

Minutes MSG MSCT Plenary meeting

MSG MSCT 006-23

Version 1.0

9 March 2023

Public

Approved

Minutes 38th MSG MSCT Plenary meeting

Distribution: MSG MSCT Plenary

Meeting Date: 30 January 2023

1. Welcome and opening of the meeting

The Co-Chairs, D.I. Flatraaker and P. Spittler, opened the meeting at 9h00 and welcomed the participants to the 38th Plenary meeting which was held as a Teams meeting.

2. Roll call of delegates

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

3. Approval of the agenda

The draft agenda for the meeting (MSG MSCT 005-23v0.2) was presented on screen and subsequently approved.

4. Approval minutes 37th meeting

The draft minutes of the last meeting (MSG MSCT 101-22v0.1) held on 6 December 2022 were reviewed on screen and subsequently approved. The approved minutes 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
24.1	To set up a coordination meeting between the MSG MSCT and SEPA Payment Account Access Scheme MSG (SPAA MSG)	M. De Soete/ C. Godefroi	In due time Q4 2021/ Postponed to Q1 2023
35.4	To provide feedback on MSG MSCT 075-22	K. Kobylinska	At next Plenary meeting /Closed
37.1	To inform about the publication of the OLO rulebook with a link for download	M. De Soete	In due time/Closed

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37.2	To inform about the outcome of the new ISO TC 68 SC 9 informal ballot on a possible fast track on EPC193-22	M. De Soete	Mid-January 2023/Closed
37.3	To inform about the publication of the updated documents EPC024-22 and EPC193-22 on the EPC website	M. De Soete	In due time/Closed
37.4	To put an item on the DMA on the agenda of the next Plenary meeting	M. De Soete	M. De Soete/Closed
37.5	To prepare the final draft of the document MSG MSCT 035-22	M. De Soete	By 14 December 2022/Closed
37.6	To finalise the questionnaire for the public consultation on MSG MSCT 035-22	M. De Soete	By 14 December 2022/Closed
37.7	To inform about the launch of the public consultation on MSG MSCT 035-22	M. De Soete	In due time/Closed
37.8	To add an item on potential feedback on MSG MSCT 075-22 to the agenda of the next Plenary meeting	M. De Soete	In due time/Closed
37.9	To add an item on the agenda on the next Plenary meeting on the draft regulation on IPs	M. De Soete	In due time/Closed
37.10	To set-up a Teams meeting with Co-Chairs of nexo Mobile Acceptance WG to inform about the MSG MSCT work	M. De Soete	In due time/Closed
37.11	To prepare a MSG MSCT 2023 work-plan based on MSG MSCT 128-21	M. De Soete & Co-Chairs	By 23 January 2023/Closed
37.12	To prepare a draft meeting schedule for H1 2023	M. De Soete & Co-Chairs	By 23 January 2023/Closed

5. Specification of QR-codes for mobile (instant) credit transfers

The Secretariat informed about the approval of the updated documents *Standardisation of QR-codes for MSCTs* (EPC024-22v2.0) and *Specification of QR-codes for MCTs in ISO format* (EPC193-22v1.2) by the EPC Board in December 2022. The two documents were subsequently published on the EPC website on 10 January 2023 while the latter document was also re-submitted to ISO TC 68 SC 9 Secretariat for a fast track procedure. Before starting the fast track procedure, ISO TC 68 SC 9 launched a 2nd informal (non-binding) ballot on this potential procedure. The results of this informal ballot were shared with the Plenary. This ballot is considered to be indicative for the formal DIS ballot and therefore the DIS ballot rules are here applied. On the 16 valid votes casted, 11 National Bodies approved the procedure (hereby meeting the necessary threshold of 2/3 of positive votes) while 5 National Bodies voted negatively (hereby not meeting the threshold of not more than ¼ of negative votes). However, also 9 National Bodies abstained from voting,

including 5 European ones – these however do not count as valid votes according to the ISO Directives. Note however for this informal ballot, a simple majority of positive votes is sufficient.

