the payee) will require coordinated action by a public authority or industry group. Others have stated that current payment services are evolving toward this outcome and no special action by a public authority or industry group is required.

4i. Which of these perspectives is more accurate, and why?

**Recipient banking system should have rights of funds remittance claim as public authority.**

4ii. What other perspective(s) should be considered?

**Centralized country banking system should have banking domain of an individual remittance with country legitimate banking framework.**

5. The second desired outcome articulates features that are desirable for a near-real time payments system. They include:

- a. Ubiquitous participation
- b. Sender doesn't need to know the bank account number of the recipient
- c. Confirmation of good funds is made at the initiation of the payment
- d. Sender and receiver receive timely notification that the payment has been made
- e. Funds debited from the payer and made available in near real time to the payee

5i. Do you agree that these are important features of a U.S. near real-time system? Please explain, if desired.

**No.**

5ii. What other characteristics or features are important for a U.S. near real-time system?

**Sender should verify account number of recipient for confirmation of validity with country banking system.**

6. Near-real-time payments with the features described in the second desired outcome could be provided several different ways, including but not limited to:
- a. Creating a separate wire transfer-like system for near-real-time payments that leverages the relevant processes, features, and infrastructure already established for existing wire transfer systems. This option may require a new front-end mechanism or new rules that would provide near-real-time confirmation of good funds and timely notification of payments to end users and their financial institutions.
  - b. Linking together existing limited-participation networks so that a sender in one network could make a payment to a receiver in another network seamlessly. This option may require common standards and rules and a centralized directory for routing payments across networks.
  - c. Modifying the ACH to speed up settlement. This option may require a new front-end mechanism or new network rules that would provide near-real-time confirmation of good funds and timely notification of payments to end users and their financial institutions. Payments would be settled periodically during the day.
  - d. Enhancing the debit card networks to enable ubiquitous near-real-time payments.
  - e. Implementing an entirely new payment system with the features described in the second desired outcome above.

6i. What would be the most effective way for the U.S. payment system to deliver ubiquitous near-real-time payments, including options that are not listed above?

**Direct delivery of DRAFT&CHECK to recipient country. Any fee linked with DRAFT&CHECK should be deposited after delivery of DRAFT&CHECK to recipient.**

6ii. What are the likely pros and cons or costs and benefits of each option? What rule or regulation changes are needed to implement faster payments within existing payment processing channels?

**Foreign origin sender guidelines should be followed by sender country for an authenticity of funds remittance.**

6iii. Is it sufficient for a solution to be limited to near-real-time authorization and confirmation that good funds are on their way, or must end user funds availability and/or interbank settlement take place in near-real time as well?

**yes**

6iv. Which payment scenarios are most and least suitable for near real-time payments? (B2B, P2P, P2B, POS, etc.)

**B2B**

7. Some industry participants have said that efforts to make check payments easier to use, such as by enabling fully electronic payment orders and/or by speeding up electronic check return information, will incrementally benefit the payment system. Others argue the resources needed to implement these efforts will delay a shift to near-real-time payments, which will ultimately be more beneficial to the payment system. Which of these perspectives do you agree with, and why?

FULLY ELECTRONIC PAYMENT/RECEIPT INFORMATION FOR SENDER&RECEIVER.

8. How will near-real-time payments affect fraud issues that exist with today's payment systems, if at all?

An authenticity of funds receipt by recipient banking system could check& prevent fraud from sender end.

8i. Will near-real-time payments create new fraud risks? If yes, please elaborate on those risks.

No Fraud risks could be outcome of incomplete/invalid funds transfer process from sender.Predeposition of fees for funds claim should be authenticated by recipient banking system.

9. To what extent would a ubiquitous near-real-time system bring about pivotal change to mobile payments?

Mobile payments should be limited for information not for banking process.

10. What would be the implication if the industry and/or the Federal Reserve Banks do not take any action to implement faster payments?

Increase fraud risks/delayed urgent services/banking system invalidity.

10i. What is the cost, including the opportunity cost, of not implementing faster payments in the United States?

Determine by banking/finance regulators.

11. To what extent will the industry need to modernize core processing and other backend systems to support near-real-time payments?

Modernize core processing should align transparency/authenticity/validity.

