

# Minutes MSG MSCT Plenary meeting

MSG MSCT 055-20

Version 1.0

1 September 2020

Public

Approved

## Minutes MSG MSCT Plenary skype meeting

**Distribution:** MSG MSCT Plenary

**Meeting Date:** 26 June 2020

### 1. Welcome and opening of the meeting

The Co-Chairs opened the meeting at 9h00 and welcomed the participants to the 13th Plenary meeting.

### 2. Roll call of delegates

A short roll call of participants was held. The list of participants and apologies may be found in Annex 1.

### 3. Approval of the agenda

The agenda MSG MSCT053-20v0.3 was presented on screen. The agenda was subsequently approved.

### 4. Minutes 12<sup>th</sup> meeting 19 May 2020

The draft minutes of the last meeting held on 19 May 2020 were reviewed on screen (MSG MSCT 044-20v0.1). They were subsequently approved and will be distributed as version 1.0.

Next the APs were reviewed and their status is reflected in the list below:

Ref.	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
3.13	To enter the question reflected in MSG MSCT040-18 into the EBA Q&A tool (Are all MSCTs initiated via a proximity technology remote payments and subject to SCA with dynamic linking?)	M. De Soete	ASAP/pending further work on "offline MSCTs"/ replaced by AP13.6

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6.1	To check on the creation of a brand/mark for instant payments by the EPC	D.-I. Flatraaker/M. De Soete	Open
9.3	To seek feedback on the issue raised concerning MSCT use cases whereby the final transaction amount is not known in advance (pre-authorisation) and circulate it to the group	R. Romme	Before 18 February 2020/Closed
10.6	To seek input from rental car companies, hotel sector, petrol sector, etc. on their needs for MSCTs based on unknown final amounts	P. Spittler	Before next WS meeting MSCT use cases 20 April 2020/Open
11.12	To launch a call for priority setting by each organisation related to the MSCT roadmap early July 2020	M. De Soete	In due time
11.13	To submit the respective priorities in relation to the MSCT roadmap for consideration at the MSG MSCT Plenary meeting in September 2020	All MSG MSCT Plenary members	By 21 August 2020
11.14	To prepare a set of characteristics concerning the smart mobile device used by the payer	P. Spittler/M van Mello/ M. De Soete	By mid-June 2020/Obsolete
12.1	To address the interoperability requirements and flows for unsuccessful transactions in the WS technical interoperability	M. De Soete	In August 2020 meeting
12.2	To submit the questionnaire for public consultation on EPC96-20 for a review by EPC legal counsel	M. De Soete	ASAP/Closed
12.3	To inform the MSG MSCT Plenary about the publication of the documents on technical interoperability aspects of MSCTs on the EPC website	M. De Soete	In due time/Closed
12.4	To collect information on the usage of OTP for SCA across SEPA	M. De Soete/ D.I. Flatraaker via EPC	By September 2020
12.5	To share the presentation MSG MSCT 042-20 on BLE/NFC with the MSG MSCT Plenary	M. De Soete	In due time/Postponed till after next WS meeting technical

			interoperability 17 August 2020
12.6	To check on available input from EMPSA on the security of QR-codes and their data	C. Pirkner	By 2 June 2020/Open
12.7	To check on the availability of an EMPSA representative for the WS Risk & security	C. Pirkner	By 2 June 2020/Open
12.8	To distribute the updated 2020 workplan	M. De Soete	ASAP/Closed
12.9	To inform about the publication consultation on the SEPA RTP scheme rulebook	M. De Soete	In due time/Closed
12.10	To set up a skype meeting of the WS Risk& security to address the security of QR-codes	M. De Soete	ASAP/Closed
12.11	To update the 2020 meeting calendar	M. De Soete	See annex/Closed

#### 5. Publication of document on Technical interoperability of MSCTs

The MSG was informed that both documents on Technical interoperability had been approved by the EPC Board for publication. The document EPC312-19v1.0, based on payee-presented data, including the updates following the public consultation held earlier this year, was published on the EPC website on 28 May 2020. The accompanying Disposition of comments (MSG MSCT 014-20v1.0) was distributed subsequently to the submitters of comments.

