

## MANDATE OF THE WORKING GROUP ON A FRAMEWORK FOR INSTANT PAYMENTS AT THE POINT-OF-INTERACTION

Based on Article 8 of the mandate of the Euro Retail Payments Board (ERPB), a working group is set up with the participation of relevant stakeholders to develop principles for an interoperability framework for instant payments at the point-of-interaction (POI), to foster the development of pan-European instant payment services for this use case.

### Scope

Following up on the report from the previous ERPB working group on instant payments at the POI, the new working group is expected to focus its work on a subset of the recommendations endorsed by the ERPB at its November 2019 meeting, i.e. those related to the development of a framework to manage the interoperability rules and appropriate governance for solutions enabling instant payments at the POI<sup>1</sup>. It is acknowledged that the European Payments Council (EPC)'s multi-stakeholder group on mobile-initiated SEPA Credit Transfers (MSG MSCT) is expected to carry out follow-up work on technical and other issues that should serve as input for the above mentioned framework<sup>2</sup>. The working group is therefore expected to liaise with the MSG MSCT, in particular regarding these aspects. The working group is furthermore expected to liaise with the European Cards Stakeholders Group regarding issues with an impact on card-based payments<sup>3</sup>, with relevant initiatives towards pan-European POI payments on issues of common interest and, where relevant and possible, with the other addressees of the ERPB recommendations related to instant payments at the point-of-interaction<sup>4</sup>.

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<sup>1</sup> Recommendations A (first point), B and D attached to the [ERPB Statement following its November 2019 meeting](#).

<sup>2</sup> I.e. to develop 1) a pan-European label and its usage for instant payments at the POI solutions and 2) functional and security specifications for interconnectivity of such solutions, including the specification of the minimal data set to be exchanged between consumer and merchant while covering different proximity technologies. See recommendations A (second point) and C attached to the ERPB Statement following its November 2019 meeting.

<sup>3</sup> In particular those related to the consumer's choice of a given payment instrument to conduct a payment transaction at the POI. See recommendation D attached to the ERPB Statement following its November 2019 meeting.

<sup>4</sup> I.e. recommendations E, F, G, H, I and J attached to the ERPB Statement following its November 2019 meeting.

## **Deliverables**

The working group is expected to deliver principles for a dedicated interoperability framework for instant payments at the POI, covering:

1. Common rules and procedures;
2. Appropriate governance;
3. Security requirements for payment service user onboarding processes to be adopted by instant payment service providers and merchants;
4. Appropriate specifications to enable consumer selection of preferred payment instrument to conduct a transaction at the POI.

Considering the evolving market situation, the working group is also expected to review the stocktake of existing and planned end-user solutions for instant payments at the POI carried out by the ERPB working group on instant payments at the POI. In particular, the working group is expected to: i) update the information for the reported solutions and ii) add any relevant solutions that were not reported in the previous stocktake. The outcome of this reviewed stocktake should be taken into account, where relevant, in the work on the other deliverables.

## **Time horizon**

The working group will be established by the end of February 2020 and shall deliver, by June 2020, an interim report covering the updated stocktake, the principles for a dedicated interoperability framework related to common rules and procedures and appropriate governance, as well as a status update on the other deliverables. The ERPB shall confirm the next steps on the basis of this interim report. The working group shall then complete its deliverables by November 2020.

## **Participants and chairmanship**

The working group shall include relevant stakeholders, including representatives of ERPB member and guest associations. Other relevant stakeholders may also be invited to join as relevant third parties. One representative of the ECB and a limited number of representatives of euro area NCBs are invited to join the working group as active participants. A representative of the EU Commission will be invited as observer. The working group will be co-chaired by EuroCommerce (demand side) and European Payments Council (supply side). The Secretariat will be provided by the European Payments Council.

Members representing their associations and the co-chairs will be appointed by the ERPB Chair based on suggestions from their respective associations. Other participants – after expressing interest to the ERPB secretariat – may be invited by the ERPB Chair to join the group based on consultation with the members of the ERPB.

## **Rules of procedure**

The mandate of the ERPB defines a broad set of rules for the procedures of its working groups: the working group takes positions on a  $\frac{3}{4}$  majority basis; dissenting opinions are mentioned in any relevant documents prepared by the working group. The members of the group decide on how to organise timing and rules of meetings and communication via written procedure, as well as on the need and format of any interim working documentation produced. Costs related to the operation, meetings, chairmanship and secretariat are carried by the members of the group themselves.