

# Approved minutes 12<sup>th</sup> meeting ad hoc multi-stakeholder group on Mobile Contactless SEPA Cards Interoperability Implementation Guidelines (MCP IIGs)

23 February 2018

Circulation: MSG MCP

Restricted: No

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## 1. Welcome and opening of the meeting

The Co-Chairs, D.-I. Flatraaker and P. Spittler opened the meeting at 10h00 and welcomed the participants to the 12<sup>th</sup> meeting of the ad hoc multi-stakeholder group. They welcomed Heiko Kruse as a guest, who would provide a presentation on the Smart Secure Platform on behalf of ETSI.

## 2. Roll call of delegates

The list of participants and apologies may be found in Annex I.

## 3. Approval of the agenda

The proposed meeting agenda (MSG MCP 005-18v0.1) was presented and subsequently approved.

## 4. Approval of the minutes

The draft minutes of the 11<sup>th</sup> meeting of the group (MSG MCP 003-18v0.2) held on 18 January 2018 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
8.3	To provide an update on the EMVCo CDCVM work at one of the next MSG meetings	C. Delporte M. Harding	In due time
1.12	To check who provided the status report on Recommendation ERPB/2015/rec16 and clarify what actions have been taken: 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,	A. Pietrowiak/ M. Härtel	On-going

	independently of the mobile device and the operating system used.		
8.4	To check on agreement between FIDO and the Oversight related to security requirements	M. Hönisch	Before next MSG meeting
9.1	To invite ETSI to provide a presentation on latest developments impacting mobile card payments	M. De Soete	ASAP/ Reply from ETSI pending/Closed
9.9	To request a presentation from Tesco on non-NFC based proximity mobile card payment solutions	R. Koch	Planned for February 2018 meeting/Closed
9.13	To seek if their card scheme has undertaken security evaluations on non-NFC mobile card-based proximity payment technologies	M. Kamers/ A. Fulton	Open for MasterCard
11.1	To request the sharing of the ECSG document on Tokenisation with the MSG MCP	P. Spittler/ M. Esteban	By next MSG MCP meeting, 23 February 2018/Open
11.2	To request Dankort if they have any certification program in place	M. De Soete	By 23 February 2018/Closed
11.3	To send reminders for the consultation on MCP IIGs to GSMA and GlobalPlatform	M. De Soete	ASAP/Closed
11.4	To seek additional information on Bluecode	M.	By 23 February 2018/Closed
11.5	To seek information on the implementation of mobile non-NFC mobile card-based solutions in Sweden	P. Spittler	By next MSG MCP meeting, 23 February 2018/Closed
11.6	Update the White paper for MSG review at the next MSG meeting	M. De Soete	By 19 February 2018/Closed
11.7	Update the MCPP use cases document for MSG review at the next meeting	M. De Soete	By 19 February 2018/Closed
11.8	Distribute the final ECSG report to the ERPB on contactless payments	M. De Soete	ASAP/Closed

Related to AP9.13, M. Esteban promised to check for Mastercard before the next MSG meeting.

Regarding AP11.1., it was reported that the ECSG Board has reached agreement on the scope of the Tokenisation work. The dedicated subgroup is now further developing the document. P. Spittler and M. Esteban would check by the next MSG meeting if a draft or presentation on this work could be shared with the MSG.

M. De Soete informed in relation to AP11.2 that Dankort reported that they have an appropriate evaluation programme in place.

## 5. Presentation on TescoPay

Graham Robinson from TescoPay joined the meeting by phone to provide a presentation on their mobile wallet Tesco Pay+. He informed that they run for 23 years the largest loyalty scheme in the UK. In developing their mobile payment solution they focused on customer retention and convenience. They take 10% liability towards their customers. It is a token based solution that is fully PCI DSS compliant. The customer presents a QR-code from their mobile device to the Tesco till and the transaction is conducted as a CNP (card-on-file) transaction. It is a one-click transaction that includes payment and collection of loyalty points in one action. There is a transaction limit of 250 GBP and a weekly rolling limit of 500 GBP. The transaction history and loyalty points can be viewed in the app. From a fraud and risk perspective, they use customer profiling based on velocity checks, customer behaviour, location and mobile device information. There is constant transaction monitoring and they have the ability to lock a customer wallet in case of suspicious behaviour. The proprietary QR-code is used as an identification token, not a payment token. Customers that are enrolled into the solution should have already an existing card account. Any UK card can be added to the wallet. The integration of loyalty and the convenience have been the main drivers for the take-up. However the solution only works in Tesco stores.

