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SUMMARY

5th MEETING of the Steering Committee of the Mobile Proxy Forum (Meeting held on 14 December 2016: 11:00 - 16:00)

(Venue: EBF, Avenue des Arts 56, 1000 Brussels)

(Approved by the Steering Committee)

1. Welcome

The Chair, J. Maynard opened the meeting and welcomed the participants (see annex I for the list of attendees).

Membership updates include:

- New representative for Cringle: Elif Kocaoglu (replacing F. Bandov).
- Alternate to S. David (Consortio CBI): A. Castelli.
- Alternate to M. Polissi (SIA): J-P. Joliveau.

2. Approval of the agenda (SCP2P 025-16)

The agenda was approved unchanged.

3. Approval of the summary and review of the action points of the fourth meeting of the Steering Committee (SCP2P 022-16)

The summary was reviewed and approved subject to the inclusion of a clarification related to the fact that the Berlin Group has not yet decided to support the preference and timestamp fields in the API it is currently developing as the definitions of these two fields are not mature enough.

The approved summary will be published shortly on the EPC website.

4. Hub and spoke versus bi-lateral structures for the SPL

The ECB had via email raised the question of whether there already was an agreement among the Steering Committee members concerning the need for either a centralised or decentralised setup to ensure pan-European interoperability.

The Chair reported that the Steering Committee had been tasked with the implementation of the recommendations of the ERPB Working Group on P2P Mobile Payments and that this working group, following a review of alternative infrastructure setups had decided that the hub and spoke approach would be the way forward.

W. Machiels however commented that although the Berlin Group is fully agnostic about the setup, it wants to ensure that the implications of a centralised versus decentralised approach are clear to the members of the Steering Committee and that business,

technical, legal and operational considerations have been taken into account. Furthermore, he added that in a multilateral setup (i.e. multiple participants connect to each other via a multilateral framework) no initial setup costs are required.

The Chair invited the Steering Committee members to indicate whether they would still want to proceed on the basis of a central hub or if they would prefer to explore alternative options.

Following a thorough discussion, consensus was reached to continue to proceed with developing initially a centralised infrastructure and associated rulebook. The aim would also be to develop membership rules whereby individual schemes are not required to rely on the central infrastructure but are nevertheless willing to support the solution financially.

A solution is needed that works for everyone, fulfils the criteria, is economically viable and is non-discriminatory.

5. Report on the 28 November 2016 meeting of the ERPB (SCP2P 023-16)

The Chair reported on the November 2016 meeting of the Euro Retail Payments Board (ERPB), which he had attended to provide an intermediary status update on the work of the Steering Committee of the MPF.

The related ERPB statement¹ stipulates the following:

“The ERPB took note of the partial progress made by the MPF and insisted that a detailed work plan be finalised by the time of the ERPB meeting in June 2017. This work plan should ensure that the rules, technical and legal analysis, as well as the commercial review of appointing one or more suppliers of the SPL service, enable the launch of the service around the date on which SCT Inst scheme commences.”

The Chair added that to ensure a successful launch, a minimum requirement would be two parties interconnecting based on a rulebook.

In relation to the November 2017 deadline it was commented that:

- Not many banks are expected to be able to process SCT Inst transactions by November 2017.
- The SEPA end-date Regulation does not require the use of SCT Inst.
- Most organisations have by now fixed their 2017 budget.

The ERPB statement also mentions that consensus had been reached in relation to the polling hierarchy logic. This was indeed the case with the exception of M. Torres who objected to the principle of cancelling a transaction in case none of the multiple answers received come for participants that have built the preference/timestamp feature.

The Chair mentioned that the ERPB agreed to set up a new working group on payment initiation services which will also focus on APIs.

P-Y. Esclapez furthermore informed that based on the findings of the Green Paper² on Retail Financial Services (2015) it can be expected that approximately 3% of European

¹ <https://www.ecb.europa.eu/paym/retpaym/euro/html/index.en.html>

² http://ec.europa.eu/finance/consultations/2015/retail-financial-services/index_en.htm

consumers have accounts in more than one country.

