Minutes

SPAA MSG 015-21
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Approved

Minutes of the fourth meeting of the SEPA Payment Account Access Multi-Stakeholder Group (SPAA MSG)

Venue: Microsoft Teams meeting

Distribution: SPAA MSG

Meeting Date: 19 November 2021 (09.00-15:00 CET)

1 Welcome and introduction

The co-chair A. González Mac Dowell welcomed the members to the fourth meeting of the SEPA Payment Account Access Multi-Stakeholder Group (SPAA MSG) and informed that co-chair C. Schäfer was unfortunately unable to join due to personal reasons. He stated that the group had successfully completed the main 'phase 0' deliverable by providing the Board (as requested) with further clarity on the scope of the future SPAA scheme and added that he hoped that the Board would decide at its 24 November 2021 meeting to accept the ERPB invitation to assume the role of SPAA scheme manager.

As a next step and in preparation of 'phase 1', the focus of today's meeting will be on further refining the aforementioned overview document.

Please see Annex I for the list of attendees.

2 Approval of the agenda (SPAA MSG 009-21)

The agenda was approved unchanged.

3 Approval of the minutes and review of the action points of the second meeting of the SPAA MSG (SPAA MSG 008-21)

The minutes of the second meeting that took place on 27 October 2021 were approved by the SPAA MSG. In relation to a pending action point it was noted that the "giroAPI" presentation will but put on the agenda of the next meeting.

4 Status update on latest developments

Co-chair A. González Mac Dowell provided the following updates:

- The customer journeys and business requirements overview document was included as an annex to the Board decision paper in relation to taking-up the role of SPAA scheme manager.
- A follow-up conversation had taken place between the SPAA MSG co-chairs and J. Ceyssens (DG FISMA) on the topic of 'beyond payments'.

▪ A SPAA scheme status update presentation had been sent as input to the 25 November 2021 meeting of the ERPB.

5 Further development of SPAA scheme related requirements (SPAA MSG 002-21)

An updated version (clean & tracked) of the customer journeys and business requirements overview document had been provided to the members in which co-chair C. Schäfer - in order to help facilitate today's discussion - had made the following updates in column "API question/response - Initial considerations at this stage":

▪ Inclusion of the comments from the previous meeting.
▪ Categorisation of all the comments as "Clarifications", "Open Issues" or "Notes".
▪ Inclusion of proposed answers (as appropriate) for the "Open Issues".

In addition, GBIC had provided its comments in writing on 18 November 2021 and following approval from the SPAA MSG this updated version was used for today's review. The document was further updated 'on screen' and the following main discussion topics and conclusions were noted:

▪ Item 1a - "Future dated payments with defined execution dates":
  o Agreement was reached on the fact that the following scenarios can be distinguished (each with a different risk management level):
    - With reservation of funds and with a payment guarantee.
    - With reservation of funds without a payment guarantee.
    - Without reservation of funds but with a payment guarantee.
    - Without reservation of funds and without a payment guarantee.
  o H. Robache commented that negotiations will need to take place between the merchant, asset broker and asset holder in order to determine whether a payment guarantee is required. For example, an asset broker might choose to offer a payment guarantee to the merchant itself or ask the asset holder to provide it. He continued by saying that in his view a payment guarantee can be seen as an underlying business requirement for all customer journeys K. Korus remarked that not all asset holders will be able to block amounts and in such a case they could opt for a payment guarantee instead. Co-chair A. González Mac Dowell added that for an asset broker the most important thing is to know that the funds are available.
  o It was concluded that the maximum legal certainty (i.e. the 'payment guarantee' that payment will be received by the asset broker) is still to be defined and that for this purpose the level of guarantee provided in the cards world should be used as a benchmark. M. Battistella was of the view that the method that is used to provide a 'payment guarantee' should be out of scope of the scheme. Co-chair A. González Mac Dowell commented that a lower/higher level of guarantee will correspond with a lower/higher price and higher/lower risk and agreed that how this is implemented is outside the scope of the scheme.
  o It is to be revisited later whether the asset holder is to send a push notification after the payment took place. The current thought is that it does not always makes sense to have push notifications.
  o R. Ohlhausen reminded that as per EBA Q&A, SCAs do not expire and hence in his view there should be no execution date limit. It was commented that a time limit for the execution of a transaction is only relevant in case of reservation of funds and payment guarantee. Also, the initially suggested limit of 90 days is to be revisited as the time limit will depend on the specific scenario. H. Fürstenau moreover added that reserving

funds beyond 30 days could have legal implications (i.e. as it could be considered to be a credit). For a payment guarantee, the period could however be longer than 30 days. He moreover informed that although the initiation of a future dated single payment is covered under PSD2 - in case the ASPSP offers future dated payment in its online channel - it can still be renumerated if the funds are reserved. It was concluded that this topic needs to be further clarified.

