

Approved Minutes 3rd meeting MSG MSCT Plenary 12 November 2018

Circulation: MSG MSCT
Restricted: No

1. Welcome and opening of the meeting

The Co-Chairs opened the meeting and welcomed the participants to the 3rd meeting of the ad-hoc multi-stakeholder group on mobile initiated SEPA credit transfers, including SCT Instant (MSG MSCT). D.-I. Flatraaker thanked P. Spittler and EuroCommerce for offering the meeting facilities.

2. Roll call of delegates

A new member was introduced, Sharon Brennan from BRFI, representing the EPC, in replacement of D. Callanan.

The list of participants to the meeting may be found in Annex I.

3. Approval of the agenda

The proposed meeting agenda (MSG MSCT019-18v0.2) was reviewed on screen and the addition of two items under A.O.B. was agreed: the review of the March 2019 meeting date and the invitation of a representative of the Westhafen Expertendialog to the next Plenary meeting.

4. Approval minutes 2nd MSG MSCT meeting

The draft minutes of the 2nd meeting (MSG MSCT 030-18v0.2) held on 7 September 2018 were reviewed on screen. The minutes were subsequently approved and will be distributed as version 1.0. The approved minutes will also be published under the dedicated section on the EPC website.

Next the action points were reviewed – their status is reflected in the list below:

Ref. AP	Action	Owner	Due date/ status
1.15	To provide an insight into the timelines for the W3C deliverables	D. Dardailler	At next MSG MSCT meeting/Open
2.1	To distribute the presentation made by GS1	M. De Soete	ASAP/Closed
2.2	To prepare draft comments on the W3C documents on SCTs and distribute for review to the MSG before sending to W3C	M. De Soete	ASAP/Closed

2.3	To develop a use case based on 'Request to pay' for review at next WS MSCT use cases	M. De Soete	In due time/Closed
2.4	To review and include reference to W3C document on the Web authentication standard in the MSCT IIGs	M. De Soete with WS Risk & Security	At next WS Risk & Security meeting/Open
2.5	To add a re-discussion one-leg transactions once clarified by the SEPA SCT schemes to the agenda	M. De Soete	In due time/Open
2.6	To put a review on blocking factors w.r.t. retail services before finalisation of the MSCT IIGs on the agenda	M. De Soete	In due time/Open
2.7	To check on applicability of exemptions of RTS for MSCT in view of proximity technologies / remote payment use cases	R. Romme, M. Plooij	Before next MSG MSCT meeting/Closed
2.8	Reconsider the definition of POI and prepare a proposal for review at next MSG MSCT meeting	M. De Soete	In due time/Closed
2.9	To check on the specifications for the QR code in Singapore and India	M. De Soete	In due time/Open
2.10	To update the MSG MSCT meeting calendar	M. De Soete	ASAP/Closed
2.11	To distribute Outlook invitations for the 2019 meetings	M. De Soete	ASAP/Closed

5. Work-stream (WS) MSCT use cases

Next, a report was given on the WS meetings held on 28 September 2018 and 5 November 2018 for which the agenda's (MSG MSCT 032-18 and MSG MSCT 038-18) and reports (MSG MSCT 034-18 and MSG MSCT 042-18) were shared with the Plenary prior to the meeting. The WS basically finalised the P2P use cases and the C2B retail use cases involving a PISP proposed by EuroCommerce whereby consumer account information is passed on to the merchant's PISP to generate a payment request that is sent back to consumer's mobile device to initiate an MSCT.

During the WS meetings a number of presentations were provided by Jiffy on MSCT in Italy and on the three PISP models for app-based MSCT. Also a presentation on the SEPA Proxy Look-up Service, both on the scheme and technical aspects, was provided to the last WS meeting. All presentations were shared with the MSG Plenary prior to the meeting.

A question was raised by H. Hodam if an MSCT use case on toll-roads is needed. It was clarified that currently these are debit or invoice-based payments and that the SCT and SCT Instant rulebooks define SCTs as being initiated by the payer.

