



## Research Working Papers

# Faster Payments: Market Structure and Policy Considerations

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Each of the three hypothetical market structures that may emerge for faster payments in the United States has advantages and disadvantages in meeting public policy objectives of efficiency, safety, and ubiquity. Tools are available to promote positive outcomes in each structure.

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This paper reports on a research effort by Federal Reserve staff to examine market structure implications in the still emerging faster payments market. The analysis and conclusions in this paper are those of the authors and do not indicate official positions of the Board of Governors or Federal Reserve System. Although this paper offers several considerations regarding the U.S. faster payments market, it does not make specific policy recommendations or provide a view on the potential roles, including service provider or other roles, that the Federal Reserve may play in this market.<sup>2</sup> Given the nascent state of the faster payments market, many of the matters discussed in this paper are not yet settled. The paper is intended to provide background and a framework for future dialogue and research in this area.

JEL Classification: G21

## Article Citations

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