- Item 1a - "Future dated payments with event dependent execution dates":
  - o A maximum execution date for premium services might be needed and there needs to be full transparency for the PSU on what that limit would be.
  - o Co-chair A. González Mac Dowell was of the view that the response of an asset holder to an asset broker in relation to a payment guarantee and/or reservation of funds should be predictable. H. Fürstenau however commented that the purpose of an API is to know the capabilities of each party and as such there is no need to have fixed maximum execution times as it will depend on the commercial offerings of an asset holder as well as on possible legal constraints between different parties. He hence suggested to focus on 'simple' premium services that can be generalised. The co-chair agreed to start with tackling more generic cases.

- Item 1d – "Real-time 'Payment execution guarantee'":
  - o H. Robache commented that 1d is an underlying requirement for all the other future dated payment use cases. This will however need to be further clarified/confirmed.
  - o It was agreed to integrate 'Pre-authorisation mechanisms' as a sub-requirement under item 1d. The pre-authorisation feature enables merchants to implement all use cases by reserving an amount in order to secure sufficient funds to complete a subsequent payment. The shopper is only paying for the exact 'consumption' or upon delivery of goods and services. Pre-authorisation will be based on a 'one-off' SCA (linked to a single merchant) with full visibility to the PSU about the overall commitment.
  - o One way of providing a payment execution guarantee is via reservation of funds. It is however up to the asset holder to decide which mechanism will be used. As already mentioned above, for the asset broker the most important thing is to get a confirmation that the payment will be executed.
  - o The conditions of a payment execution guarantee will be part of a bilateral agreement between the asset broker and asset holder, and should be in line with the scheme rules.

- Item 2 - "Payments to multiple counterparties":
  - o It was decided to park this topic as further information is needed to better understand this customer journey. Potentially this topic could be removed at a later stage.

- Item 3a - "Recurring payments with same amount":
  - o There are two scenarios to be taken into account i.e. with and without an end date. In some cases a specific scenario might not be supported by all asset holders and there might also be cost implications. Details to be further discussed at a later stage.
  - o It was clarified that dispute management is a general topic that applies to all business requirements, and which will be covered in the rulebook.

- Item 3a - "Recurring payments with variable amount":
  - o It was clarified that a PSU will approve a maximum amount. If the actual amount is higher, another SCA will be required.

- Item 4 - "PFM automated transfers":
  - o It was agreed that a fraud risk is to be considered and appropriate mitigation measures are to be defined.

- o This item could be seen as a variant of customer journey "Recurring payment with a variable amount and variable execution dates" and will need to be further explored by the SPAA MSG at a later time.
- Item 5b - "RTP":
  - o G. Le Louarn commented that the SPAA scheme will cover interactions that are not covered by the SRTP scheme. R. Ohlhausen added that a distinction is to be made between the PSD2 approach (which already existed before) and the SRTP approach. His assumption is that the SPAA scheme will do its own type of RTP on the basis of a PSD2.
  - o It was concluded that SPAA scheme rules will have to be defined that are technically agnostic vis-à-vis RTP APIs/schemes (and also avoid unnecessary extra investments).
- Item 6 - "Premium AIS":
  - o Following a comment, co-chair A. González Mac Dowell clarified that "Premium AIS" is a customer journey whereas item 9a "Payer enrolment" is a business requirement (so no redundancy here). Further clarification is however needed on the specific boundaries of what can be considered payment account related information and the inclusion of age ranges (e.g. > 18 years) will also need to be looked at a later stage.
- Item 7 - "Refunds":
  - o To be noted that the receiver PSP is required to be part of the scheme to make this customer journey work.
- Item 8 – "SCA":
  - o It was agreed that the description provided for each of the SCA methods should be rather seen as an example.
- Item 8 (a1) - "Delegated SCA":
  - o R. Ohlhausen stated that the main question is related to whether a legal agreement is needed for a delegated SCA, whether this is to be classified as an 'outsourcing agreement' and whether this could be part of a scheme agreement or a bilateral agreement. According to K. Korus this could be covered by the scheme. H. Fürstenau commented that liability also depends on the use case and as such it cannot be generalised. R. Ohlhausen added that in a previous SPAA MSG meeting it had been agreed that SCA should be seen as a sort of "black box" topic that will be part of each customer journey. As a result, the SCA 'sub-journey' will depend on the specific customer journey.
  - o It was concluded that the liability shift will depend on the use case, also from a regulatory point of view.
- Item 8 (a2) - "Embedded SCA":
  - o Following a comment from H. Robache it was noted that further investigation is needed to for example ensure that the knowledge factor is not jeopardised.
  - o It was reiterated that a scheme participant can choose the SCA method it wants to implement.
- Item 8 (a4 & a5) – "Decoupled (app2app vs web2app)":
  - o The only difference between app2app vs web2app is related to how the authentication application will be accessed.
- Item 8 (a6 & a7) - "Redirection (app2app vs web2web):
  - o The difference between app2app and web2web needs to be further clarified but in a later phase.
- Item 8b - "SCA mechanisms":
  - o This is to be understood as a 'design principle' that applies to all the SCA customer journeys.