The document EPC096-29v0.14, based on payer-presented data, was also published on 28 May 2020 on the EPC website for an 8-week public consultation with the dedicated questionnaire MSG MSCT 041-20v1.0. The deadline for submitting comments is 24 July 2020.

It was agreed that the comments received should be consolidated and processed in the WS MSCT technical interoperability.

AP13.1	To share the consolidated comments received on the public consultation with the MSG MSCT Plenary	M. De Soete	By 1 September 2020
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#### 6. Joint meeting WS MSCT use cases + WS MSCT technical interoperability

The joint meeting of the two work-streams was held on 2 June 2020 with the main purpose to further analyse and discuss new proposed MSCT use cases for C2B payment contexts based on consumer-presented data. Both the agenda (MSG MSCT 046-20) and report (MSG MSCT 047-20) of this meeting was shared with the Plenary prior to the meeting.

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Prior to presenting these new use cases, the Plenary was informed that feedback was received from the European Commission on the questions raised concerning MSCTs with unknown final transaction amount (see MSG MSCT 010-20v0.4). This feedback (MSG MSCT 054-20) was presented to the group. It was explained that the EC has followed the same reasoning as the EBA answer in their Q&A tool to question 5133 that was also shared with the Plenary. It was agreed to analyse the impact of these EC responses on the implementation options described in MSG MSCT 010-20 during the next joint WS meeting on 2 July 2020.

The three updated presentations submitted by different members on new MSCT use cases based on consumer-presented data for the C2B payment context were briefly introduced on screen:

- An MSCT use case based on a contactless card application whereby the payer's ASPSP applied a translation for the payer's IBAN into a PAN, proposed by the Smart Payment Association (SPA) (MSG MSCT 018-20);
- An MSCT use case describing a solution for transactions whereby the consumer's mobile device has no mobile network connection at transaction time, proposed by Blue Code (MSG MSCT 024-20);
- MSCT use cases involving a PISP whereby the consumer presented data is a QR-code including a consumer ID and IBAN "in clear", proposed by ETPPA (MSG MSCT 031-20). The second use case in this presentation is based on the usage of an OTP as an authentication factor for SCA. This raised comments by several MSG Plenary members to what extent OTPs are still being used in view of the PSD2 and the RTS.

Since all presentations give rise to a number of questions, challenges and clarifications needed, it was agreed to prepare a set of questions and submit them for feedback to the European Commission.

AP13.2	To put the MSG MSCT 010-20 and EC feedback on the agenda of the joint WSs meeting on 2 July 2020 for further analysis and discussion	M. De Soete	ASAP
AP13.3	To forward questions related to MSCTs to R. Romme for EC feedback	M. De Soete	By 26 June 2020 cob
AP13.4	To provide feedback on questions related to MSCTs	R. Romme	2 July 2020

*Note in editing:* The following questions were submitted to the European Commission subsequent to the meeting:

- Related to the proposed MSCT use case MSG MSCT 018-20, a card is used to initiate an MSCT but it appears like this a merchant initiated transaction which conflicts with the feedback we received on MSG MSCT 010-20 that "no way a payee-initiated transaction can be a credit transfer".

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- Clarification on the difference between a proximity and electronic remote transaction for MSCTs;
- Related to the proposed MSCT use cases in MSG MSCT 018-20 and MSG MSCT 031-20, in all use cases involving a physical POI, a PISP is used on the merchant side that has no connection whatsoever with the consumer. We understood that PSD2 enables the usage of a PISP which is authorised to initiate payments from a consumer account, standing between the consumer and their ASPSP, whereby the consumer needs to give consent for this initiation. In the proposed MSCT use cases, there is no link or communication between the consumer and the PISP (who is hidden behind the merchant). Hence the question, can a PISP solely operate on the merchant side (without any interaction with the consumer) and is this enabled by the PSD2?