D. Burneika made a comment that very likely we will end-up with a number of so-called "closed" MSCT solutions (whereby both consumer and merchant payee are registered to the MSCT solution) and the challenge will be how to interconnect those.

Next, on the request of EuroCommerce, M. Polissi was invited to present again the Jiffy MSCT use cases in Italy (MSG MSCT035-18) in order to address some clarifications needed. He explained that Jiffy is based on SCT Instant payment infrastructure (and not on card infrastructure as is the case for some instant payments in other countries). Customers have payment finality in real time. Today they have 5 million enrolled customers which are enabled to send money to 80% of market. If a beneficiary is not enrolled into Jiffy, their bank is informed and the money blocked.

The information registered in the Jiffy directory is certified by the respective banks and enrolment of customers to Jiffy happens via the on-line banking system while they receive an alert on their mobile phone. In Italy registration is based on the social security number, which may be linked to multiple bank accounts.

M. Polissi further informed that with Jiffy, strong customer authentication, involving a one-click fingerprint, is always performed and this is not perceived to be an obstacle from a customer perspective.

The Jiffy app is presented as a white labelled app or could be integrated in the on-line mobile banking app. For in-store payments, they use a merchant-presented QR-code containing a token or NFC that transmits similar information as contained in the QR-code from the POI to the mobile device. The token is created by the POI, based on information received from the Jiffy server. It requires a new application in the POI, next to the card application.

As an alternative for in-store payments, also a consumer loyalty card could be scanned to enable consumer identification by the POI, in which case a push message is sent via the Jiffy back-end to the banking app on the mobile device to request a payment.

A comment was made that the tokenisation within the QR-code would not be needed if QR-codes could be secured.

EuroCommerce further requested to also add again a presentation on the PISP models for app-based MSCT to the agenda of the next WS meeting because also here they have some remaining questions.

AP3.1	To put the review of the presentation on PISP models for app-based MSCT on the agenda again of the next WS MSCT use cases meeting	M. De Soete	In due time
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Next, H. Hodam shortly presented the slides on the SPL service (MSG MSCT041-18). He clarified that on slide 8, a number of arrows referred to the SCT transaction and not to steps delivered by the SPL service. He offered to provide an updated slide. It was further clarified and initially the service only supports mobile P2P payments and that it is accessible only to parties who fulfil the relevant eligibility requirements which are listed in the SPL SPG (Scheme Participant Group) Terms of Reference (EPC121-18), see:

https://www.europeanpaymentscouncil.eu/sites/default/files/kb/file/2018-07/EPC121-18%20v2.0%20APPROVED%20Terms%20of%20Reference%20SPL%20Scheme%20Participant%20Group_1.pdf).

“Eligible for scheme participation is any legal entity which has been legally constituted and has the legal personality in accordance with the laws and practices of its country of origin and:

has received an authorisation - which has not been suspended or withdrawn - from a competent authority of the European Economic Area and is regulated as a ‘payment service provider’ (PSP) as defined in Directive (EU) 2015/2366 of the European Parliament and of the Council of 25 November 2015 on payment services in the internal market, amending Directives 2002/65/EC, 2009/110/EC and 2013/36/EU and Regulation (EU) No 1093/2010, and repealing Directive 2007/64/EC, hereafter “PSD2”, or has received an equivalent authorisation - which has not been suspended or withdrawn - from an equivalent competent authority established in another country or territory included with the geographical scope of the SEPA Schemes; or

is a legal entity representing and, directly or indirectly, having as members PSPs, and being established in a country or territory included with the geographical scope of the SEPA Schemes; or

is a legal entity providing technical or operational services to PSPs in the context of SEPA credit transfer and/or SEPA direct debit transactions including access to the SPL service, being established in a country or territory included with the geographical scope of the SEPA Schemes, and being designated by one or more of those PSPs to represent it (them) at the level of the scheme.”

The Plenary was further informed that possible extensions of the SPL service could be investigated in the future.