6. Review and approval of the MPF project plan (SCP2P 006-16)

An updated version of the MPF project plan had been sent for review to the members prior to the meeting.

The Chair summarised that once the SPL service rules have been defined these will need to be validated from a legal point of view. In parallel, a commercial assessment (i.e. 1 hub or more than 1 hub) will have to be undertaken before going to the market place. As a fall back plan, a pilot could be built which is robust, hands-on and which does not require much funding upfront. The solution should be scalable and able of being industrialised into a larger more stable version at a later stage. This approach could make sense taking into account the low anticipated volumes. In any case, the expectation should be to have a commercial provider capable of providing the central infrastructure.

Moreover, at some point in time when funding is required, the Steering Committee will have to consist of participants that are prepared to contribute financially.

It was commented that the Steering Committee should be ambitious and that at least a minimum viable product should be ensured.

The EPC clarified that the project plan, which should be considered a living document, had been developed based on desk work and taking into account the November 2017 deadline. Moreover, members should feel comfortable that all required activities are covered and that the timeline is realistic.

The Steering Committee approved the MPF project plan.

7. Development of draft rules for operating, joining and participating in the SPL service (SCP2P 018-16; SCP2P 026-16)

An updated tracked version of the draft rules document had been created based on input received from members. To facilitate the review a presentation had been prepared which was updated during the meeting.

The scope of the SPL service was defined as follows:

- The SPL service will allow the exchange of the data necessary to initiate P2P mobile payments among proxy-based P2P mobile payment solutions on a pan-European level.
- It will facilitate interoperability between participating P2P mobile payment solutions.
- In view of the tight deadline, and considering the lack of interoperability among existing mobile payment solutions, the strategy is to overcome the fragmented scenario with simple solutions at first by focussing on the linking of a mobile telephone number (proxy) to an IBAN.
- An open design should be ensured to allow support for additional proxy types and alternative payment account identifiers in a second phase

The goal of establishing an SPL service would be to have operational proxy-lookup processes between participants who are registry providers (i.e. operate a service which relates a proxy to a payment account). This would require a scheme, describing the

logic of these processes, and a service operator that runs the SPL according to the scheme rules.

The Steering Committee agreed not to mandate the provision of the beneficiary name, this to avoid the risk of excluding certain organisations. Likewise, SCT Inst will not be the only relevant payment scheme as some participants would not be able to provide it.

For each of the following roles, a governance and (initial) rules would need to be defined for different relevant aspects including joining, participating and operating in these roles:

- SPL scheme manager.
- SPL service operator.
- Payment Initiating Registry Provider PSP (IRP): entity which makes a request into the SPL.
- Responding Registry Provider PSP (RRP): entity which responds to a lookup request from the SPL.

In addition, core interactions should be defined between roles, including:

- Lookup request.
- Lookup response.
- Joining / leaving the scheme as a IRP.
- Joining / leaving the scheme as a RRP.

It was furthermore agreed that uniform terminology should be adopted based on the list of regulated entities under PSD2.

(Note: The presentation SCP2P 026-16 was reviewed until slide 12. The review will continue at the next meeting of the Steering Committee)

8. Preparation setup MPF working groups (SCP2P 007-16)

The draft terms of references (ToR) of the Technical Working Group had been sent to the members prior to the meeting. The Berlin Group commented that they could not agree with some sections of the ToR. In view of the tight deadline, an updated version will be distributed for review via email.

The Steering Committee did not yet discuss the anticipated working group that will focus on the market implementation of the SPL service.

9. AOB

ISO 20022 Business Justification 'Proxy for Banking Account Numbers'

Members of the ISO 20022 Registration Management Group (RMG) are invited to comment by 15 December 2016 on the above business justification which was submitted by SPRING – IT Standing Committee/ e-Financial Services Technical Committee/ Singapore Payment Standard Evaluation Group.

Members wishing to comment should contact their national standardisation bodies. The Chair informed that he was in favour of objecting to this business justification in view of the different initiatives that are currently taking place in this domain.