### 7. Work-stream Risk & Security

As requested by the MSG MSCT Plenary, this work-stream was revived and held a meeting on 24 June 2020. Both the agenda (MSG MSCT 050-20) and report (MSG MSCT 052-20) of this meeting were shared with the Plenary prior to the meeting. The focus for this meeting was on the analysis of risk and security of the QR-codes and their data as defined in the respective MSCT interoperability documents. The WS reviewed the minimal data sets to be exchanged between payer and payee for the initiation of the MSCTs and the QR-code formats as defined in EPC312-19v1.0 and EPC 096-20v0.14 (under public consultation). It was agreed that there is a need to consider for the minimal data set for payer-presented data the following 3 cases:

- Minimal data contains a payer's MSCT service provider ID + token
- Minimal data contains a payer's MSCT service provider ID, customer ID + proxy
- Minimal data contains a payer's MSCT service provider ID + customer ID + payer's IBAN.

Next the WS discussed the various risk and security aspects depending on the content of the QR-code. It was agreed that a further analysis was needed on the possible fraud originating from capturing the data or modification for the data contained in the QR-codes.

The draft EBA Q&A questions already discussed in the joint meeting of the WS MSCT use cases and the WS MSCT technical interoperability on 2 June 2020 were also reviewed and further discussed in the WS. It was decided to split MSG MSCT 049-20 into 2 questions resulting in an additional draft question to EBA, see agenda item 9.

A new meeting of the WS was planned on 9 July 2020.

### 8. Joint TF ERPB WG/MSG

A first meeting of this JTF was held on 15 June 2020. Both the agenda (MSG MSCT 028-20) and report (MSG MSCT 029-20) of this meeting were shared with the Plenary prior to the meeting. For the development of Security requirements for PSU on-boarding, the JTF agreed to leverage the chapter

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14 of the MSCT IG, but it was also identified that for some requirements, more background text would need to be included to improve the readability. A first draft of the document would be developed by the Secretariat for review during the next JTF meeting on 24 August 2020.

### 9. Draft questions EBA Q&A tool

The draft questions to the EBA Q&A tool prepared in the respective work-streams were briefly introduced:

- Question on requirement for SCA with dynamic linking for MSCTs using proximity technology (MSG MSCT 048-20)
- Question concerning where the authentication code with the dynamic linking is to be created for electronic remote transactions (MSG MSCT 049-20)
- Question on requirement for SCA with dynamic linking for MSCTs using hybrid (proximity and remote) technology (MSG MSCT 058-20).

and some modifications, e.g. by the European Commission, were suggested to improve the readability of the questions.

The proposal from the WSs to set up a dedicated skype meeting to further discuss these documents on 29 June 2020, inviting all interested members of the MSG MSCT Plenary and WSs to participate was endorsed by the Plenary.

AP13.5	To update the 3 draft questions for the EBA Q&A and distribute to all MSG MSCT Plenary and WS members	M. De Soete	By 26 June 2020 cob
AP13.6	To set-up a skype meeting on the 3 draft questions for the EBA Q&A on 29 June 2020	M. De Soete	ASAP

### 10. MSCT roadmap

The MSCT roadmap (MSG MSCT 011-20) was reviewed on screen and characteristics of smart mobile devices were further completed while also some additional priorities were identified. The Secretariat was requested to circulate the updated presentation with a dedicated form to enable the priority setting by each member of the Plenary by 20 August 2020.

AP13.7	To update the MSCT roadmap with changes agreed and develop a table for MSG MSCT Plenary member priority setting	M. De Soete	By 15 July 2020
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### 11. MSCT workplan

The workplan (MSG MSCT 033-20v0.6) was briefly reviewed on screen and required updates were identified.

AP13.8	To update and distribute the MSG MSCT workplan	M. De Soete	By 30 June 2020
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### 12. Liaison

#### EMPSA

C. Pirkner provided a short update on EMPSA. The technical specifications for interoperability for credit transfers at the physical POI would now be tested in a real life environment based on merchant-presented QR-code, involving multiple merchants. In the meanwhile, EMPSA continues to work on some of the commercial and legal aspects.

#### RTP MSG

The MSG Plenary was informed that the draft SEPA RTP scheme rulebook was published on the EPC website for a 3-month public consultation (see <https://www.europeanpaymentscouncil.eu/news-insights/news/public-consultation-sepa-request-pay-scheme-rulebook>).

#### ERPBG WG IPs at POI

The Plenary was informed about the finalisation of the interim report on a Framework for interoperability of instant payments (IPs) at the POI. The document was submitted to the ERPBG for their meeting on 6 July 2020. It contains the results of the 2020 stocktake on IPs at the POI and a status report on the development of the interoperability framework.

