

**Q & A PROCESS – RFI N° 90002503
FAST PAYMENTS PROJECT**

In accordance with the provisions set out in RFI N° 90002503, the following information is provided as part of the Q&A process:

No	Question	Answer
1	This RFI is with reference to an RFP envisaged in future for specialized advisory services to support the development of a project on use of Fast payment in Chile	<i>Indeed. This RFI is for specialized advisory services to support the development of a project on the deployment of fast payments in Chile.</i>
2	This RFI or the perceived RFP in future is explicitly for Consultation and NOT to build or deploy Fast payments for the Central Bank	<i>Indeed. This RFI is for specialized advisory services to support the development of a project on the deployment of fast payments in Chile. This RFI is not for the actual building or deployment a fast payments infrastructure by the Central Bank.</i>
3	What kind of services does exactly CBC expect to contract on the RFP? Advisory? Software Selection? Implementation?	<i>The Central Bank of Chile (CBC) aims to contract specialized advisory services for the development of a project on the deployment of fast payments services. This may include references to software and implementation, but at this stage the CBC is not contracting those services.</i>
4	There exists some kind of initiatives roadmap for the project?	<i>No. This is the first step towards the development of a roadmap.</i>
5	In several questions CBC asks for recommendations/benchmark regarding models/solutions that works abroad. In order to bring/adapt this solution to Chilean Market, regulations need to be considered or maybe some adaptations will be necessary. Does the CBC consider to participate in this regulation's review and adaptations?	<i>The CBC may amend its own regulatory framework, but some regulations are embedded in the law or fall within the purview of other regulators. Having said that, we would expect the regulatory framework and potential drawbacks to be considered in the analysis of the advisory.</i>
6	Does CBC expect to receive a proposal on the RFP in a fix amount way or a staff loan model can be considered?	<i>A fix amount.</i>
7	Do you have a timeframe for when you are planning to issue the RFP?	<i>In principle, during the second half of this year, but this will depend on the results of the RFI.</i>
8	Do you have a timeframe for when you expect the project to be executed or started?	<i>The Central Bank of Chile (CBC) aims to contract specialized advisory services for the development of a project on the deployment of fast payments services. In principle, this should happen during</i>

		<i>the second half of this year, depending on the results of the RFI.</i>
9	<p>Which countries fast payment systems have you already looked at to shape your idea of what you potentially would like to have in Chile?</p> <p>Question #6: mentions the incorporation of an open finance system. What is CBC's vision of said system? For example, are you looking to develop it through regulation (like Europe), or by defining standards and let the competitive dynamics dictate its development (like Singapore)?</p> <p>b. Is it going to be specific for concrete use cases (like Europe) or broad like the customer data rights initiative in Australia?</p>	<p><i>In our view, the experiences of Australia, Brazil and Mexico could be relevant for Chile.</i></p> <p><i>As for the open finance system, a Fintech Law is being discussed in Congress, and most of the onus of its implementation lies on the financial supervisor (Comisión para el Mercado Financiero, CMF) and it does not consider a specific role for the Central Bank of Chile.</i></p> <p><i>The Fintech bill is available (in Spanish only) here: https://www.camara.cl/legislacion/ProyectosDeLey/tramitacion.aspx?prmID=15054&prmBOLETIN=14570-05</i></p>
10	<p>In order to carry out an estimate of the timeframe, resources and costs required for the advisory services, can you give an approximate scope on what support you would require?</p>	<i>Please refer to the RFI.</i>
11	<p>Will the initial RFP include all scope of the project, or will you break it down in phases / milestones?</p>	<p><i>This RFI is for specialized advisory services to support the development of a project on the deployment of fast payments in Chile. This RFI is not for the actual building or deployment a fast payments infrastructure by the Central Bank.</i></p> <p><i>The initial RFP should include all scope of the project; however, this may have intermediate phases in order to monitor progress of the advisory.</i></p>
12	<p>What are the major pain points of the current system that you are trying to solve for?</p>	<i>While there is a fast payment system currently working, it has deferred settlement and is only for transfers between bank accounts. We are interested in moving towards real time settlement and broaden the scope of the system to other types of payments.</i>
13	<p>What are the objectives of the open finance system? We would be looking for details around innovation or competition, and or risk management as an example.</p>	<p><i>The main purpose of open finance framework included in the Fintech Law that is being discussed in Congress is to increase competition.</i></p> <p><i>The Fintech bill is available (in Spanish only) here:</i></p>