AP12.1	To distribute the presentation on TescoPay	M. De Soete	ASAP
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## 6. Presentation on Smart Secure Platform

Next, Heiko Kruse provided a presentation on the Smart Secure Platform (SSP) on behalf of ETSI, as follow-up on the recommendation ERPB/2015/rec13 of the ERPB report on "Mobile and card-based contactless proximity payments". He provided an insight into the responsibilities of the technical Committee Smart Card Platform (TC SCP) which includes the development and maintenance of specifications for secure elements (SE) in a multi-application capable environment, the integration in such an environment as well as the secure provisioning of such SEs. He explained the limitations of the current technology (removable smart cards in # form factors and the embedded ones), namely the "old" communication technology based on ISO 7816 which includes a mix of interface and protocol, the limited file system and the "un-flexibility" of the hardware (e.g. the contacts). The new trends in mobile communication such as 5G, IoT, new mobile services, security and privacy, ownership, etc, impose new requirements which are addressed by ETSI through the specification of the Smart Secure Platform (SSP). This is an open multi-applications platform with a clear separation of layers (in analogy to the ISO model), new interfaces, a new filesystem and which offers flexibility with respect to the choice of hardware while still supporting existing features such as contactless, toolkit, etc. Hereby also the general concept of classes of SSPs are introduced: integrated SSP (iSSP), embedded (eSSP), removable (rSSP). The requirements for the SSP are split into generic requirements for all classes and class specific requirements. For the development of the specifications, priority has been given to the integrated SSP due to the market demand by the telcos.

The general architecture is that a standardised interface is specified to the primary platform which allows to load any (application) bundle on any device (e.g. telecom bundle, payment bundle, etc...). It is an issuer-centric model which allows the issuer to keep control rather than the MNO. Both the primary platform and the bundles will need to be certified. He also informed that the original aim was that multiple bindles could be active at the same time but that this approach has been abandoned for security reasons. They have now introduced multiple states: active, enabled, disabled and deleted.

The question was raised who is owning this platform, e.g. with respect to key management, liability - in other words how would the market evolve with respect to the underlying business model.

H. Kruse mentioned that GlobalPlatform already published an Open Firmware Loader. It is also clear that the MNOs would like to keep control over the Telecom bundles.

A further question was raised on the availability of the iSEs in the market and H. Kruse informed that Qualcomm is already developing. There seems to be a high demand in the automotive sector.

He further informed that the same concept of iSSP may be adopted for eSSP and rSSP although the use cases and business models are different (e.g. ownership, provisioning, etc.).

He finally provided an insight into the SSP development roadmap. The technical specifications for the generic parts and the iSSP should be available by July 2018.

The Co-Chairs thanked H. Kruse for this interesting presentation and invited him to provide a further status update later on this year.

AP12.2	To distribute the presentation by ETSI on Smart Secure Platform	M. De Soete	ASAP
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## **7. Mobile SEPA Card Contactless Payments Interoperability Implementation Guidelines**

M. De Soete reported on the 3-month public consultation on the Mobile SEPA Card Contactless Payments Interoperability Implementation Guidelines (MSP IIGs – EPC 144-17v0.8) that closed on 26 January 2018. A document representing the consolidated comments in chronological order was prepared and distributed prior to the meeting (MSG MCP 004-18v0.1).

The group agreed to review the general comments during the meeting on screen while an editing subgroup would be established to process the detailed comments. This subgroup would be composed of the Co-Chairs, A. Fulton, P Hertzog, M. Haussmann, P. van Leeuwen, complemented with O. Felique from the EPC.

Related to the general comments, the MSG agreed to integrate the concept of Integrated SE (iSE) into the guidelines. It was also decided to check the EMVCo terminology with respect to cloud-based MCP systems and to make cross references in the IIGs as needed. It was further agreed to align the terminology for CVM/CDCVM with the new outcome of the ECSG discussions on the topic and the new work by EMVCo. Also the suggestion to explicitly mention that the document is brand-agnostic was retained and it was further decided to keep all the described MCP use cases in the document.

## **8. White paper on non-NFC based mobile card proximity payments (MCPPs)**

The group discussed the updated white paper which was distributed prior to the meeting (MSG MCP 002-18v0.3). The revised first chapters were reviewed on screen and some changes were applied to the section 1.4 Objectives and rationale. In section 2.2, including the overview on mobile card-based payments it was agreed to add some text explaining the concept of "local" and "remote" payment in accordance to the SEPA Card Standardisation Volume. The MCPP use cases would be further developed based on the inputs received (e.g. from TescoPay and Twint). M. Esteban remarked that maybe an additional MCPP use case based on BLE technology should be developed and offered to further look into this.

Section 3.1 on cardholder verification would be aligned with the MCP IIGs while clarifications would be sought regarding the application of the PSD2 and the Regulatory Technical Standards on Strong Customer Authentication and Common and Secure Communication under PSD2 for the MCPPs (contactless versus remote payment).

Next the group brainstormed on the opportunities and challenges regarding MCCPs to populate the chapter 5.

A new version of the MCPP use cases document based on the inputs received will be produced for review at the next physical MSG meeting.

