

Eftpos access code finalised

The machinery is finally in place that will allow aspiring providers of payments services to negotiate direct connections to the Eftpos network.

Eftpos Access Australia Limited yesterday published the final versions of the access code and related documents that will govern access by outsiders to the Eftpos system. EAAL is a new public company comprising the six largest banks as well as First Data and Coles Myer.

The access code, as well as Eftpos Access Australia Limited, had a difficult three-year gestation. The Reserve Bank of Australia browbeat a reluctant banking industry into adopting a mechanism to facilitate access to Eftpos by outsiders. The Australian Payments Clearing Association, of which the eight EAAL founders are all members, fostered the development of Eftpos access code.

The access code lays down protocols under which prospective payment providers can negotiate a connection to the Eftpos network of other banks.

The code lays down a maximum cost of \$78,000 per connection, and this in turn derives from a Reserve Bank regulation.

The code does not give specific timeframes under which owners of existing Eftpos infrastructure must provide access for testing and implementation of connections. Rather, the code lays down a timeframe for negotiation of the terms of access (either 40 business days or three calendar months), and if the parties cannot agree, the access seeker can refer the matter to an expert to resolve the terms within a further 50 business days.

There are few aspiring entrants to Australia's Eftpos network. MoneySwitch, a Sydney-based start-up in which former Bankers Trust Australia managing director Rob Ferguson is a prominent investor, is the only company likely to seek access in the short term.

Send news to news@thesheet.com

Contact:

Ian Rogers ian@thesheet.com

John Kavanagh john@thesheet.com

Published from Melbourne, Australia by Ian Rogers ABN 68 204 093 594

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