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SUMMARY

9th MEETING of the Steering Committee of the Mobile Proxy Forum (Meeting held on 4 May 2017: 11:00 - 16:00)

(Venue: EBF, Avenue des Arts 56, 1000 Brussels)

(Approved by the Steering Committee)

1. Welcome

The Chair, J. Maynard opened the meeting and welcomed the participants (see Annex I for the list of attendees).

Newcomer, S. Calsacy informed that from now onwards she will represent Worldline in the Steering Committee as the principal member and K. Glahn will become the alternate member.

2. Approval of the agenda (SCP2P 014-17)

The agenda was approved unchanged.

3. Approval of the summary and review of the action points of the eight meeting of the Steering Committee (SCP2P 013-17)

The summary of the 8th meeting, held on 30 March 2017, was approved subject to a couple of updates from the Berlin Group in relation to the report of the Technical Working Group (TWG).

W. Machielse also informed that the Berlin Group had in the meantime defined the payment request in its Mobile P2P Interoperability Framework. Moreover, he commented on the following statement made in the TWG report "Clear preference for a centralised approach as easier to secure" and noted that the 'easier to secure' argument could equally be argued in reverse e.g. more vulnerable to Distributed Denial-Of-Service (DDOS) attacks and attractiveness as a hacker's honey pot.

The approved summary will be published on the EPC website.

4. Presentation of the TWG position and recommendations on the selection of an implementation solution

L. Gaston reported that the TWG had evaluated to what extent the business and technical requirements of the Standardised Proxy Lookup (SPL) service are fulfilled by the eDelivery infrastructure (i.e. according to SCP2P 018-16 v1.0 "Rules for operating joining and participating in the SPL Service"). Based on this analysis, the TWG recommendation reads as follows:

- At present, with the level of information available to the TWG and taking into consideration a set of arguments, the TWG recommends not to endorse the eDelivery architecture as the first choice for implementing the SPL.
- In theory one of the Implementation Models could be used for SPL purposes. However, the development and operation of a private DNS and the corresponding Service Metadata Locator (SML) still raise technical and economical challenges.
- The eDelivery team has confirmed that modifications of the present architecture in order to support multiple records to implement the SPL is needed. eDelivery experts believe that these modifications could be implemented in May-June 2017 and deployed during the summer of 2017.
- This assessment is only technical, and the TWG recognises that additional considerations for decision (e.g. implementation, funding) may be relevant for the Steering Committee.

The following comments were noted:

- eDelivery does not foresee the possibility to execute the algorithm for the selection of one single record. The only option is for every Initiating Registry Provider (IRP) to implement the selection logic. This adds complexity which could be avoided by installing a central SPL.
- It was queried as to why the DNS entry could not hold additional information in order to more closely meet the preferred SPL hierarchy, such as the timestamp and preference. This was regarded as stretching the purpose of DNS.
- In eDelivery, the SML manager (i.e. EC) is responsible for the protection of the DNS.
- Via a public DNS one can obtain sensitive information about the market share of each participant. The Chair however commented that this project is about interoperability and that the number of customers should not be sensitive information.
- The TWG has not yet discussed in detail potential security issues. However, it has concerns about the public DNS. Even if proxies are hashed the information can still be hacked.
- eDelivery was not developed for the purpose of the SPL service, it was built to exchange documents in a secured way.
- From the beginning, the Steering Committee was in favour of a centralised approach, with eDelivery a move would be made towards a decentralised approach.
- What would be the quickest solution to implement? L. Gaston commented that it would be faster to get all parties on-board in the scenario of an SPL service. With eDelivery each participant will individually need to install the solution. However, if only a setup would be needed between two participants then eDelivery would be quicker.
- The advantage of the SPL service is that it is extensible (e.g. other proxies, other business cases).
- At least a minimum viable product is needed by the November 2017 deadline (see item 10).
- In general it takes about three years to develop a technical standard. More time is needed if you want to develop a solution that is future proof and extensible.
- Anti-Money Laundering (AML) Directive 4 requires national governments to set-up a centralised registry of IBANs and related account holders names. The Chair wondered how this Directive was being applied in other countries.

