

Assessment of follow-up on ERPB statements, positions and recommendations

1. Introduction & summary

The aim of this document is to provide an overview on the follow-up of ERPB statements, positions and recommendations. The overview serves the purpose of keeping track at the ERPB level on whether ERPB statements, positions and recommendations are followed up with action by relevant stakeholders and, if not, to enable the ERPB to discuss possible remedies. A similar overview is provided for each meeting of the ERPB.

Based on the assessment by the Secretariat further progress was made since the last review on some of the past recommendations made by the ERPB. Overall, the follow-up on ERPB recommendations remains satisfactory without the need to reconsider past statements or recommendations. The Secretariat will continue to monitor developments related to all items and will report back to the next meeting of the ERPB (in November 2016).

2. Methodology of the assessment

To ensure a better and more user-friendly overview of the status of the follow-up on past ERPB statements, recommendations and positions, a simple traffic light system with four grades is applied:

- **Red:** means that no significant efforts have been done or there are significant obstacles faced by the relevant stakeholders preventing progress on the given recommendation or issue. Hence, **more attention and efforts are needed in the future and the recommendation or issue requires further attention at the ERPB level.**
- **Yellow:** means that *either*
 - efforts have been made on the given recommendation or issue by the relevant stakeholders but further – previously not planned – efforts may be needed *or*
 - there is a risk that obstacles may arise with regard to further progress on the recommendation or issue

The recommendation or issue could require further attention at the ERPB level in the future.

- **Green:** means that all necessary efforts have been made by the relevant stakeholders on the given recommendation or issue and the issue at hand is on track to be fully resolved in the near future. **Barring unexpected developments there is no need for further attention to the matter at the ERPB level.**
- **Blue:** means that due to the necessary efforts made by the relevant stakeholders the given recommendation or issue has been fully followed up / relevant stakeholders are in full compliance with the given recommendation and **the issue is to be treated as closed.**

These traffic lights are complemented by textual remarks / assessment of the follow-up on the given issue or recommendation to provide more detailed information and to underpin the traffic light assessment.

3. Overall assessment of the follow-up and status of ERPB recommendations, stances and statements

Overall, ERPB recommendations and statements made in the past four meetings of the ERPB have been followed up by relevant stakeholders. The majority of traffic light assessments given to the recommendations and other ERPB stances are set to blue or green and further progress was made since the last written assessment (prepared in November 2015). In the below the issues / recommendations with most significant progress are highlighted with a focus on those which were marked yellow at the time of the last assessment.

3.1 SCT-SDD post migration issues and pan-European electronic mandates for SDD

Among the recommendations on SCT-SDD post migration issues the one related to the investigation of ways to solve the issue of national legal requirements related to the use of SDD R-transaction reason codes (*ERP/2014/rec11*) was marked as yellow. To recall, the European Commission discussed the issue with Member State representatives in the EU Forum of National SEPA Fora and it concluded that this issue was difficult as it would require change in national laws related to data privacy. However, two relevant legal proposals (proposals for a General Data Protection Regulation – GDPR - and the Data Protection Directive for Police and Criminal Justice Authorities) were negotiated by the European Parliament and Council and adopted on 8 April by the Council and 14 April by the European Parliament. On 4 May 2016, the official texts of the Regulation¹ and the Directive² have been published in the EU Official Journal. While the Regulation will enter into force on 24 May 2016, it shall apply from 25 May 2018. The Directive enters into force on 5 May 2016 and EU Member States have to transpose it into their national law by 6 May 2018.

It is noted that both the Data Protection Directive (95/46) and the GDPR have a horizontal nature and do not provide for tailor-made solutions for any sector of economic activity. Personal data related to R-transaction codes can be transmitted between banks as long as there is a legal ground (e.g. a contract, national or Union law, legitimate interests of the controller) for the processing of those data for those specific purposes. Once it becomes applicable, the GDPR will reduce the existing fragmentation of data protection law and could therefore contribute to overcoming the present obstacles on the sharing of personal data between banks for SEPA Direct Debits purposes.

The respective item is therefore marked as green.

3.2 Person-to-person mobile payments

In June 2015 the ERPB endorsed the vision “of allowing any person to initiate a pan-European P2P mobile payment safely and securely, using a simple method with information the counterparty is prepared to share in order to make a payment”. To that end the ERPB made four recommendations to the community of mobile P2P solutions providers as well as an invitation to the EPC to facilitate the dialogue between existing solutions providers and other relevant stakeholders on such cooperation. The EPC has been following up on this invitation by organising a workshop on 21 January 2016 as a result of which a Steering Committee was created to deliver a pan-European proxy look-up service. This Steering Committee met on 14 March and 24 May 2016 and delivered a first progress report to the ERPB (to be discussed under item 4 of the agenda) presenting the work conducted to date, focusing on the definition of the steering group governance and objectives. The Steering Committee decided to finalise and approve its

¹ Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (General Data Protection Regulation)

² Directive (EU) 2016/680 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data by competent authorities for the purposes of the prevention, investigation, detection or prosecution of criminal offences or the execution of criminal penalties, and on the free movement of such data, and repealing Council Framework Decision 2008/977/JHA

Terms of Reference at its 29 June meeting. The item relating to the invitation to the EPC to facilitate cooperation among existing P2P mobile payment solution providers is therefore marked as green while the other recommendations are marked as yellow considering the remaining work to be conducted under the aegis of the Steering Committee.

