

# Approved minutes 3rd meeting ad hoc multi-stakeholder group on Mobile Contactless SEPA Cards Interoperability Implementation Guidelines (MCP IIG)

3 April 2017

**Circulation: MSG MCP**

**Restricted: No**

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## 1. Welcome and opening of the meeting

The Co-Chair, D.-I. Flatraaker, opened the meeting at 10h00 and welcomed the participants to the 3<sup>rd</sup> meeting of the ad hoc multi-stakeholder group.

## 2. Roll call of delegates

The list of participants and apologies may be found in Annex I. Two new participants, Mr. Sergio Cano Magdalena from BBVA, representing the EPC, and Mr. Peter van Leeuwen from KPN were welcomed and a brief introduction round was held.

## 3. Approval of the agenda

The proposed meeting agenda (MSG MCP 013-17v0.5) was presented. Mrs. M. De Soete informed the group that she received apologies earlier in the morning from Mr. Gil Bernabeu from GlobalPlatform in view of the cancellation of his flight. As a result, agenda item 7 was deferred to the next meeting. The agenda was subsequently approved.

## 4. Approval of the minutes

The draft minutes of the 2<sup>nd</sup> meeting of the group (MSG MCP 013-17v0.2) held on 21 February 2017 were reviewed and approved. They will be distributed as version 1.0.

Next the action points were checked. Their status is reflected in the table below.

Ref. AP	Action	Owner	Due date/ status
1.2	To request GSMA to nominate a delegate to the MSG MCP	M. De Soete	By next MSG MCP meeting – on-going/Closed
1.5	To provide feedback on the status of Recommendation ERPB/2015/rec8 iii on EMVCo. : The ERPB recommends to iii. Include a parameter in the EMV Next Generation specifications that would allow the identification of the form factor of the consumer device used for the initiation of the contactless transaction. (December 2016)	B. Latge	Before next MSG MCP meeting/Closed

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1.7	<p>Check on status for domestic card schemes with respect to Recommendation ERPB/2015/rec9</p> <p>The ERPB recommends to</p> <p>iii. Request the use of open protocols in the POI domain and the POI-to-acquirer domain which are compliant with the SEPA Cards Standardisation Volume and labelled by the Cards Stakeholders Group. (June 2017)</p>	R. Koch	Before next MSG MCP meeting - Closed
1.9	<p>To check on the status of Recommendation ERPB/2015/rec 12 with PNC:</p> <p>The ERPB recommends to prioritise the installation and use of POI terminals which are enabled to accept EMV-based contactless transactions in the transport sector.</p>	M. Hoffmann	Before next MSG MCP meeting – Covered for DK, Open for SE, FI and NO/Closed
1.10	<p>To request ETSI to provide a status on Recommendation ERPB/2015/rec 13 :</p> <p>The ERPB recommends to:</p> <p>i. Agree on and pursue the development of specification for a “smart secure platform” (enabling the provision of value-added services relying on authentication of the user, regardless of the mobile device, communication channel or underlying technology), taking into account the requirements of mobile payments, and building on the work already done by EMVCo and GlobalPlatform. (December 2017)</p> <p>ii. Develop implementation guidelines (December 2016) (building on work already done by GlobalPlatform) that define:</p> <ul style="list-style-type: none"> <li>- a process that provides service providers with the credentials for access to secure elements;</li> <li>- a process that allows a service provider to be authenticated, to securely obtain the credentials to access a mobile device’s hardware vaults (i.e. the secure element), and to communicate with these vaults.</li> </ul>	M. De Soete	Before next MSG MCP meeting - Open
1.12	<p>To check who provided the status report on Recommendation ERPB/2015/rec16 and provide feedback on what actions have been taken :</p> <p>The ERPB recommends to provide access to the mobile device’s contactless interface in order to ensure that the consumer can have a choice of payment applications from different mobile payment service providers, independently of the mobile device and the operating system used. (Ongoing)</p>	J. Looman	Before next MSG MCP meeting – On-going
1.13	To request ECSG to provide a presentation at the next meeting on their 2017 work plan	M. De Soete	Before next MSG MCP meeting - Open
1.14	To check with UK Cards to provide a presentation on their guidelines on digital wallets at the MSG MCP April meeting	R. Koch	ASAP – Open, scheduled for April meeting/Closed