11i. What is the likely timeframe for any such modernization?

Rapid modernization should understand technical/social/economical/access/adapt environment of countries

12. Some industry participants suggest that a new, centralized directory containing account numbers and routing information for businesses and/or consumers, to which every bank and other service providers are linked, will enable more electronic payments. A sender using this directory would not need to know the account or routing information of the receiver.

12i. What are the merits and drawbacks of this suggestion?

Delayed/non receipt services to receiver. Receiver can not claim for payment/business objectives to the sender.

12ii. What is the feasibility of this suggestion?

Centralized system should have individual/receiver business/payment option for performing legitimate business process.

### **Electronification**

13. Some industry participants say that check use is an enduring part of the U.S. payment system and that moving away from checks more aggressively would be too disruptive for certain end users.

13i. Is accelerated migration from checks to electronic payment methods a high-priority desired outcome for the U.S. payment system? (Accelerated means faster than the current trend of gradual migration.) Please explain, if desired.

**Yes. MORE TECHNOLOGY& TRANSPARENCY ORIENTED.**

13ii. Should the Federal Reserve Banks establish a target for the percent of noncash payments to be initiated via electronic means, by a specific date? For example: "By the year 2018, 95% of all noncash payments will be made via electronic means." If Yes, what is the appropriate target lever and date?

**No**

14. Business-to-business payments have remained largely paper-based due to difficulties with handling remittance information. Consumer bill payments also are heavily paper-based due to the lack of comfort some consumers have with electronic alternatives. In addition, many small businesses have not adopted ACH for recurring payments due to technical challenges and/or cost constraints. The payment industry has multiple efforts underway to address these issues.

14i. To what extent are these efforts resulting in migration from checks to other payment types?

**Keeping paper based records safe for many years/submission of paper based records from one place to other place are resulting electronic alternatives.**

14ii. What other barriers need to be addressed to accelerate migration of these payments?

**TECHNICAL CHALLENGES/COST CONSTRAINTS.**

14iii. What other tactics, including incentives, will effectively persuade businesses and consumers to migrate to electronic payments?

**Technology awareness/uses/training/adaptability.**

14iv. Which industry bodies should be responsible for developing and/or implementing these tactics?

Business/advance computing/communication/media/power generation.

### **Cross-border Payments**

15. To what extent would the broader adoption of the XML-based ISO 20022 payment message standards in the United States facilitate electrification of business payments and/or cross-border payments?

Cross-border payments should understand XML-BASED ISO20022 STANDARDS.

16. What strategies and tactics do you think will help move the industry toward desired outcome four - consumers and businesses have greater choice in making convenient, cost-effective, and timely cross-border payments?

B2B with international banking guidelines.

### **Safety**

17. Payment security encompasses a broad range of issues including authentication of the parties involved in the transaction, the security of payment databases, the security of software and devices used by end users to access payment systems, and security of the infrastructure carrying payment messages.

17i. Among the issues listed above, or others, what are the key threats to payment system security today and in the future?

ON-LINE FABRICATED MESSAGE CREATED/USED OF PAYMENT SYSTEM BY INVALID ORGANIZATION/INSTITUTIONS CLAIMED AS VALIDATED PARTIES.

17ii. Which of these threats are not adequately being addressed?

ON-LINE FUNDS TRASFER/ACCOUNT NUMBERS VERIFICATION USED FOR FUND REMITTANCE/BANK GUARANTEE/FABRICATED WEB USERS.

17iii. What operational or technology changes could be implemented to further mitigate cyber threats?

Cross border/international fund/money transfer process should address respective country govt/banking procedure.

18. What type of information on threat awareness and incident response activities would be useful for the industry?

By all banking system should address uniform legal procedure of funds/money/transaction.

18i. How should this information be made available?

By all banks/ national governance/media.

19. What future payment standards would materially improve payment security?

Electronic payment security with specific registered banking code system.

19i. What are the obstacles to the adoption of security-related payment standards?

less technology information /high cost/less banking awareness.

20. What collaborative actions should the Federal Reserve Banks take with the industry to promote the security of the payment system from end to end?

By providing direct communication between payment sender & receiver.

21. Please share any additional perspectives on U.S. payment system improvements.



