



RESPONSE OF THE GROUPEMENT DES CARTES BANCAIRES “CB” TO THE EUROSISTEM QUESTIONNAIRE “TERMS OF REFERENCE FOR THE SEPA COMPLIANCE OF CARD SCHEMES”

Summary : Table of the Yes/No answers to the relevant questions of the Terms of Reference for the SEPA Compliance of Cards Schemes

The Eurosystem supports the creation of the Single Euro Payments Area (SEPA) which will enable retail payments in euro to be made throughout the euro area under the same basic conditions. Card payments represent an essential part of retail payments and card schemes are an important element of the SEPA project.

Against this background and acting as a catalyst, the Eurosystem has defined SEPA compliance for card schemes as the fulfilment of the criteria contained in the SEPA Cards Framework (developed by the European Payments Council, EPC) and of the criteria included in the Eurosystem's "Cards Report" of November 2006. Card schemes must fulfil these criteria in order to be considered, by the Eurosystem, to be SEPA-compliant.

In this document, the Eurosystem defines the terms of reference (ToRs) for the SEPA compliance¹ of card schemes on the basis of the SEPA compliance criteria.² It should be noted that the ToRs for the SEPA compliance assessment and the Oversight Framework for Card Payment Schemes correspond to two separate exercises both of which are of equal importance to the Eurosystem. The Eurosystem consulted national and international card schemes and the EPC Cards Working Group in developing the ToRs.

For a card scheme to be SEPA-compliant in line with the SEPA compliance criteria, a positive response (i.e. a “yes”) is required to all the questions applicable to it.³

To achieve the desired transparency, the Eurosystem expects card schemes aiming to meet the SEPA compliance criteria to conduct a self-assessment and to make the answers to the questions publicly available on their websites by end-June 2009, using the table below.

¹ The relevant documents on SEPA compliance are as follows:

- 1) the EPC's SEPA Cards Framework;
- 2) the Eurosystem's report entitled "The Eurosystem's view of a 'SEPA for Cards'", November 2006; 3) the Terms of Reference for the SEPA compliance of card schemes;

This list is not exhaustive; new documents may be added if necessary. For an explanation of the terms used, please refer to the glossary contained in the EPC's SEPA Cards Framework

² Some of the criteria in the SEPA Cards Framework and the Eurosystem Cards Report had to be omitted or slightly amended owing to developments since they were first drafted. Any changes are indicated in a footnote.

³ The criteria are generally applicable to all card schemes and the same applies for the terms of reference. However, exceptions may apply to some three-party schemes, including three-party schemes with licensees, as described in the 6th SEPA Progress Report, pages 23-24. (http://www.ecb.europa.eu/pub/pdf/other/singleeuropaymentsarea2008_11en.pdf).



Question	CB Answer
1.1 Is it ensured that scheme rules do not prevent that merchants and cardholders are offered the same service from the scheme, wherever the scheme operates in the euro area?	Yes
1.2 Is it ensured that scheme rules (especially those related to technical and business aspects) do not prevent that cards of other schemes are used at terminals where the cards of your scheme are accepted, despite the various add-ons (i.e. additional features to the basic payment function) offered by your scheme on cards and terminals?	Yes
2 Is the scheme compliant with the transposition into national law of the PSD provisions about surcharging?	Yes
3. Are merchants or ATM owners accepting the cards of your scheme free to accept any card from another SCF compliant scheme?	Yes
4. Does your scheme allow certification of cards, terminals and network interfaces to be performed by certification bodies which are not proprietary?	Yes
5. Is any transfer of personal data in a non-aggregated form to countries that are not compliant with the EU rules avoided?	Yes
6. Is it ensured that the scheme's rules do not include any clauses that function as commercial barriers to SCF compliance?	Yes
7. Is it ensured that the medium to long term plans of the scheme are not contradicting the objectives of SEPA as a high-level requirement?	Yes
8.1 Has your scheme made available to participants its set of operational quality benchmarks (e.g. system availability, maximum time foreseen for transaction authorisation)?	Yes
8.2. If requested, has your scheme made available to overseers its set of operational quality benchmarks?	N.A
9. Is there a separation within your scheme of the scheme's brand governance and management from the operations (i.e. authorisation, clearing and settlement) that have to be performed by service providers and infrastructures without any possibility for cross-subsidisation?	Yes
10. Is acquiring or equivalent in your scheme open to competition within SEPA, i.e. can various acquirers or equivalent compete between them throughout SEPA?	Yes



11.1 Are the criteria for participation in your scheme transparent and non-discriminatory?	Yes
11.2. Does your scheme apply the same access criteria for participation to all banks within SEPA?	Yes
11.3. Does your scheme apply the same access criteria for participation to all payment institutions within SEPA?	Yes
12. Is a single license or comparable agreement of your scheme sufficient to offer basic card payment products and services throughout SEPA?	Yes
13. Are banks and payment institutions participating in your scheme able to act as issuers only?	Yes
14. Are banks and payment institutions participating in your scheme able to act as acquirers only?	Yes
15. Are banks/payment institutions able to participate in your scheme without being required to use a particular provider of processing services?	Yes
16. Are in your scheme all transactions – except for exceptions such as some low value transactions or specific environments such as tollways - authorised by the issuer, either on-line, or off-line by the chip?	Yes
17. Is it inscribed in the scheme's rules that all ATMs accepting cards issued under your scheme, offer at least English as well as the national language?	Yes
18. Is it ensured that scheme rules do not prevent that both the cardholder and merchant have the choice of which payment application (e.g. debit or credit or choice among different schemes and brands) is used out of several ones contained in the same card and supported by the same terminal?	Yes
19. Does your scheme apply a SEPA-wide, transparent pricing structure?	Yes
20. Does your scheme apply the same pricing on scheme members per card product for SEPA euro transactions and for national euro transactions of the same type?	Yes
21.1 Has the scheme disclosed interchange fees and their calculation methodology?	Yes
21.2 . Has the scheme submitted interchange fees and their calculation methodology to the relevant authorities?	Yes



22. Is it foreseen that in the long run there will be a single interchange fee (if any) level for the whole euro area?	Yes
23. Has the scheme put in place a strategy (e.g. technical rules) on how to reduce fraud, especially crossborder fraud?	Yes
24. Is the scheme supporting fraud prevention activities in accordance with the EPC resolutions on fraud?	Yes
25. Is the scheme contributing to the design of a consensus-based selection of standards with a clear commitment for implementation on time?	Yes
26. Has the scheme introduced a liability shift between magnetic stripe-based transactions and EMV-based transactions and potentially other incentivising measures to encourage the EMV migration?	Yes
27. Is interoperability ensured for the domains of i) cardholder to terminal interface, ii) cards to terminal, iii) terminal to acquirer interface and iv) acquirer to issuer interface domains	Yes
28.1 Is the scheme ready to make available upon request to SEPA banks, payment institutions and card schemes its terminal security requirements?	Yes
28.2. Is the scheme engaged in mutual recognition of certificates for type approval?	Yes
28.3. Is it ensured that scheme rules do not prevent that any card, terminal and/or network interface, certified by an accredited body be deployed and used anywhere throughout SEPA?	Yes