

Public consultation on NPP capabilities: Findings report

November 2025



Copyright, confidentiality, and disclaimer

Copyright in this document belongs to Australian Payment Plus Limited ABN 19 649 744 203 (AP+).

This document and any attachments contain highly commercially sensitive information about current and/or proposed AP+ products, services, operations and schemes, and is disclosed to the intended recipients under conditions of strict confidentiality, including the terms of any non-disclosure agreement that the intended recipients have signed. The information in this material is, and is to be treated as, AP+ commercial-in-confidence. The confidential information in this document and any attachments is not to be copied, used other than for the immediate purpose for which it has been provided, or disclosed to any person other than in accordance with the terms of the relevant Non Disclosure Agreement or with the prior written consent of the AP+. This document and any attachments must be returned immediately to the AP+ at AP+'s request. AP+ consider any unauthorised disclosure of the confidential information in this document and any attachments to be serious, and will vigorously enforce their rights in respect of any such disclosure (which may involve the commencement of proceedings against the intended recipients seeking financial compensation for breach of confidence).

Nothing in this document and any attachments transfers ownership in, or otherwise grants any rights in the intellectual property rights of any current and/or proposed AP+ products, services, operations and schemes described in this document and any attachments to the Intended Recipient.

Document history

Version	Published date	Author	Comments
1.0	November 2025	AP+	Publication of the final NPP Capabilities Public Consultation Findings Report

Contents

1.	Introduction	3
2.	Executive summary	4
3.	Bulk payments	5
4.	Standard payment instruction	6
5.	Batch booking	6
6.	Trace accounts	6
7.	Future NPP capabilities	7
8.	Next steps	7

1. Introduction

In March 2025, the Reserve Bank of Australia (RBA) released its Risk Assessment of the Bulk Electronic Clearing System (BECS) Decommissioning¹, which emphasised the critical importance of embedding stakeholder requirements and perspectives into the design of future account-to-account (A2A) payment capabilities. This ensures that payment systems are fit-for-purpose and responsive to the needs of end users.

In line with these findings, Australian Payments Plus (AP+) launched a public consultation in July 2025 to gather insights from a broad cross-section of stakeholders. The consultation focused on the capabilities needed to support the migration of payments to the NPP (New Payments Platform), including bulk payment requirements and potential enhancements such as a standard payment instruction format, batch booking functionality, and trace account capabilities.

AP+ received submissions from the following stakeholder groups:

- **Financial institutions:** major banks and other authorised deposit-taking institutions (ADIs)
- **Government agencies:** at a federal, state and local level
- **Payment service providers (PSPs), enablers and intermediaries:** including enterprise resource planning (ERPs) and accounting software providers
- **Industry associations:** representing sectoral and cross-industry perspectives
- **Advisors and partners:** organisations shaping industry thinking, adoption and innovation, including consultancies
- **Individuals:** ensuring voices beyond industry were considered

Additionally, **four roundtable** sessions were held which included the following stakeholder groups:

- **Payment service providers (PSPs), enablers & intermediaries:** including enterprise resource planning (ERPs) and accounting software providers
- **Government agencies:** at a federal, state and local level
- **Corporates, merchants and small and medium businesses (SMBs):** from a range of industries including retail, real estate and technology industries
- **Operators:** entities responsible for managing and running payment rails and infrastructure

The public consultation on NPP capabilities paper, which includes further detail on background and purpose of the public consultation, and the key capabilities for feedback can be accessed [here](#).

¹ [Decommissioning of the Bulk Electronic Clearing System: RBA Risk Assessment](#)

2. Executive summary

From the submissions and feedback received it was found that:

- **Bulk payments:** Identified as critical for payroll, superannuation, supplier disbursements, government benefits, dividends, and high-volume biller collections. Stakeholders emphasised the importance of validation, fast rejection notifications, predictable processing times (within 60 minutes SLAs, with strong pressure for near real-time), and the ability to carry rich data to streamline reconciliation. Clear processes and rules around the ability to recall, robust exception handling, and a formal incident response framework were also strongly supported.
- **Standard payment instruction:** There was broad consensus that the industry should adopt a standardised payment instruction format to ensure interoperability between banks which fosters competition, easier implementation, reduces cost, and improves customer experience. Requirements include file and API support, acknowledgements and real-time status updates, and reconciliation fields such as end-to-end IDs.
- **Batch booking:** Viewed as essential, particularly for payroll and supplier payments. Stakeholders noted batch booking supports privacy, reduces statement clutter, and simplifies authorisation and reconciliation. Reporting preferences include consolidated batch totals with drill-down capability, alongside intra-day notifications for exceptions.
- **Trace accounts:** Divergent views emerged across stakeholders. Government agencies and corporates saw value in trace accounts for reconciliation and managing returned payments, while some financial institutions and PSPs questioned their relevance in a real-time environment. Alternative approaches that were suggested included richer metadata, robust exception messaging, and improved reconciliation tools.

AP+ will be taking the feedback from this consultation into future capability design and to assist with prioritisation of delivery of future capabilities in the NPP roadmap. AP+ will provide further updates in 2026.

