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December 13, 2013

Federal Reserve Banks

Federal Reserve Financial Services

VIA EMAIL TO comment@fedpaymentsimprovement.org

RE: Payment System Improvement Public Consultation Paper

The Electronic Transactions Association is an international trade association representing more than 500 companies who offer electronic transaction processing products and services. We are writing in response to the request for comment on the Federal Reserve Banks' "Payment System Improvement – Public Consultation Paper."

The Association is pleased to note the Consultation Paper's statements that, "...greater electronification and process improvements have reduced the average end-to-end (societal) costs of payment transactions and resulted in innovative payment services that deliver improved value to consumers, businesses, and governments" and that "...more aggressive actions may be needed to accelerate the transition to ubiquitous electronic payment alternatives."

The Association's member companies are leading the development of services and products that make a new financial democracy possible, by helping small businesses accept mobile payments and by giving those without traditional bank accounts the ability fully to participate in the modern retail economy through their mobile devices. Mobile money has great potential to extend critical financial services to those who are underserved or not served at all by the traditional banking system.

All of the Association's member companies take seriously the need to protect consumer information in a payment transaction. As new technologies for mobile payments proliferate, we



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work diligently to provide end-to-end consistency and security in electronic payment transactions.

We urge the Federal Reserve Banks to take care to avoid regulation that could stifle the innovation that gave birth to mobile commerce and will drive its future growth.

ETA looks forward to working with the Federal Reserve Banks and the Mobile Payments Industry Work Group to promote the growth of new and innovative payment methods towards ubiquity. We believe it is essential to ensure that consumers have access to the widest variety of financial tools that meet their needs while maintaining the safety and security of the world-class electronic payments system that is so crucial to our innovation-based economy.

Respectfully submitted,

The Electronic Transactions Association
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