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6 August 2021

Dear Interested Party

Proposed amalgamation of BPAY, eftpos and NPPA – proposed undertaking

I refer to the application for merger authorisation received by the Australian Competition and Consumer Commission (**ACCC**) from Industry Committee Administration Pty Ltd (**ICA**), seeking to amalgamate ownership of BPAY Group Holding Pty Ltd (**BPAY HoldCo**), eftpos Payments Australia Limited (**eftpos**) and NPP Australia Limited (**NPPA**) under a new entity, Australian Payments Plus Ltd (**AP+**),¹ by way of acquisitions of shares (the **proposed amalgamation**).

ICA has offered a draft undertaking proposed to be given by AP+ to the ACCC pursuant to section 87B of the *Competition and Consumer Act 2010* (the **Act**) (the **proposed undertaking**).

The proposed undertaking in **Attachment A** seeks to address the ACCC's competition concern that the proposed amalgamation may result in the major banks or AP+ reducing support for eftpos and a decrease in the availability of least-cost routing (**LCR**).² If this occurred, it could reduce eftpos' ability to compete with Visa and Mastercard and, consequently, there is a risk that the amalgamation may substantially lessen competition in the routing of debit card payments.

The purpose of this letter is to provide you with an opportunity to comment on the proposed undertaking.

The proposed undertaking

The proposed undertaking contains obligations that AP+ will procure that:

- a) eftpos will do all things in its control to make available LCR;
- b) eftpos will maintain its card-based issuing and acceptance infrastructure, its payments scheme and the supply of its card-based issuing and acceptance services to customers and end users;
- c) eftpos and NPPA will develop and make available the Prescribed Services

¹ AP+ was previously referred to by ICA as "NewCo".

² LCR is a functionality that allows merchants to choose which debit card scheme will process payments made by consumers using dual network debit cards (DNDCs). Without LCR, DNDC transactions would typically only be processed through the Visa Debit or Debit Mastercard schemes, which for many merchants incur higher fees transactions than those processed through eftpos.

(including, where applicable, APIs³) in accordance with the timeframes contained in Schedule 1 of the proposed undertaking. Some of these Prescribed Services relate to enabling LCR for online and in-app payments. Others relate to developing and implementing other types of functionality in relation to eftpos or NPPA;

- d) BPAY, eftpos and NPPA will maintain and continue to administer their respective Mandate Frameworks;⁴
- e) BPAY, eftpos and NPPA, by the end of June 2022, agree an industry wide standard supporting Pay with a QR Code; and
- f) BPAY, eftpos and NPPA explore the feasibility of developing certain services and, if it is feasible to develop them, to make them available.

AP+ will need to comply with these obligations for three years from the date the proposed amalgamation is completed.

These obligations, and information regarding the Prescribed Services and Mandate Frameworks, are described in more detail in the proposed undertaking in **Attachment A**.

If accepted by the ACCC, the obligations outlined in the proposed undertaking will be enforceable pursuant to section 87B of the Act.

Request for submissions on proposed undertaking

The ACCC is seeking comments from interested parties on whether the proposed undertaking addresses the competition concerns arising from the proposed amalgamation. In particular, whether:

- the proposed undertaking provides sufficient assurance that eftpos will play its part in ensuring that LCR is available for the next three years;
- the proposed undertaking maintains the eftpos card-based issuing and acceptance infrastructure, the eftpos payments scheme and card-based issuing and acceptance services, and addresses concerns regarding the future viability of the eftpos scheme; and
- the proposed Prescribed Services (as they relate to eftpos) are sufficient to ensure that AP+ continues to support the development and implementation of a number of functionalities relating to eftpos.

Please provide any comments to mergerauthorisations@acc.gov.au by no later than **5pm on 17 August 2021**. Submissions should be emailed to mergerauthorisations@acc.gov.au, with the subject [your company name]: MA1000020 – submission re proposed undertaking.