3.3 Pan-European instant payments in euro

In November 2015, the ERPB endorsed the general scheme design of an instant SEPA Credit Transfer scheme (SCT^{inst}) in euro, and, on this basis, expects the EPC to make an SCTinst rulebook available for adherence by PSPs from November 2016 with a view to implementing the scheme by November 2017. The ERPB further invited the EPC to address outstanding issues related to key aspects of the scheme (e.g. parameters such as the processing time and amount limits) and to present an interim report at the June 2016 ERPB meeting. The ERPB further agreed that the high level group (HLG) reflecting the composition of the ERPB shall continue to provide guidance as needed to support the EPC in the next stage of its work on the scheme up to June 2016. The ERPB HLG held two teleconferences since November 2015 to discuss the EPC proposed approach on the outstanding elements of the scheme. The EPC thereafter published the draft SCT^{inst} rulebook for a three-month public consultation on 12 April³ and prepared a status report to the ERPB (discussed under item 5 of the agenda). The respective item is marked as green.

3.4 Mobile- and card-based contactless proximity payments

In November 2015, the ERPB endorsed the vision of “developing over time, across Europe, a secure, convenient, consistent, efficient and trusted payment experience for customers (consumers and merchants) for all retail transactions at the point of interaction (POI), based on commonly accepted and standardised contactless and other proximity payment technologies”. To that end, the ERPB made ten recommendations to various stakeholders for the realisation of this vision. Work on the recommendations to be addressed by June 2016 is well underway. With regard to the recommendation on social awareness on contactless payment products, the EPC, BEUC (liaising with AGE Platform Europe) and EuroCommerce are preparing a leaflet translated in all EU languages aimed at the general public and to be published by ERPB members and the ECB on their websites, along with dedicated training material for retailer staff. Regarding the recommendation relating to the common interpretation of the phrase “choice of payment application” in the Interchange Fee Regulation, the European Commission and the Cards Stakeholders Group (CSG) worked together to ensure a consistent understanding. The outcome of this discussion contributed to the new drafting of the SEPA Card Standardisation Volume of Requirements in the form of requirements and examples on how to implement the choice of payment application. These two items are therefore marked as green.

³ <http://www.europeanpaymentscouncil.eu/index.cfm/sepa-instant-payments/sct-inst-consultation/>



4. Detailed assessment of follow-up on ERPB statements, positions and recommendations⁴

| Number | Issue / recommendation | Addressee s / relevant stakeholder s | Remark | Assess ment of follow- up |
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| Remaining open issues from the May 2014 meeting of the ERPB | | | | |
| ERPB/2014/sta0 | Alternative (no-refund) consumer direct debit scheme: The ERPB agreed: i) to recommend to the European Commission and the EU legislators that they consider a legal solution to clarify the refund rights in the context of a review of the Payment Services Directive and ii) that such an alternative direct debit scheme in SEPA could only be launched once the review of the Payment Services Directive was complete and thus provided a clear legal background to allow for this | EU legislators, European PSPs | The review of the Payment Services Directive (PSD2) will change the provisions related to refund rights for DDs. In the text of the version of PSD2 adopted by the European Parliament for direct debits in euro the payer has an unconditional right to a refund. However, it may be agreed in a framework contract between the payer and the payment service provider that the payer has no right to a refund where: a) the payer has given consent to execute the payment transaction directly to the payment service provider; and b) where applicable, information on the future payment transaction was provided or made available in an agreed manner to the payer for at least four weeks before the due date by the payment service provider or by the payee. | Green |
| ERPB recommendations on SCT-SDD post migration issues made in December 2014 | | | | |
| ERPB/2014/rec1 | The ERPB supports the publication and use of the EPC's current customer-to-bank Implementation Guidelines (IGs) by all market participants. The ERPB recommends making the EPC's customer-to-bank IGs mandatory in the next EPC SEPA rulebook change management cycle. | The EPC's Scheme End- User Forum | An EPC change request has been submitted for public consultation for the 2016 EPC SEPA rulebook change management cycle. It specifies that a scheme participant is obliged to accept at least but not exclusively C2B SEPA payment message files based on the EPC's C2B SEPA scheme IGs defined for SCT, SDD Core and SDD B2B. SCT originators and SDD Core/ B2B creditors would still be free to agree with their PSPs to use any other ISO 20022 | Green |

