



EURO RETAIL PAYMENTS BOARD

Statement following the sixth meeting of the Euro Retail Payments Board held on 28 November 2016

Follow-up to the ERPB's recommendations

The members of the Euro Retail Payments Board (ERPB) took note of the status of past ERPB recommendations and assessed the follow-up to these recommendations to have been satisfactory overall. The ERPB Secretariat will continue to monitor the related action taken by the relevant stakeholders and report back to the ERPB on a regular basis.

Progress report on implementing the ERPB's recommendations regarding person-to-person (P2P) mobile payments

At its June 2016 meeting, the ERPB had invited the Steering Committee of the Mobile Proxy Forum (MPF) to submit a status report to the ERPB meeting in November 2016, including in particular a detailed work plan with clear deliverables and milestones that are aligned with those for the Instant SEPA Credit Transfer (STC Inst) scheme and which can be translated into tangible results by November 2017.

The Steering Committee submitted an interim status report presenting the progress achieved towards the implementation of a standardised proxy lookup (SPL) service. In particular, consensus has been reached on a polling hierarchy logic for a scenario in which multiple P2P solutions have a claim on the same mobile number. While its project plan still needs to be finalised, the Steering Committee agreed to align its timelines with those of the SCT Inst scheme and is working towards launching the SPL service by the end of 2017.

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.

Instant payments in euro

Since the public consultation on the SCT Inst scheme rulebook, the EPC has been reviewing the draft rulebook in consultation with its Stakeholder Forums.

The rulebook, customer-to-bank implementation guidelines and interbank guidelines will be published on 30 November 2016. The commercial launch of the scheme will take place on 21 November 2017.¹

The ERPB:

- welcomed the progress that had been made on the scheme layer with the finalisation of the rulebook and related guidelines;
- stressed the expectation that instant payments in euro become available to end users at a pan-European level from the end of 2017;
- again encouraged the supply side of the industry to keep up the momentum towards implementing the SCT Inst scheme by the agreed deadlines of November 2017; and

¹ Interested PSPs would be able to request adherence to the SCT Inst scheme from January 2017.

- stressed the importance of an effective, efficient and interoperable clearing and settlement infrastructure to be ready in a timely manner for the acceptance and success of the scheme.

Electronic invoicing related to retail payments

In November 2015 the ERPB agreed to set up a working group to analyse electronic invoice/bill presentment and payment services (EIPP) in Europe and to identify barriers to adopting and integrating such solutions in Europe. The working group was also tasked with investigating why previous attempts had failed and identifying different ways of overcoming these barriers. On this basis, the ERPB will determine whether further work in this field is warranted.

The working group concluded that EIPP is inherently attractive to billers and consumers, but that there are substantial network issues that need to be addressed by the relevant market stakeholders to support the adoption and integration of EIPP solutions and services at a pan-European level. Therefore, they consider that there could be scope for cooperative work by market stakeholders.

On the basis of the working group's analysis, the ERPB is in support of conducting work on the minimum requirements for EIPP at the levels of business rules and technical standards. Such payment-related requirements would help develop EIPP solutions that are interoperable, supporting integration at domestic and pan-European level, but would also increase the scalability and thus the business case for EIPP providers, as well as for businesses, in line with user needs.

The ERPB Secretariat will prepare a new mandate for this working group to be finalised by the ERPB by written procedure. Subject to the approval of this mandate by the ERPB, the minimum requirements at the level of business rules and technical standards, identified as being required following a detailed analysis, should be delivered by the ERPB's meeting in November 2017, with an interim status report being provided at the June 2017 meeting of the ERPB. In parallel, it is expected that work on further developing the business case and user needs of EIPP will be conducted in existing fora, focusing on the uptake of e-invoicing.

Pan-European integration of payment initiation services

At their June 2016 meeting, ERPB members held an initial discussion on pan-European integration of payment initiation services (PIS), focusing on the building blocks for market-driven standardisation, and agreed to follow a two-step approach for this dossier. The first step will involve the Eurosystem approaching relevant market representatives in order to gain a thorough understanding of how the PIS market is organised and how it may change. Based on feedback, and as a second step, the ERPB will consider what role it might play with regard to defining the concrete deliverables needed for achieving such building blocks.

With this in mind, the ECB/Eurosystem organised a meeting with relevant stakeholders to explore which practical elements, in addition to the legal requirements of the PSD2 and European Banking Authority's (EBA) Regulatory Technical Standards (RTS), might be needed to ensure a smooth and efficient provision of pan-European PIS. On this basis, the Secretariat prepared a list of technical, operational and business elements that might require market-driven standardisation to achieve the agreed objective of efficient and integrated provision of PIS at pan-European level.

Based on the documentation prepared by the ERPB Secretariat, the ERPB supports the conducting of further work in this field and has set up a working group to define a common set of technical, operational and business requirements for the development of an integrated market for PIS. This work depends on the swift finalisation and adoption of the EBA's RTS. In conducting its work, the working group will:

- build on the list of areas of work identified in the Secretariat note, in line with market needs;
- take on board all relevant standardisation initiatives that are underway;
- consider possible implications or synergies that its work may have for the provision of account information services and for the confirmation on the availability of funds.

