

Approved Minutes 4th meeting MSG MSCT Plenary 13 December 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 4th 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

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

3. Approval of the agenda

The proposed meeting agenda (MSG MSCT055-18v0.1) was reviewed on screen and subsequently approved.

4. Approval minutes 3rd MSG MSCT meeting

The draft minutes of the 3rd Plenary meeting (MSG MSCT 044-18v0.2) held on 12 November 2018 were reviewed on screen. The minutes were 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 | Status/Due date |
|---------|---|------------------------------------|--|
| 1.15 | To provide an insight into the timelines for the W3C deliverables | D. Dardailler | At next MSG MSCT meeting/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/Closed, see agenda item 7 |
| 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 |

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| 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 MSCTs on the agenda again of the next WS MSCT use cases meeting | M. De Soete | In due time/Closed |
| 3.2 | To provide updated slides on the SPL service for MSG distribution | H. Hodam | As soon as available/Closed |
| 3.3 | To provide a link to the information published related to the TIPS mobile directory service | M. Plooij | In due time/Closed |
| 3.4 | To update the presentation on MSCT functional building blocks and add notes as needed. | M. De Soete | ASAP/Closed |
| 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/Closed |
| 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/Closed |
| 3.7 | To provide clarification on question raised regarding MSCT use case P2P-3 – step 3 | H. Hodam | ASAP/Closed |
| 3.8 | To request a presentation of a PISP on retail MSCTs at next WS MSCT use cases meeting | P. Spittler | In due time/Closed, see agenda item 6 |
| 3.9 | To provide the link to the recommended functionalities for APIs developed by the API EG | M. De Soete | ASAP/Closed |
| 3.10 | To develop MSCT use cases for m-commerce with decoupled apps and in-app | M. De Soete | By 4 December 2018/Closed |

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| 3.11 | To provide updated EuroCommerce slides for PISP-based retail MSCTs reflecting EBA clarifications on API functionalities | P. Spittler | In due time/Closed |
| 3.12 | To put the topic of decoupled versus in-app MSCTs on the agenda of the next WS Risk & security meeting | M. De Soete | In due time/Postponed till next WS meeting |
| 3.13 | To enter the question reflected in MSG MSCT040-18 into the EBA Q&A tool | M. De Soete | ASAP/On hold – see agenda item 9 |
| 3.14 | To review and provide comments on first draft MSCT IIGs | All MSG members | By 30 November 2018/Closed |
| 3.15 | To distribute the WS agenda's and short reports to the MSCT Interest Group | M. De Soete | ASAP/Closed |
| 3.16 | To update the 2019 meeting calendar | M. De Soete | ASAP/Closed |

Questions were raised by several members of the group concerning a new working group on instant payments at the POI that would be established by the ERPB. It was explained that a two-step approach would be applied: (i) conduct a stocktaking of existing and planned end-user solutions for SCT Inst based POI payments and (ii) on the basis of the stock-taking outcome and of the consultative report of the MSG MSCT, analyse in detail the barriers to pan-European reach and usability, and determine what would be required to overcome such barriers to enable SCT Inst based POI payments, focusing in particular on requirements for harmonisation/ standardisation/ interoperability. This second step would complement and take into account the draft MSG IIGs. M. Plooij offered to provide further information such as the mandate of the working group in due time.

The group was further informed about the recent publications on the usage of eIDAS certificates for TPP identification by the EBA and the API Evaluation Group. It was agreed to provide the appropriate links to the group.

The following APs were agreed:

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|-------|--|-------------|-------------|
| AP4.1 | Distribute the ERPB statement and status report on SCT Instant | M. De Soete | ASAP |
| AP4.2 | To distribute the link to the EBA opinion document on usage of eIDAS and document from API EG on eIDAS | M. De Soete | ASAP |
| AP4.3 | To provide further info on the ERPB work on SCT Instant | M. Plooij | In due time |

5. Presentation German Westhafen Group Initiative

T. Feiler from EquensWorldline provided a presentation on behalf of the German Westhafen Group Initiative (MSG MSCT 060-18). He explained that it started as a co-operation of the willing consisting of a small set of corporate banks that aimed to discuss what needs to happen to bring SCT Instant to their corporate clients. In other words – how do we tackle SCT Instant for batch transactions – how can we make the infrastructure instant. Originally it was planned to be a domestic exercise but now it has gone international, including a liaison to the Berlin Group. Starting from an exchange of thoughts, it has been decided to work out a number of topics in further detail. The difference between corporates and merchants as payees were discussed. The main problem for the corporates is the link to the central treasury and the reconciliation. Moreover, many corporates are active in multiple countries. They identified already one technical gap, namely a real-time notification of the payment to the payee that is legally binding, as an equivalent to CAMT052/53 or 54 but for instant notification.