		<p>https://www.camara.cl/legislacion/ProyectosDeLey/tramitacion.aspx?prmID=15054&prmBOLETIN=14570-05</p> <p><i>Please note, the Fintech Law is an initiative led by the Ministry of Finance, and most of the onus of the implementation of the open finance framework lies on the financial supervisor (Comisión para el Mercado Financiero, CMF) and it does not consider a specific role for the Central Bank of Chile.</i></p>
14	<p>What are the various payments types in today's environment that flow through the Electronic Funds Transfer system, RTGS system, and the Retail Payments Clearing system? Additionally specific details around the financial risk model of each of these systems would be useful to understand.</p>	<p><i>The Electronic Funds Transfer system is for transfers between bank accounts of persons and companies.</i></p> <p><i>As for RTGS payments, please refer to https://www.bcentral.cl/en/web/banco-central/areas/payment-system</i></p>
15	<p>Does the bank plan to designate the new fast payments system as a systemically important payment system?</p>	<p><i>There is not a formal policy definition in this regard at this moment.</i></p>
16	<p>Does the new payment system require migration of transactions (partially or fully) from any other non - Central Bank's systems (e.g., CCA, Transbank, Redbanc, etc)?</p>	<p><i>There is not a formal policy definition in this regard at this moment.</i></p>
17	<p>What are some of the pain points in processing payments identified by individuals, businesses, and banks with the Low Value Payments Ecosystem?</p>	<p><i>Please refer to question 12 of this document.</i></p>
18	<p>How are fintech companies in the payment space currently regulated in comparison to other financial institutions (eg: banks)? How will the regulations in this bill differ (if at all) from requirements that financial institutions may be subject to under current banking regulations?</p>	<p><i>There is not a specific treatment for Fintech companies in the existing payments regulation.</i></p> <p><i>The Fintech bill is available (in Spanish only) here: https://www.camara.cl/legislacion/ProyectosDeLey/tramitacion.aspx?prmID=15054&prmBOLETIN=14570-05</i></p> <p><i>The CBC regulation is available in its Compendium of Financial Regulation, particularly in Chapters III.H and III.J</i> https://www.bcentral.cl/en/web/banco-central/news-and-</p>

		publications/normatives/summary-of-financial-standards
19	<p>How does the Fintech Bill aim to address participation of Fintech, BigTech etc. (more generally non-bank) companies into the fast payment system?</p> <p>With reference to the RFI, may seek your assistance to understand more on the “Fintech Bill” mentioned in the following question under “Potential Benefits”.(6. The Fintech bill considers the incorporation of an open finance system. How could this impact the development of fast payments schemes?)</p>	<p><i>The Fintech bill is available (in Spanish only) here: https://www.camara.cl/legislacion/ProyectosDeLey/tramitacion.aspx?prmID=15054&prmBOLETIN=14570-05</i></p> <p><i>Please note that there are not specific references to Bigtechs nor instant payments in that bill.</i></p>
20	<p>In order to better estimate the efforts, could you provide us with detailed technical information regarding the current features, architecture, processes and services of the RTGS system of the Central Bank, which will be necessary to interconnect with the future fast payments system?</p>	<p><i>It is not possible at this stage to disclose specific information on the features, architecture, processes, and services of the RTGS system of the Central Bank</i></p> <p><i>Public information on the RTGS is available on the Central Bank website:</i></p> <p>https://www.bcentral.cl/web/banco-central/areas/sistemas-de-pagos.</p> <p>https://www.bcentral.cl/documents/33528/139102/Sistemas-de-gestion.pdf/20304d0b-cbe6-e417-ef35-52fe630bec37?t=1569417251743</p>
21	<p>According to RFI, one of the objectives is to facilitate the interconnection between the existing central clearing and settlement systems and fast payment implementation. Could you provide us detailed technical information of services, processes and architecture of the central clearing and settlement system?</p> <p>In questions 3 and 4 of the document, when referring to security systems, are you envisioning a real-time fraud control model fully centralized in the new system, or in collaboration with the implementation of new anti-fraud</p>	<p><i>It is not possible at this stage to provide detailed technical information of services, processes and architecture of the central clearing and settlement system.</i></p> <p><i>As for security, we would expect the advisory to raise those issues, present alternatives to address them and their pros and cons.</i></p>

