

# THE DOA PROJECT BULLETIN

An update on the Debit Order Abuse project

May 2018

To execute on certain of the requirements of Directive 1 of 2017, the Debit Order Abuse project, has been established to explore and implement measures to curb the risk of debit order abuse in the existing debit order payment system.

The Debit Order Abuse project is in addition to the Authenticated Collections project, and aims to introduce revised measures to protect the rights of both consumers & users, and at the same time curtails the abuse of the debit order system currently present.

This project team has been developing solutions to achieve these strategic objectives:

- Enhance PASA's gatekeeping role;
- Enhance analytics and reporting on debit order abuse;
- Enhance the investigation and prosecution process;
- Understand and manage consumer behaviour ; and
- Enhance market perception and confidence.



One of the key focus areas is to ensure that we transition and manage banks, consumer and user behaviour regarding debit order abuse. As an industry, we have to build and change the public perception and confidence and at the same time ensure that banks, consumers and users are aware of coming changes.

## Current Affairs

The PASA Council approved a Proof of Concept phase to test the potential impact of proposed changes to dispute rules, processes and very importantly, consumer behaviour.

Here's a quick update on what is currently happening:

- Proof of Concept design by Steering Committee underway;
- A revised dispute form is being developed to provide for two types of disputes namely:
  - No mandate; or
  - A Mandate with issues.
- User clean up process to be developed;
- An industry-wide change enablement strategy is being formulated, including drafting an industry narrative for debit orders as well as an analysis of the project and industry stakeholders, with a supporting engagement and communication plan.

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## What you can expect in the next couple of weeks

In a vibrant project environment, this is what you can expect to see in the weeks to come:

- The first Change Management task team engagement has been set up with representatives from participating banks to ensure integration and industry-wide buy-in. Participation in this forum is of great importance.
- User and consumer-facing staff participating in the Proof of Concept phase will undergo training on crucial testing elements of the project.
- The project team is in the process of implementing specific sets of management information (MI) and business intelligence (BI) services and capabilities.
- The first gathering to compile the criteria necessary to start the user clean up process, as well as the first meeting with appointed members tasked to proactively identify the so-called 'rogue' users.
- Detailed documentation to be created regarding the prosecution process/checklist that will guide PASA and its members to aim to have successful prosecutions done, once potential 'rogue' users have been identified.

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**PASA must continue to improve the safety and efficiency of debit orders, including the introduction of measures to address the risks emanating from debit order abuse**



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