⁴ Based on feedback from the relevant (addressed) stakeholders

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| | | | XML payment message standard format to submit their C2B SEPA payment message files to their PSPs. | | |
| ERP/2014/rec2 | | | <p>The EPC highlights that payment account statements also do mention transactions other than SCTs and SDDs. There are no separate SEPA transaction statements but only SEPA messages.</p> <p>In 2009 the EPC published the mapping document EPC188-09 (Recommendations on customer reporting of SCT and SDD) on the reporting of SEPA transactions by PSPs to their PSUs. The document describes how the SEPA message elements can be taken over in the account statements and makes a mapping of the rulebook requirements vis-à-vis the 'Transaction Details' elements of the ISO 20022 reporting messages.</p> <p>At their first meetings in the 3rd quarter of 2015, the SEUF and the ESTF had been asked for their positions on this topic.</p> <p>The ESTF suggested that the EPC should make mandatory IGs for the B2C space or alternatively define a mandatory set of attributes for B2C purposes in the rulebooks. The SEUF did not express a formal position on this topic.</p> <p>The EPC considers that updating the mapping document EPC188-09 is the only extra measure it can undertake. The EPC rulebooks already contain datasets (DS) specifying attributes that need to be provided to the SCT Beneficiary (DS-04) or the SDD Debtor (DS-06).</p> <p>The limited number of fields in the ISO 20022 XML B2C messages already scale down the options on how transmit B2C information data. Furthermore, the purpose of each B2C message field is easy recognizable and clear.</p> <p>An updated version of the mapping document EPC 188-09 has been published on the EPC website in November 2015⁵.</p> <p>While customer-to-bank implementation guidelines were expected to be made mandatory, it is recognised that necessary efforts have been made in this field. The ERPB will continue monitoring this recommendation to ensure that no concerns arise before deeming it closed.</p> | EPC & the EPC's Scheme End-User Forum | Green |
| ERP/2014/rec3 | It is recommended to follow up with EU Member States and | European | The subject of IBAN discrimination has been addressed at | Green | |

⁵ <http://www.europeanpaymentscouncil.eu/index.cfm/knowledge-bank/epc-documents/epc-recommendation-on-customer-reporting-of-sct-and-sdd/epc188-09-recommendation-on-customer-reporting-of-sct-and-sdd/>

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| | take appropriate action to ensure the enforcement of EU law related to payment accessibility as stipulated in Article 9, Regulation EU (No) 260/2012. | Commission and Member States | <p>each meeting of the EU SEPA Forum and CEGBPI since December 2014. In these meetings Member States were informed that</p> <ul style="list-style-type: none"> • The Commission receives complaints on a near daily basis in relation to IBAN discrimination, tries to resolve the cases if possible and keeps track of Member States actions; • The designated competent authorities should be competent for Payment Services Providers (PSPs) and Payment Services Users (PSUs). This was necessary as a number of Member States misinterpreted Regulation 260/2012 and did not designate competent authorities with responsibility for payment service users; and • The European Commission launched 11 “EU-pilots” (discussions with Member States where infringements to Regulation were monitored). Nearly all of them have been resolved positively. | |
| ERP/2014/rec4 | It is recommended to consider re-launching awareness campaigns about obligations for creditors to accept foreign IBANs | PSPs, national central banks, umbrella organisations of corporate and public authority payees, consumer organisations and competent authorities at national level | <p>Based on a letter on this subject by the ERPB Chair, nearly all euro area national central banks (NCBs) have closely followed up on the issue of IBAN discrimination and acceptance of non-domestic IBANs. NCBs have taken the issue to national SEPA / retail payments fora and in most countries sent letters to relevant stakeholder groups increasing awareness by emphasizing the importance of both the spirit and the letter of relevant legal requirements. Based on NCBs feedback by the end of May to the ERPB Secretariat the elimination of IBAN discrimination in practice is on track in most or even has been fully achieved in some countries already (see summary of NCB replies in Annex 1). Similarly the EACT and the representatives of Public Administrations have followed up by sending letters to their constituencies highlighting the legal requirements related to IBAN-discrimination and the importance of complying with these regulations.</p> | Green |
| ERP/2014/rec5 | It is recommended that existing BIC-from-IBAN solution providers present the full reliability of their respective solutions to meet the market needs for BIC-from-IBAN derivation by 1 June 2015 at the latest to support the IBAN-only implementation by February 2016. | BIC-from-IBAN solution providers | The ECB has been in contact with the leading BIC-from-IBAN solution providers and they confirmed the readiness of their service. | Green |
| ERP/2014/rec6 | It is recommended to continue providing information on local issuing authorities and to keep this information up to date via their websites | European System of Central Banks | The ECB, based on information from ESCB central banks, has updated and will continue to update where necessary its overview table of SEPA national issuing authorities (published on the ECB website). | Green |

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| ERP/2014/rec7 | <p>It is recommended to standardise the provision of relevant data for BIC-from-IBAN derivation services as soon as possible (with a recommended date of 1 April 2015 at the latest) and to ensure a non-discriminatory and transparent access for all market participants (PSPs and PSUs)</p> | <p>Issuing authorities for bank identifiers in SEPA</p> | <p>Several issuing authorities have made substantial efforts to improve and standardise their provision of data on valid bank identifiers. NCB issuing authorities have agreed to follow up and improve the presentation of national bank identifiers where necessary to meet basic standards / requirements. According to latest information available to the ECB there are by now only very few issuing authorities which do not meet basic standards of data provision in this field.</p> | <p>Green</p> |
| ERP/2014/rec8 | <p>It is recommended to investigate possible alternatives to meet the extended structured and unstructured remittance information demands from corporate PSUs</p> | <p>EPC and the EPC's Scheme End User Forum</p> | <p>At their first meetings in the 3rd quarter of 2015, the SEUF and the ESTF had been asked for their position on this topic. The views among members of the ESTF and SEUF were divided on the EPC 2014 change request to only transmit the storage localization of the additional customer-to-customer information in the payment message whereby the additional information itself could be extracted from a "cloud" environment. The ESTF and SEUF suggestions ranged between an increased number of permitted blocks of 140 characters in combination with a cloud solution, and a first block for 140 unstructured characters with a considerable number of structured character blocks. End January 2016, the EPC received internal input from the national PSP communities whether</p> <ol style="list-style-type: none"> i. These communities have the need to extend the current 140 character limitation for remittance information in the SCT and SDD rulebooks ii. In case such extension is needed, how many extra (blocks of) characters are desired and iii. The desired extension concerns extra (blocks of) structured or unstructured information (or a combination) <p>The EPC concluded there was no need to extend the number of characters for remittance information. The EPC resubmitted its 2014 change request for public consultation for the 2016 EPC SEPA rulebook change management cycle. 2016 change requests from the European Association of Corporate Treasurers on this matter (proposing various changes including an extension of the number of characters) have been received and are also included in the public consultation.</p> | <p>Green</p> |
| ERP/2014/rec9 | <p>It is recommended to monitor the evolution of the correct use of SDD R-transaction reason codes until December 2015 and</p> | <p>EPC</p> | <p>16 individual SEPA scheme compliant Clearing and Settlement Mechanisms (CSMs) providing SEPA scheme-compliant CSM services <u>in the euro zone</u> have responded</p> | <p>Green</p> |

