

ERPB Secretariat

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ERPB PRIORITIES FOR 2020

In December 2018, the Euro Retail Payments Board (ERPB) adopted its [2018-2020 biennial workplan](#), and launched work on two of its priorities, namely (i) the continuation of the work on Electronic invoice presentment and payment (EIPP), with the creation of an ISO 20022 set of EIPP servicing messages and the analysis of the request-to-pay functionality from a broader perspective and (ii) a working group on instant payments at the point of interaction (POI), to help foster the broader setting up of an integrated pan-European instant payment landscape. The ERPB further identified two priorities to be considered once the first ones would be tackled, i.e. (i) a workstream on transparency for retail payments end-users and (ii) a workstream on access to cash.

In June 2019, the ERPB took note of the report prepared by the ERPB Working Group on a SEPA Application Programming Interfaces (API) access Scheme. While the ERPB saw the need for further work as outlined by the working group, it took note of the concerns raised by part of the working group and acknowledged resource constraints, and it agreed to consider possibly resuming this work at a future point in time.

Subsequently, in November 2019, the ERPB assessed that the conditions to resume work had not materialised and hence the work on a SEPA API access Scheme was not resumed. At the same time, the ERPB agreed to launch the workstream on transparency for retail payments end-users and to investigate possible options for dealing with the workstream on access to cash.

This note (i) considers whether conditions have evolved so as to enable the ERPB to resume work on a SEPA API access Scheme; (ii) proposes a way forward for the ERPB priorities from the biennial ERPB workplan.

i. Evolution of the conditions to resume the work on a SEPA API access Scheme

The implementation of the PSD2 requirements for payment initiation services and account information services had to be completed by 14 September 2019. Subsequent clarifications of the legal requirements have led to new implementation work and also testing. As recently as on 4 June, the European Banking Authority issued a further Opinion to clarify several requirements, which again will lead to implementation and testing work. The situation could become more stable thereafter, freeing up resources.

However, there were other concerns raised by part of the ERPB stakeholders as regards the principles for the commercial baseline for future cooperation, and these concerns seem not to have been lifted. In order to ensure a smooth resumption of the ERPB work a SEPA API access Scheme, the ERPB Secretariat considers that it would be beneficial to address these issues beforehand.

The ERPB suggests that the relevant stakeholders should agree on the principles for the commercial baseline for future cooperation as a first step towards the reactivation of the working group. Subject to these issues being resolved, the ERPB Secretariat would prepare a proposal for resuming the ERPB Working Group on a SEPA API access Scheme for the November 2020 ERPB meeting.

ii. Launch of ERPB priorities from the biennial workplan

Transparency for retail payments end-users

As digital payment transactions become more common, and as the associated chains of actors become longer and more complex, it is becoming increasingly difficult for consumers to identify from their bank statements or banking applications to whom, where and when they made payment transactions (both card-based payments and account-based payments). In other words, there is a transparency issue for the payer in certain scenarios.

The recently launched ERPB workstream on transparency for retail payments end-users has now completed its scoping exercise and has highlighted areas where stakeholder action is needed to improve retail payment transparency. The workstream recommends for the ERPB to launch a working group on this topic so that recommendations can be made to address transparency gaps.

The ERPB Secretariat agrees that a new ERPB working group on transparency for retail payments end-users should be established. The working group should deliver an interim report to the November 2020 ERPB meeting with the finalised report including recommendations to the June 2021 ERPB meeting. The ERPB Secretariat will draft the mandate for the working group and issue a call for interest for ERPB members to participate in the working group after the July 2020 ERPB meeting.

Access to cash

Consumers should have a choice of payment methods as each payment method has its advantages depending on the consumers' needs and preferences. Nowadays, EU consumers face some difficulties in

accessing cash to various degrees depending on the country.¹ The number of cash access points where consumers can withdraw money from their bank accounts continues to decline in the EU, as a consequence of the banks' downsizing of branch and ATM networks. Especially the number of bank branches offering cash services has dropped significantly in past years, which has only partly been compensated by widening self-service banking and independent ATM deployers (IADs). Cashback and cash-in-shop services offered by retailers may be helpful in improving access to cash, but are widely available only in few euro area Member States.

This situation has led the Eurosystem to take prompt various actions already back in 2018 and 2019 in order to ensure the continued supply and use of euro banknotes and coins. Access to cash being a key enabler has been a central aspect.² Work towards this objective is ongoing on multiple fronts. Particularly the following activities are worth mentioning:

- i. The Eurosystem is currently developing a strategy to preserve euro cash as a generally available, attractive, reliable and competitive payment instrument and store of value of choice.
- ii. The ECB carried out a euro area survey among 42,000 consumers by means of payment diaries to gather information on the use of cash and cashless means of payment, including consumers' satisfaction with their access to cash. The results of the study will be published in autumn 2020.
- iii. The ECB and Eurosystem NCBs have been analysing the degree of access to cash access for the general public with a view to monitoring developments over time and are working on increasing the comparability of measures of access to cash. Proposals for appropriate methodologies to measure access to cash within a country will be available in autumn 2020.
- iv. The ECB is looking for innovative ideas to tackle access to cash problems and has organised the #data2cash hackathon in June 2020. Participants were asked to develop models to assess and compare an "adequate" access to cash in different regions in the euro area and to develop prototypes for an optimal cash distribution.

The ERPB Secretariat acknowledges that access to cash is a relevant concern and may become a crucial issue in a post-pandemic environment. It also notes that various initiatives have been launched, which aim to address similar concerns and are ongoing at the time of writing. In this context, the ERPB Secretariat considers that it would be suboptimal to start work on access to cash at ERPB level without

¹ According to the Study on the "Use of cash by households in the euro area" (ECB occasional paper no 201/November 2017), although on average 5-6% of the surveyed participants in the euro area reported that it was (very) difficult to find an ATM or bank when needed, in some countries more than 10% have difficulties; moreover at regional level access to cash may be less favourable than on average in a country, especially in rural areas.

² President Lagarde urged Member States to take appropriate measures to ensure that credit institutions and their branches provide adequate geographical coverage of their cash services, and emphasised that citizens should be able to make a reasonable number of cash withdrawals with no charge, in any case when using their bank's own ATM network. See Letter of President Lagarde (L/CL/20/10) dated 23 January 2020 to Giorgos Georgiou, member of the European Parliament.

the latest data and pending the outcome of relevant activities in this area. It is therefore suggested that another update on the situation of access to cash could be made at the ERPB meeting on November 2020, including a presentation by the ECB on the forthcoming Study on the Payment Attitudes of Consumers in the Euro area (SPACE) and a debrief on the outcome of various initiatives. This update could serve as the basis to identify any gaps that may warrant further work on access to cash at ERPB level.

ERPB members are invited to consider the above proposal and agree on the way forward.