A question was raised how this SPL service related to the mobile directory service that is being set-up under TIPS. M. Plooij stated that not all countries have a local database and for those, the mobile directory would be useful. She further informed that soon information about this new service would be published and offered to inform the MSG accordingly.

AP3.2	To provide updated slides on the SPL service for MSG distribution	H. Hodam	As soon as available
AP3.3	To provide a link to the information published related to the TIPS mobile directory service	M. Plooij	In due time

6. Work-stream (WS) Risk & Security

The agenda (MSG MSCT 036-18) and report (MSG MSCT 037-18) of the 2nd t WS meeting held on 17 October 2018 were shared with the Plenary prior to the meeting.

The meeting focused on the 2nd draft document on security aspects for MSCT (MSG MSCT 022-18v0.2), which was reviewed on-screen. Further clarifications would be needed on the applicability of the exemptions for SCA under the RTS (see item 8).

7. MSCT use cases

The updates made to the presentation on the MSCT building blocks were briefly reviewed on screen and some small further changes were made. A final agreement was reached on the document and the following APs were tabled:

AP3.4	To update the presentation on MSCT functional building blocks and add notes as needed.	M. De Soete	ASAP
AP3.5	To distribute the presentation on MSCT functional building blocks to the MSG Interest Group for review by 3 December 2018	M. De Soete	ASAP
AP3.6	To integrate the presentation on MSCT functional building blocks + accompanying text into the document MSCT use cases	M. De Soete	Before 4 December 2018

Next, P. Spittler presented the first slides of his updated presentation on a transaction framework for PIS retail payments (MSG MSCT 033-18v2.1). Questions were raised concerning the check on availability of funds by the PISP to the ASPSP prior to the customer authentication. EPC informed having consulted its legal counsel on this issue who opined that such practice would not be allowed under the PSD2 and the RTS on SCA and CSC. P. Spittler was questioning this and it was agreed that further clarification should be provided in the deliverable prepared by the API evaluation group. P. Spittler further offered to invite a PISP to the next WS MSCT use cases meeting to provide further clarifications on PISP use cases.

M. De Soete presented shortly the updates made to the MSCT use case document. Concerning the C2B use cases, it was agreed to focus on the MSCT use cases with merchant presented QR-codes for in-store payments and on m-commerce both with in-app and decoupled apps. The following APs were agreed:

AP3.7	To provide clarification on question raised regarding MSCT use case P2P-3 – step 3	H. Hodam	ASAP
AP3.8	To request a presentation of a PISP on retail MSCT at next WS MSCT use cases meeting	P. Spittler	In due time
AP3.9	To provide the link to the recommended functionalities for APIs developed by the API EG	M. De Soete	ASAP
AP3.10	To develop MSCT use cases for m-commerce with decoupled apps and in-app	M. De Soete	By 4 December 2018
AP3.11	To provide updated EuroCommerce slides for PISP-based retail MSCT reflecting EBA clarifications on API functionalities	P. Spittler	In due time

8. MSCT risk & Security aspects

M. De Soete introduced the slides she had prepared on the applicability of the RTS exemptions for SCA for MSCT (see MSG MSCT 040-18). MSCT performed using a proximity technology in-store could be considered on one hand as contactless payments but are at the same time also remote payment. The group agreed to have the question entered into the EBA Q&A tool to seek further clarification.

G. Hogen requested to add the topic of security related to decoupled or in-app solutions to the agenda of the next WS meeting.

AP3.12	To put the topic of decoupled versus in-app MSCT on the agenda of the next WS Risk & security meeting	M. De Soete	In due time
AP3.13	To enter the question reflected in MSG MSCT040-18 into the EBA Q&A tool	M. De Soete	ASAP

9. MSCT IIGs

Due to time constraints, the document could not be reviewed at the meeting. M. De Soete provided a short briefing on the updates made to the document and invited all members to review the document and provide comments as needed. This would allow her to further update the document as input to the next Plenary meeting on 13 December 2018.