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| | act accordingly if needed | | <p>positively to the EPC request to provide four times per year, statistical information on national and/or cross-border r-transactions at country level relating to the current EPC SEPA schemes for the latest available period of three months.</p> <p>The EPC already reviewed the collected r-transaction statistics for the fourth quarter 2015. The collection of statistics covering the first quarter of 2016 has finished and these data are now being analysed.</p> <p><i>The EPC nevertheless remarks that certain CSMs may not be able to provide statistical data for each single SCT, SDD Core and/or SDD B2B reason code. Some CSMs may not be in a position to provide r-transaction statistics for outgoing and incoming cross-border SCT and SDD transactions.</i></p> <p><i>The analysis of the first set of statistics gathered and compiled (for Q4-2015) did not raise any specific concern especially given the legal situation in some countries (as referred to under 2014/rec11); this quarterly statistical exercise will continue; the EPC received no complaint or further information regarding potential misuse of r-transaction codes</i></p> | |
| ERP/2014/rec10 | It is recommended to report complaints about SDD scheme participants not using the appropriate reason code to the complaints body of the EPC. | SDD scheme participants | <p>This option is available to any scheme participant in case of a breach of the Rulebooks by another scheme participant but to date no such formal complaint has been filed.</p> <p>The EPC made considerable efforts in the past to increase awareness on the proper usage of reason codes among scheme participants.</p> | Blue |
| ERP/2014/rec11 | It is recommended to investigate if and how national legal restrictions affecting the use of the appropriate SDD R-transaction reason codes could be removed | European Commission and Member States | <p>R-transactions were addressed in the meetings of the EU SEPA Forum and CEGBPI, where Member States informed the Commission that the restrictions on communication of information regarding payers' accounts and the use of a "miscellaneous" code are linked to national laws on data protection. Two relevant legal proposals (proposals for a General Data Protection Regulation – GDPR - and the Data Protection Directive for Police and Criminal Justice Authorities) were negotiated by the European Parliament and Council and adopted on 8 April by the Council and 14 April by</p> | Green |

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| | | | <p>the European Parliament. On 4 May 2016, the official texts of the Regulation⁶ and the Directive⁷ have been published in the EU Official Journal. While the Regulation will enter into force on 24 May 2016, it shall apply from 25 May 2018. The Directive enters into force on 5 May 2016 and EU Member States have to transpose it into their national law by 6 May 2018.</p> <p>It is noted that both the Data Protection Directive (95/46) and the GDPR have a horizontal nature and do not provide for tailor-made solutions for any sector of economic activity. Personal data related to R-transaction codes can be transmitted between banks as long as there is a legal ground (e.g. a contract, national or Union law, legitimate interests of the controller) for the processing of those data for those specific purposes. Once it becomes applicable the GDPR will reduce the existing fragmentation of data protection law and could therefore contribute to overcoming the present obstacles on the sharing of personal data between banks for SEPA Direct Debits purposes.</p> | |
| ERP/2014/rec12 | It is recommended to include in the document EPC262-08 (CI overview): (a) clarifications about the possible use of a single CI across SEPA; and (b) contact details of the department at the national institution in charge of CI issuance in those countries where CIs are issued by a single authority | EPC | EPC review of the updated version of the document EPC262-08 (version 4.0) was completed. The publication of the updated version of the document EPC262-08 on the EPC Website has been done in the course of June 2015 (consult link CI overview). | Blue |
| ERP/2014/rec13 | It is recommended to look for more appropriate attributes in a long term perspective (e.g., Legal Entity Identifier (LEI) as a unique entity identifier) to identify a creditor | EPC (supported by the European Central Bank and standardisation authorities) | <p>At their first meetings in the 3rd quarter of 2015, the SEUF and the ESTF had been asked for this position on this topic.</p> <p>The following main comments were made:</p> <ul style="list-style-type: none"> • The LEI might not be the right code but a fiscal code or VAT code could be a reliable alternative. • The number of LEIs currently issued to creditors is very low compared to the current number of creditors. • The LEI cannot replace the CI as the LEI cannot be assigned to private creditors. | Green |

⁶ Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (General Data Protection Regulation)

⁷ Directive (EU) 2016/680 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data by competent authorities for the purposes of the prevention, investigation, detection or prosecution of criminal offences or the execution of criminal penalties, and on the free movement of such data, and repealing Council Framework Decision 2008/977/JHA