3. Bulk payments

Stakeholders identified the following use cases that should be considered as part of the design of an NPP bulk service, including:

- Payroll for large workforces (including batches of more than 100,000 transactions)
- Superannuation payments
- Supplier disbursements
- Government benefits and grants
- Dividends
- High volume billing cycle payments e.g. utility, insurance

Key features that should be considered include:

- Account validation and payee checks to prevent errors and fraud
- Fast rejection notifications for quick remediation
- Predictable processing times to support effective liquidity management
- Additionally, for certain government payments such as welfare payments, certainty of delivery is crucial as delays can impact beneficiaries who rely on timely access to funds
- Rich structured data to enable automated reconciliation

It was noted that peak processing times would fall during the following periods:

- In line with end of day or end of month processes
- Aligned with regulatory cycles for government sectors
- Key events such as Christmas, end of financial year and public holidays

Many stakeholders expect processing to be completed within a 30-60 minute SLA with PSPs pushing for near real-time in line with consumer expectations. Stakeholders indicated that they expect consolidated reporting after completion of payment processing to assist in reconciliation but require immediate notification especially for exceptions.

For exception handling, most stakeholders require a recall option while payments are in-flight to address fraud and operational errors. However, some noted that in a real-time environment, the window for recall will be narrow. For those in support of a recall option, there was an emphasis on needing clear rules and governance around the conditions for a recall.

For returns, there was strong demand for the inclusion of transaction IDs, batch IDs and reason codes to streamline exception management. Automation of processes to re-initiate corrected payments was widely requested. This is particularly important in the superannuation industry considering the proposed Payday Super obligations.

During incidents, outages and contingency situations, it was noted that:

- Real-time outage communication and status dashboards were required.
- As part of recovery in the event of an outage, there should be priority processing based on the type of payments (e.g. payroll and welfare) then payments processed in chronological order.
- There should be fallback mechanisms or temporary use of alternative rails in the event of prolonged downtime.
- There should be a formal incident response playbook shared across industry and more broadly.

4. Standard payment instruction

There was broad consensus that industry should adopt a standardised payment instruction for NPP. This is seen as essential to ensuring interoperability and straight-through processing, reducing fragmentation and costs and ensuring clearer exception handling. Without such a format, it will result in higher costs to end users, cause inconsistent implementation and will delay BECS migration.

It was noted that one stakeholder did not support a bespoke payment instruction for NPP, preferring that a standard ISO format should be used ensure alignment with global best practices and systems.

Key requirements of a standard payment instruction and corresponding responses include:

- Adoption of ISO 20022 as a recognised global standard to drive consistency, interoperability, and enable data-rich exchanges across the ecosystem.
- Both file and API support, with file-based submissions being required for large organisations managing batch payments, and API for PSPs and corporates requiring real-time processing.
- Comprehensive acknowledgements, providing confirmation of receipt alongside granular, real-time status updates on processing, acceptance, and rejections.
- Flexibility in transaction types, with some stakeholders supporting combined debit and credit files, while others preferring separation of these files for operational clarity.
- Enhanced traceability and reconciliation, through inclusion of end-to-end IDs, batch references, and industry-specific identifiers (e.g., tax IDs, superannuation codes, and employee IDs) where applicable.

5. Batch booking

Batch booking was seen as being critical, particularly for payroll and bulk supplier payments. Its value lies in preserving payroll privacy by masking individual salaries, simplifying account statements, streamlining authorisation workflows, and enhancing reconciliation efficiency. The constraints of ERP and finance systems were also noted, as they typically process and reconcile in batches rather than line-by-line. Batch booking would support existing reconciliation workflows and streamline processing by reducing the volume of entries that needs to be reconciled.

In terms of reporting preferences, many stakeholders prefer consolidated batch totals on statements or dashboards with the ability to drill down into individual items. Additionally, some respondents highlighted the desire for intra-day or push notifications to highlight exceptions or rejections.

6. Trace accounts

There were divergent views on trace accounts with government and businesses seeing the need for trace accounts for easier reconciliation and exception management, such as managing returned funds. However, PSPs and financial institutions question the relevance of trace accounts in a real-time environment given payments are rejected in real-time.

It was noted that possible alternative approaches to trace accounts could include robust exception messaging, reconciliation tooling and richer metadata. These capabilities could potentially be offered to end customers by banks, PSPs and other participants within the payment processing value chain, leveraging data available through the NPP payment.

7. Future NPP capabilities

Incorporating additional insights received from submissions to the A2A vision consultation, the following capabilities have been identified as future enhancements to the NPP:

Data and reporting:

- New categorisation codes within both an NPP payment and PayTo (for example e-conveyancing) to identify the type of payment to support automation, differentiate processing and better reporting.
- Support of richer remittance information in certain use cases such as healthcare, tax and invoicing.

New capabilities:

- A standardised end-to-end dispute mechanism for fraud, mistaken payments, unauthorised debits, and consumer complaints.
- Standardised and automated refund process with traceability.
- Interoperability designed to support streamlined business processes and support productivity initiatives.
- Sandbox capabilities to support banks and PSPs as part of their development and innovation processes.
- Capabilities to support garnishee processing for government agencies where they have legislative powers to pull funds from citizens accounts.

Fraud and scams:

- Use of legal entity identifiers within the Confirmation of Payee service and payments more broadly.
- Shared intelligence hubs for fraud and scams data with inclusive access for PSPs and smaller financial institutions to enable AI-driven detection, and real-time KYC/AML screening.
- Inclusion of additional data within the payment or NPP products (for example Confirmation of Payee) that can be used for the purpose of reducing fraud/scams.

8. Next steps

AP+ will incorporate the feedback from this consultation into the work currently underway to consider and design a new bulk payments service on the NPP and standard payment instruction. Considerations for batch booking will be shared with NPP Participating Institutions for their consideration in their development plans for this capability which is scheduled in an upcoming NPP release. Trace accounts and other identified NPP capabilities will be assessed and prioritised as part of the broader NPP roadmap.

AP+ will provide further updates in 2026 on the consideration of these capabilities.

For future updates, [visit the AP+ website](#) or subscribe to the [Move to NPP newsletter](#).