As next step, the EPC would approach these European countries to check what caused their abstention. Based on the result of this verification, the EPC would then decide whether to proceed with the fast track procedure through ISO or alternatively, to withdraw the document from ISO and submit it for fast track procedure to CEN.

Some Plenary members raised additional questions regarding the voting procedure for the ISO fast track – clarifications would be sought for those questions with the ISO TC 68 SC 9 Secretariat and the following AP was tabled.

AP38.1	To prepare a slide to provide insight into the potential DIS ballot on EPC193-22v1.0 through the ISO TC 68 SC 9 fast track procedure (countries involved, voting rules, etc.)	M. De Soete	ASAP
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6. Interoperability of MSCTs based on NFC or BLE

The Secretariat informed that the document EPC287-22v0.18 was approved for public consultation by the EPC Board in December 2022. The document was subsequently published on the EPC website with the accompanying questionnaire (MSG MSCT 102-22v1.0) on 10 January 2023. The 10-week public consultation would close on 21 March 2023. A meeting of the dedicated WS which prepared the document, has already been scheduled to review and to analyse the comments received through this public consultation (see Annex 3).

7. MSG MSCT work plan

The Secretariat presented the draft 2023 workplan (MSG MSCT 004-23) she prepared for the MSG MSCT, based on the mandate extension MSG MSCT 128-21. The slides of the workplan were reviewed on screen during the meeting and minor updates were applied. The workplan was subsequently approved. The Plenary was also reminded that an extension of the mandate for the MSG MSCT would need to be requested to the EPC Board meeting in May 2023 since the current mandate terminates end June 2023.

The Plenary further agreed to establish a new work-stream (WS) dedicated to the preparation of the 3rd edition of the MSG IG (EPC269019) through the merger of the WS on MSCT use cases and the WS on technical interoperability of MSCTs. A first meeting of this new work-stream was scheduled on 6 February 2023.

Next the Plenary briefly reviewed the document including the proposed updates to the MSCT IG (MSG MSCT 003-23). A further detailed analysis on the required updates is to be undertaken by the new work-stream.

AP38.2	To circulate the approved work-plan MSG MSCT 004-23 to the Plenary and the new WS on 3 rd edition MSCT IG	M. De Soete	ASAP
AP38.3	To inform about the new WS on 3 rd edition of the MSCT IG and invite for a first meeting on 6 February 2023, based on MSG MSCT 003-23	M. De Soete	By 31 January 2023

8. Digital Market Act (DMA)

K. Kobylinska was invited to provide some insights into the DMA. She first referred to the written communication she provided to the MSG MSCT Plenary meeting in December 2022 (see MSG MSCT 101-22). Next she focused on the Digital Market Act with respect to the impact on MSCTs, more in particular if NFC is used as proximity technology to exchange data between the payer and the payee to enable the initiation of an MSCT. She referred to Article 6 which specifies the gatekeeper obligations, namely free access to hardware and software, which includes the access to the NFC antenna on mobile devices and interoperability with the operating system for service providers, including PSPs. However, compared to the original draft of the Act, K. Kobylinska explained that a new clause has been added that allows gatekeepers to take strictly and proportionate measures ensuring the integrity of the operating system. This means that those should be based on proven risks.

The DMA enters into force in May 2023. By early July, companies need to inform the EC that they are gatekeepers – the EC will formally register them (if no disputes) by September 2023. These gatekeepers need to comply with the DMA by March 2024.

AP38.4	To check on the potential publication by the EC of the registered gatekeepers related to the DMA	K. Kobylinska	In due time
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Note in editing: The following e-mail was received from K. Kobylinska subsequent to the meeting:

“In response to today’s question on the publication by the Commission of the list of companies designated as gatekeepers, upon verifying I can confirm that the European Commission will publish such a list.

Article 4(3) of the DMA:

3. The Commission shall publish and update a list of gatekeepers and the list of the core platform services for which they need to comply with the obligations laid down in Chapter III on an on-going basis.

