Approved minutes 16th meeting ad hoc multi-stakeholder group on Mobile Contactless SEPA Cards Interoperability Implementation Guidelines (MCP IIGs)

12 October 2018

Circulation: MSG MCP
Restricted: No

1. Welcome and opening of the meeting

The Co-Chairs, D.-I. Flatraaker and P. Spittler opened the meeting at 10h15 and welcomed the participants to the 16th meeting of the ad hoc multi-stakeholder group. The participants were reminded that this meeting was set-up to review some of the comments received on the updated White paper MCPPs in view of the fact that no agreement could be reached on these comments during the dedicated skype meeting which was held on 21 September 2018. The aim of the meeting was to finalise the document for a 3-month public consultation.

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 022-18v0.1) was presented and subsequently approved.

4. Approval of the minutes

The minutes of the 15th meeting of the group (MSG MCP 018-18v0.1) held on 27 August 2018 were approved during the skype meeting on 21 September and 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
1.12	To check who provided the status report on Recommendation ERPB/2015/rec16 and clarify what actions have been taken: The ERPB recommends to provide accesss 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
11.1	To request the sharing of the ECSG document on Tokenisation with the MSG MCP	P. Spittler/ M. Esteban	ASAP/Open

14.12	To provide a de-briefing after the Technical Associates meeting in November 2018	C. Delporte	In due time/ Open
15.1	To check if the ECSG will address a question to EBA on CoF payments initiated by the merchant and the applicability of PSD2/RTS	P. Spittler	Before 21 September 2018/Open
15.2	To check on the applicability of Art13 of the RTS on card payments with the EPC legal counsel	M. De Soete	By 21 September/Closed 2018
15.3	To check on the applicability of Art13 of the RTS on card payments	A. Pietrowiak	By 21 September 2018/Closed
15.4	To add a reference to the EBA opinion document in a footnote in Annex 1	M. De Soete	ASAP/Closed
15.5	To check the accuracy of the last paragraph of section 6	P. van Leeuwen	By 21 September 2018/Closed
15.6	To prepare an updated version of the White paper and distribute for MSG MCP review	M. De Soete	By 7 September 2018/Closed
15.7	To review the final draft of the White paper and circulate comments in the MSG	All MSG MCP members	By 20 September 2018/Closed
15.8	To prepare a draft questionnaire for the public consultation.	M. De Soete	By 21 September 2018/Closed
15.9	To update the EPC meeting calendar	M. De Soete	ASAP/Closed

Related to AP1.12, J. Allix informed about a recent statement made by Margrethe Vestager, the European Commissioner for Competition.

AP16.1	To share the statement by M. Vestager (EC) as follow up on ERPB/2015/rec16	J. Allix/ M. De Soete	ASAP

Note in editing: The statement may be found under the following link:

http://www.europarl.europa.eu/sides/getAllAnswers.do?reference=P-2018-004223&language=EN

Regarding AP11.1, P. Spittler reported on the ECSG work on Tokenisation that the document was expected soon and would be published as a separate document for public consultation.

No information was available related to AP15.1 and M. De Soete offered to re-contact the ECSG secretariat in this respect. P. Spittler requested to forward him again the dedicated e-mail that was sent to the ECSG.

A. Pietrowiak provided the following feedback related to AP15.3:

- With respect to article 13 of the RTS, only the payer's PSP is allowed to opt for an SCA exemption regardless of the payment instrument used. Hence, it would also apply to card payments.
- In general, SCA exemptions are only relevant for certain payments / payment instruments if this is particularly specified in the respective article (such as contactless payments at the PoS). However, not everyone can opt for an

exemption. More details are found at pages 8 and 9 of the EBA opinion.
https://www.eba.europa.eu/documents/10180/2137845/Opinion+on+the+impl
ementation+of+the+RTS+on+SCA+and+CSC+%28EBA-2018-Op-04%29.pdf

- With respect to contactless payments, this is to be understood technology neutral. Hence, it is not limited to NFC payments.

As follow-up on AP 15.2, M. De Soete reported that she received the same feedback from the EPC legal counsel related to article 13 of the RTS.

5. White paper on non-NFC based mobile card proximity payments (MCPPs)

In view of the different opinions expressed during the dedicated MSG MCP skype meeting organised on 21 September 2018 on merchant-presented QR-codes, it was proposed to first discuss this topic again in detail. Some members were of the opinion that these type of payments are to be considered as push payments and hence cannot be considered to be based on the SEPA Cards Standardisation Volume. Also the dedicated EMVCO document on this type of payment does not provide any further clarity on this subject since the document appears to be agnostic with respect to the underlying payment instrument. After some discussions it was agreed that it is implementation-dependent whether the underlying payment is to be considered a push payment or a card payment (initiated by the merchant/acquirer). The dedicated MCPP use cases 1 to 3 were therefore reviewed and changes needed were agreed so that they could be processed as card payments in view of the scope of the document and in line with the mandate given to the MSG. However, these use cases require a model whereby both the consumer and merchant/acquirer are registered with the same MCPP service provider. To create real "open" merchant-presented QR-code solutions, further standardisation would be needed for the processing of these payments (message and data formats).

