

PAYMENTS RISK COMMITTEE

Thursday, June 10, 2021

1:00 - 3:00 p.m.

WEBEX: Detail in invite

Meeting Minutes

Member Attendees:

Manish Kohli, Chair, Citi
Agustin Romano, Goldman Sachs
Barry Tebbutt, UBS
Barry Vanlandingham, Bank of America
Beth Geller, JP Morgan Chase
Bill Hirshorn, Morgan Stanley
Brian Casey, MUFG
Cara McCarthy, Morgan Stanley
George Rajah, HSBC
George Umstead, Bank of America
Graham Warner, Deutsche Bank
Heather Kendall, MUFG
Isabel Schmidt, BNY Mellon
Janine Backman, BNY Mellon
Jeffrey Hannan, Goldman Sachs
Joel Feazell, Wells Fargo
Kyla LaPierre, StateStreet
Mark Haley, Citi

Mayanak Agrawal, Bank of America
Mike Sklow, Goldman Sachs
Peter Akwaboah, Morgan Stanley
Steven Weinstock, Deutsche Bank
Thomas Halpin, HSBC
Tom Simpson, Citi
Yoko Horio, Wells Fargo

Non-Member Attendees:

Amy Burr, New York Fed
Chris Armstrong, New York Fed
Chris Burke, New York Fed
Dan DeLuca, New York Fed
Hampton Finer, New York Fed
Jack Janson, New York Fed
Joey Patel, New York Fed
Karen Kahrs, New York Fed
Laura Forman, New York Fed
Lisa Pacheco, New York Fed

Mark Fischer, New York Fed
Sishush Maru, New York Fed
Tom Smejkal, New York Fed
Zareera Bukhari, New York Fed

Mark Magro, Federal Reserve Board
Sonja Danburg, Federal Reserve Board
Tom Jackson, Federal Reserve Board

Cheryl Venable, Atlanta Fed

Jim Cunha, Boston Fed

Luke Woodward, Kansas City Fed

1. PRC Administration

- The PRC Chair welcomed a new PRC member from JP Morgan Chase Bank JP Jolly, Global Head of Payments.¹
- The Secretariat then discussed potential changes to the PRC's composition and practices. These include the potential to add firms to PRC member institutions, and to include additional institutions on the emergency call guide list.

2. Guest Speakers on Digital Currency

¹ In absentia

- Sonja Danburg (Federal Reserve Board) and Jim Cunha (Federal Reserve Bank of Boston) presented work being done at the Federal Reserve Board and Boston Fed, respectively, on central bank digital currencies (CBDC), including recent remarks from members of the Federal Reserve Board of Governors and the Boston Fed's work on [Project Hamilton](#). Following the presentation, PRC members discussed the potential risks, benefits, and concerns regarding a Federal Reserve System CBDC issuance and reacted to questions such as:
 - What risks would a CBDC issuance pose for your firm or your clients? Are there any questions that recent efforts to explore CBDC have not contemplated?
 - Does your firm view CBDC as a necessity for the industry?
 - How would the issuance of a CBDC affect innovation at your firm? Would CBDC facilitate or hinder innovation?
 - How will you support your clients, as efforts to explore CBDC emerge? Are there any issues that may arise that you would like to raise?

3. Discussion 2/24 Outage AAR

- A representative from Federal Reserve System National IT delivered high-level takeaways from an After-Action Report (AAR) following a February technology outage.

4. Update on existing PRC Projects

- Fedwire® Funds Service Operating Hours Expansion Project: PRC members discussed their operational readiness and preferred(?) timing for a Fedwire Funds Service 24/7/365 environment, as well as preferred interim steps before transitioning fully to 24/7/365. Members discussed implications of such expanded hours, considering both the introduction of the FedNowSM Service and potential use cases. Separately, members also contemplated whether to respond to the Federal Reserve Board's request for public comment on [proposed changes to its Policy on Payment System Risk](#).
- Update on Systemically Important Payments (SIPS) Project: Interim Committee project leads reported on additional work to be done related to the SIPS project, including with respect to the Federal Reserve System's wholesale services' protracted outage and contingency procedures.

5. AOB (5 min)

- **PRC Meeting dates for 2021:**
 - September 16
 - November 22