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| | | | <ul style="list-style-type: none"> The attribute of the LEI is not foreseen in the ISO 20022 XML message versions used for SCT and SDD transactions. An adaptation via a new version of these ISO 20022 XML message versions would be needed. <p>The EPC will review the issue in 2017 on the basis of the latest LEI developments.</p> | |
| ERP/2014/rec14 | It is recommended to assess whether the non-compliance with the SDD rulebook stipulations on SDD time cycles for SDD collections and SDD R-transactions is a problem linked to the SEPA migration | EPC | <i>See implementation status under ERP/2014/rec9</i> | Green |
| ERP/2014/rec15 | It is recommended to consider, along with clearing and settlement mechanisms (CSMs), the implementation of validation checks to see if SDD R-transactions fall within the prescribed R- transaction calendar day timelines and if SDD R-transactions contain altered date elements compared with the date elements in the initial SDD collection | SDD scheme participants | Based on feedback from SDD scheme participants this seems to have been an issue more related to the migration process. As of late there have been no complaints to the EPC on scheme members not complying with R-transaction message timelines. | Green |
| ERP/2014/rec16 | It is recommended to report persistent non-compliant behaviour by other SDD scheme participants to the complaints body of the EPC. | SDD scheme participants | <i>See implementation status under ERP/2014/rec10</i> | Blue |
| ERP/2014/rec17 | It is recommended to ask those SDD Core scheme participants that are not SDD B2B scheme participants to reconsider adhering to the SDD B2B scheme in the case that they offer services to businesses. | EPC | An EPC letter (Letter EPC158-15) to promote the SDD B2B scheme has been sent to those SDD Core scheme participants that do not offer yet SDD B2B scheme services to their business customers. | Blue |
| ERP/2014/rec18 | It is recommended that further familiarisation take place on the presented SDD collection remittance information. | PSPs, consumers and creditors | Based on inquiries made by BEUC and AGE Platform national consumer associations have not reported consumer complaints with regard to the way SDD remittance information is presented to consumers. Similarly the EACT did not identify major issues in this domain among creditors. | Blue |
| ERP/2014/rec19 | It is recommended to continue monitoring if there is still a lack of clarity in the remittance information transmitted to consumers and if other actions are needed to achieve greater familiarity among all debtor groups, including those with low financial literacy. | ERP consumer representatives | <i>See status reported under ERP/2014/rec18. BEUC and AGE Platform will detect and communicate if any related issues emerge in the future.</i> | Blue |
| ERP/2014/rec20 | It is recommended to prepare a clarification paper in the first half of 2015 listing the consequences of all possible mandate amendment scenarios initiated by a debtor or by a (collecting or ultimate) creditor for the validity of the signed SDD mandate and make recommendations if needed. | EPC and the EPC's Scheme End-User Forum | Initially, the EPC reported to be not in a position to provide a clarification paper for the ERP recommendation 2014/20. The EPC and the ECB further discussed about this item. The EPC published a clarification paper EPC-161-15 in April 2016 http://www.europeanpaymentscouncil.eu/index.cfm/knowledge-bank/epc-documents/epc-clarification-paper-on-the-change-of-creditor-or-creditor-reference-party/epc261-15- | Blue |

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| ERPB recommendations on pan-European electronic mandates made in December 2014 | | | | |
| ERPB/2014/rec21 | It is recommended to publish a country specific inventory of identified national and pan-European legally binding signature methods applicable for e-mandate solutions, which might be accepted as proof (by the debtor PSP) in case of an after-eight-week refund claim regarding an unauthorised direct debit transaction as well as details by debtor PSP country of the applicable law when assessing the validity of the signature and mandate in case of a non-domestic e-mandate solution. | EPC | Initially, the EPC reported not to be in a position to provide a clarification paper for the ERPB recommendation 2014/21. The EPC and the ECB further discussed about this item. The EPC finalised the document EPC 106-16 covering recommendations on the validity of electronic mandates in a cross-border context. This document will be published by June 2016 at the latest. | Green |
| ERPB/2014/rec22 | It is recommended that the handling of electronic mandates be opened up to foreign IBANs. This can be done either by updating the used solution or providing an alternative way of giving the mandate, with clear usage guidance from the creditors to the debtors on how such solutions can be used for cross-border SDDs. | Creditors via their representatives in the ERPB | The EACT has sent letters to their constituency highlighting this recommendation to creditors. | Green |
| ERPB/2014/rec23 | It is recommended that debtor PSPs make use of the inventory (see Rec. 21) of different legally valid electronic signature methods for assessing the debtor authentication and authorisation of the electronic mandate in the case of an after-eight-week refund claim, within the constraints of applicable law. | PSPs via their representatives in the ERPB | <i>The implementation of this recommendation is dependent on the implementation status of ERPB/2014/rec21</i> | Green |
| ERPB/2014/rec24 | It is recommended to develop and make publicly available (alongside the SDD rulebooks) a clarification paper explaining to the creditor the possible risks (liabilities) of not being able to prove to the debtor PSP that a legally binding electronic signature method was used. | EPC | On 4 May 2015, the EPC published the document EPC033-15 'Clarification Paper on the Use of Electronic Mandate Solutions' on the EPC Website (please consult link Item for ERPB/2014/rec24) | Blue |
| ERPB/2014/rec25 | It is recommended – after putting in place the implementation acts as foreseen in the Regulation (EU) No 910/2014 – to continue to monitor the cross-border usage of qualified electronic signatures and, if needed, take further steps to ensure cross-border usability for PSPs and PSUs. | European Commission | DG FISMA organised a productive meeting between the SEPA rulebook owner (EPC) and DG CNECT e-IDAS team to present Regulation 910/2014 and its consequences on the adoption of qualified e-signatures. This Regulation will ensure interoperability, based on mutual recognition of solutions, which will boost the use of qualified e-signatures on a cross-border level. | Green |
| ERPB/2014/rec26 | It is recommended that electronic mandate service providers using technically similar models be open to interoperability and if feasible make use of the technical description provided in Annex VII of the SEPA direct debit scheme rulebooks. | Electronic mandate solution providers | Having analysed possible actions related to this recommendation and considering the variety of solutions and providers the ERPB Secretariat proposes to treat this recommendation as a general stance not requiring concrete follow-up action by ERPB stakeholders. | No concrete follow-up / further action |

