

Stakeholder Forum Meeting no.10

Date: 2022-11-17 Location: Teams

Present

Marianne Melton	Chair (MobilePay)	Via Teams
Andy Morris	ACI	Via Teams
Maria Ekstrand	Bankgirot	Via Teams
Robert Book	CGI	Via Teams
Rasmus Engbæk Larsen	Finance Denmark	Via Teams
Petri Alto	Finanssivalvonta FIN-FSA	Via Teams
Uziel Galor	Finastra	Via Teams
Eduard Stringer	FIS	Via Teams
Jacob Ruben Hansen	Forbrugerrådet Tænk	Via Teams
Dan Axelsson	Getswish	Via Teams
Carlos Rodriguez	Independent	Via Teams
Leo Gabriele	Mastercard	Via Teams
Kai Yamaguchi	MobilePay	Via Teams
Mathilde Bak Møller	Nationalbanken/Danish Central Bank	Via Teams
Peter Møller Restelli-Nielsen	Nationalbanken/Danish Central Bank	Via Teams
Hein Wagenaar	Oracle	Via Teams
Vivek Kumar Srivastava	Oracle	Via Teams
Michael Pandoscak	SAP	Via Teams
Helena Stjernstedt	Swedish Bankers' Association	Via Teams
Ted Scheiman	SWIFT	Via Teams
Emily Rayment	Visa	Via Teams
Peter Larsson	Volante	Via Teams

Representing the NPC

Åsa Gibson-Lundmark	<i>NPC Scheme Management Committee</i>	<i>Via Teams</i>
Camilla Åkerman	<i>NPC Secretariat</i>	<i>Via Teams</i>
Maria Brogren	<i>NPC Secretariat</i>	<i>Via Teams</i>
Susanna Pärlfjård	<i>NPC Secretariat</i>	<i>Via Teams</i>

Apologies

Eva Jalrup	Bankgirot
Pasi Miettinen	Bank of Finland/Finish Central bank
Morten Fels	DK Ministry of Industry, Business & Financial Affairs
Carl-Johan Mårtenson	Försäkringskassan
Richard Jones	Mastercard
Ola Hammarström	P27
Danny Pedersen	P27
Anna Ohlsson Brozek	Riksbanken/Swedish Central Bank (from 10:00)
Helena Carnell	Riksgälden/Swedish National Debt Office
Heike Strasser	Unifits
Camilla Bäck	<i>NPC Scheme Management Committee</i>
Thomas Bo Christensen	<i>NPC Scheme Management Committee</i>
Carsten Thaarup	<i>NPC Secretariat – Independent</i>

Agenda

1. Introduction
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. NPC Change Management
8. NPC Confirmation of Payee – agreement position paper
9. One-leg Out (OLO)
10. Meetings and work plan 2023
11. Open discussion - questions and comments
12. Next meetings
13. Closing

1. Introduction

Marianne Melton, chair of NPC Stakeholder Forum, opened the meeting and welcomed all.

Maria Ekström, Bankgirot, being alternate on this meeting.

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

Kai Yamaguchi, MobilePay, was chosen to be the meeting's minutes adjuster.

5. Information and Status NPC

NPC held information meetings on October 19th and 26th open for all to join and around 150 participants joined the meetings. The presentation from the meeting is published on NPC's webpage [Presentation NPC Information meetings](#)

Scheme Management Committee (SMC) next meeting is held on November 24th where decision on Confirmation of Payee Rulebook publication will be taken as well as decision to approve updated Implementation Guidelines version 1.1 (NCT & NCT Inst) and Risk Management Annex 2023 version (NCT & NCT Inst).

NCT & NCT Inst WG has worked with the updated version 1.1 of NCT & NCT Inst Implementation Guidelines and is updating Clarification papers. It is also working with One-leg Out (OLO) transactions and through a Task Force investigate the need for OLO in the Nordics.

NPC Request-to-Pay WG is following the work within EPC SRTP WG and giving input from the Nordics. EPC will publish version 3.0 of the STRP Scheme in November.

NPC Confirmation of Payee WG has been finalising Rulebook and Implementation Guidelines and is preparing for the final decision in SMC to publish the first version of Confirmation of Payee Scheme Rulebook.

NPC Legal Support Group has been busy making a final legal review of the Confirmation of Payee Rulebook and has also reviewed the updated versions of the NCT & NCT Inst Risk Management Annexes 2023 version.

NPC Risk Management Support Group has been focusing on updating Risk Management Annexes for NCT & NCT Inst Rulebooks based on all changes in the 2023 versions of the Rulebooks and will, after decision in SMC to publish Confirmation of Payee Rulebook, start the work with Risk Management for Confirmation of Payee Rulebook.

NPC has not got any new members since the last Stakeholder Forum and all members are presented on slide 7 in the presentation but get a lot of questions about membership and Scheme adherence.