AP13.9	To inform the MSG MSCT about the publication of the ERPBG WG interim report.	M. De Soete	In due time
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### 13. A.O.B.

The WG was informed about the following topics:

- The publication by EBA of opinion document EBA/OP/2020/10 on Obstacles under Article 32(3) of the RTS on SCA and CSC (see

[https://eba.europa.eu/sites/default/documents/files/document\\_library/Publications/Opinions/2020/884569/EBA%20Opinion%20on%20obstacles%20under%20Art.%2032%283%29%20RTS%20on%20SCA%26CSC.pdf](https://eba.europa.eu/sites/default/documents/files/document_library/Publications/Opinions/2020/884569/EBA%20Opinion%20on%20obstacles%20under%20Art.%2032%283%29%20RTS%20on%20SCA%26CSC.pdf)).

- The European Commission press release on antitrust case, related to the Recommendation I of the 2019 report of the ERPB WG IPs at POI (see [https://ec.europa.eu/commission/presscorner/detail/en/ip\\_20\\_1075](https://ec.europa.eu/commission/presscorner/detail/en/ip_20_1075))

AP13.10	To update the MSG MSCT meeting schedule and launch Outlook invitations	M. De Soete	ASAP/See Annex
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#### 14. Closure of the meeting

The Co-Chairs closed the meeting at 13h00 and thanked all participants for their active participation to the skype meeting.



## Annex 1: Participants list

Name	Affiliation	Attendance
<b>Co-Chairs</b>		
Dag-Inge Flatraaker	EPC (DNB Bank)	Yes
Pascal Spittler	Ikea, representing EuroCommerce	Yes
<b>EPC - MTF CTLP / MPWG</b>		
Patrice Hertzog	Crédit Mutuel	Apologies
Olivier Felique	KBC	Yes
Sharon Brennan	BPFI	
Meelis Nurk	Estonian Banking Association	Yes
Ellen Halden	DNB Bank	Yes
Philippe Evenot	La Banque Postale	Yes
Andrea Cogerino	ABI (Intesa)	Yes
<b>Vendors / Manufacturers</b>		
Guido Hogen	Smart Payment Association	Yes
Andrew Pankratov <i>alternate:</i> Dmitry Yatskaer	OpenWay	
<b>Service Providers</b>		
Ivo Broeren	Payconiq	Yes
Henrik Hodam <i>alternate:</i> Thomas Feiler	EquensWorldline	Yes
Hans Rainer van de Berg	Van den Berg AG	Apologies
Marco Polissi	SIA S.p.A.	Yes
Paolo Martino <i>alternate:</i> Gianpiero Caretti	TAS Group	
Grzegorz Leńkowski	National Clearing House KIR	
Ralf Ohlhausen		Yes
Fanny Rodriguez <i>alternate:</i> Carlos Blanco	ETPPA	Yes
Christian Pirkner	EMPSA	Yes

<b>Retailers</b>		
Michel van Mello	Colruyt, representing EuroCommerce	Yes (partly)
Alexandre Leclerc <i>alternate:</i> Sébastien Lethiec	Carrefour	Yes
Gilles Bourron	Total	Apologies
<b>EACT</b>		
Massimo Battistella	EACT	
<b>BEUC</b>		
Jean Allix	BEUC	Yes
<b>Standard / Industry Organisations</b>		
Ian Jacobs*	W3C	Apologies
Peter van Leeuwen*	GSMA	Apologies
Pierre-Yves Marche	GSMA	
<b>Observers</b>		
Mirjam Plooij <i>Alternate:</i> Paul Capocci	ECB	Yes
Axelle Waterkeyn <i>alternate:</i> Karine Schummer	NBB	
Roxane Romme <i>alternate:</i> Katarzyna Kobylinska-Hilliard	European Commission	Yes
<b>EPC Secretariat</b>		
Marijke De Soete	EPC	Yes

