

Stakeholder Forum Meeting

Date: 2020-12-02 Location: Teams

Present:

Marianne Melton	Chair (MobilePay)	Via Teams
Andy Morris	ACI	Via Teams
Pasi Miettinen	Bank of Finland	Via Teams
Eva Nässlin-Larsson	Bankgirot	Via Teams
Robert Book	CGI	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
Ida Marie Moesby	Forbrugerrådet Tænk	Via Teams
Anders Holmström	Getswish	Via Teams
Carlos Rodriguez	Independent	Via Teams
Heike Strasser	Mastercard	Via Teams
Charlotte Fink Jensen	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
Helena Stjernstedt	Swedish Bankers Association	Via Teams
Benjamin Woodcock	SWIFT	Via Teams
Peter Larsson	Volante	Via Teams

Representing the NPC

<i>Camilla Bäck</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:

Morten Fels	DK Ministry of Industry, Business & Financial Affairs
Carl-Johan Mårtenson	Försäkringskassan
Morten Sprange Thomsen	Independent
Michael Pandoscak	SAP
<i>Thomas Bo Christensen</i>	<i>NPC Scheme Management Committee</i>

Agenda

1. Introduction of participants
2. Approval of Agenda
3. Approval of last meeting's minutes
4. Appointment of minutes adjuster
5. Information and Status NPC
6. Denmark and Sweden community update
7. Question about information from last meeting
8. Update on NPC Change Management
9. NPC Confirmation of Payee status and timeline
10. Discussions and ideas regarding Request-to-pay
11. Meeting and work plan 2021
12. Open discussion – questions and comments
13. Any other business
14. Next meetings

1. Introduction

Marianne Melton, chair for NPC Stakeholder, opened the meeting and welcomed all. An extra welcome to the new participant Ida Moesby that represent Forbrugerrådet Tænk in Denmark.

2. Approval of Agenda

Agenda was approved with no additions.

3. Approval of last meeting minutes

Last meeting's minutes were approved.

4. Appointment of minutes adjuster

Carlos Rodriguez was chosen to be the meeting's minutes adjuster.

5. Information and Status NPC

Jenny informed about status and ongoing work within the NPC. There have been no changes in the organisation since last meeting.

NPC are continuing with only digital meetings via Teams, this is working very well for the NPC.

In October NPC had digital information meetings via Teams, one for the Sweden community and one for the Danish community. All interested in the NPC work were welcome and there were about 80 attendances in total. There was a great interest in NPC work and especially around Confirmation of Payee and Request-to-pay.

NPC has also had two SMC meetings, October 15th and December 1st. In October decision was taken for new timeline for Change Management and in December meeting NPC Work plan for 2021 was decided.

NCT & NCT Inst WG are working with change management and NPC RTP WG are focusing on the Nordic markets input to EPC SRTP since NPC's plan is to not make an own RTP Rulebook but instead influence EPC to have the SRTP Rulebook open for more currencies than EUR.

Confirmation of Payee WG are finalising the draft Rulebook that are currently being legally assessed and the Risk Management support group are just about to start and have their first meeting in January.

6. Denmark and Sweden community update

Kristian representing, the Danish Banking Association, Finance Denmark gave a status update from the Danish community:

There are different developments in Denmark regarding payment infrastructure, where the NPC schemes could come in play and somebody declared they want to use the scheme for Danish kroner. P27 is a Nordic Payments initiative and has declared they want to offer Credit Transfer (batch) and instant Credit Transfer clearing in Danish kroner based on the NPC schemes. I would invite P27 to say a bit more on that initiative.

Harry Rymert made a short input, as addition to Kristian's information, about the work at P27:

As a service provider P27 has in plan as a first step to launch both SEK and DKK batch payments, in accordance with the NPC Credit Transfer Scheme. P27 also plans services based on Confirmation of Payee as well as Bill payments and Alias-service. The plan extends between 2022-2024. If you are interested to receive more details it can be provided if you contact P27 directly.

P27 also has a Vendor forum for a broader set of stakeholders on the market and is organising a second session for this forum in Q1 2021. All that have registered for the P27 newsletter will get an invitation to the P27 vendor forum. More information about P27 and how to register to the newsletter is found on their webpage <https://nordicpayments.eu/>

Helena representing Bankföreningen, the Swedish Bankers' association, gave a status update from the Swedish community:

In Sweden we have a transformation committee (TC) with a transformation program (TP). The TC is the owner of the TP. They decide on the transformation plan including risk mitigation actions. The TP's scope is to work with the transformation of products, functions and services on the Swedish Payment Market according to a Transformation plan. They plan is to have a detailed transformation plan with milestones by the end of December (2020-12-18). More information regarding the TC is found here: [Svenska Transformationsprogrammet | Swedishbankers](#).

Participants in TC are P27, Swedish Banker's Association, Bankgirot, Danske Bank, Handelsbanken, Nordea, SEB, Swedbank, Länsförsäkringar, Skandia and DNB.

The plan also consists of dates set by P27 (the Nordic Payments platform) as well as dates for a preliminary transformation plan for NPC Credit Transfer (SEK):

- *End of Q1 2022: Deadline for all banks to be onboarded to the new payment infrastructure (P27 milestone), i.e. the new Clearing & Settlement Mechanism. P27 milestone*
- *End of Q3 2022: Deadline for all account deposits (Kontoöverföringar) in the new infrastructure (salaries, pensions etc. via file communication) prior to this milestone.*
- *Early Q4 2023: Deadline for all transactions should be processed according to the new Rulebook after this milestone (if the Swedish Autogiro has been replaced at this time (RTP)) TP milestone.*

7. Questions about information from last meeting

Marianne gave the meeting opportunity to raise questions about the information given at last meeting. No specific comments or questions were raised.

