

Stakeholder Forum Meeting no.11

Date: 2023-03-21 Location: Stockholm and Teams

Present

Marianne Melton	Chair (MobilePay)	Stockholm
Kim Fuglsang Kristoffersen	MobilePay (agenda point 11)	Via Teams
Ludvig Lindh	ACI	Stockholm
Eva Jalrup	Bankgirot	Stockholm
Robert Book	CGI	Stockholm
Rasmus Engbæk Larsen	Finance Denmark	Via Teams
Petri Alto	Finanssivalvonta FIN-FSA	Via Teams
Eduard Stringer	FIS	Via Teams
Carlos Rodriguez	Independent	Stockholm
Gabriele Leo	Mastercard	Stockholm
Kai Yamaguchi	MobilePay	Stockholm
Mathilde Bak Møller	Nationalbanken/Danish Central Bank	Via Teams
Hein Wagenaar	Oracle	Stockholm
Ola Hammarström	P27	Stockholm
Robert Nilsson	Riksbanken/Swedish Central Bank	Via Teams
Maria Lundin	Riksgälden/Swedish National Debt Office	Via Teams
Helena Stjernstedt	Swedish Bankers' Association	Stockholm
Ted Scheiman	SWIFT	Via Teams
Emily Rayment	Visa	Via Teams
Peter Larsson	Volante	Stockholm

Representing the NPC

Jenny Winther	NPC Scheme Management Committee	Stockholm
Johan Arvidsson	NPC Scheme Management Committee	Stockholm
Camilla Åkerman	NPC Secretariat	Stockholm
Maria Brogren	NPC Secretariat	Stockholm
Othilia Österling	NPC Secretariat	Stockholm

Apologies

Andy Morris	ACI
Daniele Astaris	ACI
Timo Livarinen	Bank of Finland/Finish Central bank
Morten Fels	DK Ministry of Industry, Business & Financial Affairs
Galor Uziel	Finastra
Jacob Ruben Hansen	Forbrugerrådet Tænk
Carl-Johan Mårtenson	Försäkringskassan
Dan Axelsson	GetSwish
Fredric Nilsson	GetSwish
Richard Jones	Mastercard
Vivek Kumar Srivastava	Oracle
Danny Pedersen	P27
Jonas Jakobsen	P27
Johan Löfvst Klass	Riksgälden/Swedish National Debt Office
Michael Pandosca	SAP
Heike Strasser	Unifits
Thomas Bo Christensen	Chair of NPC Scheme Management Committee
Camilla Bäck	NPC Scheme Management Committee

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. One-leg Out (OLO)
7. Denmark and Sweden community update
8. The importance of structured data for corporates
9. NPC Change Management
10. NPC going forward
11. MobilePay strategy and roadmap
12. Open discussion - questions and comments
13. Closing

1. Introduction

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

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

Mathilde Bak Møller, Nationalbanken, was chosen to be the meeting's minutes adjuster.

5. Information and Status NPC

NPC will hold an information meeting on March 23rd open for all to join. The presentation from the meeting will be published on NPC's webpage [Presentation NPC Information meetings](#)

Scheme Management Committee (SMC) approved publication of the NPC Confirmation of Payee Scheme Rulebook, Implementation Guidelines and Confirmation of Payee API Examples on February 23rd. The Scheme was published on NPC's webpage on February 28th, with immediate in effect date.

NCT & NCT Inst WG are currently planning the next Change Management Cycle for the 2025 versions of the payment schemes. Additionally, the group is continuing to analyse the need for One-Leg Out transactions (OLO) for the Nordics through the NPC OLO Task Force.

NPC Request-to-Pay WG has an updated Terms of Reference and will update NPC's Clarification Report on European Payments Council's (EPC) SEPA Request-To-Pay (SRTP) Scheme. The group also follows the work within the EPC SRTP Working Group through the Nordic participants, and thus give input from the Nordics. EPC SRTP has started a call for Change Requests to the version 3.0 (becoming a 4.0 version), and the working group is also investigating if they will send in Change Requests to the EPC.

NPC Confirmation of Payee WG has completed the final version of the Confirmation of Payee Rulebook and Implementation Guidelines. The group is currently supporting the work in creating the Confirmation of Payee Scheme Risk Management Annex (RMA).

