

Annex 1

SCHEME PRACTICES

1. **THE SCHEME'S RULES SHOULD NOT PREVENT THAT MERCHANTS AND CARDHOLDERS ARE OFFERED THE SAME SERVICE FROM THE SCHEME, WHEREVER THE SCHEME OPERATES IN THE EURO AREA – THAT VARIOUS ADD-ONS (I.E. THE VARIOUS ADDITIONAL FUNCTIONALITIES TO THE BASIC CARD AND TERMINAL FUNCTIONS) SHOULD NOT HAMPER INTEROPERABILITY.**

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. **A SCHEME SHOULD BE COMPLIANT WITH THE TRANSPOSITION INTO NATIONAL LAW OF THE PSD PROVISIONS ABOUT SURCHARGING.**

Is the scheme compliant with the transposition into national law of the PSD provisions about surcharging? YES

3. **CARD SCHEMES MUST ENSURE THAT MERCHANTS (OR ATM OWNERS) ARE NOT PREVENTED FROM ACCEPTING ANY CARD FROM ANOTHER SCF COMPLIANT SCHEME.**

Are merchants or ATM owners accepting the cards of your scheme free to accept any card from another SCF compliant scheme? YES

4. **SCF COMPLIANT SCHEMES MAY NOT MANDATE ANY CERTIFICATION (CERTIFICATION OF CARDS, TERMINALS AND/OR NETWORK INTERFACES) TO BE PERFORMED ONLY BY A PROPRIETARY (OWNED OR CONTROLLED BY THE SCHEME) CERTIFICATION BODY.**

Does your scheme allow certification of cards, terminals and network interfaces to be performed by certification bodies which are not proprietary? YES

5. **ANY TRANSFER OF PERSONAL DATA¹⁰ IN A NON-AGGREGATED FORM TO COUNTRIES THAT ARE NOT COMPLIANT WITH THE EU RULES SHOULD BE AVOIDED.**

Is any transfer of personal data in a non-aggregated form to countries that are not compliant with the EU rules avoided? YES

ONE-OFF MEASURES FOR SCHEMES

6. **A SCHEME SHOULD EFFECTIVELY REMOVE FROM ITS RULES CLAUSES THAT FUNCTION AS COMMERCIAL BARRIERS TO SCF COMPLIANCE (E.G. A REQUIREMENT TO BE MEMBER OF THE SCHEME IN ORDER TO OPERATE IN A COUNTRY).**

Is it ensured that the scheme's rules do not include any clauses that function as commercial barriers to SCF compliance? YES

7. **MEDIUM TO LONG TERM PLANS OF THE SCHEME SHOULD NOT CONTRADICT THE OBJECTIVES OF SEPA AS A HIGHLEVEL REQUIREMENT.**

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. **8. EACH CARD SCHEME WILL MAKE AVAILABLE TO ITS PARTICIPANTS – AND UPON REQUEST TO OVERSEERS - A SET OF OPERATIONAL QUALITY BENCHMARKS, AND HOW THEY ARE POLICED.**

- 8.1 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? YES

9. **9. A SCHEME SHOULD IMPLEMENT A SEPARATION OF SEPA CARD SCHEMES' BRAND GOVERNANCE AND MANAGEMENT FROM THE OPERATIONS THAT HAVE TO BE PERFORMED BY SERVICE PROVIDERS AND INFRASTRUCTURES WITHOUT ANY POSSIBILITY FOR CROSS-SUBSIDISATION.**

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. **10. ACQUIRING OR EQUIVALENT IN EVERY SCHEME MUST BE OPEN TO COMPETITION BETWEEN ACQUIRERS OR EQUIVALENT.**

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

LICENSING – SCHEME PARTICIPATION

11. **TO QUALIFY UNDER THE DISPOSITIONS OF THE SCF, EACH CARD SCHEME MUST ALLOW BANKS AND PAYMENT INSTITUTIONS¹¹ TO PARTICIPATE ON THE BASIS OF TRANSPARENT, NON-DISCRIMINATORY CRITERIA. IN PARTICULAR, THESE CRITERIA MAY NO MORE DISTINGUISH BETWEEN BANKS SUBJECT TO SUPERVISION IN THE SAME COUNTRY AS THE COUNTRY OF REGISTRATION OF THE SAID CARD SCHEME, AND BANKS SUBJECT TO SUPERVISION BY SUPERVISORY BODIES FROM OTHER SEPA COUNTRIES, AND CONDUCTING THEIR BUSINESS IN THE OTHER SEPA COUNTRIES. FURTHERMORE, THESE CRITERIA MAY NO MORE DISTINGUISH BETWEEN PAYMENT INSTITUTIONS SUBJECT TO SUPERVISION IN THE SAME COUNTRY AS THE COUNTRY OF REGISTRATION OF THE SAID CARD SCHEME AND PAYMENT INSTITUTIONS SUBJECT TO SUPERVISION BY**

