

Stakeholder Forum Meeting

Date: 2020-09-29 Location: Teams

Present:

Andy Morris	ACI	Via Teams
Justin Sylvester	ACI	Via Teams
Pasi Miettinen	Bank of Finland	Via Teams
Eva Nässlin-Larsson	Bankgirot	Via Teams
Robert Book	CGI	Via Teams
Morten Fels	DK Ministry of Industry, Business & Financial Affairs	Via Teams
Kristian Ring	Finance Denmark	Via Teams
Pasi Korhonen	Finanssivalvonta FIN-FSA	Via Teams
Eduard Stringer	FIS	Via Teams
Andreas Kronblad	Folksam	Via Teams
Eva Keskitalo	Folksam	Via Teams
Magnus Lageson	Getswish	Via Teams
Anders Holmström	Getswish	Via Teams
Peter Larsson	Independent	Via Teams
Carlos Rodriguez	Independent	Via Teams
Heike Strasser	Mastercard	Via Teams
Charlotte Fink Jensen	MobilePay	Via Teams
Marianne Melton	MobilePay	Via Teams
Claus Kempel	Nationalbanken/Danish Central Bank	Via Teams
Harry Rymert	P27	Via Teams
Anna Ohlsson Brozek	Riksbanken/Swedish Central Bank	Via Teams
Helena Carnell	Riksgälden/ Swedish National Debt Office	Via Teams
Johan Löfqvist Klass	Riksgälden/ Swedish National Debt Office	Via Teams
Michael Pandoscak	SAP	Via Teams
Helena Stjernstedt	Swedish Bankers Association	Via Teams
Benjamin Woodcock	SWIFT	Via Teams
Morten Sprange Thomsen	VP Securities	Via Teams

Representing the NPC

<i>Camilla Bäck</i>	<i>NPC Scheme Management Committee</i>	<i>Via Teams</i>
<i>Thomas Bo Christensen</i>	<i>NPC Scheme Management Committee</i>	<i>Via Teams</i>
<i>Åsa Gibson-Lundmark</i>	<i>NPC Scheme Management Committee</i>	<i>Via Teams</i>
<i>Carsten Thaarup</i>	<i>NPC Secretariat – Independent</i>	<i>Via Teams</i>
<i>Jenny Winther</i>	<i>NPC Secretariat</i>	<i>Via Teams</i>
<i>Maria Brogren</i>	<i>NPC Secretariat</i>	<i>Via Teams</i>

Absent:

Richard Jones	Mastercard
Carl-Johan Mårtenson	Försäkringskassan
Jessika Jonsson	Försäkringskassan

Agenda

1. Introduction of participants
2. Meeting formalities
3. Stakeholder Forum's role
4. Information about the NPC
5. NPC Change Management
6. NPC Request-to-pay
7. NPC Confirmation of Payee
8. Open discussion – questions and comments
9. Any other business
10. Next meetings

1. Introduction of participants

Jenny opened the meeting and welcomed all. From the NPC Jenny Winther, Secretary General and Maria Brogren, Payment Scheme Manager was present. All participants introduced themselves and their organisation shortly.

2. Meeting formalities

Agenda was approved with no additions. Kristian Ring from Finance Denmark was nominated as Chair as well as Marianne Melton from MobilePay. The meeting agreed to elect Marianne Melton as Chair. Carlos Rodriguez was chosen as this meeting's minute's adjuster.

Jenny went through the NPC Code of conduct. The NPC Code of conduct and the Scheme Management Internal will be sent with the meeting minutes.

3. Stakeholder Forum's role (slide 9-10)

Jenny informed about the role of Stakeholder Forum and why NPC are holding a Stakeholder Forum:

"NPC Stakeholder Forum is an important formal feedback channel via which the stakeholders can raise or address issues and make recommendations to the NPC Scheme Management Committee concerning the NPC Schemes."