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| ERP/2014/rec27 | Creditors (and if relevant PSPs) should carefully consider whether the e-mandate solution they choose to employ enables the Debtors to make and manage the changes and cancellations of the recurrent mandates or not. | Creditors via their representatives in the ERPB | The EACT has highlighted to their constituency the importance of having appropriate e-mandate management processes in place. | Green |
| ERP/ recommendations and invitations on person-to-person (P2P) mobile payments made in June 2015 | | | | |
| ERP/2015/sta1 | The ERPB invited the EPC to facilitate cooperation among existing P2P mobile payment solution providers | EPC | The EPC organised a workshop on 21 January 2016 to follow up on this recommendation during which it was agreed to create a Steering Group to address the ERPB recommendations on P2P mobile payments. This Steering Committee met on 14 March and 24 May 2016 and delivered a first progress report to the ERPB (to be discussed under item 4 of the agenda) presenting the work conducted to date, focusing on the definition of the steering group governance and objectives. The Steering Committee decided to finalise and approve its Terms of Reference at its 29 June meeting. | Green |
| ERP/2015/rec1 | Consensus and cooperation between the existing local solutions should be developed by organising a forum for existing EU P2P mobile payment solutions to work on pan-European interoperability. In particular, the forum should come together to develop a set of rules and standards (framework) related to joining and using pan-European mobile payment services. In addition, a governance structure (responsible for, inter alia, defining, publishing and maintaining the framework) needs to be set up. | European Payments Council and existing providers of P2P mobile payment solutions | <i>Further steps based on ToR and project plan of the Steering Committee which are expected to be agreed/approved at one of the next meetings of the Steering Committee</i> | Yellow |
| ERP/2015/rec2 | To put in place a standardised proxy lookup (SPL) service which allows P2P mobile payment data (i.e. proxy and IBAN) to be exchanged among P2P mobile payment solutions on a pan- European level. The SPL service is outlined in the working group report. | Existing providers of P2P mobile payment solutions | <i>Further steps based on ToR and project plan of the Steering Committee which are expected to be agreed/approved at one of the next meetings of the Steering Committee</i> | Yellow |
| ERP/2015/rec3 | A full commercial review of the alternative methods of appointing one or several suppliers of the SPL service should be conducted. (Such review and the related discussions shall not enter the competitive domain of P2P payment solutions and in particular will not touch upon price levels or other features affecting end users.) | Existing providers of P2P mobile payment solutions | <i>Further steps based on ToR and project plan of the Steering Committee which are expected to be agreed/approved at one of the next meetings of the Steering Committee</i> | Yellow |
| ERP/2015/ | A full legal review should be undertaken. | Existing | <i>Further steps based on ToR and project plan of the Steering</i> | Yellow |

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| rec4 | | providers of P2P mobile payment solutions | <i>Committee which are expected to be agreed/approved at one of the next meetings of the Steering Committee</i> | |
| ERPB recommendations and invitations on technical standards for payment cards made in June 2015 | | | | |
| ERPB/2015/rec5 | The ERPB recommends that, for newly installed payment card terminals, the choice of protocol specification should be market driven and conform to the SEPA Cards Standardisation Volume (SCS Volume). Acquirers and processors should recognise and work with at least one protocol that conforms to the SCS Volume. | Acquirers Processors of payment payment cards | The SCS Volume requirements for card-present transactions are expected to be met for new cards and terminals being introduced in the market as from 2017. | Green |
| ERPB/2015/rec6 | The ERPB recommends that, for newly installed payment card terminals, the choice of terminal payment application should be market driven and conform to the SCS Volume. Acquirers and processors should recognise and work with at least one terminal payment application that conforms to the SCS Volume. | Acquirers Processors of payment payment cards | The SCS Volume requirements for card-present transactions are expected to be met for new cards and terminals being introduced in the market as from 2017. | Green |
| ERPB/2015/rec7 | The ERPB recommends that the identified terminal security certification methodologies, processes and frameworks implement the relevant list of requirements described in the SCS Volume. Schemes shall strictly follow the process described in the SCS Volume for this domain. | Terminal security implementation on specification providers and their certification bodies; card schemes | The SCS Volume requirements for card-present transactions are expected to be met for new cards and terminals being introduced in the market as from 2017. | Green |
| ERPB/2015/sta2 | The ERPB invited the CSG to implement the relevant procedures and start to monitor the conformance of implementation specifications for payment card products and services to the SCS Volume in the second half of 2015 | Cards Stakeholders Group (CSG) | The CSG has confirmed that the procedures for conformance assessment are on track to be implemented by early 2016. | Green |
| ERPB/2015/sta3 | The ERPB invited the CSG to perform a study at the European level to evaluate any interest and benefit of the migration to a single message standard and standardised clearing/settlement practices in the issuer-to-acquirer domain | Cards Stakeholders Group (CSG) | The CSG has completed the study and submitted it to the ERPB for discussion in their June meeting. | Green |
| ERPB/2015/sta4 | The ERPB invited the CSG to report back to the ERPB every 12 months with an update on the stock-taking exercise concerning the progress of the implementation of harmonised standards related to payment cards in Europe. | Cards Stakeholders Group (CSG) | The CSG prepared a stock taking on the progress of the implementation of harmonised standards related to payment cards in Europe and submitted it to the ERPB for discussion in their June meeting. | Green |