8. Update on NPC Change Management

On last meeting information about NPC's general Change Management process were given as well as information about NPC's first Change Management cycle that started with a call for change requests in August this year. This timeline has now changed.

In September EPC decided to migrate all their SEPA payment schemes to 2019 version of the ISO 20022 message standard in November 2023. The migration to 2019 ISO version will be combined with any other possible new or amended business and functional changes in the SEPA Schemes, which means that this will be EPCs next change management cycle.

NPC have decided to follow EPC's timeline to be in line with EPC's next change management cycle. This means that instead for having new Rulebook versions of the NPC payment schemes published in November 2021 (entering into effect November 2022) the NPC to prolongs the current call for change request period until June 2021 and will have new updated Rulebooks published in June 2022 (entering into effect November 2023).

This will be NPC's very first change management cycle and no larger changes will be made in the NPC's payment schemes before November 2023 when the new versions are entering into effect.

The call for change request period will be ongoing until June 30th 2021 and template to be used to make a change request for NCT or NCT Inst Schemes are found at NPC's webpage:

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

9. NPC Confirmation of Payee status and time plan

The Confirmation working group have finalised a draft version of the Confirmation of Payee Rulebook that have been handed over to NPC Legal Support Group. The Rulebook is now being legally assessed, both within the Legal Support Group but also by NPC's external legal counsel. The most important parts of the legal assessment are the relation to Bank Secrecy law, GDPR and Competition law. We are currently waiting for the outcome of that.

The purpose of Confirmation of Payee is to be used prior to a payment. Giving the possibility to confirm the Payees account or account in combination with name or identification code prior to a payment is done. It will help preventing fraud and prevent misdirected payments as well as giving an overall enhanced end-user experience.

Looking at the use-cases, it will be possible to make requests in both real-time or via file/bulk and to confirm only an account number or confirm account number in combination with a name or identification code. It could be done before making a payment is done or for updating customer registers when the actual payment is done later. It all depends on the use case.

Andy Morris asked if the Rulebook will include any details about name matching. NPC answered that it will not be any details in the Rulebook since the actual matching will be done by a service provider or PSP. The Rulebook rules is for a FALSE response and a reason code will be provided; match, close match or no match.

Carlos Rodriguez asked if the EPC has an equivalent Scheme and if NPC has a dialogue with EPC in this matter. He also highlighted the importance in collaboration around standards for schemes related to payments as the Confirmation of Payee. NPC answered that EPC do not have a Scheme yet but the topic is on their agenda and in their work plan for 2021. NPC do have an ongoing dialogue with EPC around this.

Eva Nässlin-Larsson added that there are a current file/bulk service for this in Sweden today, Kontofråga, that are used by large companies and authorities. Jenny added that also UK and Holland have similar Schemes and services that have successfully helped preventing fraud.

10. Discussions and ideas regarding Request-to-pay

The EPC has now published version 1.0 of the SEPA RTP Rulebook (SRTP). For the SEPA RTP Rulebook to be able to be used by the Nordic market, it will need to be updated to be currency agnostic and open for other currencies than EUR.

The EPC has already started their first change management cycle for SRTP v.2.0 and call for change requests are now possible. NPC will together with NPC RTP WG submit the necessary change requests for the Nordic market.

The NPC is ready and prepared to start work with a Nordic RTP Rulebook if the SRTP Rulebook will not become currency agnostic. Another option that needs to be investigated is if the Nordic market could do an AOS (additional optional service) to the SRTP Rulebook, describing the specific Nordic needs and way of handling them.

Jenny informed about EPC's timeline and how NPC will work in parallel with that, making sure to cater for the Nordic needs and she encouraged all in the meeting to submit change request to the EPC if there are any important changes needed for the Nordic market.

Eduard Stinger suggested to use multicurrency instead of currency agnostic when talking about other currencies than EUR.

Robert Book asked if it also can be cross currency? Jenny answered that that an RTP request (when the SRTP Rulebook is currency agnostic/multicurrency) can be made in any currency, but the Payer needs to be able to pay in that currency. It is then up to the Payers PSP to make the payment in the currency the Payer initiates the payment in.

11. Meetings and workplan 2021

Jenny informed about the suggested work plan for 2021.

Next meeting will be February 18th were more information about Confirmation and Request-to-Pay will be given and discussed.

The second meeting will be May 26th were the latest status about Confirmation and Request-to-Pay will be given and discussed. Introduction of Stakeholder Forum's position paper related to Confirmation of Payee Rulebook will also be made.

Meeting in September and November will focus on position paper for both Confirmation of Payee and current NPC payment schemes change management.

12. Open discussion – questions and comments

The meeting had nothing to discuss or report.

13. Any Other Business

The meeting had nothing to discuss or report.

14. Next meetings

Next meeting will be held digitally via Teams February 18th at 9:00-11:00 CET.

After that meetings according to plan:

- May 26th, 9-11 CET via Teams
- September 15th, 9-11 CET via Teams
- November 11th, 9-11 CET via Teams

15. Closing

The Marianne Melton thanked all for participating and closed the meeting.

Meeting Secretary: Maria Brogren, Nordic Payments Council

Approved by Chair: Marianne Melton, Chair Stakeholder Forum (MobilePay)

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 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.