Please note the market consultation process should not be taken as an indication that the ACCC will accept the proposed undertaking, or any undertaking in relation to the proposed amalgamation. The ACCC has not yet formed a concluded view as to the nature and extent of its concerns or whether they are capable of being addressed by the proposed

³ API means an application programming interface. Where an API asset is relevant to a Prescribed Service, AP+ will also procure that BPAY, eftpos and NPPA will continue to evolve and extend their various API assets (API's, API frameworks, and sandboxes) in line with the implementation of their respective Prescribed Services (see the proposed undertaking).

⁴ These are the existing rules and frameworks utilised by EPAL, BPAY and NPPA to require their members and shareholders (including the major banks) to adopt their payments initiatives.

undertaking, or any undertaking.

The public register and requesting confidentiality

Merger Authorisation is a public process. The ACCC must keep a public register of documents received in relation to the application for merger authorisation, including submissions made by interested parties. The ACCC's public register can be found at the following link: [Merger authorisations register](#).

All submissions will be published, subject to confidentiality claims. You may request that your submission, or parts of it, be excluded from the public register for confidentiality reasons. For example, a confidentiality claim may be made if your submission contains commercially sensitive information or if revealing that you have made a submission could cause you commercial harm. You must make your claim for confidentiality at the time of providing the submission to the ACCC and substantiate that claim.

The ACCC's [Guidelines for excluding information from the public register](#) provide further information about requests for material to be excluded from the public register.

Yours sincerely

A handwritten signature in grey ink, appearing to read 'DM McCracken-Hewson', with a long horizontal flourish extending to the right.

Daniel McCracken-Hewson
General Manager
Merger Investigations

Undertaking to the Australian Competition and Consumer Commission

Given under section 87B of the *Competition and Consumer Act 2010* (Cth)

by Australian Payments Plus Ltd (ABN 649 744 203)

1. Person giving the Undertaking

- 1.1. This Undertaking is given to the Australian Competition and Consumer Commission (**ACCC**) by Australian Payments Plus Ltd (ABN 649 744 203) (**AP+**) for the purposes of section 87B of the *Competition and Consumer Act 2010* (Cth).

2. Background

- 2.1. [To be completed]

Mandated Frameworks

- 2.2. Each of BPAY, eftpos and NPPA have Mandate Frameworks:

- (a) pursuant to those Mandate Frameworks, each of BPAY, eftpos and NPPA have rights to issue mandates to the members of their respective payments schemes:
 - i. BPAY's Mandate Framework is in accordance with its scheme rules;
 - ii. eftpos' Mandate Framework is in accordance with its scheme rules and technical, operational and security rules; and
 - iii. NPPA's Mandate Framework is in accordance with its regulations;
- (b) in all instances, each of BPAY, eftpos and NPPA must obtain approval through their respective governance processes to issue a mandate; and
- (c) each of BPAY, eftpos and NPPA have rights to impose fees or charges on members for non-compliance with a mandate they have issued:
 - i. for BPAY, the rights are contained in its scheme procedures;
 - ii. for eftpos, the rights are contained in its scheme rules; and
 - iii. for NPPA, the rights are contained in its regulations.

API Assets

- 2.3. An API is a type of software interface, offering a service to other pieces of software. A document or standard that describes such a connection or interface is

called an API specification. The term API may refer to the specification or the implementation.

- 2.4. An API sandbox is an environment that developers and testers can use to mimic the characteristics of how an API would work in practice and create simulated responses from all APIs that the application relies upon.
- 2.5. Each of the three schemes makes available different API assets, according to their existing technology strategy, to support access by third parties:
 - (a) BPAY has made available a number of APIs, enabling end-users to interact directly with BPAY's systems to complete certain functions. This includes functions to retrieve BPAY biller details, validate BPAY payment, generate BPAY batch files, generate BPAY Customer Reference Numbers, submit BPAY payments, biller management activities and, in the future, BPAY payment notifications & investigations.
 - (b) eftpos' API portal and API sandbox give users the opportunity to build eftpos' payments capability into their solutions, for use in CP and CNP use cases.
 - (c) NPPA has developed an API framework to encourage consistency among the APIs that are made available by NPP Participants and Identified Institutions. NPPA has also made available a sandbox for developers which mirrors its API framework.