The overall Nordic plan for when to become a member of the NPC and when to adhere to NPC Schemes was briefly presented again.

6. Denmark and Sweden community update

Helena Stjernstedt, Swedish Bankers' Association gave a status update from the Swedish community, as per slide 9-10 in the presentation.

Helena presented some important dates focusing on Swedish Payment Infrastructure for next year:

Swedish Transformation program

- The date for the start of the transformation will be adjusted (originally sept 2023)
- The transformation plan will be adjusted after that P27's application have been approved (clearing-licence)
- Work ongoing with detailing the various steps of the transformation plan

Riksbanken RIX-INST project reference group

- New information at RIX-RÅD (221004) that the Riksbank during September had to cancel planned tests which has caused a delay for the start of the migration of SWISH (latest plan was April 2023 - start of migration with end-date May 2023).
- No new timeplan communicated yet

Euroclear

- Q3-Q4 2023 Euroclear's transition to a new solution for Issuer payouts (Emittentutbetalningar)

Supporting the Swedish transformation....

- 1 May 2023- NPC CT Scheme in effect
- 19 Nov 2023- NPC CT INST Scheme in effect

Helena added that European Commission's proposal for Instant payment regulation is currently being analysed and a new reference group for Instant payments are set up within the Swedish Bankers Association.

Dan Axelsson, Getswish, asked about if anyone in the meeting can give more information about P27s clearing license. Unfortunately, P27 is not participating in the meeting and no answer can be given to that question.

Rasmus Engbæk Larsen, Finance Denmark gave a status update from the Danish community, as per slide 11-12 in the presentation.

There has been no change in status since last meeting. Denmark is progressing well and according to plan which is good. The main focus is to have the Danish community ready for testing in the beginning of 2024. The overall time plan in Denmark is more detailed but more cross dependencies have been identified and raised. Denmark is also analysing European Commission's proposal for Instant payment regulation to understand how this will affect the Danish payment landscape. Non-EUR countries have 36 months to implement the proposal after it's been decided.

Rasmus raised some important areas from EU's Instant proposal that will be obligation for both EUR and non-EUR countries, such as:

- SCT participants must offer SCT Inst transactions.
- Pricing will be the same for an SCT Inst transaction as for an SCT transaction

- There will be an obligation for SCT Inst participants to make an IBAN and name check before initiating an SCT Inst transaction.
- Sanction screening is changed from transaction screening to customer screening.

Andy Morris added that one important aspect in the new proposal is the obligation on SCT participants to be able to both send (offer) and receive SCT Instant transactions as well as make an IBAN and name check before sending the payment.

Helena Stjernstedt added that the timeplan for this proposal is important and it can be a challenge for non-EUR countries. Availability, affordable, increasing trust and reducing friction for Instant payments is the main reason for the European Commission's proposal.

7. NPC Change Management

NPC informed about the publication of the minor version update of the 2023 NCT & NCT Inst Implementation Guidelines as per slide 14 in the presentation. There are no large changes but important for clarification and correctness. The 2023 version of NCT & NCT Inst Implementation Guidelines will be published on December 6th and have the same in effect dates and version 1.0.

Change management cycle for 2023 version of NCT and NCT Inst Scheme will start in August 2023 with a call for change requests. The change management cycle will follow a two-year cycle and have the 2025 versions published in November 2024 and in effect in November 2025.

NPC presented how the versions starting with 2020/2021 becomes 2023 and after next change management cycle becomes 2025 and how they relate to each other, according to slide 15 in the presentation.

8. Information & plan NPC Confirmation of Payee

The Stakeholder Forum has a formal task to make a Position paper on Confirmation of Payee Rulebook. A draft Position paper have been made by a smaller Task Force consisting of Richard Jones, Mastercard and Any Morris, FIS. The draft Position paper have been sent out as pre-material to this meeting.

NPC received one comment from MobilePay prior to the meeting. MobilePay suggest adding one bullet point in the end of the document: “#4. The NPC Stakeholder Forum also welcomes the clear separation of the CoP-Scheme from the other NPC-owned schemes to foster appropriate use in various use-cases.” The meeting agreed on the addition and NPC will update the Position paper and send out the final version together with the minutes.

A document describing the result of the Public consultation and CoP WG recommendations have also been sent out as pre-material “*NPC055-01 NPC CoP Rulebook 2022 Public Consultation Change result document*”.

Decision to publish Confirmation of Payee Rulebook will be taken by SMC on November 24th, 2022.

Suggested agreement in Stakeholder Forum meeting November 17th: The Stakeholder forum to agree on the document *NPC099-02 NPC Stakeholder Forum position 2022 Confirmation of Payee Rulebook v1.0*.

Decision (3): The Stakeholder forum agreed on the document *NPC099-02 NPC Stakeholder Forum position 2022 Confirmation of Payee Rulebook v1.0*.