NPC Legal Support Group has been busy with the legal assessment of the Confirmation of Payee Rulebook. Ongoing, they will also support in the legal aspects of the Confirmation of Payee Risk Management Annex and other relevant topics related to NPC payment schemes.

NPC Risk Management Support Group is focusing on the creation of the Confirmation of Payee Risk Management Annex.

NPC continued the presentation with some more information about the Confirmation of Payee Scheme. The Scheme, that was published on February 28th, consists of three main documents:

- NPC050-01 2023 NPC Confirmation of Payee Rulebook
- NPC051-01 2023 NPC Confirmation of Payee Implementation Guidelines
- NPC052-01 2023 NPC Confirmation of Payee API Examples

All documents are available on NPC website: [NPC Confirmation of Payee Scheme Rulebook \(nordicpaymentscouncil.org\)](https://nordicpaymentscouncil.org)

The purpose of creating a CoP Scheme has been to modernise current services with common rules and standards, create interoperability, prevent fraud and misdirected payments – but also to enhance end-user experience and create trust in the system.

NPC informed about ongoing discussion for a Confirmation of Payee in Europe which also is supposed to be included according to the European Commission's proposal for amending the SEPA regulation for instant payments in EUR. The proposal will, among other things, require a verification of the IBAN and Name (IBAN/name check) prior to initiating an instant transaction in EUR. The EPC has decided to take an active role for a Confirmation of Payee and will start the analysis in a working group. The European Commission's proposal is the reason why this topic is high on the EPC's agenda. The NPC will follow the work and sees that it is important that the Nordic countries are represented.

Peter Larsson proposed that the Nordics should go deeper and specify the definition of a "close match". It's important to harmonise the definition of a "close match" also for countries already using the concept. The algorithm for name matching and "close match" can be a centralised solution or a decentralised solution (up to each bank/participants to decide). This is a question for the market since the NPC scheme is solution agnostic.

NPC has received two more applicants for membership, which are in the process of being approved.

6. One-Leg Out (OLO)

In autumn 2022, the NPC OLO task force investigated the need for an OLO in relation to NPC payment schemes. The task force established, as a step 1, that there is a need, even though there may be different payment infrastructures and thus conditions, in the Nordic countries. To further analyse the need, the OLO task force will continue the work as step 2 in the spring of 2023.

The NPC described the concept of One-Leg Out (OLO) - incoming or outgoing transactions, where one leg in the transaction (the NPC-leg) is part of the NPC's scheme, and the other leg in the transaction (the non-NPC leg) is not part of the scheme, as per slide 11 in the meeting presentation. Rules and formats are missing in NPC's current payment schemes for such a scenario. The analysis in the NPC OLO task force is about investigating how OLO transactions could be implemented for the NPC payment schemes and thereby open up for the possibility to send and receive OLO transactions between NPC Scheme Participants.

The NPC Nordic Credit transfer and Instant Nordic Credit Transfer Schemes allow domestic and cross border transactions between Scheme Participants in any of the Scheme currencies, but the current Schemes do not allow transactions that starts or ends outside the Schemes.

Peter Larsson brought up that there is a pilot project on international instant cross-border transactions to US banks via EBA Clearing (IXB). In this setup, it is possible to have reachability and interoperability between Europe and the US for instant payments. Additional setup for OLO transactions (NPC) could contribute to interoperability in this area.

A question was raised whether there has been any discussion at the NPC regarding adding the pacs.009 format. The NPC confirmed that yes, there have been discussions in the past in the NPC working group, which were paused, but are now up for discussion again as a possible change request for the 2025 version of the payment schemes. Norway has expressed a great interest in including a pacs.009. The Nordic community may send in a change request to the EPC to add a pacs.009 to the SEPA payment schemes. The EPC has currently chosen to use a pacs.008 for the purpose of a pacs.009 and it only covers fees and interest compensation. As far as the NPC is aware, there are no ongoing discussions within the EPC to add a pacs.009. Peter Larsson added that this topic will be addressed next week in one of the EPC payment scheme forums.

During the NPC OLO Task Force step 1 work, a report was compiled that includes a definition of OLO in the NPC context, scenarios for how cross-border payments in the Nordic currencies are handled today and draft scenarios for how cross-border payments in the Nordic currencies are likely to be managed after migration to ISO 20022. The report also includes a recommendation for next steps.