1.19	Invite GlobalPlatform to provide a presentation on their recent work related to contactless payment	M. De Soete	MSG MCP April meeting- Open, re-scheduled for May meeting
2.1	Invite GSMA to provide a presentation on their recent work related to mobile contactless payments at the next MSG meeting	M. De Soete	ASAP/Closed
2.2	Update the document MSG MCP 009-10 to reflect the agreements made during the meeting	M. De Soete	By 20 March 2017/Closed
2.3	Distribute the UK document on POI etiquette	M. De Soete	ASAP/Closed
2.4	To check on which EMVCo document the UK POI etiquette is based	M. Harding	Before 10 March 2017/Closed
2.5	To provide the document on POI etiquette in Germany for MSG distribution	M. Hönisch	ASAP/Closed
2.6	To request C. Sarazin to provide the document on POI etiquette in France for MSG distribution	M. De Soete	ASAP/Open
2.7	To put a new discussion on POI etiquette on the agenda of the next meeting	M. De Soete	In due time/Closed
2.8	To check on the exact definition of CDCVM with EMVCo	M. Harding	Before 10 March 2017/Open
2.9	To update the high level principles (section 2 of the MCP IIG) and align them with the new version of the EPC White paper on Mobile payments as appropriate	M. De Soete	By 15 March 2017/Closed
2.10	To review the updated high level principles (section 2 of the MCP IIG) and prepare comments for review and discussion at the next MSG meeting	All MSG members	By 3 April 2017/Closed
2.11	To prepare an overview on most relevant service models for HCE for inclusion in section 4 of the MCP IIG	A. Fulton	By 3 April 2017/Closed
2.12	To update section 3 on MCP overview and align with the new version of the White paper Mobile Payments	M. De Soete	By 20 March 2017/Closed
2.13	To review the updated section 3 on MCP overview and prepare comments for next MSG meeting	All MSG members	By 3 April 2017/Closed
2.14	To explain concerns with respect to the ENISA document on the security of mobile payments and digital wallets	A. Fulton	In due time
2.15	To check with respect to ERPB/2015/Rec15 , if anything has	M. Harding	By 3 April 2017/Closed

	<p>been jointly developed by GSMA with EMVCo</p> <p>The ERPB recommends to:</p> <p>i. Prepare an overview paper on the functional and security evaluation/certification of NFC-enabled mobile devices (covering all aspects and configurations – SE, HCE, trusted execution environment (TEE), etc.) in cooperation with GlobalPlatform and EMVCo. In particular, issues related to contactless interference issues should be addressed. (June 2016)</p> <p>ii. Encourage European mobile network operators (MNOs) to promote the sale of NFC-enabled equipment.</p>		
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Related to AP1.5, Mr. B. Latge confirmed that the EMVCo NextGen specification includes such a parameter.

Mr. R. Koch reported concerning AP1.7 that many domestic card schemes comply to the Cards Standardisation Volume. New work is also underway by Nexo on protocols in the Acquirer to Issuer domain and a status on this work will be provided in the CSG status report to the ERPB in June 2017.

Regarding AP1.9, Mr. M. Hoffmann reported the following:

<b>Country</b>	<b>Contactless</b>	<b>EMVCo</b>	<b>Card schemes?</b>
Denmark	Yes – Travel cards country wide	Not yet – but plans on the way	Closed loop cards
Sweden	Yes – Travel cards in Stockholm area	Not yet – but small local projects in the pipeline (Malmö and other)	Closed loop cards
Norway	Yes – Travel cards – major cities	Not yet – no plans are known	Closed loop cards
Finland	Yes – Travel cards – Helsinki and local area	Not yet – Planning to replicate TfL and accept EMVCo based cards. Timeline unknown	Closed loop cards

Mrs. M. De Soete reported concerning AP1.10 that, as to date, she did not receive a reply yet from ETSI. However, Mr. M. Harding informed that the ETSI work on the “Smart Secure Platform” is currently on hold pending an MoU agreement between ETSI and EMVCo.

