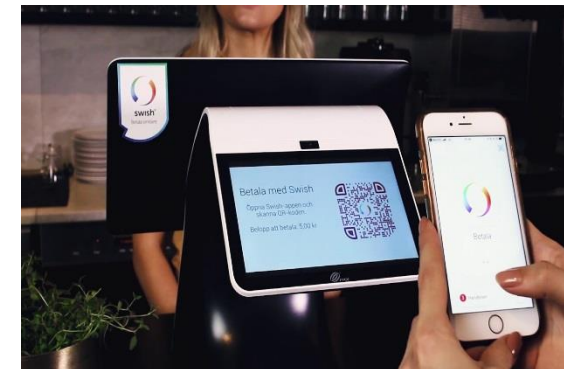# Recognition label for IPs at the POI

Ad-hoc multi-stakeholder group for mobile initiated SEPA (instant) credit transfers (MSG MSCT)

MSG MSCT 092-20v1.0

Background

- The ERPB Statement of November 2019 included the following Recommendation to the MSG MSCT for delivery to the ERPB in November 2020:
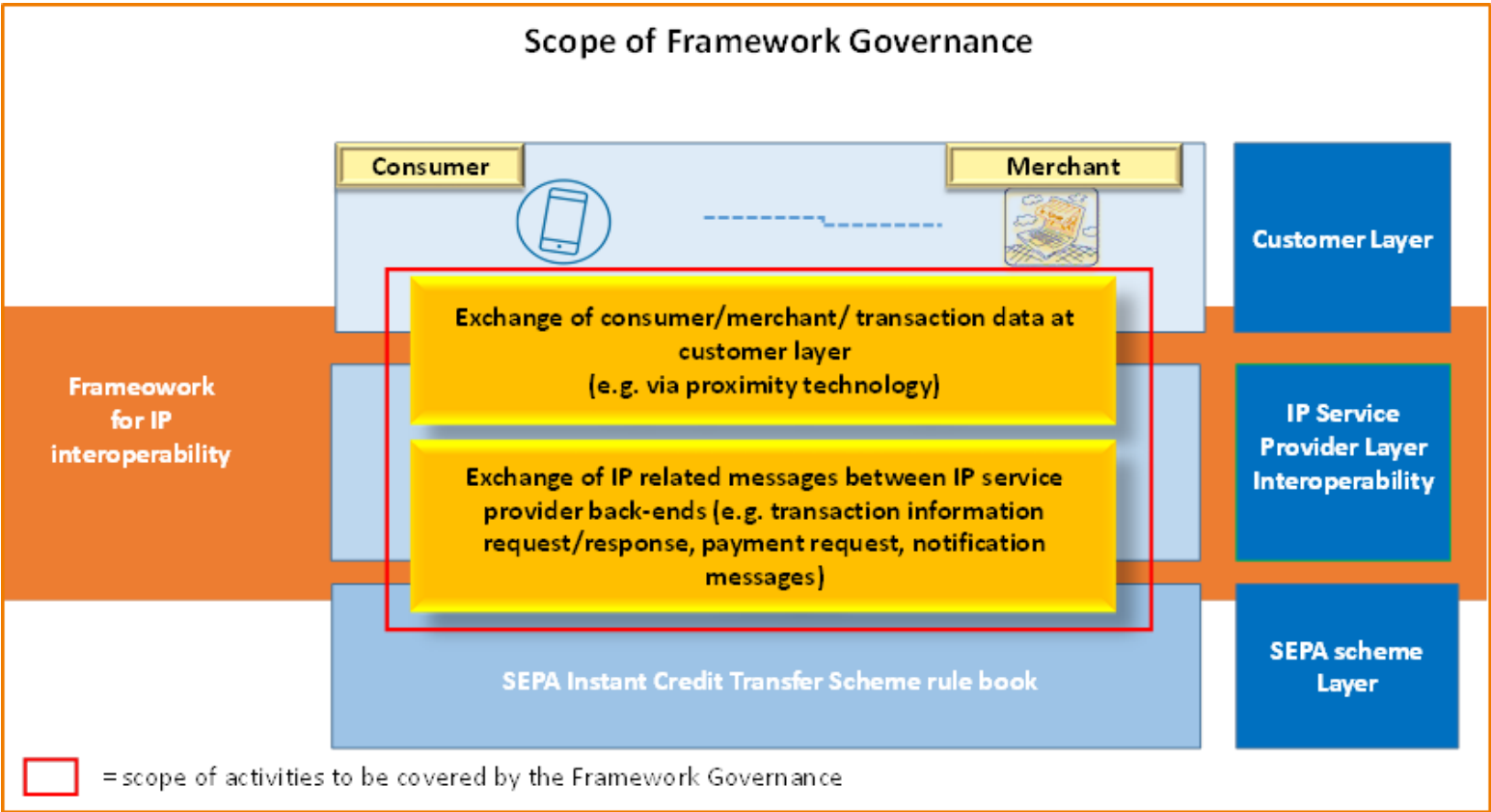
    "Develop a pan-European label and its usage for IP at POI payment solutions"