\*corresponding member only

## Annex 2: Action points

Ref.	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
6.1	To check on the creation of a brand/mark for instant payments by the EPC	D.-I. Flatraaker/M. De Soete	Open
10.6	To seek input from rental car companies, hotel sector, petrol sector, etc, on their needs for MSCTs based on unknown final amounts	P. Spittler	Before next WS meeting MSCT use cases 20 April 2020/Open
11.12	To launch a call for priority setting by each organisation related to the MSCT roadmap early July 2020	M. De Soete	In due time
11.13	To submit the respective priorities in relation to the MSCT roadmap for consideration at the MSG MSCT Plenary meeting in September 2020	All MSG MSCT Plenary members	By 21 August 2020
12.1	To address the interoperability requirements and flows for unsuccessful transactions in the WS technical interoperability	M. De Soete	In August 2020 meeting
12.4	To collect information on the usage of OTP for SCA across SEPA	M. De Soete/ D.I. Flatraaker via EPC	By September 2020
12.5	To share the presentation MSG MSCT 042-20 on BLE/NFC with the MSG MSCT Plenary	M. De Soete	In due time/Postponed till after next WS meeting technical interoperability 17 August 2020
12.6	To check on available input from EMPSA on the security of QR-codes and their data	C. Pirkner	By 2 June 2020/Open
12.7	To check on the availability of an EMPSA representative for the WS Risk & security	C. Pirkner	By 2 June 2020/Open
13.1	To share the consolidated comments received on the public consultation with the MSG MSCT Plenary	M. De Soete	By 1 September 2020

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13.3	To forward questions related to MSCTs to R. Romme for EC feedback	M. De Soete	By 26 June 2020 cob
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13.5	To update the 3 draft questions for the EBA Q&A and distribute to all MSG MSCT Plenary and WS members	M. De Soete	By 26 June 2020 cob
13.6	To set-up a skype meeting on the 3 draft questions for the EBA Q&A on 29 June 2020	M. De Soete	ASAP
13.7	To update the MSCT roadmap with changes agreed and develop a table for MSG MSCT Plenary member priority setting	M. De Soete	By 15 July 2020
13.8	To update and distribute the MSG MSCT workplan	M. De Soete	By 30 June 2020
13.9	To inform the MSG MSCT about the publication of the ERPB WG interim report.	M. De Soete	In due time
13.10	To update the MSG MSCT meeting schedule and launch Outlook invitations	M. De Soete	ASAP/See Annex 3

### Annex 3: 2020 Meeting Schedule

WS MSCT use cases	WS Techn. Interoperability	WS Risk & Security	MSG MSCT Plenary
23 January 2020 EPC Secretariat			
			30 January 2020 EuroCommerce
	31 January 2020 EPC Secretariat		
	24 February 2020 EPC Secretariat		
19 March 2020 Skype meeting 10h00-16h00			
	20 March 2020 Skype meeting 10h00-16h00		
			27 March 2020 Skype meeting 10h00-16h00
20 April 2020 Skype meeting 9h00-12h00			
	23 April 2020 Skype meeting 12h30-15h00		
			28 April 2020 Skype meeting 9h00-13h00
11 May 2020 Skype meeting 9h00-12h00			
	18 May 2020 Skype meeting 14h00-15h30		
			19 May 2020 Skype meeting 9h00-12h00

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Joint meeting WS MSCT use cases and WS technical interoperability 2 June 2020 Skype meeting 9h00-12h00			
		Joint TF with ERPB WG Skype meeting 15 June 2020 10h00-12h00	
		Skype meeting 24 June 2020 13h00-16h00	
			26 June 2020 Skype meeting 9h00-13h00
29 June 2020 Dedicated skype meeting on EBA Q&A questions 9h00-11h00			
Joint meeting WS MSCT use cases and WS technical interoperability 2 July 2020 Skype meeting 9h00-11h00			
		Skype meeting 9 July 2020 9h00-11h00	
	17 August 2020 Skype meeting 13h00-16h00		
		Skype meeting 19 August 2020 13h00-15h30	
		Joint TF with ERPB WG Skype meeting 24 August 2020 10h00-12h00	
Joint meeting WS MSCT use cases and WS technical interoperability 26 August 2020 Skype meeting 14h00-16h00			
			1 September 2020

			Skype meeting 9h00-13h00
		Joint TF with ERPB WG Skype meeting 14 September 2020 10h00-12h00	
			1 October 2020 Skype meeting 9h00-13h00
			30 November 2020 Skype meeting 9h00-13h00