Mrs. J. Looman reported related to AP1.12 that this remains a difficult subject for the European Commission. Today, mainly individual market participants enter into discussions with local competition authorities. However, she promised to further follow-up on this topic.

Mr. M. Harding reported related to AP2.4 that the only document EMVCo has identified is the ‘best practice for POS integration’ with the following link:

[http://www.emvco.com/download\\_agreement.aspx?id=1183](http://www.emvco.com/download_agreement.aspx?id=1183). Other materials from EMVCo relating to POI are included in various other documents but there is a not an immediate clear correlation.

Related to AP2.8, Mr. M. Harding reported that the definition of CD CVM and shared CD CVM is being worked on by EMVCo. There is an aim for content containing this definition to be in draft and available to EMVCo Associates for review around Q3 2017.

Related to AP2.15, there do not seem to be a jointly developed document between EMVCo and GSMA.

In order to further monitor the status of the ERPB Recommendation on contactless payments, the following action point was agreed.

AP3.1	Put an agenda item to cover the status on the ERPB Recommendations on CTLP on the agenda of the MSG MCP July meeting	M. De Soete	In due time
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## 5. Presentation on UK project Digital wallets

Mr. R. Koch provided a presentation (MSG MCP 019-17) on the UK project on Digital wallets to give the group more background and a better insight into this initiative, following the short description that was previously shared as MSG MCP 010-17 with the group.

He explained that, whereas mobile payments originally started as a simple form factor shift, this was now more about the payment experience and the offering of gateway services such as Uber, Airbnb, etc.... He further elaborated on the fact that the boundaries between card present and card not present (CNP) payments are becoming blurred and on the role of wallets in this context to cover in-store, in-app and e-commerce payments. In addition he referred to the new regulations such as PSD 2 and the RTS which are driving change.

However, this might all be very confusing for the customer which could potentially lead to a decrease of usage of wallets. The example was given that 90 days after wallet activation, 7 out of 10 users go back to the usage of cards in the US. Therefore guidelines are needed for the industry, e.g. a checklist, before launching wallets into the market. Also the ease of customer registration and activation of the wallet which typically takes today in the UK 7 to 10 days, compared to a matter of minutes in the US and Asia were cited as major challenges to be addressed for a better market take-up.

AP3.2	To distribute the presentation made by R. Koch during the meeting on UK Digital wallet project	M. De Soete	ASAP
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## 6. Presentation on recent GSMA work related to Mobile Contactless Payments (MCPs)

Mr. P. van Leeuwen provided on behalf of the GSMA a presentation (MSG MCP 020-17) on their recent work in the area of MCPs. He first give a recap of the main work of the GSMA on mobile contactless: NFC specifications and testing, the mobile NFC wallet architecture, infrastructure guidelines and some vertical specific documents on payments, retail and transport.

In view of lack for resources the GSMA closed the programme on contactless and digital commerce and this work is now covered under the group personal data. He provided some insight into opportunity studies related to securing remote payments with the UICC, P2P payments and MobileConnect. The latter is a mobile identity cross-operator framework, which had a good market take-up in Asia, South America and part of Europe for the provisioning of authentication services based on the UICC.

He further reported that the take up of MNO-based wallets has generally not been very successful. The GSMA has decided to focus from now on more on their core business. Since in Europe, generally for MNOs, UICC based payment solutions have proven to yield too high costs versus the low revenues, many MNOs have pulled out. Outside Europe, e-money remittance remain to be important.

AP3.3	To distribute the presentation made on GSMA during the meeting	M. De Soete	ASAP
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## 7. Presentation on recent GlobalPlatform work related to MCPs

In view of the apologies received from Mr. G. Bernabeu this item was deferred to the next MSG MCP meeting.