| ERP invitation on instant payments made in November 2015 | | | | |
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| ERP/2016/sta1 | The ERPB endorsed the general scheme design proposal presented by the EPC, and, on this basis, expects the EPC to make an SCT _{inst} rulebook available for adherence by PSPs from November 2016 with a view to implementing the scheme by November 2017. The ERPB further invited the EPC to address outstanding issues related to key aspects of the scheme (e.g. parameters such as the processing time and amount limits) and to present an interim report at the June 2016 ERPB meeting. The ERPB agreed that the HLG shall continue to provide guidance as needed to support the EPC in the next stage of its work on the scheme up to June 2016. | EPC | The ERPB HLG held two teleconferences since November 2015 to discuss the EPC proposed approach on the outstanding elements of the scheme. The EPC thereafter published the draft SCT _{inst} rulebook for a three-month public consultation on 12 April and prepared a status report to the ERPB (discussed under item x of the agenda). | Green |
| ERP recommendations related to related to mobile and card-based contactless payments | | | | |
| ERP/2015/rec8 | The ERPB recommends to: <ul style="list-style-type: none"> i. Speed up the creation of a single common POI kernel specification for contactless transactions (already planned under EMV Next Generation) and make the specifications publicly available as soon as possible. (December 2016) ii. Limit the number of terminal configuration options in the EMV Next Generation specifications, in order to allow consistency among implementations and provide consumers with a streamlined payment experience across different terminals. (December 2016) iii. Include a parameter in the EMV Next Generation specifications that would allow the identification of the form factor of the consumer device used for the initiation of the contactless transaction. (December 2016) | EMVCo | The work of EMVco is in progress. The specifications are expected to be available by Q4 2016. | Green |
| ERP/2015/rec9 | The ERPB recommends to: <ul style="list-style-type: none"> i. Define an aligned European mandate for the implementation of contactless-enabled POIs, including a specification of where they should be available. The ECB should act as facilitator for this. (June 2016) ii. Harmonise the level of transaction limits at POIs at country level for each use case/payment context. | Card scheme sector | The card scheme sector has not initiated to work on the definition of an aligned European mandate; however the great majority of the newly implemented terminals have the contactless capability. The card scheme sector is involved in the work of the Cards Stakeholders Group and supports its work. The support to the EMV Next Generation specification will | Yellow |

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| | <p>(Ongoing)</p> <p>iii. Request the use of open protocols in the POI domain and the POI-to-acquirer domain which are compliant with the SEPA Cards Standardisation Volume and labelled by the Cards Stakeholders Group. (June 2017)</p> <p>iv. Mandate a common implementation plan for the EMV Next Generation specifications with an appropriate migration period. (December 2017)</p> | | <p>be tested once the specifications will be ready (reference to ERPB/2015/rec8)</p> | |
| ERPB/2015/rec10 | <p>The ERPB recommends to:</p> <p>i. Develop common requirements for contactless transactions for inclusion in the Cards Standardisation Volume Version 8. (December 2016)</p> <p>ii. Conduct a feasibility study on the development of open specifications for a card and mobile contactless payment application, as well as on their implementation, maintenance and testing. For mobile applications, the open specifications should also address the different possible configurations for the management, provision and personalisation of the card data: secure element (SE, including universal integrated circuit card (UICC), embedded SE and microSD) and host card emulation (HCE). The future specifications should build on the work of EMVCo and GlobalPlatform. (December 2016)</p> <p>iii. Develop use cases/payment contexts for contactless payments (card and mobile-based) for integration in Cards Standardisation Volume Version 8. (December 2016)</p> <p>iv. Develop POI implementation guidelines including common minimum requirements for contactless POIs (both for the payment processing side and for the consumer/POI interface), building on the EMVCo work and addressing the requirements of disabled people. Adequate use of available input should be made. (December 2016)</p> | <p>Card Stakeholders Group</p> | <p>The CSG has started working on these ERPB recommendations addressed to the CSG for card and terminal standard requirements and prepared implementation guidelines for application selection for contactless cards and mobiles.</p> <p>i. The development of common requirements for contactless transactions for inclusion in the Cards Standardisation Volume has started. These have been included in the SCS Volume Version 7.5 which is currently in public consultation until August. After inclusion of the comments received during this consultation it is envisaged to finalise the SCS Volume Version 8 in December 2016.</p> <p>ii. A feasibility study has been planned on the development of open specifications for a card and mobile contactless payment application, as well as on their implementation, maintenance and testing. This study will be delivered by December 2016.</p> <p>iii. Use cases/payment contexts for contactless payments (card and mobile-based) have also been included in the Book 6 of the SCS Volume V7.5 currently in consultation for integration in SCS Volume V8. (December 2016)</p> <p>iv. As explained in Book 1 of the SCS Volume V7.5, Functional requirements of the Volume at current may be waived for disabled people, in order to provide them with an equal access to cards services. However, more specific requirements may be developed in the SCS Volume, currently in consultation, for integration in SCS Volume V8. (December 2016).</p> | <p>Green</p> |
| ERPB/2015/rec11 | <p>The ERPB recommends to coordinate, in cooperation</p> | <p>EPC,</p> | <p>The EPC, BEUC (liaising with AGE Platform Europe) and</p> | <p>Green</p> |