The Steering Committee thanked the TWG for its recommendation and concluded that it would be hard to match the eDelivery solution to the SPL rules as previously defined. However, in order to make a decision two other factors would need to be taken into consideration i.e. the availability of funding and the need to find a vendor to bring the solution to the market.

It was suggested for the TWG to compare the eDelivery assessment with the SPL rules in order to define which specific rules would be affected.

5. Report on the activities of the Legal Working Group (SCP2P 011-17; LWG MPF002-13; LWG MPF 003-17)

R. Cowling informed that the Legal Working Group (LWG), had held its first meeting as a conference call on 7 April 2017 during which inter alia high level legal issues had been identified. He added that the SPL rules provided a good basis for the LWG to do its work but that more guidance would be needed in relation to the challenges around governance arrangements and liability. At its next meeting, the LWG will continue to work on the high level issues.

Moreover, it would be very useful if the TWG would be able to create a data flow overview (specifying the data that goes in/out) of the preferred solution. By September 2017 the LWG would also need to have a concrete idea of what the minimum viable product would look like.

The draft notes of the first LWG meeting, the updated LWG membership list and the list of high-level issues had been distributed for information to the members of the Steering Committee.

6. Funding of the chosen implementation solution (SCP2P 015-17)

To facilitate the discussion on funding, the EPC secretariat – based on its experience with setting up a legal entity – had provided the Steering Committee with a preliminary overview of possible funding needs related to the development of the SPL service solution.

The Steering Committee in principle agreed with the funding amounts provided although it took into account that some of the amounts could be considerably higher. The 'not-for-profit' legal form was seen as the best option.

The following comments were noted:

- Can an SPL provider also be the infrastructure provider? If an infrastructure provider already has people working on the management of its schemes then in theory no extra funding would be needed.
- How to bring the SPL solution to the market from a technical perspective?
- In order to know if one would be willing to fund the SPL solution, one would need to know upfront what the anticipated revenue would be.
- The Steering Committee would first need to agree on a vision of the business model.
- Interoperability of solutions could be seen as negative business case.
- The incentive to join the SPL service is that participants will be able to offer a better service to their customers.
- This is a political topic. The ECB and the EC should be contacted to find out if they would have any funding capabilities, especially as they set the original goal to ensure pan-European interoperability in the field of P2P mobile payments.

- The Steering Committee has a wide membership but yet there are no vendors who are willing to go to the market.
- There is a need to develop a market strategy and a joint marketing program.
- A non-regulatory incentive to develop the SPL service is the competition from outside Europe.
- This SPL could make sense as an added value service.
- The ERPB itself has no funding capability.
- Extending the delivery deadline could be helpful but still would not solve the funding issue.

7. Status update on the membership of the Market Implementation Working Group (MIWG) (SCP2P0012-17)

An updated membership list of Market Implementation Working Group (MIWG) had been provided for information to the Steering Committee.

The first meeting of the MIWG is scheduled to take place on 24 May 2017 and will be Chaired by N. Senechal. He also offered to provide an estimate on volumes and on a potential market proposition i.e. to help explain how the SPL service could be provided. This topic shall be further discussed at the first MIWG meeting.

8. Report to the 12 June 2017 meeting of the Euro Retail Payments Board (ERPB)

The Steering Committee agreed to include the following topics in the status update report of the Steering Committee to the 12 June 2017 meeting of the ERPB:

- Update on the MPF project plan deliverables such as the approval and publication of the SPL rules and the establishment of three working groups.
- Identification of key challenges that prevent the Steering Committee to ensure a practical implementation of the SPL service by the November 2017 deadline (i.e. funding and the setup of service governance company and appointment of a service solution)
- Invitation to the ECB/EC to assist with identifying funding capabilities.

A draft status update will be prepared and sent for review to the Steering Committee prior to submission to the ERPB.

The Chair will attend the ERPB meeting in Frankfurt to provide a presentation related to this status update.

9. AOB

Minimum viable product by the November 2017 deadline

At least two participants would be needed in order to be able to provide a minimum viable product by the November 2017 deadline. P. Fredell indicated that he would be willing to participate.

It was commented that if there are only two participants, the hub in the middle would not be needed. So this approach could be considered a limited technical solution for the purpose of a pilot.