## 8. Review of updated chapters 1, 2 and 3 of the MCP IIG

Mrs. M. De Soete presented a document (MSG MCP 014-17v0.1) with the updated sections 1, 2 and 3 of the Mobile Contactless SEPA Cards Interoperability Implementation Guidelines (MCP IIG). The updates on chapter 1 were prepared based on the discussions and agreements reached during the previous MSG MCP meeting (see MSG MCP 009-17v0.2). An open issue was how to address POI interoperability and customer behaviour. The so-called "POI etiquette" specified in the UK (MSG MCP 016-17) and the Fraunhofer study (MSG MCP 017-17) on this subject were shared with the group for this purpose prior to the meeting. The discussions focused on the importance to deal with the seamless customer's purchase experience rather than only considering the payments. Topics to be identified are: what are the main obstacles, what is the legal situation, what is in the co-operative versus the competitive space, is there something we could do for the market. Since this reaches beyond MCPs and includes also physical card payments at POI, the following action points were agreed in view of the preparation of a dedicated list for consideration and further discussion by the group with respect to the next steps to be taken.

AP3.4	To provide the EuroCommerce Retailers guidelines on CTLP for distribution to the group	P. Spittler	ASAP
AP3.5	To make a list of items to be considered for POI implementation guidelines	All WG members	By 30 April 2017
AP3.6	To compile an integrated list of items to be considered for POI implementation guidelines for discussion at the next meeting based on the inputs received	M. De Soete	By 8 May 2017

Next, chapter 2, reflecting the updated high level principles for MCPs (which were aligned with the new version of the EPC White paper on mobile payments (EPC 492-09)) were reviewed on screen and changes made as needed. Those are reflected in version 0.2 of the document.

The updated section 3 (MCPs Overview) was briefly presented and the group was invited to provide comments before the next MSG MCP meeting.

AP3.7	To review and provide comments on section 3.	All WG members	By 30 April 2017
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## 9. Review and discussion on MCP use cases

A document (MSG MCP 011-17v0.3) was prepared on the use cases based on the list agreed during the previous meeting. The document aims to provide for each use case, an overview figure and a stepwise description of the MCP transaction, focusing on the interactions needed. The comments received from Mr. G. Hogen on the document were shared and reviewed on screen. After some discussions, it was decided to keep the current format for the time being, but to add a table providing an overview on the different features of each use case. Also a number of the suggested variants were adopted as reflected in version 0.4 of the document. Furthermore, it was suggested during the meeting to complement each use case with concrete market examples.

Next, the missing use cases were addressed and concrete actions agreed to populate those.

AP3.8	To develop the use case 11: payment transaction with loyalty card switching from loyalty app to payment app, with # taps	P. Spittler	By 25 April 2017
AP3.9	To complete the use cases document, add table and circulate for review	M. De Soete	By 3 May 2017
AP3.10	To review the use cases document and provide comments at the next meeting	All WG members	By 10 May 2017

## 10. Review chapter 4 of the MCP IIG

Related to the MCP service models, it was already agreed in the previous meeting to keep the current descriptions of the SE-based models. Mr. A. Fulton introduced the section he prepared on cloud-based MCP application models and some suggested changes were agreed to further enhance this part. Mr. P. van Leeuwen commented that also the eUICC based model should be covered in this chapter and offered to prepare a first draft for review during the next meeting.

The following action points were agreed.

AP3.11	To update the figure in section 4.2.1 and further complete the section 4.2 in MSG MCP018-17 and provide the inputs to M. De Soete	A. Fulton	By 30 April 2017
AP3.12	To provide input on the model with a eUICC for inclusion in section 4.1 in MSG MCP018-17 and provide it to M. De Soete	P van Leeuwen	By 30 April 2017
AP3.13	To update and complete MSG MCP 018-17 with the inputs received and to add market examples for each model.	M. De Soete	By 3 May 2017

## 11. Roadmap for mobile proximity payments

In view of the various discussions held during the previous meeting on a possible extension of the scope to include also non-NFC based proximity payments, a draft roadmap was prepared (MSG MCP 015-17v0.1) and shared with the group prior to the meeting. The proposed roadmap was reviewed and approved during the meeting. It was also noted that an update of the current mandate would be required in due time before the actual new work on other proximity technologies could be started for mobile card-based payments.