AP3.14	To review and provide comments on first draft MSCT IIGs	All MSG members	By 30 November 2018
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10. MSCG MSCT Interest Group

It was agreed to activate the MSCG MSCT Interest Group and to provide them, next to a link to the dedicated section on the EPC website, with the agenda's and report of the works-stream meetings.

AP3.15	To distribute the WS agenda's and short reports to the MSCT Interest Group	M. De Soete	ASAP
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11. Liaison and monitoring

M. De Soete informed that MSG MSCT document with the comments to the diagrams developed by W3C for SCT and PISP initiated SCTs for web-based payments has been submitted to them for consideration. She is further in contact with I. Jacobs for the updates to be made.

She further informed that the WS Risk & security have invited W3C to provide a presentation on their new Web Authentication standard at their next meeting on 5 December 2018.

12. Next steps

Due to time constraints the MSCT IIG Table of content was not further discussed. It was agreed that the first focus should now be on the finalisation of the MSCT use cases, next to getting a better insight into the main challenges and obstacles for interoperability.

13. A.O.B.

It was agreed to move the March 2019 meeting date from 28 March to 26 March.

AP3.16	To update the 2019 meeting calendar	M. De Soete	ASAP/see Annex
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Next, Henrik Hodam shortly introduced the Westhafen Expertendialog, a forum where practitioners from different PSPs, corporates and technical service providers in Germany contribute to the clarification of questions, which arise in the course of the implementation phase and the development of real-time transactions. For a support of the SEPA-vision and in order to establish a harmonised execution of EURO- real-time transactions for PSPs and corporates – independent of domestic or cross-border transactions – this forum offers the transaction experts the possibility, to discuss all functional questions and to identify together best practice approaches to achieve a solution. The Plenary agreed with the proposal made by H. Hodam to invite a representative of this forum for a presentation at the next Plenary meeting on 13 December 2018.

14. Closure of the meeting

The Co-Chairs closed the meeting around 16h00 and thanked all participants for the valuable meeting and the interactive discussions.

ANNEX I
List of participants – 3rd MSG MSCT meeting
12 November 2018

Name	Affiliation	Attendance
Co-Chairs		
Dag Inge Flatraaker	EPC (DNB Bank)	Yes
Pascal Spittler	Ikea, representing EuroCommerce	Yes
EPC - MTF CTLP / MPWG		
Patrice Hertzog	Crédit Mutuel	Yes
Olivier Felique	KBC	Apologies
Sharon Brennan	BPFI	Yes
Meelis Nurk	Estonian Banking Association	Yes
Ellen Halden	DNB Bank	Yes
Philippe Evenot	La Banque Postale	Apologies
Andrea Cogerino	ABI (Intesa)	Yes
Vendors / Manufacturers		
Guido Hogen	Smart Payment Association	Yes
Timur Suyargulov <i>alternate:</i> Dmitry Yatskaer	OpenWay	Yes
Gilles Réant	HPS Worldwide	
Service Providers		
Otto Vos	Payconiq	Apologies
Henrik Hodam <i>alternate:</i> Thomas Feiler	EquensWorldline	Yes
Dainus Burneika <i>alternate:</i> Justas Grauzinis	UAB „Mobilieji mokėjimai“ (MOQ)	Yes
Hans Rainer van de Berg	Van den Berg AG	Apologies
Marco Polissi	SIA S.p.A.	Yes
Paolo Martino	TAS Group	Apologies
Grzegorz Leńkowski	National Clearing House KIR	
tbd	PISP	
Retailers		
Michel van Mello	Colruyt, representing EuroCommerce	Yes
Marina Fajardo Alamo	Carrefour	Yes
Gilles Bourron	Total	Apologies

EACT		
Massimo Battistella	EACT	Apologies
BEUC		
Jean Allix	BEUC	Yes
Standard / Industry Organisations		
Daniel Dardailler <i>alternate:</i> Ian Jacobs	W3C	???
Peter van Leeuwen	GSMA	Apologies
Pierre-Yves Marche	GSMA	
Observers		
Mirjam Plooij <i>alternate</i> Paul Capocci	ECB	Yes
Axelle Waterkeyn <i>alternate:</i> Karine Schummer	NBB NBB	
Roxane Romme	European Commission	Apologies
Secretariat		
Marijke De Soete	EPC	Yes