SUPERVISORY BODIES FROM OTHER SEPA COUNTRIES, AND CONDUCTING THEIR BUSINESS IN THE OTHER SEPA COUNTRIES

- 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. ALL SEPA BANKS AND PAYMENT INSTITUTIONS MUST BE ABLE TO OFFER BASIC CARD PAYMENT PRODUCTS AND SERVICES THROUGHOUT SEPA ON THE BASIS OF A SINGLE LICENSE OR COMPARABLE AGREEMENT FROM EACH CARD SCHEME WITHOUT THE REQUIREMENT TO OBTAIN INDIVIDUAL LICENSES OR COMPARABLE AGREEMENTS FOR EACH SEPA COUNTRY.

Is a single license or comparable agreement of your scheme sufficient to offer basic card payment products and services throughout SEPA? YES

13. AT THEIR DISCRETION, BANKS AND PAYMENT INSTITUTIONS MUST BE ABLE ACROSS SEPA TO ENTER SOLELY INTO AN ISSUING LICENSE.

Are banks and payment institutions participating in your scheme able to act as issuers only? YES

14. AT THEIR DISCRETION, BANKS AND PAYMENT INSTITUTIONS¹⁷ MUST ALSO BE ABLE ACROSS SEPA TO ENTER SOLELY INTO AN ACQUIRING LICENSE.

Are banks and payment institutions participating in your scheme able to act as acquirers only? YES

15. 15. A SCHEME MAY NOT REQUIRE THE USE OF ANY PARTICULAR PROVIDER OF PROCESSING SERVICES AS A CONDITION FOR PARTICIPATION.

Are banks/payment institutions able to participate in your scheme without being required to use a particular provider of processing services? YES

TRANSACTION FEATURES

16. ALL TRANSACTIONS ARE TO BE AUTHORIZED BY THE ISSUER, EITHER ON-LINE, OR OFF-LINE BY THE CHIP.

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. ALL ATMS WILL OFFER ENGLISH AS WELL AS THE NATIONAL LANGUAGES(S) AND ANY OTHER LANGUAGES REGARDED AS APPROPRIATE BY THE ATM OWNER.

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. WHERE SEVERAL PAYMENT APPLICATIONS ARE CONTAINED IN THE SAME CARD AND SUPPORTED BY THE SAME TERMINAL, CARDHOLDERS AND

MERCHANTS WILL HAVE THE CHOICE OF WHICH PAYMENT APPLICATION THEY WILL USE.

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

PRICING, FEES

- 19. CARD SCHEMES COMMIT TO PROVIDE THEIR PARTICIPANTS WITH SEPA-WIDE, TRANSPARENT PRICING STRUCTURES (“SCHEME FEES”), THAT WILL ENDEAVOUR TO ALLOW FOR PARTICIPATION BY THE GREATER NUMBER OF BANKS AND PAYMENT INSTITUTIONS (WITHOUT THIS INTENDING TO PREVENT COMMERCIAL FLEXIBILITY TO CONCLUDE BUSINESS DEALS IN ORDER TO CAPTURE BUSINESS OPPORTUNITIES E.G. THROUGH REBATES”) IN THIS CONTEXT “TRANSPARENT” SHALL MEAN THAT THE NATURE OF THE SERVICE OR ACTIVITY THUS REMUNERATED IS UNAMBIGUOUS FOR THE SCHEME PARTICIPANT OR USER: PRICES MAY NOT BE PRESENTED IN A BUNDLED MANNER WHEN REFERRING TO SERVICES OR ACTIVITIES OF A DIFFERENT NATURE.**

Does your scheme apply a SEPA-wide, transparent pricing structure? YES.

- 20. 20. AN SCF COMPLIANT CARD SCHEME IS A SCHEME THAT ALLOWS UNBUNDLING OF FUNCTIONS WHILST APPLYING THE SAME PRICING PER CARD PRODUCT TO NATIONAL EURO AND SEPA TRANSACTIONS OF THE SAME TYPE.**

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. A SCHEME SHOULD DISCLOSE INTERCHANGE FEES AND THEIR CALCULATION METHODOLOGY, AND SUBMIT THEM TO THE RELEVANT AUTHORITIES.**

21.1 Has the scheme disclosed interchange fees and their calculation methodology? Not Applicable - JCB does not apply multilateral interchange fees.