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| | <p>with the card schemes, an institutional communication campaign by ERPB members to increase familiarity with contactless payment products (card and mobile-based). The communication campaign should result in the creation and distribution of information material on contactless payment solutions and their use to all ERPB members and affiliates.</p> <p>Moreover, ERPB members and the ECB are requested to make the information material produced available on their websites. (June 2016)</p> <p>This information material should cover the following topics:</p> <ul style="list-style-type: none"> · how to use contactless payments (from both a consumer and a retailer perspective); · highlighting the improved payment experience for consumers; · the choice of applications for contactless payments; · explaining the benefits of using contactless payments; · addressing consumer concerns (privacy, safety, security, freedom of choice, etc.); · training material for retail staff. | <p>consumer and retailer associations</p> | <p>EuroCommerce are preparing a leaflet translated in all EU languages aimed at the general public and to be published by ERPB members and the ECB on their websites, along with dedicated training material for retailer staff.</p> | |
| ERPB/2015/rec12 | <p>The ERPB recommends to prioritise the installation and use of POI terminals which are enabled to accept EMV-based contactless transactions. (Ongoing)</p> | <p>administration and transport sectors where card payments are suitable</p> | <p>The ability to track the implementation of this recommendation is low due to the extremely high number of subjects involved (public administrations and transport companies).</p> <p>The implementation of the ERPB/2015/rec11 will support progress on this recommendation.</p> | Yellow |
| ERPB/2015/rec13 | <p>The ERPB recommends to:</p> <p>i. Agree on and pursue the development of specifications for a “smart secure platform” (enabling the provision of value-added services relying on authentication of the</p> | <p>European Telecommunications Standards</p> | <p>i. ETSI has started the preparatory work for the development of specifications for a “smart secure platform”. The foreseen delivery timetable is slightly delayed due to the need of ensuring appropriate level of</p> | Yellow |

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| | <p>user, regardless of the mobile device, communication channel or underlying technology), taking into account the requirements of mobile payments, and building on the work already done by EMVCo and GlobalPlatform. (December 2017)</p> <p>ii. Develop implementation guidelines (December 2016) (building on work already done by GlobalPlatform) that define:</p> <ul style="list-style-type: none"> o a process that provides service providers with the credentials for access to secure elements; o a process that allows a service provider to be authenticated, to securely obtain the credentials to access a mobile device’s hardware vaults (i.e. the secure element), and to communicate with these vaults. | Institute (ETSI) | <p>engagement with partners that will collaborate to the work.</p> <p>ii. ETSI is working on the development of implementation guidelines whose drafting should be delivered by end 2016.</p> | |
| ERP/2015/rec14 | The ERPB recommends to require mobile devices to be certified in accordance with the future “Smart Secure Platform” being developed by ETSI (see ERP/2015/rec 13). (December 2018) | Mobile payment service providers | The implementation of this recommendation is dependent from the achievement of ERP/2015/rec13. | Yellow |
| ERP/2015/rec15 | The ERPB recommends to: | GSMA | <p>I. GSMA is working for drafting an overview paper on the functional and security evaluation/certification of NFC-enabled mobile devices.</p> <p>II. GSMA will provide statistical information related to the evolution of NFC-enabled equipment.</p> | Green |
| ERP/2015/rec16 | The ERPB recommends to provide access to the mobile device’s contactless interface in order to ensure that the consumer can have a choice of payment applications from different mobile payment service providers, independently of the mobile device and the operating system used. (Ongoing) | Mobile device manufacturers, mobile operating system | Discussion is ongoing among stakeholders but no consensus has been found yet on the topic. | Yellow |

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| | | developers, GSMA/MNOs, and competition authorities | | |
| ERP/2015/rec17 | The ERPB recommends to work together to ensure a consistent understanding of the phrase “choice of payment application” in the Interchange Fees Regulation and to address the impact that it could have on contactless payments. The impact analysis undertaken by the Cards Stakeholders Group should be taken into account. (June 2016) | European Commission, regulators and the Cards Stakeholders Group | <p>An ad-hoc task force has been established between the ECB, the EC and the CSG to find appropriate transaction flows for the “choice of payment application” in contactless mode.</p> <p>The solution found in this tripartite work should allow not deteriorating the rapid and well appreciated ergonomics of contactless payments in one tap. It is based on a pre-selection of the application by the merchant for most of the transactions and several possible ways for the merchants to propose the cardholders how to override the merchant pre-selection.</p> <p>These principles of selection of payment application have been included in the SCS Volume V7.5 currently in public consultation for integration in SCS Volume V8 (Dec. 2016). The proper implementation of this recommendation will be monitored by the ERPB once the consultation period is over.</p> | Yellow |