ANNEX II

Action Points

Ref. AP	Action	Owner	Status/Due date
1.15	To provide an insight into the timelines for the W3C deliverables	D. Dardailler	At next MSG MSCT meeting/Open
2.4	To review and include reference to W3C document on the Web authentication standard in the MSCT IIGs	M. De Soete with WS Risk & Security	At next WS Risk & Security meeting/Open
2.5	To add a re-discussion one-leg transactions once clarified by the SEPA SCT schemes to the agenda	M. De Soete	In due time/Open
2.6	To put a review on blocking factors w.r.t. retail services before finalisation of the MSCT IIGs on the agenda	M. De Soete	In due time/Open
2.9	To check on the specifications for the QR code in Singapore and India	M. De Soete	In due time/Open
3.1	To put the review of the presentation on PISP models for app-based MSCT on the agenda again of the next WS MSCT use cases meeting	M. De Soete	In due time
3.2	To provide updated slides on the SPL service for MSG distribution	H. Hodam	As soon as available
3.3	To provide a link to the information published related to the TIPS mobile directory service	M. Plooj	In due time
3.4	To update the presentation on MSCT functional building blocks and add notes as needed.	M. De Soete	ASAP
3.5	To distribute the presentation on MSCT functional building blocks to the MSG Interest Group for review by 3 December 2018	M. De Soete	ASAP

3.6	To integrate the presentation on MSCT functional building blocks + accompanying text into the document MSCT use cases	M. De Soete	Before 4 December 2018
3.7	To provide clarification on question raised regarding MSCT use case P2P-3 – step 3	H. Hodam	ASAP
3.8	To request a presentation of a PISP on retail MSCT at next WS MSCT use cases meeting	P. Spittler	In due time
3.9	To provide the link to the recommended functionalities for APIs developed by the API EG	M. De Soete	ASAP
3.10	To develop MSCT use cases for m-commerce with decoupled apps and in-app	M. De Soete	By 4 December 2018
3.11	To provide updated EuroCommerce slides for PISP-based retail MSCT reflecting EBA clarifications on API functionalities	P. Spittler	In due time
3.12	To put the topic of decoupled versus in-app MSCT on the agenda of the next WS Risk & security meeting	M. De Soete	In due time
3.13	To enter the question reflected in MSG MSCT040-18 into the EBA Q&A tool	M. De Soete	ASAP
3.14	To review and provide comments on first draft MSCT IIGs	All MSG members	By 30 November 2018
3.15	To distribute the WS agenda's and short reports to the MSCT Interest Group	M. De Soete	ASAP
3.16	To update the 2019 meeting calendar	M. De Soete	ASAP/see Annex

ANNEX III

MSG MSCT 2018-2019 Meeting Calendar

2018		
MSG MSCT meetings	MSG MSCT Work Stream meetings	Venue
25 May 2018		EBF
	22 June 2018 Work-Stream MSCT Use cases	EPC
	28 Augustus 2018 Work-Stream MSCT Use cases	EPC
	29 Augustus 2018 Work-Stream Risk & Security	EPC
7 September 2018		EuroCommerce
	28 September 2018 Work-Stream MSCT Use cases	EPC
	17 October 2018 Work-Stream Risk & Security	EuroCommerce
	5 November 2018 Work-Stream MSCT Use cases	EPC
12 November 2018		EuroCommerce
	4 December 2018 Work-Stream MSCT Use cases	EPC
	5 December 2018 Work-Stream Risk & Security	EPC
13 December 2018		EuroCommerce
2019		
	18 January 2019 Work-Stream MSCT Use cases	
24 January 2019		tbd
	14 February 2019 MSCT Use cases	
26 February 2019		tbd
26 March 2018		tbd

All physical meetings will be held from 10hrs till 16hrs, except otherwise indicated.
All meeting will be held at the EPC premises unless otherwise indicated.