3. Commencement and terms of the Undertaking

- 3.1. This Undertaking comes into effect when:
 - (a) this Undertaking is executed by AP+; and
 - (b) this Undertaking so executed is accepted by the ACCC,
(the **Commencement Date**).
- 3.2. This Undertaking will expire on the three (3) year anniversary of the Control Date (the **Term**).

4. Cessation of Ongoing Obligations

Withdrawal

- 4.1. AP+ may request withdrawal of this Undertaking pursuant to section 87B of the CCA at any time. This Undertaking is taken to be withdrawn on the date the ACCC consents in writing to that withdrawal.

Revocation

- 4.2. The ACCC may, at any time, revoke its acceptance of this Undertaking if the ACCC becomes aware that any information provided to it was incorrect, inaccurate or misleading.

Waiver

- 4.3. The ACCC may, at any time, expressly waive in writing any of the obligations contained in this Undertaking or extend the date by which any such obligation is to be satisfied.

5. Obligations

Facilitation of the delivery of least cost routing

- 5.1. AP+ will procure that eftpos will do all things in its control to make available least cost routing.

Maintenance of eftpos' infrastructure, scheme and services

- 5.2. AP+ will procure that eftpos will maintain:
- (a) eftpos' card-based issuing and acquiring infrastructure;
 - (b) eftpos' payments scheme; and
 - (c) the supply of eftpos' card-based issuing and acceptance services to customers and end users, including but not limited to the following services:
 - i. pay for a purchase in-store with eftpos debit card (including via contactless methods);
 - ii. pay for a purchase in-store with eftpos debit using a mobile wallet;
 - iii. pay for a purchase online with eftpos debit (low risk card on file);
 - iv. pay for a purchase in-app with eftpos debit (low risk card on file);
 - v. process disputes and charge backs for all use cases; and
 - vi. improvements to payment control and security through Network Tokenisation.

Development of the Prescribed Services

- 5.3. AP+ will procure that the OpCos will develop and make available the Prescribed Services (including, where applicable, APIs) in accordance with the timeframes contained in Schedule 1 of this Undertaking.
- 5.4. Where an API asset is relevant to a Prescribed Service, AP+ will procure that each OpCo will continue to evolve and extend their various API assets (API's, API frameworks, and sandboxes) in line with the implementation of their respective Prescribed Services.

Maintenance of mandate frameworks

- 5.5. AP+ will procure that the OpCos will maintain and continue to administer their respective Mandate Frameworks as they are at the Commencement Date.

Industry-wide supporting standard – Pay with a QR Code

- 5.6. AP+ will procure that the OpCos, by the end of June 2022, agree an industry wide standard supporting Pay with a QR Code.

Commitment to explore feasibility of certain services and to develop if feasible

- 5.7. AP+ will procure that the OpCos explore the feasibility of developing certain services and, if it is feasible to develop them, to make them available. Those services are as follows:
- (a) in BPAY's case, business to business (B2B), business to consumer (B2C) – Pay with a URL;
 - (b) in eftpos' case:
 - i. POS payments – Transit support for debit cards;
 - ii. remote payments – Support Secure Remote Commerce; and
 - (c) in each of the OpCo's case, industry wide supporting capabilities - Pay with a QR Code (in accordance with an agreed standard and in coordination with relevant entities).

6. Auditing

- 6.1. AP+ will:
- (a) monitor compliance with this Undertaking; and
 - (b) provide a written report (**Compliance Report**) to the ACCC, signed by the Independent Chairperson of AP+ and co-signed by either the General Counsel of AP+ or a Partner in a law firm advising AP+ during the Reporting Period confirming its compliance with the obligations in clause 5 of this Undertaking and containing the information required by clause 6.2 of this Undertaking.
- 6.2. The Compliance Report must contain for the Reporting Period:
- (a) a record of the progress made by AP+ regarding the Development Date and Make Available Date of each Prescribed Service in Schedule 1;
 - (b) a record of the progress made by each of the OpCo's in exploring the feasibility and, where relevant, making available the services in clause 5.6 of this Undertaking;
 - (c) a statement of any factors which may result in AP+ being unable to deliver and make available a Prescribed Service by the Development Date and/or Make Available Date contained in Schedule 1, and the steps taken by AP+ to mitigate those factors;
 - (d) a description of AP+'s compliance with each obligation in clause 5 of this Undertaking; and