- Item 8c - "SCA exemptions":
    - This is to be understood as a 'design principle' that applies to all the SCA customer journeys.
    - A distinction is to be made between SCA exemptions:
        - With liability shift: a predictability mechanism is to be defined in the rulebook.
        - Without liability shift: at the discretion of the asset holder (always the case?).
- Item 9a - "Payer enrolment" vs 9b "Payer identification":
    - It was noted that this functionality is only supported to a very limited extent by the current open finance standards.
- Item 9c – "Payer identity confirmation via e-Identity provider (eIDAS)":
    - It is still to be confirmed whether this is related to the authentication (SCA?) of a payment initiation related to premium services.
    - A distinction is to be made between the functional needs and the technical solution.
    - R. Ohlhausen commented that in this scenario users must have an authentication app that is independent from the asset broker and asset holder (legal requirement).
- Item 10- "IBAN validation":
    - It was clarified that the service is about the validation only. Downstream implications in the process are to be managed by the asset broker.
    - A. Castelli informed that that there also exists an IBAN validation service in Italy.
    - R. Ohlhausen remarked that different use cases exist. One example is a merchant who wants to check that an IBAN belongs to the customer and for this the customer will be asked to give its consent (which is different that the IBAN validation service in Italy which is currently limited to public administrations).
    - It was noted that potential SCA exemptions and GDPR implications will need to be considered. Moreover, security implications could differ depending on whether they relate to a payee or payer IBAN check.
    - There is a potential link between this customer journey and business requirement (item 12) "Proxies at a European level for bank identifiers".
- Item 13 - "List of ASPSPs for consumer selection":
    - As already established in a previous meeting, the solution could be in overlap with the IBAN Selection flow requested by EBA in its opinion about obstacles toward TPPs (4th June 2020). As a result it is to be decided whether this item needs to be kept also taking into account that the name of this business requirement is "List of ASPSPs for consumer selection".
    - The list of SPAA scheme participants will be published by the scheme manager (so no scheme API required).
- Item 14 - "Authorisation rights and mechanisms":
    - It was noted that a 'microservice' related to the operating account could be exposed by the asset holder, but this was considered to be a complex matter which requires further investigation. H. Robache added that indeed in the case of a corporate payment, it is complicated to outsource the whole process to the asset broker.
    - H. Fürstenau commented that for security reasons such information could only be provided after the first authorisation.
- Item 15 - "Instant payment release notification and confirmation":
    - It was clarified that the entity in charge of sending the notification (i.e. Payer's PSP or Payee's PSP) will be dependent on who the asset broker has a relationship with.
- Item 16 - "Delays and liability shift rules":
    - This is a complex matter that needs to be further clarified.

- Item 17 - "Coexistence of PSD2 APIs and 'premium' APIs":
  - This is a complicated technical matter that will be need to be revisited at a later stage.
- Item 18 – "Remuneration general principle":
  - The example provided is subject to further clarification by the European Commission (in relation to the question of what is 'chargeable' and what is not).
  - H. Fürstenau informed that he did not entirely agree with how the example is worded right now.

An updated version of the customer journeys and business requirements overview document resulting from today's review will be provided to the SPAA MSG members prior to the next meeting.