- Also the ERPB WG on an interoperability framework for IPs at the POI and their Joint Task Force with the ECSG, both identified the need for such a label.

- However the MSG MSCT refrained from starting this work till late September 2020, in view of the on-going discussions at the EPC Board that established a dedicated TF on the subject So far, this TF mainly focused on P2P payments.

- The MSG MSCT developed this presentation for consideration and further guidance by the ERPB during their meeting on 26 November 2020.

Analysis

- IPs at POI are based on instant SEPA credit transfers specified in the SCT Instant scheme rulebook.

- To achieve interoperability of IPs at POI, additional interoperability requirements shall be met as specified in the Framework for interoperability of IPs at the POI developed by the dedicated ERPB WG (see ERPB Inst@POI 09-20v1.0).

- This Framework includes technical and security requirements as well as rules and procedures. The technical and security requirements are based on the previous work done in the MSG MSCT as included in the MSCT IG (EPC 269-19) and the two documents on technical interoperability of MSCTs (EPC 312-19 and EPC 096-20).

Framework for interoperability of IPs at the POI

Requirements for the recognition label for IPs at the POI (1)

Two diverging views have been discussed in the MSG MSCT:

View 1

The recognition label shall mark the *possibility* to consumers and merchants to use an SCT Inst at the POI solution for an IP at POI payment, but there is no guarantee that the IP will be possible. In other words, it is possible that the consumer cannot pay with their IP at POI solution although the merchant POI carries the recognition label.

This means that the recognition label covers:

1. compliance to SCT Inst scheme rules (consumer ASPSP and merchant ASPSP are participants in the SCT Inst scheme);

2. compliance to all the interoperability requirements for IPs at POI specified in the Framework for interoperability, in other words, IP service providers, ASPSPs and merchants (directly or indirectly) adhere to the IP at POI interoperability framework. This adherence would need to be governed by the to be established Framework governance (see ERPB Inst@POI 09-20v1.0).

3. both the consumer and merchant have on-boarded with their respective IP service providers;

4. technical and commercial agreements, as appropriate, are in place between

   – the consumer IP service provider and the consumer ASPSP;

   – the merchant IP service provider and the merchant ASPSP.

Requirements for the recognition label for IPs at the POI (2)

View 2

The recognition label shall *ensure* that consumers and merchants can use an SCT Inst at the POI solution for payment for an IP at POI payment.

This means that the recognition label covers:

1. compliance to SCT Inst scheme rules (consumer ASPSP and merchant ASPSP are participants in the SCT Inst scheme);

2. compliance to all the interoperability requirements for IPs at POI specified in the Framework for interoperability, in other words, IP service providers, ASPSPs and merchants (directly or indirectly) adhere to the IP at POI interoperability framework. This adherence would need to be governed by the to be established Framework governance (see ERPB Inst@POI 09-20v1.0);

3. both the consumer and merchant have on-boarded with their respective IP service providers;

4. technical and commercial agreements, as appropriate, are in place between
   – the consumer IP service provider and the consumer ASPSP;
   – the merchant IP service provider and the merchant ASPSP;

5. commercial agreements are in place between all adherent IP service providers (e.g. bi-lateral or multi-lateral).

Next steps

The MSG MSCT invites the ERPB to provide guidance on which view is supported and how (by whom, timeframe) the recognition label for IPs at the POI should be developed.