- (e) if AP+ is aware of any non-compliance by it with this Undertaking, an identification and description of AP+'s non-compliance with this Undertaking and the steps taken by AP+ to address the non-compliance issue(s).
- 6.3. AP+ must provide the ACCC with written notice within three (3) Business Days if a Prescribed Service fails to meet a Development Date and/or Make Available Date contained in Schedule 1, including:
- (a) the reasons why AP+ did not meet the Development Date and/or Make Available Date;
 - (b) the impact on:
 - i. customers including issuers and acquirers; and
 - ii. end users, including merchants and consumers of the Development Date and/or Make Available Date not being met;
 - (c) a description of the steps being taken by AP+ to develop and make available the Prescribed Service as soon as possible; and
 - (d) a waiver request pursuant to clause 4.1 of this Undertaking seeking an extension of time for compliance with the Development Date and/or Make Available Date.
- 6.4. AP+ is to provide Compliance Reports to the ACCC at the following times:
- (a) within two (2) months of the Control Date;
 - (b) every six (6) months from receipt of the Compliance Report provided in clause 6.4(a) of this Undertaking; and
 - (c) a final report due two (2) months following expiry of the Term that will cover the four (4) month period from receipt of the last Compliance Report provided in clause 6.4(b) of this Undertaking up to the end of the Term.
- 6.5. The ACCC may at any time and in its complete discretion require AP+ to appoint an independent auditor, approved by the ACCC and on terms specified by the ACCC, to:
- (a) monitor AP+'s compliance with the Undertaking;
 - (b) provide a written report to the ACCC demonstrating AP+'s compliance with the obligations in clause 5 of this Undertaking; and
 - (c) investigate compliance issues.

7. ACCC Enquiries

- 7.1. For the purpose of monitoring compliance with this Undertaking, the ACCC may seek information and documents from AP+, and AP+ must provide that information and those documents (other than information, or documents containing information, which is subject to legal professional privilege) within the timeframe requested or as otherwise agreed with the ACCC.

8. Disclosure of this Undertaking

8.1. AP+ acknowledges that the ACCC may:

- (a) make this Undertaking publicly available;
- (b) publish this Undertaking on its Public Section 87B Undertakings Register and Public Mergers Register; and
- (c) from time to time publicly refer to this Undertaking.

8.2. Nothing in clause 8.1 prevents the ACCC from disclosing such information as is:

- (a) required by law;
- (b) permitted by section 155AAA of the Act; or
- (c) necessary for the purpose of assessing compliance with or enforcement of this Undertaking.

9. Obligation to procure

9.1. Where the performance of an obligation under this Undertaking requires a Related Body Corporate of AP+ to take or refrain from taking some action, AP+ will procure that Related Body Corporate to take or refrain from taking that action.

10. No Derogation

10.1. This Undertaking does not prevent the ACCC from taking enforcement action at any time whether during or after the period of this Undertaking in respect of any breach by AP+ of any term of this Undertaking.

10.2. Nothing in this Undertaking is intended to restrict the right of the ACCC to take action under the Act for penalties or other remedies in the event that AP+ does not fully implement and/or perform its obligations under this Undertaking or in any other event where the ACCC decides to take action under the Act for penalties or other remedies.

11. Change of Control

11.1. In the event that a Change of Control is reasonably expected to occur, AP+ must:

- (a) notify the ACCC of this expectation as soon as practicable; and
- (b) only implement a Change of Control to another person or entity if that person or entity has given a section 87B undertaking to the ACCC that requires it to comply with the same obligations as are imposed on AP+ pursuant to this Undertaking, or on terms that are otherwise acceptable to the ACCC, unless the ACCC has notified AP+ in writing that a section 87B undertaking under this clause is not required.

