



CASE STUDY

VISA PROTECT FOR ACCOUNT TO-ACCOUNT PAYMENTS

# Pay.UK fraud detection pilot achieves overwhelming success with help from Visa



Pay.UK is the operator and standards body for the retail interbank payment systems in the United Kingdom (UK), including Faster Payment System, the country's real-time account-to-account payment network. Pay.UK champions innovation and offers the UK choices in how it pays by enabling individuals and organizations to quickly, safely, and cheaply transfer money to others whenever they want. As the operator of the digital networks used by Faster Payment System, Bacs Payment System, and the Image Clearing System, Pay.UK processed 11.5 billion transactions in 2023, amounting to £9.5 trillion in payment volume.<sup>1</sup>

The UK sees some of the highest levels of authorized push payment (APP) scams globally with £459.7 million lost to APP scams and £151.8 million lost to unauthorized remote banking fraud in 2023.<sup>2</sup> One in three UK consumers have fallen victim to an APP scam, but only 25% of APP scam cases are identified by banks.<sup>3</sup>

## Visa Results in Pilot Outperform the Average


Selected by Pay.UK as one of three industry partners to participate in a pilot for a new fraud detection and prevention service designed for financial institutions in the UK, Visa safely and securely analyzed billions of historic UK bank and Payment Service Providers (PSP) transactions – more than 50% of the annual account-to-account transactions in the UK – using artificial intelligence and machine learning to detect and prevent emerging fraud and APP scams.


The results of the pilot across the three partners showed an average 40% uplift in fraud detection at a 5:1 false positive rate<sup>1</sup>, with Visa identifying 54% of fraudulent transactions that had already passed through sophisticated bank and PSP fraud detection systems.<sup>4</sup>

## Understanding the Impact of APP Scams and Fraud

 **£459.7 million**  
lost to APP scams in 2023<sup>2</sup>

 **1 in 3**  
UK victims report their mental health has suffered<sup>2</sup>

 **15%**  
of APP scam victims leave their bank<sup>3</sup>

 **4 in 5**  
APP scam victims are reimbursed by their bank<sup>3</sup>

## Driving Real-Time Payments Security Forward

Visa Protect for Account-to-Account Payments' multi-institution view helps financial institutions boost their fraud and scam detection capabilities



Designed to detect fraud and APP scam transactions on account-to-account payment networks in real time



Provides a comprehensive view of risk associated with both originating and beneficiary parties



Uses advanced AI paired with multi-financial institution intelligence



Identifies potential connections to broader fraud schemes



Can layer in additional Visa data to drive additional performance uplift

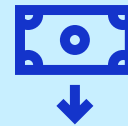


Real-time APIs deliver in-flight risk scores directly into payments authorization flows

With its real-time, AI-powered fraud and scam detection capabilities and ease of integration, Visa Protect for Account-to-Account Payments assesses and provides a risk score for the originating and beneficiary parties in real-time payment (RTP) transactions that financial institutions can use with their existing fraud management tools to prevent fraud before it enters RTP networks.

Visa data can be incorporated to further enhance performance, demonstrating the power of a holistic, cross-industry fraud and scam detection service. When Visa overlays its own data, it can enable a lift in scam and fraud detection, operational efficiencies, and a reduction in false positive alerts.

Through the pilot with Pay.UK, Visa demonstrated that the comprehensive features and functionality of Visa Protect for Account-to-Account Payments resulted in a powerful and more effective multi-rail fraud and scam prevention strategy. Visa's solution detected 54% of the fraudulent transactions that had already passed through sophisticated bank and PSP fraud detection systems, outperforming the pilot average of 40%. This solution has the potential to help prevent up to £330 million in APP scam losses each year in the UK. Visa looks forward to helping Pay.UK and industry leaders block fraud and scams in the UK.<sup>4</sup>



# £330 million

Visa Protect for Account-to-Account Payments is designed to drastically cut APP scam losses in the UK, potentially preventing up to £330m in losses per year.<sup>4</sup>

The positive results from this pilot demonstrate the importance of innovation and cross-industry collaboration in developing effective solutions to stay ahead of fraudsters and protect people in the ever-changing payments landscape.

— Aneet Morar, Chief Product Officer (Interim), Pay.UK<sup>1</sup>

## Looking Ahead

Industry-leading scale and 30+ years of AI expertise empower Visa to drive risk services forward for the entire payments ecosystem<sup>5</sup>

Visa used more than three decades of AI expertise to develop Visa Protect for Account-to-Account Payments, delivering a highly scalable solution driven by advanced AI models. The solution is also informed by Visa's 65 years of experience in managing large-scale, network-level risks, and it can incorporate additional data from third-party sources. Visa's ongoing investment in advanced AI and machine learning helps drive continuous innovation in Visa Protect for Account-to-Account Payments.

Offering powerful flexibility and deep global transaction insights, Visa Protect for Account-to-Account Payments sets a high standard for real-time payment network security. Visa looks forward to continuing to help protect the people and businesses in the UK from becoming victims of fraud, regardless of where they bank.



For more information, **contact your Visa Account Executive** or visit [visa.com/protect](https://visa.com/protect).



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3. Visa, 2022. "The impact of APP scams". <https://corporate.visa.com/content/dam/VCOM/corporate/products/documents/app-scam-whitepaper.pdf>
4. Forecast results based on Visa's Pay.UK Overlay Proof of Concept results [https://www.visa.co.uk/about-visa/newsroom/press-releases\\_3326480.html](https://www.visa.co.uk/about-visa/newsroom/press-releases_3326480.html)
5. <https://usa.visa.com/visa-everywhere/blog/bdp/2023/09/13/30-years-of-1694624229357.html>

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