Emerging Payments Terms and Acronyms

**API (Application Programming Interface)** - a set of routines, protocols, and tools for building software applications. An API specifies how software components should interact.

**A2A (Account to Account)** - Transfers initiated by a person to transfer funds between their own accounts at the same financial institution or different institutions.

**AI (Artificial Intelligence)** – the impact of new technologies/capabilities on payments (chatbots, machine learning), used to collect, aggregate and optimize data.

**BEC (Business E-mail Compromise)** - is an exploit in which the attacker gains access to a corporate email account and spoofs the owner’s identity to defraud the company or its employees, customers, or partners of money.

**Biometrics/Security** - technology to effectively manage security using biometrics related to payments processing.

**Blockchain** - a system in which a record of transactions made in bitcoin or other cryptocurrency is maintained across several computers that are linked in a peer-to-peer network.

**BPO (Business Process Optimization)** - This is a technique to help organizations improve their efficiency by improving their processes. It’s part of business process management (BPM).

**CAT (Corporate Account Takeover)** - is a type of fraud where thieves gain access to a business’ finances to make unauthorized transactions, including transferring funds from the company, creating and adding new fake employees to payroll, and stealing sensitive customer information that may not be recoverable.

**Cryptocurrencies (e.g., Bitcoin)** – impact to wallets and transactions (debit cards tied to bitcoin accounts, Square allowing bitcoin in SquareCash wallet, etc.)

**FinTech** - Computer programs and other technology used to support or enable banking and financial services.

**Gig Economy** - a labor market characterized by the prevalence of short-term contracts or freelance work as opposed to permanent jobs.
**GRC (Governance, Risk and Compliance)** - is the term covering an organization's approach across these three practices.

**Horizon Millennial/Gen Z** - digital expectations/preferences (personalization, security, contextual, speed) and impact on payment solutions.

**IoT (Internet of Things)** - the interconnection via the Internet of computing devices embedded in everyday objects, enabling them to send and receive data.

**ISO 20022** - is a standard for electronic data interchange between financial institutions. It describes a metadata repository containing descriptions of messages and business processes and a maintenance process for the repository content.

**KYC (Know Your Customer)** - the process of a business verifying the identity of its clients and assessing their suitability, along with the potential risks of illegal intentions towards a business relationship.

**ML (Machine Learning)** - This is the scientific study of algorithms and statistical models that computer systems use in order to perform a specific task effectively without using explicit instructions, relying on patterns and inference instead.

**Open API Banking** – impact on FinTech-bank relationships (data collection, transaction processing, customer relationships, managing customer consent), and the potential for disruption or collaboration with both domestic and international players.

**P2P (Person to Person)** - The transfer of funds from one consumer to another consumer initiated by a person.

**RegTech** - technology to effectively manage regulatory requirements with real-time use of algorithms and analytics (AML, KYC, blockchain / bitcoin, fraud risk, business identity fraud, operations risk management.

**RPA (Robotic Process Automation)** - the concept of using software to replace human interaction with a particular process flow.

**SaaS (Software as a Solution)** - is a software distribution model in which a third-party provider hosts applications and makes them available to customers over the Internet.

**Smart City** - is a designation given to a city that incorporates Information and Communication Technologies (ICT) to enhance the quality and performance of urban services such as energy, transportation, and utilities in order to reduce resource consumption, wastage and overall costs.