12. Costs

12.1. AP+ must pay all of its own costs incurred in relation to this Undertaking, including

the costs of any independent auditor appointed pursuant to clause 6.5.

13. Notices

Giving Notices

- 13.1. Any notice or communication to the ACCC pursuant to this Undertaking must be sent to:

Email address: mergers@acc.gov.au

Attention: Executive General Manager

Merger, Exemptions & Digital Division

With a copy sent to:

Email address: mergersru@acc.gov.au

Attention: Director, Remedies Unit

Policy, Coordination & Remedies

Merger, Exemptions & Digital Division

- 13.2. Any notice or communication to AP+ pursuant to this Undertaking must be sent to:

Name: [To be completed]

Address:

Email Address:

Fax number:

Attention:

With a copy sent to (if applicable):

Name:

Address:

Email Address:

Fax number:

Attention:

When a notice is received

- 13.3. If sent by post within Australia, notices are taken to be received five (5) Business Days after posting unless proved otherwise.
- 13.4. If sent by email, notices are taken to be received at the time shown in the email as the time the email was sent unless proved otherwise.

Change of contact details

- 13.5. AP+ must promptly notify the ACCC of a change to its contact details.
- 13.6. Any notice or communication will be sent to the most recently advised contact details and subject to clauses 13.3 and 13.4, will be taken to be received.

14. Defined terms

ACCC means Australian Competition and Consumer Commission.

AP+ means Australian Payments Plus Ltd (ABN 649 744 203).

API means an application programming interface.

BPAY means BPAY Group Pty Ltd (ACN 003 311 644) and BPAY Pty Ltd (ACN 079 137 518).

Business Day means a day other than a Saturday or Sunday on which banks are open for business generally in the Australian Capital Territory.

CCA means *Competition and Consumer Act 2010* (Cth).

CNP means card not present.

CP means card present.

Change of Control means:

- (a) the assignment or other transfer of the legal or beneficial ownership of some or all of the share capital of AP+ to any other person or entity that may impact compliance with this Undertaking in its entirety; or
- (b) the sale or transfer of any assets necessary, or which may be necessary, to enable AP+ to continue to comply with this Undertaking in its entirety.

Commencement Date has the meaning given in clause 3(1)(b) of this Undertaking.

Compliance Report has the meaning given in clause 6(1)(b) of this Undertaking.

Control Date means when completion occurs under the Implementation Agreement.

Development Date means the date upon which infrastructure development at the OpCo level to support a Prescribed Service is completed.

eftpos means eftpos Payments Australia Limited (ABN 37 136 180 366).

ICS means the international card schemes.

Implementation Agreement means the agreement titled Implementation Agreement dated 10 December 2020 between NPP Australia Limited, eftpos and

BPAY Group Holding Pty Ltd (ABN 44 626 481 525), as amended from time to time.

Make Available Date means the date upon which a service has been fully tested by an OpCo and is available to be integrated with the systems of a scheme member.

Mandate Framework refers to the provisions of the scheme rules or regulations of the relevant OpCo which specifically enable:

- (a) a requirement to be imposed under the scheme rules on all or some of the participants in that payment service to adopt, implement or otherwise support a new product/service or functionality;
- (b) any such mandate to be varied, revoked or waived; and
- (c) fees or charges to be imposed under the scheme rules on a participant which does not comply with any such mandate.

MNDC means multi network debit card.

Network Tokenisation means provision of infrastructure by an OpCo which enables the replacement of a primary account number by a surrogate value for use within the payment scheme ecosystem.

NPPA means NPP Australia Limited (ABN 68 601 428 737).

OpCo means any of BPAY, eftpos and NPPA, as the case may be.

Prescribed Services means the services listed in **Schedule 1** to this Undertaking.

Related Bodies Corporate has the meaning given to it by section 50 of the *Corporations Act 2001* (Cth).

Reporting Period means the time periods listed in clause 6.4.

S2I means Switch to Issuer.

