European Association
Of Payment Service Providers
For Merchants

€ EPSM

CIR Technical Working Group:
SEPA-FAST, Part 1: Attended POS Environment
Version 0.90 from 10.07.2009

EPSM statement:
Date: 14th October 2009

We want to comment as follows:

1. *General Comments*

Achieving a "Single Euro Payment Area" in the cards business will not be realized in an easy way.

For achieving the goal of a common European technical standards in the cards acceptance business, the work of the CIR Technical Working Group is very valuable and like "basic research" ground-laying. Therefore, we support in general this very essential work and the above mentioned document SEPA-Fast, Part 1, V. 0.90.

In its very good first pages (pages 1 to 3), the document clearly shows that the EMV specification needs many further details in order to produce and operate standardized terminals in Europe. But the document also shows, where standardization will not be targeted (pages 3 and 4), and therefore there will continue to be different company-individual, national or regional "de facto-standards".

Furthermore, we want to mention the following general items:

- **Magstripe handling** is mainly excluded, but all global schemes (e.g. Maestro, MasterCard, Visa, PLUS, JCB, Diners, CUP) still require the magstripe acceptance capability. It should be documented, if this will be included e.g. in a version 2.0.

- All possibilities of **PIN acceptance (online, offline, etc.)** are described, but individual schemes can request only part of these implementations. As the cost of PIN Pads may differ strongly upon these requirements, these choices should be documented more clearly.

- **Multi-Acquiring**, e.g. more than one acquirer for one payment application, is not clearly described. This procedure should be clarified in order to avoid market developments like in Greece, where a merchant needs several POS terminals for this choice.

- For the **Application Selection**, it should be clearly stated that the merchant or the acquirer can set a default priority for multi-application cards. If this is not consistent with the EMV specification, this issue should be clearly resolved with the European competition authorities, before a technical realisation should be commenced.

- It should be noted that the present specification group does not include the market participants from "daily operational life". In order to keep close contact with the industry, we suggest to set-up the following continuously working **SEPA FAST Consultation Groups for:**
  a) terminal manufacturers,
  b) acquiring processors, network operators and host operators,
  c) acquirers, and
  d) merchants (especially large European merchants) and competition authorities

  Please note, that inside each group, there will be mainly competitors, between the groups, there will be many customer-relationships. Therefore, we suggest the option for *separate* meetings and feedbacks for a more open communications.

  If you put all groups together, there will be the danger of a "beauty contest" without a reduced open discussion!

2. **Specific Comments**

We give only very brief comments.
Please see the enclosed word file in the CIR TWG format.

3. **Conclusions**

SEPA-FAST is a good first approach – but there needs to much more work to be done in the next years.

Market participants, especially terminal manufacturers, acquiring processors, network operators, host operators, acquirers, merchants and competition authorities should be continuously involved in the specification work in a clear and transparent way.

The "out-of scope areas" for SEPA-FAST Part 1, should also be continuously discussed, if standardization seems to appropriate in the future.

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