	systems also established in the entities themselves?	
22	<p>El ámbito más transaccional de pagos minoristas orienta la decisión de qué herramientas o tecnologías utilizar. ¿se tiene definido que herramientas/tecnologías se quieren utilizar?</p> <p>Aunque el papel fundamental de un sistema de pagos sigue siendo el de permitir la transferencia de fondos entre cuentas, la banca abierta y la iniciación de pagos por parte de terceros han ampliado la función de las instituciones que no disponen de los fondos de los clientes. ¿Se quiere realizar la iniciación de pagos por un tercero con una herramienta o tecnología provista por Banco Central?</p>	<p><i>No se han definido herramientas ni tecnologías a utilizar. Esperaríamos que eso fuera uno de los aspectos cubiertos por la asesoría, y que se presentaran alternativas y los posibles costos y beneficios asociados a las mismas.</i></p> <p><i>Respecto de la iniciación de pagos, no existe una definición de política por parte del Banco Central, pero se debe tener presente que es un aspecto que se aborda en el Proyecto de Ley Fintech.</i></p> <p>https://www.camara.cl/legislacion/ProyectosDeLey/tramitacion.aspx?prmID=15054&prmBOLETIN=14570-05</p>
23	<p>We understand that the existing fast payment scheme in Chile offers instant fund transfer between customers and has a deferred net inter-bank settlement mechanism. Please clarify whether Central Bank of Chile is looking to also enable the settlement of transactions between financial institutions in a real-time basis.</p> <p>We understand that final inter-bank settlement is performed on Deferred Net basis using Large-Value Payment System (RTGS) as the settlement institution. Please confirm our understanding.</p> <p>Does CBC also envisage interoperability between fast payment system and RTGS?</p>	<p><i>While there is a fast payment system currently working, it has deferred settlement and is only for transfers between bank accounts. We are interested in moving towards real time settlement and broaden the scope of the system to other types of payments.</i></p> <p><i>As for the RTGS, please refer to https://www.bcentral.cl/web/banco-central/areas/sistemas-de-pagos.</i></p>
24	<p>¿Se busca actuar como operador de compensación?, ¿Hay alguna definición para el excedente de capacidad en el sistema de liquidación bruta en tiempo real (LBTR) ?</p>	<p><i>Respecto de lo primero, esperaríamos que eso fuera uno de los aspectos cubiertos por la asesoría, y que se presentaran alternativas y los posibles costos y beneficios asociados a las mismas.</i></p> <p><i>Respecto de lo segundo, no es posible en esta etapa de RFI otorgar información sobre el LBTR distinta de la que está publicada en el sitio web del Banco Central</i></p>

		https://www.bcentral.cl/web/banco-central/areas/sistemas-de-pagos
25	Respecto de los horarios se busca ampliar el sistema de LBTR para que pase a ser un servicio de liquidación 24 horas al día, 7 días a la semana, o la implementación de un servicio de liquidación especial dedicado al sistema de pagos instantáneos 24 horas al día, 7 días a la semana? o otra alternativa sería operar el sistema de pagos instantáneos como parte del sistema de LBTR esto refiriéndose al operador de compensación y al agente de liquidación?	<i>No existe una definición de política al respecto, en este momento. En cualquier caso, esperaríamos que eso fuera uno de los aspectos cubiertos por la asesoría, y que se presentaran alternativas y los posibles costos y beneficios asociados a las mismas.</i>
26	What is the ambition in terms of interconnection with other existing Payment Systems? (eg. Large Value)	<i>There is not a formal policy definition in this regard at this moment. However, as stated in the RFI, interconnection with other existing payment systems is one of the subjects to be addressed by the advisory.</i>
27	La cooperación y la colaboración entre los reguladores es fundamental en los mercados en los que varios reguladores comparten la responsabilidad de regular las entidades de pago. ¿Tienen una visión de cómo será esa cooperación?	<i>El marco legal vigente establece con claridad las responsabilidades que tienen el Banco Central y la Comisión para el Mercado Financiero (CMF) respecto del funcionamiento del sistema de pagos, sin perjuicio de las instancias de coordinación formales e informales que existen entre ambas instituciones.</i>
28	Bajo el roadmap o plazos a los que apunta Banco Central ¿Se tiene estimado el tiempo de lanzamiento de esta forma de operar? ¿Tienen una visión sobre la interoperabilidad para cambiar las prácticas operativas cuando los sistemas existentes no logran innovar o crear condiciones equitativas para los participantes en el mercado? ¿La participación que se busca sería directa o indirecta en la gobernanza del esquema, la conectividad de la switch y la liquidación?	<i>No hay una definición formal de política respecto de los temas consultados.</i>