It was further agreed, since after updating MCPP use case 3 it would become very similar to MCPP use case 1, to delete MCPP use case 3 and to reflect this possible variant by adding a note under MCPP use case 1.

Next, M. De Soete shortly presented the updates made to the white paper and the group reviewed the remaining "open" comments.
- The addition of a definition for MCPP application, QR-code and Remote POI;
- Improved wording in section 1.4;
- Changes to section 2.3 on QR-codes and BLE technology.

The group further reviewed again the section Challenges and Opportunities and agreed to add in the section Conclusions a new paragraph as follows:

"Moreover, to achieve full interoperability in an open model with merchant-presented QR-codes, the relevant market participants are encouraged to work together to develop a common standard for the implementation of these payments."

It was further agreed that before final publication of the document after the public consultation, the to-be published documents by EMVCo on CDCVM should be reviewed and referred to as appropriate in the white paper.

M. De Soete offered to prepare a final updated version of the document by 15 October 2018 for a final review by the group by 18 October 2018. Afterwards the document would be presented for approval to the EPC Board. It is expected that the 3-month public consultation could be launched by mid-November 2018.

It was further agreed that the draft questionnaire (MSG MCP 021-18) to accompany the public consultation would be updated to reflect the title changes of some chapters in the white paper.

AP16.2	To delete MCPP use case 3 and add a note to MCPP use case 1	M. De Soete	ASAP
AP16.3	To prepare an updated version of the White paper and distribute for MSG MCP final review	M. De Soete	By 15 October 2018
AP16.4	To review the final draft of the White paper and circulate comments in the MSG	All MSG MCP members	By 18 October 2018

6. Liaison and monitoring

EMVCo

C. Delporte requested to postpone the update to the next meeting.

ECSG

No further update available.

7. A.O.B.

It was agreed in view of the fact that the comments through the public consultation would only become available by mid-February 2019, to cancel the meeting which was planned on 7 February 2019. Two new meeting dates for 2019 were agreed: 6 March and 26 April 2019.

AP16.5	To update the EPC meeting calendar	M. De Soete	ASAP

8. 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 – 16th MSG MCP meeting

Name	Affiliation	Status
Co-Chairs		
Dag Inge Flatraaker	EPC (DNB Bank)	Yes
Pascal Spittler	EuroCommerce (Ikea)	Yes
EPC		
Michael Hoffman	Finance Denmark	Apologies
Matthias Hönisch	BVR	Yes
Patrice Hertzog	Crédit Mutuel	Apologies
Tbd *alternate* Charlie Craven	EPIF (Amex)	Apologies
Karel Wouters	Febelfin (Bancontact)	Apologies
Sergio Cano Magdalena *alternate* Alain Gomez	BBVA	Apologies
ECSG		
Martin Haussmann	Verifone	Apologies
Guido Hogen	Smart Payment Association	Yes
Cédric Sarazin *alternate* Emiliano Anzellotti	Cartes Bancaires Bancomat	Apologies
ERPB WG		
Dolorès Mimran *alternate:* David Stephenson	ECPA	
Jean Allix *alternate* Farid Aliyev	BEUC	Yes
Christian Schollmeyer	ESBG	Apologies
Andy Fulton *alternate:* Agnes Revel	Visa	Yes
Martin Esteban *alternate* Mark Kamers	MasterCard	Apologies Apologies
Christian Delporte *alternate:* Bastien Latge Mike Harding	EMVCo	Yes (partially)
Annett Pietrowiak *alternate:* Marcus Härtel	Eurosystem	Apologies
Peter van Leeuwen	KPN	Apologies
Secretariat		
Marijke De Soete	EPC	Yes

ANNEX II

Action points

Ref. AP	Action	Owner	Due date/ status
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 accesss 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
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16.1	To share the statement by M. Vestager (EC) as follow up on ERPB/2015/rec16	J. Allix/ M. De Soete	ASAP
16.2	To delete MCPP use case 3 and add a note to MCPP use case 1	M. De Soete	ASAP
16.3	To prepare an updated version of the White paper and distribute for MSG MCP final review	M. De Soete	By 15 October 2018
16.4	To review the final draft of the White paper and circulate comments in the MSG	All MSG MCP members	By 18 October 2018
16.5	To update the EPC meeting calendar	M. De Soete	ASAP/See Annex

ANNEX III
MSG MCP 2018-2019
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	KBC
27 March 2018	Conference call 15hrs-16hrs30
9 May 2018	EPC Secretariat
21 June 2018	EPC Secretariat
27 August 2018	EPC Secretariat
21 September 2018	Skype meeting from 9hrs till 11hrs
6 March 2019	EPC Secretariat
26 April 2019	EPC Secretariat

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