Recommendation by OLO Task Force and agreed by NCT & NCT Inst WG to continue as a step 2 work:

- Investigate how cross border within the Scheme affect current OLO-payment flows
- Suggested time plan for OLO
- Suggested solution (Scheme, part of existing scheme etc)
- Optional/mandatory
- NCT and/or NCT Inst?
- Further look at EPCs OLO Instant Scheme
- Summarise the work in a report with a recommendation for next step

When OLO TF has finalised “step 2”, SMC will take a decision based on their recommendation.

NPC also informed about the status of EPC OLO work:

- EPC OLO Instrument will be a standalone scheme
- The name will be One-leg Out Instant Credit Transfer Scheme – OCT Inst Scheme
- It will be managed by Module 1 (same as SCT & SCT Inst schemes)
- Entry into force date will be November 28th 2023 08:00 (publish March 28th 2023)
- Hybrid adherence model – both PSPs and Processors (serving one or more PSPs) will be able to adhere

The work will continue during 2023 with finalising Implementation Guidelines, RMA, Clarification papers etc.

7. Denmark and Sweden community update

Rasmus Engbæk Larsen, Finance Denmark gave a status update from the Danish community, as per slide 18 in the meeting presentation.

He informed that the Danish sector plan is challenged due to P27 Nordic Payments having issues with clearing license in Sweden and the re-planning of instant payments. Consequently, Denmark has identified some risks and contingency plans are currently being evaluated. A new, or revised, plan is expected to be presented no later than just after Easter 2023. In the Danish banking sector, there is a strong focus on delivering according to the time-plan of replacing current RTGS system, Kronos2, with the new RTGS system, Target2, for settlement of DKK. The migration is planned to take place during Easter 2025 and in connection to this the central bank will change the SWIFT format from MT to MX (ISO).

On the next NPC Stakeholder Forum meeting, Rasmus will be able to present more information.

Helena Stjernstedt, Swedish Bankers' Association gave a status update from the Swedish community, as per slide 19-26 in the meeting presentation.

There are multiple major strategic initiatives in parallel the coming years and Helena presented some important dates and milestones.

The Swedish Transformation program

- On January 27, the Transformation Committee decided on an updated Transformation Plan
- The date for the start of the transformation has been adjusted to Q2 2024
- 3 phases: Account-to Account, Alias-transformation, Autogiro (AG)/e-invoice (not yet a set date in the Transformation plan)
- The transformation plan is dependent on P27's application for a clearing license
- Work ongoing with detailing the various steps of the transformation plan including an AG and e-invoice (E-faktura) transformation

The Swedish Transformation plan was presented as per slide 22-23 in the meeting presentation where important milestones can be found.

The meeting raised a question whether it is still possible to send account to account transfers to PlusGiro (PG) accounts via Dataclearing (DCL). **Helena Stjernstedt** can, after the meeting, confirm that account to account transfers will be possible to send to PG account numbers, i.e., according to DCL's account number structure, and it must not be SIS/OCR account numbers.

The Swedish Riksbank RIX-INST project reference group

- No new date set for the start of the migration of SWISH to RIX-INST
- Information from the Swedish Riksbank regarding new time plan will come after the summer
 - Important to add that it will not affect the customer using the Swish services

Euroclear Sweden

- During Q3-Q4 2023, Euroclear plans for a transition to a new solution for Issuer payouts (Emittentutbetalningar)

Supporting the Swedish transformation

- 1 May 2023- NPC NCT Scheme in effect
- 19 Nov 2023- NPC Instant NCT Scheme in effect

Helena informed that the department for payment infrastructure at the Swedish Bankers Association has a new webpage where you find information about Swedish payment infrastructures, the Transformation program and more. The webpage is in Swedish only: [Bankinfrastruktur | BSAB startside](#)

8. The importance of structured data for corporates

Hein Wagenaar from Oracle held a presentation about Payment flows and ISO 20022 business requirements, the need in the payment chain and the importance of structured data for corporates (see slides 29-48). The presentation concluded how structured data in ISO 20022 can be utilised for corporates in automating the supply chain of, for example, invoicing and reconciliation. There is a strong focus on straight through payment processing and the presentation covered the need to maximize use of ISO 20022 message capabilities to streamline the payment flow and avoid external sources of information. Hein also raised the need to have an optimized level and consistency of structured data elements; enough data for reconciliation vs. performance issue to handle high volumes of incoming invoices.