## 12. Liaison and monitoring

### **EMVCo**

Mr. M. Harding provided a status on different topics on behalf of EMVCo, some relating to questions raised during the last MSG MCP meeting.

EMVCo notifies that work is underway on QR codes. This is being developed in a dedicated QR Task Force. However, EMVCo is currently unable to give further information on content or date.

Work on BLE (Bluetooth Low Energy) and TCP-IP (Transmission Control Protocol/Internet Protocol) is being taken forward within the Next Gen EMV specification development and this will occur outside of the initial specification publication. EMVCo is unable to give further information on content or date at this time.

Regarding the EMVCo contactless antenna work, there has been Level 1 work performed on the testing tool to better reflect mobile behaviour. In July 2016, EMVCo increased the read distance from 2-4 cm for mobile phones used in card emulation mode.



Regarding “Choice of application”, Mr. M. Harding informed that a product identification EMV Tag was discussed with the ECSG (European Cards Stakeholders Group ) and added by EMVCo. There is a registration process in EMVCo for allocation related to EMV proprietary capabilities. The AAUI has been split into the PPSE and Card Manager document (see also MSG MCP 005-17). The latter was developed in coordination with GlobalPlatform.

In view of the question raised during the last meeting concerning EMVCo’s position with respect to the TEE (Trusted Execution Environment) on mobile phones, it was reported that EMVCo has no position on this subject.

The group was further informed that EMVCo documentation on evaluation and certification frameworks related to mobile payments, additional content, next to MSG MCP 005-17, is publically available on the EMVCo website such as in the certification mobile type approval section, approved products, etc.

Concerning EMVCo-GSMA coordination on interoperability of NFC mobile devices, EMVCo shared the level 1 type approval process with the GSMA and has no outstanding actions or interactions.

**ISO TC 68 SC 7**

Mr. P. Hertzog informed about the publication of ISO 12812 Mobile Financial Services – Parts 1-5. A link to the related press release would be shared with the group.

AP3.14	To provide the link to the press release on the publication of ISO 12812 for distribution to the WG	P. Hertzog	ASAP
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**13. Next steps**

It was agreed that the next meeting should be devoted to the review of the updated sections of the MCP IIG mentioned under item 7. Presentations have been scheduled by GlobalPlatform and Mr. C. Sarazin on CPACE. Also the ECSG is expected to provide a presentation on their 2017 work programme.

**14. A.O.B.**

The next meeting will take place on 10 May 2017 from 10h00 till 16h00 at the EPC premises in Brussels.

**15. Closure of the meeting**

The Co-Chairs closed the meeting and thanked all participants for the valuable contributions and the interactive discussions.

**ANNEX I**  
**List of participants – 3rd MSG MCP meeting 3 April 2017**

<b>Name</b>	<b>Affiliation</b>	<b>Status</b>
<b>Co-Chairs</b>		
Dag Inge Flatraaker	EPC (DNB Bank)	Yes
Pascal Spittler	EuroCommerce (Ikea)	Yes
<b>EPC</b>		
Michael Hoffman	Danish Bankers Association	Yes
Matthias Hönisch	BVR	Yes
Patrice Hertzog	Crédit Mutuel	Yes
Ben Smith	EPIF (Amex)	Apologies
Karel Wouters	Bancontact	Apologies
Sergio Cano Magdalena	BBVA	Yes
<b>ECSG</b>		
Martin Haussmann	Verifone	Yes
Guido Hogen	Smart Payment Association	Yes
Cédric Sarazin Alternate	Cartes Bancaires	Apologies
Emiliano Anzellotti	Bancomat	Yes
<b>ERPB WG</b>		
Richard Koch <i>alternate:</i> David Stephenson	ECPA	Yes
Jean Allix <i>alternate</i> Farid Aliyev	BEUC	Yes
Christian Schollmeyer	ESBG	Yes
Andy Fulton <i>alternate:</i> Agnes Revel	Visa	Yes
Christophe Zehnacker <i>alternate</i> Mark Kamers	MasterCard	Apologies  Yes
Mike Harding <i>alternate:</i> Bastien Latge	EMVCo	Yes
Judith Looman <i>alternate:</i> Annett Pietrowiak	Eurosystem	Yes
Peter van Leeuwen	KPN	Yes
<b>Secretariat</b>		
Marijke De Soete	EPC	Yes

