



CEO Report

Directors noted key areas of focus, including:

- Continuing discussions with Participants to determine interoperability between NPP and other clearing systems not currently built on ISO20022
- Working with industry stakeholders to support the development of standards for data-rich and unattended payments on the NPP
- Finalisation of material for the Board Strategy Day in June 2019. Bilaterals for FY20 strategic planning has shown considerable consistency of views between directors and shareholder representatives
- Working with participants to support roll out plans

Reach and Resilience

Directors noted the progress in several areas and the ongoing areas of focus including:

- NPPA will work with Participants to provide further analysis on the current breakdown of each organisation's account reachability
- A draft final report of the Quarterly Participant Compliance Review (QPCR) on Performance and Resilience will be provided to the Operating Committee following Participant bilaterals, prior to going to the Board in June
- Learnings from the QPCR on Performance and Resilience will be shared through the Operational Forum

Volume

Unattended payments and standards development

- Directors noted progress on industry standards development and other key engagement activities.
- It was noted that the results of the recent QPCR will be used to determine when and how NPPA can further support the migration of legacy clearing system payments to the NPP

Capability Development

Directors noted Management's update on capability development including:

- NPP rule changes to support an NPP receivables solution
- NPP QR standards due to be published late May 2019
- Completion of key documentation for the [Redacted] Project

Access and Overlays

RBA Consultation Update

Directors noted the update in relation to the correspondence between RBA Policy and NPPA since NPPA's meeting with RBA Policy and ACCC in March 2019. It is expected that a draft set of findings will be released by the RBA in June 2019.

Corporate Items

Legal and Governance

Directors noted the:

- Core principles in relation to the proposed Mandatory Compliance Framework
- Preliminary view of NPPA in reviewing NPP eligibility access and governance model, participation categories and future capital requirements in light of the Company's transition from build to operational mode
- Submission made to ASIC in response to the ASIC ePayments Code Review



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- Final version of the RBA – NPPA Memorandum of Understanding has been published to the RBA and NPPA websites

Next meeting to be held on 20 June 2019.