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| AP4.4 | To distribute the Westhafen presentation | M. De Soete | ASAP |
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6. Work-Stream (WS) MSCT use cases

Next, a report was given on the WS meeting held on 4 December 2018 for which the agenda (MSG MSCT 045-18) and report (MSG MSCT 052-18) were shared with the Plenary prior to the meeting. A PISP representative from PPRO joined this meeting and provided the WS a better insight into the PISP-based retail payment contexts.

The meeting was mainly devoted to a detailed review of the MSCT C2B use cases as well as the review of the EuroCommerce presentation on PISP-based retail use cases.

For each use case also the analysis of interoperability aspects and challenges were reviewed and discussed.

7. Work-Stream (WS) Risk & Security

The agenda (MSG MSCT 046-18) and report (MSG MSCT 053-18) of the 3rd WS meeting held on 5 December 2018 were shared with the Plenary prior to the meeting.

The meeting focused on the 3rd draft document on security aspects for MSCTs (MSG MSCT 022-18). The WS also reviewed a presentation on secure mobile application development from which security guidelines would be derived.

I. Jacobs provided a presentation via skype on the new W3C standard on Web authentication.

The WS concluded that the applicability of the exemptions for SCA under the RTS should be re-addressed during the Plenary meeting in view of the feedback received from the European Commission (MSG MSCT 049-18), (see item 9).

8. MSCT use cases

M. De Soete provided an overview of the changes made to the document as follow-up of the WS meeting (MSG MSCT 006-18v0.6). She further explained that she had integrated the presentation on the MSCT functional building blocks (MSG MSCT 024-18) into the document.

The members were invited to review the updated C2B MSCT use cases on screen and agreements for further updates were agreed.

It was agreed that an updated version of the document would be prepared for final MSG review before integration into the MSCT IIGs. Also the MSCT Interest Group would be consulted. A dedicated template would be developed for this purpose to ease the consolidation of the comments received.

Next, the issue related to the checking by the PISP of the funds available on the consumer account prior to the initiation of the SCT Instruction were discussed (Article 36 of the RTS) and the presentation prepared on the topic was reviewed on screen (MSG MSCT 058-18). The conclusion of the group was that Article 66 of the PSD2 prevails over Article 36 of the RTS. Article 66 of PSD2 requires the SCT Initiation prior to having the request for checking the funds by the PISP. It remains however unclear if SCA is required before checking the funds. R. Romme offered to look further into the issue.

The following APs were tabled:

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| AP4.5 | To update the document on MSCT use cases with changes agreed at the meeting and distribute for review to MSG MSCT and MSCT Interest Group | M. De Soete | By 19 December 2018 |
| AP4.6 | To review the document MSCT use cases | All MSG members | By 14 January 2019 |
| AP4.7 | To request P. Martino to update MSG MSCT 014-18 before next WS MSCT use cases meeting | M. De Soete | In due time |
| AP4.8 | To check on Q&A on PISP request to check funds available with payer's ASPSP (MSG MSCT 058-18) and applicability of SCA | R. Romme | ASAP |
| AP4.9 | To distribute MSG MSCT 058-18 | M. De Soete | ASAP |

9. MSCT Risk & Security aspects

M. De Soete provided a status on the work done by this WS while presenting the document on screen. During the last meeting good progress was made on the MSCT transaction aspects related to payer identification / authentication, transaction authentication and risk parameters. Further work is required on the additional features (notifications / confirmations to payer and payee). The group also briefly reviewed the approach taken for the risk management in the customer-to-bank space.

An agreement was also reached during the WS meeting on the way forward for CDUVM and MSCT application security guidelines.

Next, the slides on the application of the exemptions for SCA, specified in the RTS (MSG MSCT 024-18) as well as the e-mail from the European Commission (MSG MSCT 049-18) were reviewed and re-discussed. The group came to the conclusion that MSCTs need to be always considered as remote payments as MSCT as they are always using mobile internet connectivity on the consumer's mobile device, unlike proximity contactless payment which are using merchant /acquirer dedicated connectivity. As a consequence, MSCTs do not fall under the exemptions for contactless payments, even if a proximity technology at the POI is used for the initiation of the MSCT. R. Romme offered to further look into this matter.

Finally, P. Spittler expressed his concerns about the limited participation to this WS. It was agreed to launch another call for nominations to attract more participants.

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| AP4.10 | To check on Q&A related to MSG MSCT 040-18 (Exemptions SCA for MSCTs) | R. Romme | ASAP |
| AP4.11 | To launch a call for additional nominations for the WS Risk & Security | M. De Soete | ASAP |

10. MSCT IIGs

M. De Soete introduced on-screen the updates that were made to the document and the "open" chapters were reviewed and possible inputs identified. Concerning the MSCT life cycle management, it was decided to refer as much as possible to ISO 12812- Core banking - Mobile Financial Services. For the PISP models reference would be made to the previous work by the dedicated ERPB group. The next WS MSXT use cases would be focused on further identifying the operability issues and gaps to be filled to address the barriers. This would provide the basis for the dedicated section in the MSCT IIGs.