## ANNEX II

### Action points April 2017

Ref. AP	Action	Owner	Due date/ status
1.10	<p>To request ETSI to provide a status on Recommendation ERPB/2015/rec 13 :</p> <p>The ERPB recommends to:</p> <p>i. Agree on and pursue the development of specification for a “smart secure platform” (enabling the provision of value-added services relying on authentication of the user, regardless of the mobile device, communication channel or underlying technology), taking into account the requirements of mobile payments, and building on the work already done by EMVCo and GlobalPlatform. (December 2017)</p> <p>ii. Develop implementation guidelines (December 2016) (building on work already done by GlobalPlatform) that define:</p> <ul style="list-style-type: none"> <li>- a process that provides service providers with the credentials for access to secure elements;</li> <li>- a process that allows a service provider to be authenticated, to securely obtain the credentials to access a mobile device’s hardware vaults (i.e. the secure element), and to communicate with these vaults.</li> </ul>	M. De Soete	Before next MSG MCP meeting - Open
1.12	<p>To check who provided the status report on Recommendation ERPB/2015/rec16 and clarify what actions have been taken:</p> <p>The ERPB recommends to provide access to the mobile device’s contactless interface in order to ensure that the consumer can have a choice of payment applications from different mobile payment service providers, independently of the mobile device and the operating system used.</p>	J. Looman	Before next MSG MCP meeting – On-going
1.13	To request ECSG to provide a presentation at the next meeting on their 2017 work plan	M. De Soete	Before next MSG MCP meeting - Open
1.19	Invite GlobalPlatform to provide a presentation on their recent work related to contactless payment	M. De Soete	MSG MCP April meeting- Open, re-scheduled for May meeting
2.6	To request C. Sarazin to provide the document on POI etiquette in France for MSG distribution	M. De Soete	ASAP/Open
2.8	To check on the exact definition of CDCVM with EMVCo	M. Harding	Open /Awaiting EMVCo decision on the subject
2.14	To explain concerns with respect to the ENISA document on the security of mobile payments and digital wallets	A. Fulton	In due time
3.1	Put an agenda item to cover the status on the ERPB Recommendations on CTLP	M. De Soete	In due time

	on the agenda of the MSG MCP July meeting		
3.2	To distribute the presentation made by R. Koch during the meeting on UK Digital wallet project	M. De Soete	ASAP
3.3	To distribute the presentation made on GSMA during the meeting	M. De Soete	ASAP
3.4	To provide the EuroCommerce Retailers guidelines on CTLP for distribution to the group	P. Spittler	ASAP
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3.7	To review and provide comments on section 3.	All WG members	By 30 April 2017
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3.12	To provide input on the model with a eUICC for inclusion in section 4.1 in MSG MCP018-17 and provide it to M. De Soete	P van Leeuwen	By 30 April 2017
3.13	To update and complete MSG MCP 018-17 with the inputs received and to add market examples for each model.	M. De Soete	By 3 May 2017
3.14	To provide the link to the press release on the publication of ISO 12812 for distribution to the WG	P. Hertzog	ASAP

## ANNEX III

### MSG MCP Meeting Calendar

Date	Location
31 January 2017	EPC Secretariat
21 February 2017	EPIF Secretariat
3 April 2017	EPC Secretariat
10 May 2017	EPC Secretariat
8 June 2017	EPC Secretariat
6 July 2017	EPC Secretariat
17 August 2017	EPC Secretariat
22 September 2017	EPC Secretariat

All physical meetings will be held from 10h00 till 16h00