9. NPC Change Management

The NPC informed about the Change Management (CM) cycle for 2025 version of NCT and Instant NCT Scheme will start in August 2023 with a call for change requests. All incoming change requests will be published with a recommendation if they can be incorporated or not to the schemes. 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.

NCT & NCT Inst Working Group is re-evaluating change requests (CRs) from last CM cycle that was decided not to be incorporated in the 2023-year versions. Also, EPC's CRs for 2025 will be evaluated in the work. Additionally, it will be evaluated if NPC should send any change requests to EPC. On the agenda is the question if the NCT- and NCT Inst Working Group will deliver any CRs, or whether it will be up to the market.

NPC presented the change management cycles for the payment schemes and how the versions starting with 2020/2021 become 2023 versions, and after next Change Management cycle become 2025 versions and how they relate to each other and to EPC's change management cycles. It was also mentioned that it is not possible for NPC to follow the same publication date as EPC, since the changes EPC includes are not visible for NPC before EPC's publications. The NPC payment schemes in-effect dates will be in line with the payment schemes of EPC.

10. MobilePay – strategy and roadmap

Kim Fuglsang Kristoffersen from Vipps MobilePay held a presentation about Vipps MobilePay. The presentation covered their journey from the start 2013, their offering and payment solution, and upcoming merger with Vipps. Vipps MobilePay is present in Denmark, Norway and Finland with their mobile payment solutions.

The Vipps MobilePay's solutions are based on both account-to-account payments and cards-payments infrastructure depending on if the transaction is made through an online check out service or via the Vipps MobilePay app.

For confidentiality reasons, these slides are not present in the meeting presentation.

11. NPC going forward

Camilla informed about plans for the NPC.

For the payments schemes 2023 versions of NPC Nordic Credit Transfer- and NPC Instant Nordic Credit Transfer Scheme will go in effect in May 2023 and November 2023 respectively. Focus will be on starting the next Change Management cycles for the NPC 2023 versions of the payment schemes that will become 2025 versions.

Work will continue with the Confirmation of Payee Scheme and a Clarification paper, and a Risk Management Annex will be developed. The Change Management cycles will be set for the Scheme.

Marianne Melton has announced her resignation as Chair of the Stakeholder Forum, this is her last meeting as Chair. Stakeholder Forum was informed, prior to the meeting, about voting for a new candidate.

Two participants have applied for the role: Carlos Rodriguez (Independent) and Peter Larsson (Volante). Carlos Rodriguez decided to revoke his application, and the meeting elected Peter Larsson (Volante) as new Chair of the NPC Stakeholder Forum.

The Central Banks in Denmark (Danmarks Nationalbank) and in Sweden (Sveriges Riksbank) refrained from taking a vote, considering their neutral position in the Stakeholder Forum.

Decision (4): Peter Larsson was elected Chair of Stakeholder Forum.

Meetings 2023:

Meeting May 23rd will be held as a virtual meeting via Teams

- Information regarding 2025 NCT & NCT Inst Scheme change management
- Status Confirmation of Payee
- Presentation from P27 or other (to be confirmed)

Meeting September 28th was decided to be cancelled.

Meeting November 16th will be held as a virtual meeting via Teams

- Workplan 2024
- Presentation

NPC presented some suggestions for guests/presentations going forward:

- P27
- BITS A/S
- EPC update
- MasterCard
- Swish
- Central Banks – ISO 20022 migration, new settlement system (Target)
- CBDC
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12. Open discussion – questions and comments

No additional questions or comments were raised.

13. Closing

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

Meeting Secretary: Othilia Österling, Nordic Payments Council

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

Adjuster of minutes: Mathilde Bak Møller, Nationalbanken

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</i> . NPC will make this the 1.0 version after this meeting.
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>
4	2023-03-21	Peter Larsson was elected Chair of Stakeholder Forum.

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
CoP	Confirmation of Payee
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

TERM	DEFINITION
ERI	Extended Remittance Information
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
Scheme Management Rules	The Scheme Management Rules, as set out in Annex II of the Rulebook, and as amended from time to time, explaining e.g. how to influence/suggest amendments to the schemes)
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>
SRTP	SEPA Request-to-Pay, the Request-to-pay Scheme produced by the EPC.
SWIFT	Society for World-wide Financial Transactions

TERM	DEFINITION
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.