Due to time constraints, the document could not be reviewed in further detail. However, members were invited to review the document and to provide comments that will be taken into account in the preparation of the next version of the document.

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| AP4.12 | To further populate the MSCT IIGs and integrate the MSCT use cases | M. De Soete | By mid Feb 2019 |
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11. MSCG MSCT Interest Group

The group was informed that the agenda and short reports of the WS meetings were distributed to the MSCT Interest Group, together with the presentation on the MSCT functional building blocks for review. The comments received would be addressed on

different sections in the MSCT IIGs. The next document that would be distributed for review by the Interest Group are the MSCT Use cases (MSG MSCT006-18).

12. Liaison and monitoring

No updates available.

13. Next steps

It was agreed to reduce the number of Plenary meetings and let the work further progress in the two Work-Streams. The meeting schedule was adapted accordingly – see item 14.

14. A.O.B.

The group was informed that J. Allix shared an article that was published by Reuters related to the follow-up on Recommendation ERPB/2015/rec16: *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.*

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| 4.13 | To distribute the article from Reuters as follow-up on ERPB recommendation ERPB/2015/rec16 | M. De Soete | ASAP |
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It was agreed to cancel the 24 January 2019 meeting. The next Plenary meeting will be held on 26 February 2018 and will be hosted at EuroCommerce. It was further agreed to move the next Work-Stream meeting Risk & Security from 31 January to 24 January 2019.

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| 4.14 | To update the meeting schedule | M. De Soete | see Annex III |
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15. 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 – 4th MSG MSCT meeting
13 December 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 | Apologies |
| Ellen Halden | DNB Bank | Apologies |
| Philippe Evenot | La Banque Postale | Yes |
| 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 | Apologies Yes |
| Dainus Burneika <i>alternate:</i> Justas Grauzinis | UAB „Mobilieji mokėjimai“ (MOQ) | Apologies |
| Hans Rainer van de Berg | Van den Berg AG | |
| 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 | Apologies |
| Gilles Bourron | Total | |

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

ANNEX II

Action Points

| Ref. AP | Action | Owner | Status/Due date |
|---------|---|-----------------|--|
| 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 |
| 3.12 | To put the topic of decoupled versus in-app MSCTs on the agenda of the next WS Risk & security meeting | M. De Soete | In due time/Postponed till next WS meeting |
| 3.13 | To enter the question reflected in MSG MSCT040-18 into the EBA Q&A tool | M. De Soete | ASAP/On hold |
| 4.1 | Distribute the ERPB statement and status report on SCT Instant | M. De Soete | ASAP |
| 4.2 | To distribute the link to the EBA opinion document on usage of eIDAS and document from API EG on eIDAS | M. DE Soete | ASAP |
| 4.3 | To provide further info on the ERPB work on SCT Instant | M. Ploojj | In due time |
| 4.4 | To distribute the Westhafen presentation | M. De Soete | ASAP |
| 4.5 | To update the document on MSCT use cases with changes agreed at the meeting and distribute for review to MSG MSCT and MSCT Interest Group | M. De Soete | By 19 December 2018 |
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| 4.7 | To request P. Martino to update MSG MSCT 014-18 before next WS MSCT use cases meeting | M. De Soete | In due time |
| 4.8 | To distribute MSG MSCT 058-18 | M. De Soete | ASAP |
| 4.9 | To check on Q&A on PISP request to check funds available with payer's ASPSP (MSG MSCT 058-18) and applicability of SCA | R. Romme | ASAP |
| 4.10 | To check on Q&A related to MSG MSCT 040-18 (Exemptions SCA for MSCTs) | R. Romme | ASAP |
| 4.11 | To launch a call for additional nominations for the WS Risk & Security | M. De Soete | ASAP |
| 4.12 | To further populate the MSCT IIGs and integrate the MSCT use cases | M. De Soete | By mid Feb 2019 |
| 4.13 | To distribute the article in Reuters as follow-up on ERPB recommendation ERPB/2015/rec16 | M. De Soete | ASAP |
| 4.14 | To update the meeting schedule | M. De Soete | see Annex III |

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 Work-Stream Risk & Security | |
| | 14 February 2019 Work-Stream MSCT Use cases | |
| 26 February 2019 | | EuroCommerce |
| | 27 February 2019 | |

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|---------------|--------------------------------|-----|
| | Work-Stream Risk & Security | |
| 26 March 2019 | | 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.