

Household  
Account  
Services

Code Payments with QR Code and Barcode

## Previous Recommendation

- It is necessary to adequately secure the access to information on saving accounts.

### (Receipts flow from users)

- It would be desirable for payment infrastructure usage fees which is essential to charge from bank account to be set appropriately through negotiation with user businesses.
- It would be desirable, in order to increase competitive pressure on retail payment infrastructure, for individual banks to consider to develop an environment in which it would be easy for nonbank code payment providers to use read/write APIs.
- Permitting payment of wages to FTSPs accounts would have a desirable effect on securing an equal footing in competition conductions between banks and nonbank code payment providers.

### (Payment flow to member merchants)

- It needs to be rectified that the current situation under which interbank fees have been maintained.

### (Initiatives in Zengin-Net)

- It needs for Zengin System to enhance a governance structure and secure transparency.
- It would be desirable for Zengin System to consider toward opening up access to FTSPs.

## Survey Results

- Confirmed that EPSPs for **household accounting services largely have access to account information.**
- In October 2020, NTT Data **reduced CAFIS fees per transaction by one yen from the maximum of 3.15 yen.**
  - ➔ Some banks have **yet to reduce connection fees amount of the CAFIS fees reduction.**
- **More than half of banks** had already **implemented read-write APIs.**
  - ➔ **Read/write API** connections are not widely used due to the **lack of unified specifications.**
- Amendment of the Enforcement of the Labor Standards Act **allows for the deposit of paycheck into the account of FTSPs** as of April 1, 2023.
- **Most banks have reduced their transfer fees** since the Zengin-Net replaced interbank fees with “Domestic Funds Transfer System Operational Costs” in October 2021.
  - ➔ Some banks **maintained different transfer fees** as a continuation of the practice
- Zengin-Net is evaluated as **committing to actions toward strengthening its governance structure and ensure transparency of transactions.**
- Zengin-Net **has relaxed the qualifications for participation in Zengin System to include FTSPs**, effective October 2022.
- Zengin-Net is **considering launching a connection method using API Gateway** which based on the needs of FTSPs.

## Future Tasks

- Banks should preferably expand, as needed, the scope of information that can be accessed via read-only API connection, taking into account user needs and their own costs.
- Banks should preferably develop a standard pricing structure for their read-only API connection fees, to the extent that it ensure the stability and sustainability of their business. Upon request from EPSPs, banks should preferably explain the rational behind the applicable read-only API connection fees.
- It is appropriate for the relevant ministries and agencies to monitor the situation on an ongoing basis to ensure that there is no unfairly discriminatory treatment.
- If a bank is to reflect the costs it incurs in transaction, it should preferably explain to FTSPs the grounds rationale for charging connection fees.
- The following initiatives should preferably be taken by the relevant organizations. (1) Establishing a forum to unify the specifications of read-write APIs; (2) disclosing the set of read-write APIs that banks themselves have in place and (3) identifying the division responsible for read-write API connections at each bank.
- It is appropriate for the relevant ministries and agencies to assess the needs of users who wish to deposit their paychecks into the accounts of FTSPs and work to resolve any problems that may arise.
- Banks that, **without good reason, maintain different transfer fees as a continuation of the practice when interbank fees were applied should consider the possibility of changing this practice**, while giving due consideration to the implications of standardizing transfer fees, including the cost of system remediation and the impact on their customers.
- Zengin-Net should preferably continue to **reconsider the mode of operation as necessary to enhance convenience while ensuring both the safety of the payment system and a level playing field where banks and FTSPs compete on an equal footing.**
- JFTC hopes that Zengin-Net will continue to **explore ways to allow FTSPs to participate in the Zengin System** in light of the planned launch of a connection method that based on an API gateway.

Future  
Initiatives

JFTC will conduct further follow-up to make recommendations from a competition policy perspective.