	<p>La pregunta 2 de la sección "On design and implementation", se puede indicar un mayor detalle técnico de lo esperado, por ejemplo: Diagramas de Arquitectura Global</p> <p>Como se esta trabajando con la ISO2022 y que plazos tienen? y como se gestionara el momento de la transicion mientras se tengan distintos protocolos?</p> <p>¿Hay criterios ya establecidos para la adopcion de identificacion de personas juridicas y personas naturales?</p>	
29	<p>¿Lo que se busca es centrarse en impulsar el consenso entre los participantes del sector, más que en operar directamente el esquema o el switch?</p>	<p><i>Esta RFI es para la contratación de servicios especializados de consultoría que contribuyan al desarrollo de un sistema de pagos instantáneos en el país. En este contexto, se esperaría que la consultoría levante los temas más relevantes, presente opciones para abordarlos, identificando costos y beneficios asociados.</i></p>
30	<p>Fast payments por ahora se piensa en pagos nacionales o se requiere revisar soluciones transfronterizas? Esto ya que se intervienen varias divisas y jurisdicciones legales o regulatorias.</p>	<p><i>No hay una definición de política al respecto en este momento. Si bien la prioridad es el funcionamiento del sistema de pagos local, no se debe descartar la incorporación en el análisis la dimensión de los pagos transfronterizos.</i></p>
31	<p>What is the relevance/priority of implementing Cross-Border Fast Payments?</p> <p>The Fast Payment solution that you are considering, have a national scope or you consider as an added value to be an interoperable solution with other similar solutions of the region to facilitate international multicurrency payments in the medium term?</p>	<p><i>There is not a formal policy definition in this regard at this moment. Having said that, while the analysis should be improved in the national payment system, the cross-border dimension of fast payments should not be disregarded.</i></p>
32	<p>Are there any undergoing initiatives of the CBC, besides the one described in the RFI, that should be taken into account when suggesting a model? (eg. CBDC - Digital Currencies, Stablecoins, etc)</p>	<p><i>Please refer to the Governor of the CBC presentation to Congress regarding the CBC Agenda on Payments.</i></p>

		https://www.bcentral.cl/contenido/-/detalle/prioridades-para-la-agenda-de-pagos-del-banco-central-de-chile-mario-marcel
33	Process inquiries: Will all suppliers participating from the RFI be invited to individual meetings? If not, what is the criteria to be invited?	<i>Individual meetings with participants may be requested by the CBC, in case there is a need for clarification of the answers received.</i>
34	We would like to have more detailed information on the three elements mentioned in the document, in order to have a deeper understanding of the implications that these would have on the new scheme to be developed: 1. Current system of Electronics Funds Transfers and its settlement variants, 2. Main features of the CBC's RTGS system, 3. Future regulation of Retail Payment Clearing Houses.	<p><i>The current system of electronic funds transfers is operated by a private entity, and therefore it is not possible to provide specific information.</i></p> <p><i>As for the RTGS and the existing regulation on Retail Payments Clearing House, please refer to information available at the CBC website.</i></p> <p>https://www.bcentral.cl/documents/33528/139102/Sistemas-de-gestion.pdf/20304d0b-cbe6-e417-ef35-52fe630bec37?t=1569417251743</p> <p>https://www.bcentral.cl/documents/33528/115568/CapIIIH2.pdf/c99fedb5-bf6d-7c3c-e41d-f21a4b5dd7aa?t=1565971750383</p> <p>https://www.bcentral.cl/web/banco-central/areas/sistemas-de-pagos</p> <p>https://www.bcentral.cl/contenido/-/detalle/banco-central-publica-nueva-regulacion</p> <p>https://www.bcentral.cl/documents/33528/133244/CapIIIH6.pdf/e1afb940-1387-bbac-061d-a95e36a6f8a3?t=1643136269567</p>
35	Once the new scheme is implemented, what would CCA's role be with respect to a future Fast Payments service?	<i>There is not a policy definition in this regard at this moment. Please note that CCA is a private institution.</i>
36	In question 8 of the document, when it refers to Advisory Services, does it also include the project part, or only the preliminary consulting part?	<i>This RFI is for specialized advisory services to support the development of a project on the deployment of fast payments in Chile. This RFI is not for the actual building or deployment a fast payments infrastructure by the Central Bank.</i>
37	With this RFI we understand that BCC will select the key suppliers to participate in the future RFP and they must have capabilities to cover the previous consultancy as well as the	<i>This RFI is just for obtaining the information requested, not for selecting the suppliers to be invited to the RFP process. This RFI is not for the actual building or deployment a fast payments infrastructure by the Central Bank.</i>

	development of the project, is that right? In other words, can the consultant who is selected in the RFP also be the one to implement the project, or is this disqualifying?	
38	Does CBC already have in mind which actors will be participating from the system? a. Is the CBC considering different levels of participation (direct, indirect, facilitator, etc)? which?	<i>There is not a formal policy definition in this regard at this moment. However, we would expect the advisory to raise those issues, present alternatives to address them and their pros and cons.</i>
39	Is there a focus on a particular sector, or use case? Eg. Focus on Retail transactions (P2P,C2B) over B2B/P2G. a. If so, what are the plans for non-priority use cases?	<i>There is not a formal policy definition in this regard at this moment. However, we would expect the advisory to raise those issues, present alternatives to address them and their pros and cons.</i>

PLANNING AND ACCOUNTING OPERATION MANAGEMENT

Santiago, 14 April 2022.