10. Next meeting

The next meeting of the Steering Committee will take place on 13 June (11-16 CET) in Brussels.

11. Closure of the meeting

The Chair thanked the members for their valuable contribution and closed the meeting around 16.00 CET.

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ANNEX I: List of attendees of the 9th meeting of the Steering Committee

N°	Organisation	Representative	Attendance
Steering Committee Members			
1.	ACI Worldwide	Scaffidi Domenico	Yes
2.	Banca Sella	Lucon Diego	
3.	Barclays	Foulds Darren	
4.	Bundesverband deutscher Banken	Tenner Tobias	
5.	Caixa Bank	Herrero Francesc Xavier	Apologies
6.	Caixa Geral de Depositos	Leite Monica	
7.	Consorzio CBI	David Simona (alternate: Castelli Alessio)	(Yes)
8.	Cringle	Kocaoglu Elif	Apologies
9.	Danske Bank	Olsen Sylvest Kasper	Yes
10.	Dutch Payments Association	Blom Marnix (alternate: Boudewijn Gijs)	
11.	EBA Clearing	Plompen Petra	Yes
12.	Electronic Money Association (EMA)	Crawford Judith (alternate: Gerhartinger Hartwig)	
13.	Elisa / Ekisa Rahoitus Oy	Heikkinen Mari	
14.	Erste Bank	Kazmi Zaf	
15.	EPIF	Cowling Robert (alternate: Garcia Paloma)	Yes
16.	Fire Financial Services	Davey Paul	
17.	French Banking Federation	Meyer Rodolphe (alternate: José Beltran)	
18.	Gemalto	Gaston Lorenzo	Yes
19.	GetSwish AB / Swish	Wretman Anna-Lena (alternate: Gunnel Silván)	Apologies
20.	ICBPI	Miotto Giovanni	
21.	MasterCard	Perryman Mark (alternate: Martin Esteban)	Yes
22.	Nordea Mobile & Emerging Payments	Mårtenson Rasmus	Yes
23.	Payfriendz	Allen Howard	
24.	Paym	Maynard John	Yes
25.	Pietsch Consult	Pietsch Thomas	Apologies
26.	Polski Standard Platności	Mazurkiewicz Dariusz	
27.	Redsys	Torres Miguel	Yes
28.	Seamless	Fredell Peter	Yes
29.	SIA	Polissi Marco (alternate: Joliveau Jean-Philippe)	Yes
30.	SIBS	Mesquita Teresa	Yes
31.	SRC Security Research & Consulting	Machielse Wijnand (alternate: Scheja Ortwin)	Yes
32.	SWIFT	Kuntz Vincent	

33.	UBS	Schilling David (alternate: Stahel Philipp)	
34.	Viamo	Nadasky Lubomir	
35.	VocaLink	Senechal Nick (alternate: Butler Martin)	Yes
36.	Wone	Tuzi Daren	
37.	Worldline	Calsacy Sylvie(alternate: Glahn Kay)	Yes (Yes)
Observers			
38.	ECB	Tur Hartmann Francisco	
39.	ECB	Plooij Mirjam	Yes
40.	European Commission	Esclapez Pierre-Yves	Apologies
EPC Secretariat			
41.	EPC	Goosse Etienne	Apologies
42.	EPC	Godefroi Christophe	Yes

Annex II: List of action points

Ref.	Action	Owner	Status/Target
9.01	Update the TWG presentation that was presented to the 30 March 2017 meeting of the Steering Committee in line with the comments provided by the Berlin Group.	TWG	In due course
9.02	Compare the eDelivery assessment to the SPL rules in order to define which specific rules would be affected.	TWG	By next meeting
9.03	Create a data flow overview of the preferred solution (for the LWG).	TWG	In due course
9.04	Prepare a draft status update report for the June 2017 meeting of the ERPB.	EPC Secretariat	16 May 2017
9.05	Review the draft status update report for the June 2017 meeting of the ERPB.	Steering Committee Members	18 May 2017
9.06	Submit the finalised status update report for the June 2017 meeting of the ERPB.	EPC Secretariat	19 May 2017
9.07	Send an Outlook invitation for the 13 June 2017 meeting of the Steering Committee.	EPC Secretariat	In due course