10. Next meeting

The next meeting date will be communicated in due course via email.

Note in editing: The next meeting will be held on 31 January 2017 (11-16 CET) in Brussels.

11. Closure of the meeting

The Chair thanked the members for their valuable contribution and closed the meeting around 16.00 CET.

ANNEX I: List of attendees of the 5th meeting of the Steering Committee

N°	Organisation	Representative	Attendance
Steering Committee Members			
1.	ACI Worldwide	Scaffidi Domenico	Yes
2.	Banca Sella	Susta Enrico	Apologies
3.	Barclays	Foulds Darren	
4.	Bundesverband deutscher Banken	Tenner Tobias	Yes
5.	Caixa Bank	Herrero Francesc Xavier	Yes
6.	Caixa Geral de Depositos	Leite Monica	Apologies
7.	Conorzio CBI	David Simona (alternate: Castelli Alessio)	(Yes)
8.	Cringle	Kocaoglu Elif	Yes
9.	Danske Bank	Olsen Sylvest Kasper	Yes
10.	Dutch Payments Association	Boudewijn Gijs (alternate: Blom Marnix)	(Yes)
11.	Electronic Money Association (EMA)	Crawford Judith (alternate: Gerhartinger Hartwig)	Apologies
12.	Elisa / EKisa Rahoitus Oy	Heikkinen Mari	Apologies
13.	Erste Bank	Kazmi Zaf	
14.	EPIF	Cowling Robert (alternate: Garcia Paloma)	Yes
15.	Fire Financial Services	Davey Paul	
16.	EBA Clearing	Plompen Petra	Apologies
17.	Gemalto	Gaston Lorenzo	Apologies
18.	GetSwish AB / Swish	Silvén Gunnel	Apologies
19.	ICBPI	Miotto Giovanni	
20.	MasterCard	Perryman Mark (alternate: Martin Esteban)	Yes
21.	Nordea Mobile & Emerging Payments	Mårtenson Rasmus	Yes
22.	Payfriendz	Allen Howard	Yes
23.	Paym	Maynard John	Yes
24.	Pietsch Consult	Pietsch Thomas	
25.	Polski Standard Platności	Mazurkiewicz Dariusz	Yes
26.	Redsýs	Torres Miguel	Yes
27.	Seamless	Fredell Peter	Yes
28.	SEQR Benelux	van der Hart Peter	Apologies
29.	SIA	Polissi Marco (alternate: Joliveau Jean-Philippe)	(Yes)
30.	SIBS	Mesquita Teresa	Yes
31.	SRC Security Research & Consulting	Machielse Wijnand (alternate: Ortwin Scheja)	Yes until 1pm (Yes)
32.	SWIFT	Kuntz Vincent	
33.	UBS	Schilling David (alternate: Stahel Philipp)	
34.	VocaLink	Senechal Nick	Yes
35.	Wone	Tuzi Daren	
36.	Wordline	Deudon Arnaud	
Observers			
37.	ECB	Tur Hartmann Francisco	Apologies
38.	ECB	Plooij Mirjam	Yes
39.	European Commission	Esclapez Pierre-Yves	Yes
EPC Secretariat			
40.	EPC	Goosse Etienne	Yes
41.	EPC	Godefroi Christophe	Yes

Annex II: List of action points

Ref.	Action	Owner	Status/Target
5.01	Schedule the next meeting of the Steering Committee.	EPC Secretariat	16 December 2016
5.02	Prepare an updated version of the terms of references of the Technical Working Group and distribute for review to the Steering Committee.	EPC Secretariat	19 December 2016
5.03	Publish the approved summary of the 4th meeting on the EPC website.	EPC Secretariat	23 December 2016
5.04	Update the SPL service rules document based on outcome of the 5 th meeting of the Steering Committee	EPC Secretariat	23 December 2016
5.05	Review updated version of the terms of references of the Technical Working Group and provide comments (if applicable).	Steering Committee members	6 January 2017