Article 44 of the DMA:

- 1. The Commission shall publish the decisions which it takes pursuant to Articles 3 and 4, Article 8(2), Articles 9, 10, 16 to 20 and 24, Article 25(1), Articles 29, 30 and 31. Such publication shall state the names of the parties and the main content of the decision, including any penalties imposed.*
- 2. The publication shall have regard to the legitimate interest of gatekeepers or third parties in the protection of their confidential information.”*

9. EC Draft Regulation on Instant Payments (IPs)

The Plenary was informed by K. Kobylinska that the European Commission adopted this proposal end October 2022. It addresses only SCT instant in the EU for Euro transfers. It consists of four main blocks:

- Obligations for all ASPSPs that offer SCT to also offer SCT Inst. and the channels of availability (individual, bulk);
- Pricing – not higher than the price for regular SCT but at the discretion of PSPs;
- IBAN name check mandatory for ASPSPs to offer;
- Sanction screening obligations – here the idea is that PSPs screen their own customers prior to the execution of an SCT Inst (which means it is taken out of the 10sec. maximum transaction time).

K. Kobylinska explained that the overall objective is to make SCT Inst available, attractive and accessible. The implementation timelines for the different obligations range from 6 to 36 months.

The proposal is currently debated in the European Council where two more meetings have been planned in February and March 2023. A final position by the Council is expected by the summer. The European Parliament just started the discussions whereby a Dutch rapporteur was appointed.

The start of the triilogue is expected to start in September 2023 with a potential adoption of the Regulation by the end of this year. She further informed that currently there are no indications that core elements are questioned.

A question was raised with respect to the interoperability of the Confirmation of Payee service in view of the fact that several countries have already (different) domestic solutions for this in place. For the moment this would be left to the market to decide how to implement- however there seems to be appetite from the Member States to be more prescriptive.

The Plenary decided to continue monitoring the development of this new regulation in view of the impact on MSCTs.

AP38.5	To put an item on the follow-up on the EC Draft Regulation on IPs to the agenda of a Plenary meeting in Q2 2023	M. De Soete	In due time
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10. Analysis of EBA answers to Q&A 2020_5247 and 2020_5367

K. Kobylinska informed that the dedicated document MSG MSCT 075-22, developed by the MSG MSCT, will be put in the stream of the updating of PSD2.

11. Liaison and monitoring

ECSG

The Plenary was informed by J.-P. Joliveau that he was appointed as Vice-Chair during the ECSG General Assembly meeting on 1 December 2022. This meeting also proposed the updated By-Laws in view of the scope extension of the organisation, namely to address other means of payments at the POI beyond card payments. The ECSG further decided to proceed with the necessary steps for a name change to European Payments Stakeholders Group (EPSG).

It the meantime, the newly established Transition Task force is to start their work on order to define the new deliverables to be produced in view of the scope extension. They also would identify the concrete topics for potential collaboration with the MSG MSCT.

EMPSA

No update was available.

EPI

The Plenary was informed that an official announcement by EPI is to be expected on 20 February 2023.

Nexo

The Plenary was informed by J.P. Joliveau that, following a call between nexo and the Secretariat on 10 January 2023 whereby she provided insights into the MSG MSCT work, nexo has decided to bring their work on mobile acceptance more in line with the MSG MSCT regarding instant payments. He further informed that as a result of the strategy review, instant payments have been put as a priority by the nexo members.

He further offered to support the ISO fast track procedure on EPC193-22v1.2. The following AP was tabled.

AP38.6	To inform nexo concerning the potential DIS ballot on EPC193-22v1.0 through the ISO TC 68 SC 9 in view of a support letter	M. De Soete	In due time
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Next some information was exchanged regarding the pilots that are being set up for the European ID wallet in the framework of the preparation of eIDAS2.0, which also has some links into the Digital Euro. More in particular the pilot NOBID on mobile payments might be of interest for the MSG MSCT work.

