



CDDP6 Infosession

18 May 2021, virtual WebEx meeting

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WebEx rules & Session format

Rules:

- All participants are muted on entry, but might unmute themselves during the meeting
- Please keep your microphone muted if you do not speak
- Ask questions in the chat (with everyone) please
- Private chat is disabled, messages are visible to everyone
- Participants are allowed to turn on the video
- The host (BCL) will share the screen



Contact details - policy

- We keep your email address for future updates regarding CDDP6
- Contact <u>market infrastructures@bcl.lu</u> if you wish to delete your contact details



Agenda

- State of play and next steps
- Important documents
- Key features of the data collection
- Methodological clarifications
- Recent changes in the BCL Manual
- Exemptions
- Key takeaways
- **Q&A**



State of play and next steps

- The documentation and the BCL regulation (??/???) are currently reviewed by the legal department
- The Regulation will be submitted to the BCL Board in the coming weeks
- BCL is on track to publish the final documentation by end June 2021
- From now on, only minor modifications expected in the BCL manual
- Testing phase in autumn 2021
- Go-live first reporting period January 2022, submission deadline mid February 2022



Important documents

The BCL manual on payment statistics is the main documentation

- Structure of the tables
- Examples
- Concepts and definitions
- List of dimension codes
- List of Merchant Category Codes (MCC)
- Q&A document with specific questions and answer, might be updated more frequently than the Manual
- Technical documentation (XML schemes, validation rules)
- All past presentations + working documents available at:
 - https://www.bcl.lu/en/payment-systems/Reporting/News/index.html





Overhaul of the table structure

- Different table numbering to CDDP5
- Sub-tables removed
- Requirements from the ECB regulation ECB/2020/59 and the EBA GL on fraud reporting EBA/GL/2018/05 integrated in the CDDP
 - New payment services previewed in the PSD2 included:
 - Payment initiation services (PIS)
 - Account information services (AIS)
 - Mobile Payment Solutions (credit transfers, payment cards)
 - Fraud reporting



CDDP5 and CDDP6 – transmission

- The PSPs will continue to transmit <u>all</u> tables (some tables might be empty)
- Transmission on monthly basis
 - M+1 for payments tables
 - M+3 for fraud tables
- Due to layout change, historical corrections in CDDP5 layout until reference period December 2021 will be accepted by the BCL until h1 2022



Methodological clarifications Customer category

- The customer category is now more detailed (new items):
 - MFIs:
 - Credit institutions
 - Monetary funds
 - Electronic money institutions
 - Payment institutions (= MFIs for the purposes of payment statistics)
 - Other MFIs

Non-MFIs:

- Non-monetary funds
- Households and NPISHs
- Non-financial corporations
- Other non-MFI



Methodological clarifications Payment transactions involving non-MFIs

Non-MFIs:

- Non-monetary funds
- Households and NPISHs
- Non-financial corporations
- Other non-MFIs
- For the purposes of payment statistics, Payment institutions are "MFIs"
- Only payment transactions with a non-MFI on one or both ends of the transaction should be reported in the CDDP

Exceptions:

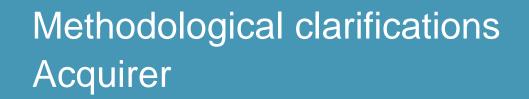
- V1.41 Interbank payment transactions
- V1.42 Intermediated payment transactions



Methodological clarifications Credit transfers

- Indirect participation in payment systems (V1.20+V1.21)
 - Indirect participants in payment systems will report in V1.20 / V1.21 indicating the name of the payment system
 - Direct participants will exclude their indirect participant's activity from V1.42
- Settlement channel "nostro-loro" is merged into PSP LU or PSP non-LU
- Own account operations reported separately (CDDP5: in customer category "credit institutions")
 - Only own account operations from <u>internal</u> payment accounts should be reported. Therefore, own account operations processed via payment accounts held at other PSPs are excluded.
- Interbank credit transfers (V1.41)
 - Transfers to and from a reserve account in TARGET2 are excluded from reporting in table V1.41.





- The acquirer is the PSP that has the contractual relationship with the payee, usually the merchant.
- 'acquirer' means a payment service provider contracting with a payee to accept and process <u>card-based</u> payment transactions, which result in a transfer of funds to the payee (source: Regulation (EU) 2015/751)
- 'acquiring of payment transactions' means a payment service provided by a payment service provider contracting with a payee to accept and process payment transactions, which results in a transfer of funds to the payee (source: Directive (EU) 2015/2366)



Changes in the BCL manual on payment statistics since end February 2021

- As of now, ±450 mostly minor modifications since end February
- All modifications listed on the sheet "Modifications" in the BCL manual on payment statistics (filter by table possible)
- Notable modifications:
 - Several codes changed
 - Sheet "Correspondence" added
 - Reporting examples added
 - Tables on payment cards
 - Removed Maestro and VISA Debit "schemes"
 - Chargebacks removed
 - Several definitions added, modified or expanded
 - Term "money order" changed to "money remittance"



Important changes in the BCL manual on payment statistics since end February 2021

Notable modifications (continued):

- Table on PIS "technical service provider" removed
- Credit transfers POS MPS removed
- "Brands" definitions such as MasterCard, VISA, TARGET2, STEP1 removed from Concepts
- Payment transaction involving non-MFIs concept clarified
- Introduction added



Exemptions from the CDDP reporting

- Exemption granted = no CDDP tables reported to the BCL
- A PSP may ask for a exemption, if:
 - It does not offer payment services as in Annex I of the PSD2 AND
 - It does not offer interbank (V1.41) or intermediated (V1.42) payment transactions
 AND
 - It does not offer payment accounts
- Exemption valid for one year
- The PSP must inform the BCL in case it offers new payment services
- The BCL reserves the right to withdraw exemption in case the PSP starts offering payment services









Thank you

Please contact us at market_infrastructures@bcl.lu