SRC means Secure Remote Commerce.

Undertaking is a reference to all provisions of this document, including its schedules and as varied from time to time under section 87B of the CCA.

Executed as an Undertaking

Executed by Australian Payments Plus Ltd (ABN 649 744 203) pursuant to section 127(1) of the *Corporations Act 2001* (Cth) by:

Signature of director	Signature of a director/company secretary (delete as appropriate, or entire column if sole director company)
Name of director (print)	Name of director/company secretary (print)
Date	Date

Accepted by the Australian Competition and Consumer Commission pursuant to section 87B of the *Competition and Consumer Act 2010* (Cth) on:

Date

and signed on behalf of the Commission:

Chair

Schedule 1 - Prescribed Services

Service	Description	Responsible OpCo	Relevance to least cost routing	Development Date for the OpCo	Make Available Date for the OpCo	Implementation by Issuers and/or Acquirers under the relevant OpCo's Mandate Framework
Services to be developed and made available by the Control Date						
1. Remote payments	<p>Pay for a purchase online</p> <ul style="list-style-type: none"> Switch to Issuer (S2I) <p>-----</p> <p>S2I processing allows transactions to go directly from a merchant's payments processor to the eftpos Hub and be switched to the issuer for payment authorisation and processing. Acquirers are notified for settlement purposes. This speeds up the delivery and reduces the cost (to acquirers and potentially merchants) of changes to eftpos' products and services as it removes the need to make acquirer host system changes. This solution also adds resilience to the payments system by simplifying payments processing.</p> <p>Initially the service will support processing of online card not present (CNP) transactions. Longer term support for card present (CP) transactions from a physical terminal is contemplated.</p>	eftpos	This will support CNP least cost routing by expediting eftpos' online acceptance and availability of CNP least cost routing.	Service was developed by the end of March 2021.	Service will be made available by the end of August 2021.	Not mandated.

Service	Description	Responsible OpCo	Relevance to least cost routing	Development Date for the OpCo	Make Available Date for the OpCo	Implementation by Issuers and/or Acquirers under the relevant OpCo's Mandate Framework
2. Business to business (B2B), business to consumer (B2C) and peer to peer (P2P) payments	<p>Make real-time payments into customer account via debit card CNP</p> <p>-----</p> <p>This service allows businesses to withdraw/deposit funds in real-time from/into their customers' accounts using the customers' debit card number (for multi network debit cards (MNDC) cards only). This service is live and this iteration is for support of additional use cases beyond P2P in the CNP environment, including support for insurance disbursements, gift card loading and instant payroll for gig economy workers.</p>	eftpos	No application to least cost routing.	Service was developed in 2020.	Service will be made available by the Control Date.	<p>Effective date of mandate: Proposed for 31 May 2022 subject to eftpos Board consideration in August 2021.</p> <p>Name of mandate: Deposit & Withdrawals – Low-Risk Card Not Present.</p> <p>Scope of mandate: Mandate will be applicable to Issuers.</p> <p>The mandate will be applicable to MNDC only.</p>
3. Industry wide supporting capabilities and standards	<p>Enhance settlement service (for debit cards)</p> <p>-----</p> <p>This replaces the system of interchange fee exchange, where each of eftpos' participants settles individually with each counterparty bilaterally, with multilateral netting of interchange fee settlement obligations via a single debit or credit executed via the Reserve Bank of Australia's Information and Transfer System. This means that both net transaction value exchange (implemented in 2015) and net interchange fee exchange now happen at the same time.</p>	eftpos	No application to least cost routing.	Service was developed by the end of April 2021.	Service will be made available by the Control Date.	<p>Effective date of mandate: 30 June 2021.</p> <p>Name of mandate: eftpos Settlement Services Enhancements and Initiatives Disposition (Member Advice 017-020).</p> <p>Scope of the mandate: The mandate is applicable to Issuers and Acquirers.</p>