The Terms of Reference for the Stakeholder Forum was presented. The vision for the Stakeholder forum is to involve and enable a wide cross-section of interest groups at the Nordic level to provide their view on the evolution of the NPC Schemes.

The work for Stakeholder Forum will be to give input to the NPC Schemes evolution. For existing schemes as well as getting ideas for new schemes, rules and recommendations going forward.

Meetings will be held at least 2 times per year.

Question about what NPC does to involve the consumer side was raised. Jenny informed that the NPC would continue to invite broadly and keep encourage Stakeholder Forum's participants to contribute with suggestions for participation from the consumer side.

4. Information from the NPC (slide 12-19)

The NPC informed about the NPC's objectives and the overall structure of entities within the new Nordic payment infrastructure and gave information about the most important milestones for NPC so far.

The NPC have 29 members, including the 4 founding members Bits, Finance Denmark, Finance Finland and the Swedish Bankers Association. The members are a good mix of smaller and large banks within the Nordic area. Everybody who wants to participate in NPC Schemes need to be members in the NPC.

NPC's organisation was presented as per slide 16.

As per today NPC have two payment schemes published, NPC Credit Transfer (NCT) and NPC Instant Credit Transfer Scheme (NCT Inst). The NCT Scheme was published in December 2020 and will enter into effect December 2021 and the NCT Inst Scheme was published in February 2021 and will enter into effect in February 2022.

No NPC members have yet signed Adherence agreement for the NPC payment schemes. This will be done during the first part of 2021.

5. NPC Change Management (slide 21-23)

NPC presented the process for how to work with change management for NPC Schemes going forward. This will be done in a 2 year cycle that starts with a Call for change request to the market year 1.

In the start of year 2, after assessment of all incoming change requests, also taking into account any internal change requests from NPC and it's working groups as well as EPC changes for SCT and SCT Inst Schemes, a Public consultation document is created. Based on this document the Scheme Management Committee (SMC) will take decision to start a three month public consultation to get the markets input on all suggested changes.

Later year 2, assessment of all comments from the market will be done and final changes to the change requests will be made by NPC and it's Working group. The Stakeholder Forum will at this time give their view and recommendation on all change requests through a "Position paper". The Position paper together with the Change proposal document will be the basis for the SMC when taking decision to approve the updated Scheme Rulebooks for publication.

The NPC just recently started our first Change management cycle with a Call for change request September 1st. The Call for Change requests will be ongoing until December 31st. During April-June 2021 pending SMC decision, the NPC will start a three month public consultation. This will result in updated Scheme Rulebooks and related Implementation Guidelines that will be published in November 2021 and enter into effect one year later according to the plan. This first management cycle will mostly be to harmonise with EPC changes.

More information about our current Change management cycle and template to use for making a Change request can be found here:

<https://www.nordicpaymentscouncil.org/npc-payments-schemes/change-management-cycle/>

6. RTP (slide 25)

A Request-to-Pay is a request to make a payment, used for example in e-invoicing, e-commerce and Point of Sale.

Since the EPC have developed a RTP Scheme Rulebook (SRTP) that most likely will be currency agnostic in version 2.0, the NPCs view is to not develop a Nordic version of RTP at this time. The Nordic area will be able to use the SRTP Scheme Rulebook being currency agnostic.

The first version of the SRTP Scheme Rulebook are to be published later this year. The NPC are following the development of this closely and if there will be a need a Nordic version of the RTP Scheme Rulebook NPC is ready for that, including any other complement in terms of rule and recommendations related to RTP.

It was clarified that the EPC RTP scheme is payment-system agnostic as well being planned to be developed to be currency agnostic.

The forum urged the NPC to continue to push the EPC to ensure the timely adaptation of the RTP scheme rules to include being currency agnostics, ensuring NPC Scheme applicability. Moreover, a currency agnostic RTP Scheme will mean that account to account payments will not be disadvantaged vs card payments.

