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Report on domestic payment transfers

Danmarks Nationalbank publishes a report from a working group that has analysed how long it takes to execute a payment transfer in Denmark, and whether it is possible to do it faster. The working group comprised representatives from the Danish Consumer Council, the Danish Chamber of Commerce, the Confederation of Danish Industry, the Danish Federation of Small and Medium-Sized Enterprises, the Ministry of Finance, the Ministry of Economic and Business Affairs, the Danish Agency for Governmental Management, the National IT and Telecom Agency, the Danish Financial Supervisory Authority, the Danish Bankers Association, PBS and Danmarks Nationalbank.

The report from the working group describes the Danish infrastructure for retail payments and international experience in this area. In Denmark, it typically takes one day from an electronic payment is made until it reaches the recipient. In some countries it takes longer, while in other countries it is possible to execute some payment types intraday.

The working group points out three initiatives that could result in shorter settlement times. These are:

- ◆ Rescheduling the settlement of all payments made during the weekend, so that these reach the recipients on Monday morning instead of Tuesday morning as it is now.
- ◆ Postponement of the data processing centres' deadlines for receiving payment orders, so that more payments made in the evening, for instance via Internet banking, reach the recipients already on the morning of the following day.
- ◆ Introduction of an additional daily settlement cycle for credit transfers, which would make it possible to execute payments, for instance via Internet banking, on an intraday basis.

On the basis of the report, the Danish Bankers Association, PBS and Danmarks Nationalbank will prepare a final basis for decisions regarding potential changes to the payment infrastructure.

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