Service	Description	Responsible OpCo	Relevance to least cost routing	Development Date for the OpCo	Make Available Date for the OpCo	Implementation by Issuers and/or Acquirers under the relevant OpCo's Mandate Framework
Services to be developed and made available by 31 December 2021						
4. Remote payments	<p>Pay for any purchase online</p> <ul style="list-style-type: none"> ○ With merchant option for liability shift to issuer <p>-----</p> <p>This service relates to the ability to pay for a purchase online using a MNDC. This capability supports both card on file (where a debit card is stored with a merchant) and pay as you go (where debit card details are typed in) payment options. This service allows a merchant to choose how an MNDC transaction is processed with no change to consumers' experience.</p> <p>eftpos Secure (3DS) provides a means for merchants to authenticate transactions and receive liability protection, which they would typically do for only high-risk transactions until authorisation rates improve for 3DS services generally. When invoked by the merchant, the consumer is required to enter a one-time code, sent to them by their bank, into the merchant's online checkout flow to complete a purchase. Support by members for eftpos' Secure (3DS) is a necessary step to enable the safe and secure processing of any online transaction.</p>	eftpos	This service is central to the enablement of least cost routing of online payments beyond low risk card on file routing.	Service will be developed by the end of October 2021.	Service will be made available by the end of October 2021.	<p>Effective date of the mandate: 31 May 2022.</p> <p>Name of the mandate: Card-Not-Present (CNP) processing for all Multi-Network Debit (MND) card transactions (02-03/21).</p> <p>Scope of the mandate: Mandate applicable to all Issuers and Acquirers.</p> <p>The scope is for MNDC only.</p>

Service	Description	Responsible OpCo	Relevance to least cost routing	Development Date for the OpCo	Make Available Date for the OpCo	Implementation by Issuers and/or Acquirers under the relevant OpCo's Mandate Framework
5. Remote payments	<p>Pay for a purchase online</p> <ul style="list-style-type: none"> With network token (including life-cycle management) <p>-----</p> <p>This is a technical development not visible to eftpos' cardholders.</p> <p>At a technical level this development means that the eftpos' hub replaces the consumer's sensitive card details (i.e. 16-digit number, CVV) with a replacement number which is used for online (i.e. browser-based) transactions at that merchant. The cardholder sees no difference in the transaction practically, which occurs as it normally would.</p> <p>The benefit of this change is that if a merchant or merchant's service providers systems were hacked, the data that would be exposed would not be the cardholder's sensitive card details, reducing the risk of further transaction fraud, and potentially reducing the need for a card to be reissued.</p> <p>This is a development which brings eftpos into line with similar functionality which has been generally available by the ICS for a number of years.</p>	eftpos	This service is central to the enablement of least cost routing of online payments for card on file services popular with large ecommerce merchants and their service providers.	Service was developed by the end of March 2021.	Service was made available by the end of March 2021.	<p>Effective date of the mandate: 21 July 2020.</p> <p>Name of the mandate: Support for Tokenisation (Member Advice 005-20).</p> <p>Scope of the mandate: The mandate is applicable to Issuers.</p> <p>The scope of the mandate is for MNDC only.</p>

Service	Description	Responsible OpCo	Relevance to least cost routing	Development Date for the OpCo	Make Available Date for the OpCo	Implementation by Issuers and/or Acquirers under the relevant OpCo's Mandate Framework
6. Industry wide supporting capabilities and standards	<p>Monitor and risk score transactions for fraud (debit cards)</p> <p>-----</p> <p>This is a network fraud monitoring and transaction scoring capability, which is critical to enable the safe expansion of eftpos into riskier (i.e. beyond low risk recurring payments) MNDC CNP transactions. The score and reason codes will be provided to members within the transaction record enabling real time data capture and issuer decision-making within their authorisation processes. The information obtained from this process will give issuers more data to feed into their authorisation systems, allowing them to make more accurate decisions to approve or decline.</p> <p>This service will help decrease fraud losses for banks and their customers and help increase the ability for eftpos to enable online card acceptance in riskier merchants, where banks might otherwise decline the transaction.</p>	eftpos	This will support least cost routing because it will support eftpos' online acceptance.	Service will be developed by the end of October 2021.	Service will be made available by the end of December 2021.	Not mandated.