7. NPC Confirmation of Payee (slide 27-28)

A Confirmation of Payee request is a confirmation of an account and Payee before making a payment.

The NPC is currently developing a Scheme for Confirmation of Payee. The plan is to have a draft Scheme Rulebook out for a three month Public consultation in the beginning of 2021, but no decisions have yet been taken.

The benefits for a Confirmation of Payee is to prevent fraud, prevent misdirected payments, encourage account to account payment instead of money orders, checks and cash, all to enhance the end-user experience. It also enables modernisation of current services by using international standards and creating interoperability by common rules, processes and formats.

The use-case of Confirmation of Payee is divided into Real-time and File-batch use-cases presented on slide 28 in the meeting presentation. It is important that the participants in the Scheme can choose to adhere to the Scheme for Real-time and File-batch or either or based on the needs.

8. Open discussion – questions and comments

For the open discussion agenda item the NPC invited the participants to reflect on two questions:

- Knowing the scope of the NPC, are there topics you think the NPC should address?
- Per stakeholder, we invite you to say a few words about the interest you could have in the NPC seen from your perspective?

Harry Rymert, P27 – Hope for an open forum, with a lot of discussions. P27 hoping to be the service provider within the Nordics using the NPC Scheme and providing services for Confirmation of Payee, Bill payment etc. Important for the P27 to have this open forum to be able to discuss.

Carlos Rodriguez, Independent – Asked for a Stakeholder forum workplan. Were in time will the forum need to contribute. NPC will present that on next meeting.

Marianne Melton, MobilePay – Hope to see more initiatives cross the Nordic market and that NPC is an important deliverable for this, as well as for MobilePay to understand what the future will bring.

Andy Morris, ACI – Interoperability and reach is important. Ambition for the future. Financial Crime, what are the ambitions for the Nordics in this area is something to discuss going forward.

Heike Strasser, Mastercard – A good mix of organisations that will help us all to form the payment landscape. And try to harmonize with the euro area.

9. Any Other Business

No other business were discussed.

10. Next meetings

The meeting suggested to have a second meeting before the end of the year and make a meeting plan for next year then. An invitation will be sent out shortly.

NPC will also hold Information meetings digitally:

- For Denmark, October 13th at 10-12
- For Sweden, October 14th at 9:30-11:30

11. Closing

The Chair Jenny Winther closed the meeting.

Meeting Secretary: Maria Brogren, Nordic Payments Council

Approved by Chair: Jenny Winther, Nordic Payments Council

Adjuster of minutes: Carlos Rodriguez, Independent

Glossary

TERM	DEFINITION
AIS	Account Information Service providers
Additional Optional Services (AOS)	Complementary features and services based on the Scheme, as described in section 2.3 of the Rulebook.
Adherence Agreement	The agreement to be completed as part of the process by which an entity applies to become a Participant. The agreement is found as Annex I of the Rulebook.
Alias	A pseudonym that allows to uniquely identify for instance the Beneficiary account or the Beneficiary. The conversion is done through a lookup in the directory used for that specific alias. Alias is generated by the Beneficiary Bank and given to the Beneficiary. The Beneficiary can request a change of the Alias at any given time.
Business Identifier Code (BIC)	An 8 or 11 character ISO code assigned by SWIFT and used to identify a financial institution in financial transactions.
B2C	Bank-to-customer
Credit Transfer Instruction	An instruction given by an Originator to an Originator Bank requesting the execution of a Credit Transfer Transaction, comprising such information as is necessary for the execution the NPC Credit Transfer and is directly or indirectly initiated in accordance with the provisions of the Payment Services Directive.
Credit Transfer Transaction	An instruction executed by an Originator Bank by forwarding the Transaction to a CSM for forwarding the Transaction to the Beneficiary Bank.
CSM	Clearing and Settlement Mechanism.
C2B	Customer-to-bank
DD	Direct Debit
EBA	Euro Banking Association
EBA	European Banking Authority (regulatory body reporting into the European Central Bank)
EC	European Commission
EEA	European Economic Area
EPC	European Payments Council
ERI	Extended Remittance Information

