

# Digital payments: emerging technologies, security challenges and usability 24<sup>th</sup> November 2015

## **CONDITIONS FOR USE OF TRANSCRIPTS:**

This document is intended to provide a timely reference for interested parties who are unable to attend the event to which it refers. Some portions are based on transcripts of proceedings and others consist of text submitted by speakers or authors, and are clearly marked as such. As such, apart from where it is indicated that the text was supplied by the speaker, it has not been possible for the transcript to be checked by speakers and so this portion of the document does not represent a formal record of proceedings. Despite best endeavours by Westminster eForum Projects and its suppliers to ensure accuracy, text based on transcription may contain errors which could alter the intended meaning of any portion of the reported content. Anyone who intends to publicly use or refer to any text based on the transcript should make clear that speakers have not had the opportunity for any corrections, or check first with the speaker in question. If in doubt please contact the forum first.

# **Contents**

| About this Publication  | 3  |
|---|----|
| Agenda  | 4  |
| Session Chair's opening remarks   |    |
| Paul Anning, Partner, Osborne Clarke (transcript)   | 6  |
| Emerging trends in the digital payments market  |    |
| Dave Birch, Director of Innovation, Consult Hyperion (transcript)   | 7  |
| 'Regulatory implications arising from the Payment Services Directive (PSD2)'                                      |    |
| Nilixa Devlukia, Technical Specialist for Payments, Financial Conduct Authority (transcript)                      | 11 |
| Questions and comments from the floor (transcript)  | 14 |
| Mobile Payments: technology, security, and service development  |    |
| Craig Tillotson, Chief Executive, Faster Payments (transcript)  | 18 |
| The new digital payment marketplace: uptake across business scales and sectors, opportunities and consumer data   |    |
| Seamus Smith, Chief Executive Officer, Sagepay (transcript)   | 22 |
| Professor Douwe Korff, Emeritus Professor of International Law, London Metropolitan University (transcript)       | 24 |
| Stela Bokun, Manager, Telecoms Software, Analysys Mason (transcript)  | 26 |
| Questions and comments from the floor with <b>Craig Tillotson</b> , Chief Executive, Faster Payments (transcript) | 27 |
| Session Chair's closing remarks   |    |
| Paul Anning, Partner, Osborne Clarke (transcript)   | 36 |
| Session Chair's opening remarks   |    |
| Lord Razzall (transcript)   | 37 |
| High value transactions: priorities for security  |    |
| Mark Hale, Acting Chief Executive Officer, CHAPS Co (transcript)  | 38 |
| Addressing legal and regulatory challenges within the digital payments landscape                                  |    |
| Paul Anning, Partner, Osborne Clarke (transcript)   | 40 |
|   | -, |
| Crypto-Currencies: into the mainstream?   |    |
| Eitan Jankelewitz, Associate, Sheridans and Founding Member, UK Digital Currency Association (UKDCA) (transcript) | 43 |
| Questions and comments from the floor (transcript)  | 46 |
| Case studies: consumer adoption and inclusion   |    |
| Jonathan Vaux, Executive Director, New Digital Payments and Strategy, Visa Europe (transcript)                    | 53 |
| Mike Tuckett, Head of Transformation Delivery, Transport for London (transcript)                                  | 56 |
| The changing face of payments: service development and consumer interaction                                       |    |
| Michael Chambers, Chief Executive Officer, Bacs (transcript)  | 59 |
| Questions and comments from the floor (transcript)  | 63 |
| Session Chair's and Westminster eForum closing remarks  |    |
| Lord Razzall (transcript)   | 68 |
| Daniel Patefield, Forum Lead, Westminster eForum (transcript)   | 69 |
| List of Delegates Registered for Seminar  | 70 |
| Contributor Biographies   | 76 |
|   | /( |
| About the Core Sponsors of the Westminster <i>e</i> Forum   | 79 |

Please be advised that speakers' PowerPoint presentations are included within the transcript itself, just beneath the relevant speaker's text. Please note that not all speakers are able to grant permission for us to include their slides.

# **About this Publication**

This publication reflects proceedings at the Westminster *e*Forum Keynote Seminar: Digital payments: emerging technologies, security challenges and usability held on 24<sup>th</sup> November 2015. The views expressed in the articles are those of the named authors, not those of the Forum or the sponsors, apart from their own articles.

Although Westminster *e*Forum is grateful to all sponsors for the funding on which we depend, participation in events and publications is never conditional on being a sponsor. As well as funding ongoing operations, sponsorship enables the Forum to distribute complimentary copies of publications, and offer complimentary tickets for events, to Government ministers, parliamentarians and officials most involved in policy.

This publication is copyright. Its copying, in whole or in part, is not permitted without the prior written consent of the publishers. However, extracts of the text may be reproduced for academic or review purposes, subject to the conditions of use outlined in the previous page, providing they are accurate, are not used in a misleading context and the author, their organisation and the Westminster *e*Forum are acknowledged. We would also appreciate being informed.

# Westminster eForum

UK Headquarters 4 Bracknell Beeches Old Bracknell Lane West Bracknell Berkshire RG12 7BW

T: 01344 864796 F: 01344 420121 publications@westminsterforumprojects.co.uk

### **Directors**

Peter van Gelder Chris Whitehouse