The following APs were agreed:

AP12.3	To check on an additional BLE use case	M. Esteban	Before 15 March 2018
AP12.4	To check on issues with BLE proximity technology – progress made and send information to M. De Soete	M. Hausmann	Before 24 March 2018
AP12.5	To submit challenges / opportunities for mobile card payments with BLE/QR code technology	All MSG members	Before 24 March 2018
AP12.6	To update the White paper MCPPs	M. De Soete	Before next physical meeting 9 May 2018

## 9. Liaison and monitoring

### *EMVCo*

No update was provided.

### *ECSG*

No further update was provided.

### *GSMA*

It was reported that the GSMA offered to provide a presentation on their work addressing ERPB/2015/rec15 of the ERPB report on “Mobile and card-based contactless proximity payments” In Q2 2018.

## 10. A.O.B.

The meetings of the editing subgroup on the MCP IIGs following the public consultation were fixed on 7 and 17 March 2018 from 10hrs till 16hrs. The meeting locations would be communicated in due time.

The conference call of the MSG MCP has been rescheduled on 27 March 2018 from 10hrs to 15hrs.

The next physical meeting has been re-confirmed to take place on 9 May 2018 from 10hrs till 16hrs at the EPC premises in Brussels.

AP12.7	To update the MSG meeting calendar	M. De Soete	ASAP
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## 11. 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 – 12<sup>th</sup> MSG MCP meeting**  
**23 February 2018**

<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	Apologies
Matthias Hönisch	BVR	Yes
Patrice Hertzog	Crédit Mutuel	Yes
Ben Smith <i>alternate</i> Charlie Craven	EPIF (Amex)	Apologies
Karel Wouters	Bancontact	Apologies
Sergio Cano Magdalena <i>alternate</i> Alain Gomez	BBVA	Apologies
<b>ECSG</b>		
Martin Haussmann	Verifone	Yes
Guido Hogen	Smart Payment Association	Yes
Cédric Sarazin <i>alternate</i> Emiliano Anzellotti	Cartes Bancaires	Apologies
<b>ERPB WG</b>		
Richard Koch <i>alternate:</i> David Stephenson	ECPA	Apologies
Jean Allix <i>alternate</i> Farid Aliyev	BEUC	Yes
Christian Schollmeyer	ESBG	Apologies
Andy Fulton <i>alternate:</i> Agnes Revel	Visa	Yes
Martin Esteban <i>alternate</i> Mark Kamers	MasterCard	Yes
Christian Delporte <i>alternate:</i> Bastien Latge Mike Harding	EMVCo	Apologies
Annett Pietrowiak <i>alternate:</i> Marcus Härtel	Eurosystem	Yes
Peter van Leeuwen	KPN	Yes

<b>Guest</b>		
Heiko Kruse	ETSI	Yes
<b>Secretariat</b>		
Marijke De Soete	EPC	Yes



## ANNEX II

### Action points

Ref. AP	Action	Owner	Due date/ status
8.3	To provide an update on the EMVCo CDCVM work at one of the next MSG meetings	C. Delporte / M. Harding	In due time
1.12	To check who provided the status report on Recommendation ERPB/2015/rec16 and clarify what actions have been taken: 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.	A. Pietrowiak/M. Härtel	On-going
8.4	To check on agreement between FIDO and the Oversight related to security requirements	M. Hönisch	Before next MSG meeting
9.13	To seek if their card scheme has undertaken security evaluations on non-NFC mobile card-based proximity payment technologies	M. Kamers/ A. Fulton	Open for MasterCard
11.1	To request the sharing of the ECSG document on Tokenisation with the MSG MCP	P. Spittler/ M. Esteban	By next MSG MCP meeting, 23 February 2018/Open
12.1	To distribute the presentation on TescoPay	M. De Soete	ASAP
12.2	To distribute the presentation by ETSI on Smart Secure Platform	M. De Soete	ASAP
12.3	To check on an additional BLE use case	M. Esteban	Before 15 March 2018
12.4	To check on issues with BLE proximity technology – progress made and send information to M. De Soete	M. Haussmann	Before 24 March 2018
12.5	To submit challenges/opportunities for mobile card payments with BLE/QR code technology	All MSG members	Before 24 March 2018
12.6	To update the White paper MCPPs	M. De Soete	Before next physical meeting 9 May 2018
12.7	To update the MSG meeting calendar	M. De Soete	ASAP

**ANNEX III**  
**MSG MCP 2018**  
**Meeting Calendar**

18 January 2018	EPC Secretariat
23 February 2018	EPC Secretariat
7 March 2018 – Editing MSG subgroup on MCP IIGs	EPC Secretariat
27 March - Editing MSG subgroup on MCP IIGs	EBF
27 March 2018	Conference call 15hrs-16hrs30
9 May 2018	EPC Secretariat
21 June 2018	EPC Secretariat

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