21.2 Has the scheme submitted interchange fees and their calculation methodology to the relevant authorities? Not Applicable - JCB does not apply multilateral interchange fees.

- 22. A SCHEME SHOULD HAVE A SINGLE INTERCHANGE FEE (IF ANY) FOR THE WHOLE EURO AREA WITHIN A GIVEN BRAND IN THE LONG RUN.**

22.1 Is it foreseen that in the long run there will be a single interchange fee (if any) level for the whole euro area? Not Applicable - JCB does not apply multilateral interchange fees.

FRAUD STRATEGY

23. **A SCHEME SHOULD PUT IN PLACE A STRATEGY ON HOW TO REDUCE FRAUD, ESPECIALLY CROSS-BORDER FRAUD.**

Has the scheme put in place a strategy (e.g. technical rules) on how to reduce fraud, especially cross border fraud? YES

24. **CARD SCHEMES ACKNOWLEDGE THAT PREVENTING AND FIGHTING CARD FRAUD IS WITHIN THE SCOPE OF THE SCF. AS A CONSEQUENCE, ANY ADHERING CARD SCHEME AGREES TO SUPPORT PREVENTION ACTIVITIES, IN ACCORDANCE WITH THE EPC RESOLUTIONS ON FRAUD.**

Is the scheme supporting fraud prevention activities in accordance with the EPC resolutions on fraud? YES

STANDARDS (INCLUDING FRAUD PREVENTION STANDARDS)

25. **A SCHEME SHOULD CONTRIBUTE TO THE DESIGN OF A CONSENSUS-BASED SELECTION OF STANDARDS WITH A CLEAR COMMITMENT FOR IMPLEMENTATION ON TIME.**

Is the scheme contributing to the design of a consensus-based selection of standards with a clear commitment for implementation on time? YES

26. **IN PARTICULAR ALL SCHEMES WILL INTRODUCE A LIABILITY SHIFT RULE BETWEEN MAGNETIC STRIPE-BASED TRANSACTIONS AND EMV-BASED TRANSACTIONS, AND OTHER INCENTIVISING MEASURES TO ENCOURAGE THE EMV MIGRATION**

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. **IN ORDER FOR THE OBJECTIVES OF THE SCF TO BE ACHIEVED, SEPA-LEVEL INTEROPERABILITY MUST BE ENSURED IN THE FOLLOWING FOUR DOMAINS: CARDHOLDER TO TERMINAL INTERFACE, CARDS TO TERMINAL (EMV), TERMINAL TO ACQUIRER INTERFACE (PROTOCOLS OR MINIMUM REQUIREMENTS), ACQUIRER TO ISSUER INTERFACE, INCLUDING NETWORK PROTOCOLS (AUTHORIZATION AND CLEARING).**

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. **CARD SCHEMES COMMIT TO MAKE AVAILABLE TO SEPA BANKS, PAYMENT INSTITUTIONS AND CARD SCHEMES, UPON REQUEST, THEIR TERMINAL SECURITY REQUIREMENTS. CARD SCHEMES WILL ENGAGE IN MUTUAL RECOGNITION FOR TYPE APPROVAL. ANY TERMINAL CERTIFIED FOR SEPA TRANSACTIONS BY A CERTIFICATION BODY IN ONE SEPA COUNTRY CAN BE DEPLOYED IN ANY SEPA COUNTRY FOR ACCEPTANCE OF SEPA CARDS ACROSS ALL SCF COMPLIANT SCHEMES. THERE MAY BE NO CONSTRAINING, LOCAL REQUIREMENT.**

- 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

Summary table of the “yes/no” answers to the above questions

Question	Answer (Yes or No)
1.1	YES
1.2	YES
2	YES
3	YES
4	YES
5	YES
6	YES
7	YES
8.1	YES
8.2	YES
9	YES
10	YES
11	YES
11.1	YES
11.2	YES
11.3	YES
12	YES
13	YES
14	YES
15	YES
16	YES
17	YES
18	YES

19	YES
20	YES
21.1	Not Applicable * JCB does not apply multilateral interchange fees.
21.2	Not Applicable * JCB does not apply multilateral interchange fees.
22	Not Applicable * JCB does not apply multilateral interchange fees.
23	YES
24	YES
25	YES
26	YES
27	YES
28.1	YES
28.2	YES
28.3	YES