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The Plenary recognised that it is important while going forward to monitor the eIDAS and Digital Euro work, to identify check points, implications and dependencies for the MSG MSCT work. The following AP was agreed

AP38.7	To add the topics of eIDAS and Digital Euro under the agenda item Liaison and monitoring for future Plenary meetings	M. De Soete	In due time
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12. A.O.B.

The group agreed to a meeting schedule for H1 2023 (see Annex 3), based on the agreed workplan (see item 7).

AP38.8	To circulate the MSG MSCT meeting calendar and distribute Outlook invitations for all meetings	M. De Soete	ASAP
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The next MSG MSCT Plenary meeting has been scheduled as a Teams meeting on 9 March 2023, 9h00-11h00.

13. Closure of the meeting

The Co-Chairs, D.-I. Flatraaker and P. Spittler, closed the meeting and thanked all attendees for their participation.

Annex 1: Participants list

Name	Affiliation	Attendance
Co-Chairs		
Dag-Inge Flatraaker	EPC (DNB Bank)	Yes
Pascal Spittler <i>alternate:</i> Axel Schaefer	EuroCommerce (Ikea)	Yes
EPC		
Harris Monteiro da Silva	Crédit Agricole	Yes
Richard Walsh	BPFI	
José Vicente	Millennium bcp	Yes
Philippe Evenot	La Banque Postale	Apologies
Andrea Cogerino	ABI (Intesa)	Yes
TBD		
Vendors		
Guido Hogen <i>alternate</i> Alain Martin	Smart Payment Association (Thales)	Yes
Andrew Pankratov <i>alternate:</i> Dmitry Yatskaer	OpenWay	Yes
Service Providers		
Ivo Broeren	Payconiq	
Jean-Philippe Joliveau <i>alternate:</i> Marco Polissi	Nexi payments	Yes
Dan Axelsson <i>alternate:</i> Anders Edlund	Getswish	Apologies
Gianpiero Caretti <i>alternate:</i> Paolo Martino	TAS Group	
Grzegorz Leńkowski	National Clearing House KIR	Apologies
Ralf Ohlhausen	ETPPA (PPRO and Tink)	Yes
Richard Boutet	ETPPA (Bridge)	Yes
Christian Pickner <i>alternate</i> Peter Neubauer	EMPSA (Bluecode)	
Esteban Martin	Mastercard	Yes
Andy Fulton <i>alternate:</i>	Visa	Yes

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Agnes Revel		
Alex Saiz Verdaguer <i>alternate:</i> David Molina	Monei	
Andrew Foulds	Fiserv	
Members		
Michel van Mello	EuroCommerce (Colruyt)	Apologies
Alexandre Lenhardt <i>alternate:</i> Alexandre Leclerc	Carrefour	
Ghlas Ferguson <i>alternate:</i> Jeremy Massey	BP Circle K	
EACT		
Massimo Battistella	EACT	
Observers		
Anna Martin	BEUC	Yes
Observers		
Ian Jacobs*	W3C	
Pierre-Yves Marche*	GSMA	
Normand Provost	nexo	
Observers		
Massimo Cappuccio <i>alternate:</i> Alexander Mayrhofer	ECB OENB	Yes
Alexandra Madeline <i>alternate:</i> Daniel Elster	BdF Deutsche Bundesbank	Apologies
Katarzyna Kobylinska-Hilliard <i>alternate:</i> Audrius Pranckevicius	European Commission	Yes
EPC Secretariat		
Marijke De Soete	EPC	Yes

*corresponding member only

Annex 2: Action points

Ref.	Action	Owner	Status/Due date
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Annex 3: 2023 Meeting schedule

MSG MSCT Plenary	WS on 3 rd ed MSCT IG	WS Risk & security	WS NFC/BLE	WS QR-codes
Teams meeting 30 January 2023 9h00-11h30				
	Teams meeting 6 February 2023 13h00-14h30			
Teams meeting 9 March 2023 9h00-11h00				
			Teams meeting 17 April 2023 13h00-16h00	
Teams meeting 18 April 2023 9h00-11h30				
Teams meeting 5 June 2023 9h00-11h30				