6 Review and alignment on the SPAA scheme project schedule (in preparation of 'phase 1') (SPAA MSG 004-21)

An updated version of the SPAA scheme project schedule was reviewed.

In relation to the topic of business conditions, H. Fürstenau commented that the renumeration price should be based on market prices and not on costs. Co-chair A. González Mac Dowell explained that the approach to be followed is based on what is covered in the June 2021 report of the ERPB Working Group on a SEPA API Access Scheme where the cost elements to be considered and what is object of remuneration (and hence the business conditions) are defined in such a way that they ensure a fair distribution of value and risk for all parties (to avoid any potential anti-competition issues). H. Fürstenau also commented that in his view a contract would be required in case prices are to be discussed (i.e. it is more than just joining a scheme). Co-chair A. González Mac Dowell commented that this topic will be further discussed with co-chair C. Schäfer and the EPC legal counsel.

7 Next steps (SPAA MSG 001-21)

During its 24 November 2021 meeting the Board will be expected to make a decision on whether to accept the ERPB invitation to take up the role of SPAA scheme manger. This decision will be formally communicated at the 25 November 2021 meeting of the ERPB.

The next (virtual) SPAA MSG meeting is scheduled to take place on 3 December 2021.

8 AOB

J. Olsson questioned whether the SPAA scheme would be currency agnostic (i.e. similar to what was decided for the second version of the SRTP scheme rulebook). Co-chair A. González Mac Dowell agreed that this would be an important principle which will need to be tackled at one of the next meetings.

9 Closure of meeting

The co-chair González Mac Dowell closed the meeting at around 14.50 CET and thanked the members for the constructive input.

Annex I: List of attendees

Country	Name	Institution	Attendance
	Co-Chairs		
EU	Arturo González Mac Dowell	Tink	Yes
DE	Christian Schaefer	Deutsche Bank (supported by the three ECSAs)	Apologies
	Members		
AT	Hendrik Muus	PSA	Apologies
DE	Caroline Jenke	FinTecSystems GmbH	Apologies
DE	Christian Wenz	PPI AG	Yes
DE	Hartwig Gerhartinger	Paysafe Group	Yes
DE	Hermann Fürstenau	Association of German Public Banks (VÖB) (nominated by GBIC)	Yes
EU	Alessia Benevelli	ESBG	Yes
EU	Gijs Boudewijn	EBF	Yes
EU	Jasper De Meyer	BEUC	Yes
EU	Krzysztof Korus	EPIF	Yes
EU	Marieke Van Berkel	EACB	Apologies
EU	Massimo Battistella	EACT	Yes
EU	Michel Van Mello	EuroCommerce	Yes
EU	Ralf Ohlhausen	ETPPA	Yes
EU	Tarik Zerkti	PRETA S.A.S.	Apologies
EU	Ruth Mitchell[1]	EMA	Yes
FI	Suvi Rautakorpi	Finance Finland	Yes
FR	Fanny Rodriguez	Bankin' and Bridge	Yes
FR	Gildas Le Louarn	Linxo	Yes

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[1] Alternate for T. Sabri

FR	Géraldine Debost	Crédit Agricole S.A. (nominated by the French banking community)	Yes
FR	Hervé Robache	STET (nominated by the French banking community)	Yes
IE	Jack Wilson	TrueLayer	Yes
IT	Alessio Castelli	CBI S.c.p.a.	Yes
IT	Andrea Cogerino	Intesa Sanpaolo (nominated by ABI)	Yes
NL	Daniel Morgan	Plaid	Yes
NL	Rob van Bergen	ING (nominated by the Dutch Payments Association)	Yes
PT	João Sarilho	SIBS (nominated by Association of Portuguese Banks)	Yes
SE	Jens Olsson	Trustly	Yes
	Observers		
EU	Julia Weits	European Commission	Yes
EU	Kerstin Junius	European Central Bank	Yes
	EPC Secretariat		
	Christophe Godefroi		Yes
	Etienne Goosse		Apologies
	Silvia Di Lillo		Yes

Annex II: Action points

Ref.	Action	Owner	Status/Target
01-05	The topic of German "giroAPI" to be put on the agenda of one of the future SPAA MSG meetings	Co-chairs	3 December 2021
04-01	Provide an updated version of the customer journeys and business requirements overview document, based on the outcome of today's meeting.	SPAA MSG secretariat	25 November 2021