

Tight deadlines for new Eftpos entrants

By Jason Bryce

MoneySwitch, Australia Post, independent ATM operators and the regional banks are racing to enter the Eftpos market as the Reserve Bank of Australia and the Australian Payments Clearing Association finalise the new access regime over the next two months.

APCA plans to finalize the Eftpos access code and the details of the company that will administer the code by the end of February to allow the company to begin operations by the end of March.

The code sets two test windows for new entrants, between 1 March and 31 May and between 1 September and 30 November each year, meaning that if the code and the company are up and running by April, new entrants and the existing connectors will have less than six months to negotiate and finalise connectivity arrangements before the first test window in September 2006.

Founder and CTO of MoneySwitch, Paul Wood, told The Sheet: “Even with the best will in the world, it will be difficult for the existing providers to meet the deadlines and connect new entrants.”

“With goodwill it will work very well but for the first few rounds it will take a lot of cooperation especially for the first entrants.”

APCA says that new entrants can participate in Eftpos as acquirers and/or issuers directly by connecting to all other direct connectors, or indirectly by connecting through a switch or gateway. Alternatively, a new entrant can combine some direct connections with the use of a switch or gateway, but the access code will not apply to indirect connectivity.

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