The working group is to report back to the ERPB in time for its June 2017 meeting, submitting a report covering the technical, operational and business requirements in order to provide efficient and integrated PIS. The working group is required to focus particularly on technical requirements and those operational elements (in particular the Payment Initiation Service Provider (PISP) directory service) which may be more urgent. This will leave sufficient time for the relevant players to implement all of the conditions identified by the ERPB as being critical for developing an EU-wide integrated market for PIS by the time the EBA's RTS start to apply, i.e. towards the end of 2018.

Study by the European Cards Stakeholders Group on the Acquirer-to-Issuer domain

At the June 2016 meeting, ERPB members considered a study from the European Cards Stakeholders Group (ECSG) on the Acquirer-to-Issuer domain. The ERPB agreed to continue supporting the development and usage of ISO20022 payment messages in the euro area, including in the domain of card payments. The ERPB invited the ECSG to further refine the framework for a migration, taking into account various migration strategies and liaising with the relevant ISO committees.

In line with its mandate, the ECSG prepared an interim report presenting an agreed framework for further analysis that included the elements requested by the ERPB.

The ERPB took note of the ECSG's interim report. Further analysis and conclusions will be presented to the ERPB at its June 2017 meeting.

Broader accessibility for payment users

As agreed at its June 2016 meeting, the ERPB considered a note prepared by AGE Platform Europe and De Nederlandsche Bank regarding the decision on whether to engage in further work on broader accessibility for payment users.

The ERPB noted the issues raised in the background note and its conclusion that further action was required. The ERPB agreed to receive a proposal by interested members to identify possible further work that would fall within its remit at one of its upcoming meetings.

Items for information

In addition to the above, the ERPB took note of the update provided by the European Commission on work in the field of retail payments (including the transposition of the revised Payment Services Directive; the implementation of the Regulation (EU) 2015/751 of the European Parliament and of the Council on interchange fees for card-based payment transactions; and the follow-up to the Green Paper on retail financial services). The ERPB was further debriefed on developments in the field of cybersecurity (CPMI-IOSCO guidance on cyber-resilience and G7 fundamental elements of cybersecurity in the financial sector), as well as on the work conducted by the Retail Payments Working Group of the Bank for International Settlements Committee on Payments and Market Infrastructures.

LIST OF ATTENDEES OF THE SIXTH MEETING OF THE EURO RETAIL PAYMENTS BOARD (ERPb) ON 28 NOVEMBER 2016

Chair: Mr Yves Mersch, Member of the Executive Board

Sector	Members
BEUC (European Consumers' Organisation)	Ms Ursula Pahl (alternate) Deputy Director General, BEUC
AGE Platform (the association of consumers 50+)	Ms Anne-Sophie Parent (alternate) Secretary General AGE Platform
Retailers (EuroCommerce & ERRT)	Mr Christian Verschueren (<i>alternate</i>) Director General Eurocommerce
Corporates (EACT & BusinessEurope)	Mr Jean-Marc Servat Chair EACT
SMEs (European Association of Small and Mid-sized Enterprises - UEAPME)	Mr Bernard Cohen-Hadad Vice-President of CGPME
European Payments Council (EPC)	Mr Javier Santamaría Chair EPC, Senior Vice President Banco Santander
Co-operative banks (European Association of Co-operative Banks - EACB)	Mr Andreas Martin Member of the Board of Managing Directors of the Bundesverband der Deutschen Volksbanken und Raiffeisenbanken
Savings banks (European Savings & Retail Banking Group - ESBG)	Mr Antonio Massanell Lavilla Chairman of Cecabank & Member and Secretary of the Steering Committee of CaixaBank
Commercial banks (European Banking Federation - EBF)	Mr Maurizio Sella (<i>alternate</i>) Chair of Banca Sella Holding
European Payment Institutions Federation (EPIF)	Mr Rafael Marquez Garcia Executive Vice President, Consumer Europe & Country Manager American Express UK
Ecommerce Europe (web-merchants)	Mr Dennis Van Allemeersch COO – Member of Executive Board at Beate Uhse AG
E-money Association	Mr Ralf Ohlhausen Chief Strategy Officer for PPRO Group
National central banks (on rotating basis)	Active participants
Deutsche Bundesbank	Mr Carl-Ludwig Thiele Member of the Executive Board
Banco de España	Mr Javier Alonso Director General Operations, Markets & Payment Systems
Banca d'Italia	Mr Emerico Antonio Zautzik Director General for Markets and Payment Systems
De Nederlandsche Bank	Mr Coen Voormeulen Division Director Cash and Payments Service
Oesterreichische Nationalbank	Mr Kurt Pribil Executive Director, Member of the Governing Board

	Observer
European Commission	Mr Olivier Salles Head of Unit for retail financial services and payments in DG FISMA
National public administrations	Mr Oliver Gilvarry Head of Banking, Securities Markets, Asset Management & CMU, Department of Finance, Ireland