9. One-leg Out (OLO)

NPC gave some background on what OLO is, work done in EPC since last time OLO was up for discussion in Stakeholder forum in September 2021 and gave a status update on OLO work within NPC, as per slide 20-25 in the presentation.

In a One-leg out transaction one of the legs in the transaction is handled outside the Scheme and can't be regulated by the Scheme rules. It can be outside SEPA Schemes or NPC Schemes. Both EPCs SEPA

Schemes and NPCs payment Schemes lack rules and formats for these transactions since the Schemes only handles transactions within the Schemes, see slide 23 in the presentation.

EPC have had a Task Force working with the development of a new OLO instrument that can handle these transactions. The work in the Task Force have resulted in a recommendation to EPC Board:

- Instrument for EPC OLO will be a Scheme – One-leg Out Instant Credit Transfer Scheme (OCT Inst Scheme)
- Managed in Module 1 (same as payment schemes)
- EPC OLO TF will finalise final version including all documentation
- Entry into force date will be Nov 28th, 2023, 08:00
- Hybrid adherence model – both PSPs and Processors (serving one or more PSPs) can adhere
- Charging principles – start earliest January 2024

EPC Board are expected to approve the OLO Inst Scheme on EPC Board meeting on November 23rd.

NPC continued to inform about NPCs work with OLO as per slide 24-25 in the presentation. A Task Force have been set up to investigate the need for OLO in the Nordics and if there is a need to open up for OLO transactions in the NCT & NCT Inst Schemes. The Task Force will be 4 times during autumn and have a report presented before the end of the year.

Leo Gabriele asked about how OLO could be implemented in the Nordics and what type of instrument NPC foresee it will be. NPC's view is that there are different options for the Nordics, either follow EPC with a separate Scheme, it could also be an Option to any of the existing NPC payments Schemes, or other solution. Most importantly, the need for OLO must be investigated and agreed on, next step will be to look at the solution.

Marianne Melton added that OLO could be important for Interoperability especially for Instant Payments, but also to connect the Nordics and the Eurozone.

10. Meetings and work plan 2022

Suggested workplan for 2023, slide 27 in the presentation, was presented, and discussed.

Meetings 2023:

Meeting March 21st - *Planned as physical meeting in Stockholm with the option for virtual participation as well*

- Information regarding NPC Confirmation of Payee Rulebook
- Outcome OLO Task Force
- Presentations and guests to be decided

Meeting May 23rd

- Information regarding 2025 SCT & SCT Inst Scheme public consultation
- Presentation and guest to be decided

Meeting September 28th

- Presentation ad guest to be decided

Meeting November 16th

- Workplan 2024
- Presentation and guests to be decided

NPC presented some suggestions for guests/presentations and opened for discussion:

- P27

- BITS A/S
- EPC update
- Master Card
- Swish
- Central Banks – ISO 20022 migration, new settlement system (Target)
- ...?

The meeting was encouraged to send in suggestions for guest speakers and topic for the physical meeting in Stockholm in March. The meeting raised that EU's proposal for Instant Payment regulation could be one topic.

11. Open discussion – questions and comments

Carlos Rodriguez received the NPC survey and asked about that. Camilla answered that this is a mistake and that this survey is for NPC members and should not have been sent out to Stakeholder Forum and asked all to disregard this.

12. NPC going forward

NPC informed about important activities going forward, as per slide 30 in the presentation, as starting the next Change Management cycle next year, having the 2023 version of NCT & NCT Inst Schemes in effect and having the Confirmation of Payee Scheme Rulebook published and in effect (according to plan, awaiting SMC decision).

13. 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: Kai Yamaguchi, MobilePay

Decision log

No.	Decision Date	Decision
1	2022-05-19	The Stakeholder Forum agreed on the document Stakeholder Forum position 2023 Change Proposal Payment Schemes for the 2023 version of NCT and NCT Inst Rulebooks.
2	2022-11-17	The Stakeholder forum to agree on the document <i>NPC099-02 NPC Stakeholder Forum position 2022 Confirmation of Payee Rulebook v0.3. NPC will make this the 1.0 version after this meeting.</i>
3	2022-11-25	The Stakeholder forum agreed on the document <i>NPC099-02 NPC Stakeholder Forum position 2022 Confirmation of Payee Rulebook v1.0</i>

Glossary

TERM	DEFINITION
ACH	Automated Clearing House
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 who 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
Nordic currencies in scope for NPC	Denmark: DKK Sweden: SEK Norway: NOK
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.

TERM	DEFINITION
NPC SMIR	The Scheme Management Internal Rules, as set out in Annex II of the Rulebook, and as amended from time to time.
OLO	One-leg-out transactions. OLO transaction are payments where one of the payment service providers (PSPs) are not located in the geographical area of the schema (e.g. SEPA, NPC)
PAD	EU Payment Account Directive
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)

TERM	DEFINITION
SRTP	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.
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.