



EUROPEAN CENTRAL BANK

EUROSYSTEM

ERPБ priorities for 2022



ERPБ – 25/11/2021

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Background – June 2021 ERPB meeting

- The ERPB adopted its first priorities for the period 2021-2023
- ERPB members supported considering priorities going forward in November 2021 taking into account the deliverables of the planned workstreams (that may imply follow-up) as well as the assessment of whether to conduct further work on the remaining elements of an interoperability framework for instant payments at the point-of-interaction

⇒ This presentation reviews the deliverables of the planned workstreams, considers possible new items based on previous ERPB discussions and suggests on this basis priorities for 2022

Deliverables of planned workstreams and follow-up

Access to and acceptance of cash

- The ERPB working group delivered the outcome of its analysis in November 2021:
- **Suggested follow-up:**
 - The evolution of access to and acceptance of cash could be further monitored either via a new ERPB working group or a dedicated body (e.g., EFIP given the membership of NPCs and/or ECAG) in consultation with industry stakeholders
 - As part of the above follow up work, the following would be welcomed:
 - A study on post-pandemic consumer attitudes towards payments in the euro area (already ongoing, lead by the ECB)
 - A study on the societal costs and benefits of different payment instruments in the euro (provided a minimum number of study participants will be guaranteed (potential timing: 2023 based on 2022 data)
 - In addition, in the context of this follow-up, special attention could be paid to:
 - alternative ways to provide access to cash in the market (beyond IADs, cashback, and cash-in-shop) and their future role
 - input from the SME communities (e.g., SME United, local associations of e.g., doctors, sole traders, etc) on the drivers for and obstacles to access and acceptance of cash
- **No immediate follow-up for the ERPB**

Transparency for retail payments end-users

In June 2021, the ERPB endorsed a set of recommendations focusing on the accuracy of data elements for payment transaction details related “to whom/where/when” a payment was made.

Considering the envisaged impact on the payments industry, the ERPB supported that in parallel to starting implementation, relevant payment chain participants produce an impact assessment of the implementation of these recommendations.

First impact assessment submitted to the November 2021 ERPB meeting highlights further work required to finalise impact assessment and progress in the implementation of the recommendations

Development of a QR-code standard for instant payments

In June 2021, the ERPB agreed to conduct further work on the development of a QR-code standard beyond what was already set out in the report of the ERPB working group of November 2020, covering the requirements for such a standard, its governance and process for future updates. This work could thereafter be extended to other technologies such as NFC or BLE.

The EPC Multi Stakeholder Group on Mobile initiated credit transfers (MSG MSCT) is due to present the status of their work to the ERPB in November and expects to launch a public consultation on the draft standard in January 2022

SEPA Payment Account Access Scheme

In June 2021, the ERPB invited the EPC to take up the role of scheme manager in relation to payment accounts, in line with the requirements defined in the report prepared by the SEPA API Access Scheme working group. In doing so, the EPC would need, inter alia, to ensure there is adequate stakeholder involvement and alignment with the relevant actors (e.g. standardisation initiatives and directory service providers) and regulatory bodies in the ecosystem and to promote the scheme's adoption. The EPC was invited to provide an update on the progress of this work for the November 2021 ERPB meeting.

The EPC set-up a dedicated multi-stakeholder group to prepare the development phase of the future scheme, pending the EPC formal approval in November of the ERPB invitation to assume the role of scheme manager.

Possible new items suggested by the ERPB in past discussions

Interoperability for instant payments at the point-of-interaction

- In June 2021:
 - the ERPB was to assess whether to conduct further work on a dedicated framework to manage the interoperability rules and appropriate governance for instant payments at the POI solutions.
 - Considering the progress of the work at the MSG MSCT level, ongoing market developments and that the feedback to the EBA Q&A tool was still to be received, the ERPB supported re-considering this question in November 2021.
- Suggested approach for 2022 priorities: Based on developments since then, re-assess whether to conduct further work on the remaining elements of an interoperability framework in June 2022.

Communication towards end-users on instant payments

- In June 2021:
 - The ERPB expressed a preference not to launch this workstream at this stage considering ongoing market developments, need to conduct further work (e.g. proposed workstream on a QR-code standard) and high degree of heterogeneity of various national payment markets.
 - The ERPB agreed to re-consider this workstream in November 2021 when discussing ERPB priorities going forward
- Suggested approach for 2022 priorities: re-consider this workstream in June 2022 considering progress of relevant workstreams.

Suggestions for potential items in the discussions on the update of the ERPB workplan

- Extending the scope of the work on transparency for retail payments end-users to merchants
 - Suggested approach: considering the follow-up work stemming from the report on transparency for retail payments end-users impacting a large number of stakeholders, and that the new workstream focusing on merchants would likely impact the same stakeholders, it is suggested to reconsider whether/when to launch this work once the impact assessment for the implementation of the recommendations on transparency for retail payments end-users would be finalised
- Analysing the interaction of a CBDC/digital € with the remainder of the retail payments business
 - Suggested approach: ERPB feedback on the digital euro would be sought in the context of the investigation phase – see agenda item 3

Suggested priorities for 2022

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- **Instant payments – QR code standard and extension to other technologies**
 - Development of a QR code standard: EPC in a group with multi-stakeholder participation and involving relevant standardisation bodies invited to finalise the specification of the QR-code standard (including public consultation) in view of reporting to the June 2022 ERPB with a final standard and governance process.
 - Extension of the work to other technologies: EPC in a group with multi-stakeholder participation and involving relevant standardisation bodies invited to extend the work done for a QR code standard starting with NFC (by June 2022) given its higher penetration in the market and continuing with BLE.
- **Digital euro – ERPB engagement in the investigation phase**
 - ERPB invited to provide feedback to specific outputs of the investigation phase

Suggested priorities for 2022

- **SEPA Payment Account Access Scheme**
 - Pending EPC confirmation to accept the invitation to act as scheme manager for payment related aspects
 - SPAA MSG to finalise its work related to the preparatory phase of the development of the future SPAA scheme and launch the development phase in 2022
- **Transparency for retail payments end-users**
 - Payment chain actors to finalise impact analysis of recommendations while progressing in their implementation
- **To be reconsidered in June 2022**
 - Instant payments – remaining elements for the interoperability framework for instant payments at POI
 - Instant payments – communication towards end-users