Service	Description	Responsible OpCo	Relevance to least cost routing	Development Date for the OpCo	Make Available Date for the OpCo	Implementation by Issuers and/or Acquirers under the relevant OpCo's Mandate Framework
Services to be developed and made available by 30 June 2022						
7. Remote payments	<p>Pay for a purchase in-app</p> <ul style="list-style-type: none"> With network token (including lifecycle management) <p>-----</p> <p>Mobile applications are increasingly supporting card-based payments within the application (i.e. "in-app") aligned to the Apple iOS and Google Android operating systems and their respective digital wallets. Where supported within a merchants' app, the consumer would select to pay using their mobile wallet (such as Apple Pay) and follow the familiar checkout experience. This service will ensure the ability to process eftpos' network tokens when a consumer has selected eftpos within their mobile wallet (such as Apple Pay).</p>	eftpos	This service is central to the enablement of least cost routing of in-app payments, if merchants are provided the choice.	Service will be developed by the end of October 2021.	Service will be made available by the end of October 2021.	<p>Effective date of the mandate: 31 May 2022.</p> <p>Name of the mandate: eftpos Tokenisation Service for Device (eTS-D) – In-app Payments (Member Advice 03-03/21).</p> <p>Scope of the mandate: The mandate is applicable to Issuers and Acquirers.</p> <p>The scope of the mandate is for MNDC only, when provisioned into digital wallets.</p>
8. B2B, B2C and P2P payments	<p>Make real-time payments into customer account via debit card (resolve for time-bound exceptions for CP)</p> <p>-----</p> <p>This service allows a merchant via the terminal supplied by their payment processor or bank to deposit funds from their merchant account into a customer's bank account via linked eftpos functionality (with funds made available to the cardholder in real-time). This terminal based service is currently used by Medicare to process eligible Medicare claims to a</p>	eftpos	Not applicable to least cost routing.	Service will be developed by the end of April 2022.	Service will be made available by the end of June 2022.	<p>Effective date of the mandate: Mandate proposed for 31 May 2023 subject to eftpos Board consideration in August 2021.</p> <p>Name of the mandate: Deposit & Withdrawals – Card Present.</p>

Service	Description	Responsible OpCo	Relevance to least cost routing	Development Date for the OpCo	Make Available Date for the OpCo	Implementation by Issuers and/or Acquirers under the relevant OpCo's Mandate Framework
	<p>bank account which has linked eftpos functionality.</p> <p>This service is for CP transactions beyond Medicare payments and replaces current time-based exemptions allowing specific other use cases, for example where a card is tapped at a newsagent to receive a lottery payout.</p>					<p>Scope of the mandate:</p> <p>The mandate will be applicable to Issuers.</p> <p>The scope of the mandate will be applicable to both eftpos' proprietary debit cards and MNDC.</p>
9. B2B, B2C and P2P payments	<p>Give and manage standing authorisations for payments initiated by third parties (i.e. Mandated Payments Service)</p> <p>-----</p> <p>The "PayTo" service will enable customers to authorise third parties to initiate payments from their bank accounts using the NPP. PayTo enables a more digital and enhanced customer experience, providing customers with more visibility and control over their payment arrangements. The functionality can be used for a range of use cases including an alternative for direct debit, supporting the linking of bank accounts for in-app payments, card-on-file type arrangements (such as Uber), funding for other payment options such as digital wallets and BNPL services and for recurring e-commerce payments.</p> <p>PayTo will also deliver benefits to parties initiating payments which are not available today, such as real-time account validation, confirmation of funds availability and confirmation that the payment has been made.</p>	NPPA	Not applicable to least cost routing.	Service was developed by the end of July 2021.	Service will be made available by the end of May 2022.	<p>Effective date of the mandate:</p> <p>30 June 2022.</p> <p>Name of the mandate:</p> <p>Mandate Management Requirements and Mandate Payment Processing.</p> <p>Scope of the mandate:</p> <p>The mandate will be applicable to all NPP Participants.</p>