TERM	DEFINITION
ERI Option	Extended Remittance Information Option
ERI Option Participant	Participant which has formally declared its participation to this option to the NPC
ESA	European Supervisory Authorities
EU	The European Union
Eurosystem	The European Central Bank and the central banks in the Euro area (incl. the non-euro based central banks as well?)
IBAN	International Bank Account Number (IBAN): uniquely identifies an individual account at a specific financial institution in a particular country (ISO 13616).
IG	Implementation Guidelines
Invoicee	The entity, person or company purchasing the goods or service mentioned in the invoice
Invoicer	The entity, person or company selling the goods or service mentioned in the invoice
LSG	Legal Support Group
NASO	National Adherence Support Organisation
National Account Number Structure	Nationally defined account structure, including at minimum bank branch code and account number
NPC	The Nordic Payments Council
NPC Bylaws	The Bylaws of the Nordic Payments Council (NPC), as amended from time to time
NPC Credit Transfer (NCT)	The NPC Credit Transfer is the payment message governed by the rules of the NPC Credit Transfer Scheme for making credit transfer payments in the Scheme Currencies from bank accounts to other bank accounts.
NPC Instant Credit Transfer (NCT Inst)	The NPC Credit Transfer is the payment message governed by the rules of the NPC Instant Credit Transfer Scheme for making credit transfer payments instantly (real-time) in the Scheme Currencies from bank accounts to other bank accounts.
NPC SMIR	The Scheme Management Internal Rules, as set out in Annex II of the Rulebook, and as amended from time to time.
PAD	EU Payment Account Directive

TERM	DEFINITION
Payment Services Directive (PSD)	Directive (EU) 2015/2366 of the European Parliament and of the Council of 25 November 2015 on payment services in the internal market, amending Directives 2002/65/EC, 2009/110/EC and 2013/36/EU and Regulation (EU) No 1093/2010, and repealing Directive 2007/64/EC (PSD 2).
PI	Payment Institutions
PIS	Payment Initiation Service providers
PSP	Payment Service Provider
RMA	Risk Management Annex (being developed for all operational NPC schemes)
RTP	Request-to-pay
Scheme Management Committee, or "SMC"	The NPC body that according to the NPC Bylaws is responsible for performing the NPC Scheme Management Functions as stipulated in the NPC SMIR.
SCT Rulebook	The SEPA Credit Transfer Scheme Rulebook, as amended by the EPC from time to time.
SCT Inst Rulebook	The SEPA Instant Credit Transfer Scheme Rulebook, as amended by the EPC from time to time.
SEPA	<p>The Single Euro Payment Area (SEPA) is the area where citizens, companies and other economic actors will be able to make and receive payments in euro, within all the EU Member States, whether between or within national boundaries under the same basic conditions, rights and obligations, regardless of their location.</p> <p>SEPA shall be deemed to encompass the countries and territories which are part of the geographical scope of the SEPA Schemes, as listed in the EPC List of SEPA Scheme Countries (see Reference [11]), as amended from time to time.</p>
SMIR	Scheme Management Internal Rules (separate annex of any rulebook published explaining e.g. how to influence/suggest amendments to the schemes)
S RTP	SEPA Request-to-Pay, the future Request-to-pay Scheme produced by the EPC.
SWIFT	Society for World-wide Financial Transactions
TF	Task Force, ad-hoc grouping consisting of participants from the NPC Members, started by the SMC for investigation certain questions. Their mandate and tasks are defined in a ToR.

TERM	DEFINITION
ToR	Terms of Reference
WG	Working Group, a group working for a longer period consisting of participants from the NPC Members started by the SMC. Their mandate and tasks are defined in a ToR.