

Payment Transaction Initiator, a method used in Brazil, can fit the US market

Consumers need to be aware of the next changes, and experience from other countries may make the process easier

WASHINGTON, DC, USA, January 10, 2024 /EINPresswire.com/ -- Since the Consumer Financial Protection Bureau (CFPB) unveiled a proposal to boost competition between financial technology firms, through open banking, financial institutions, fintechs, and individuals are expected to be more interested in knowing how the regulations will change their lives. United Kingdom, Brazil, Canada, and Australia, for example, took the lead in the discussions about empowering consumer rights and preparing their population for what is expected and how it would be easier to deal with the financial system. In this sense, Brazilian experience in Payment Transaction Initiator (PTI) may help make this process easier as it enhances the system.

The Payment Transaction Initiator is a new payment method, in which the customer carries out a transaction on a company website or application where they buy something or make a transfer (deposit), without leaving their website to access the payment environment. This modality is gaining more and more space and fans in Brazil and around the world. In Brazil, PTI was regulated by the Central Bank in 2022 and has been growing rapidly since then. The volume of transactions via PTI may represent, by the end of the year, 20% of the total transactions carried out via Pix (digital payments).

Currently, there are 24 institutions authorized to act as payment initiators in Brazil, and, among them, large banks, such as Itaú, Banco do Brasil, Bradesco, and fintechs, such as [Celcoin](#), Mercado Pago, Nubank, and PicPay. However, not many US banks are ready for regulation. According to CCG Catalyst's Banking Stability and Innovation Study 2023, very few institutions appear to be embracing open banking in its true form — only 17% of C-level bank executive respondents in the U.S. said they are committed to providing open data access to third parties.

The so-called open banking draft rule, which US officials say they hope to finalize in 2024, would supercharge competition by giving customers the power to move on from bad service and more easily switch providers. A practical example of PTI technology is the ease of payment journeys: 16 clicks can be reduced to just four. Instead of receiving a bill, accessing the bank, scanning the document, making the payment, and waiting for settlement on the next business day, a link on WhatsApp or E-mail already redirects the bank's authentication and confirms the payment, settling the debt in an hour. For the business owner, this means offering customers an

experience with fewer friction points, lower costs, and potentially a higher payment conversion rate.

"Payment Transaction Initiator is a payment method that has the potential to revolutionize the US market, precisely because they offer a series of advantages to customers, making transactions easier, more convenient, and more secure", states Marcelo França, CEO of Celcoin.

About Celcoin

Celcoin, founded in 2016, is a financial infrastructure to boost businesses. Provider of complete and pioneering technology infrastructure for companies in the most diverse segments, Celcoin offers solutions for banking, credit, cash management, Open Banking, retail and onboarding. Around 400 fintechs and digital banks, 5,500 medium and large companies and 40,000 retail outlets are connected to the Celcoin platform, which processes U\$ 2 billion monthly. This is Celcoin: the best service for growth.

Know more: <https://www.celcoin.com/>

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