

Questions & Answers on Payment Statistics

Payment Statistics Regulation and Guideline

The European Central Bank and the Bank of Finland have compiled statistics on payment transmission before, so what's new?

In November 2013, the European Central Bank issued a new Regulation obliging central banks to collect data for payment statistics directly from the payment service providers.

Until now, the Bank of Finland has reported these figures on the basis of data received from the Federation of Finnish Financial Services. Data collections are also being combined in order to reduce the reporting burden: the Federation of Finnish Financial Services' data collection and Statistics Finland's credit card survey will no longer be done separately.

Is it true that the ECB Regulation calls for collection of data as from 1 July 2014, whereas the Bank of Finland requires data for the entire year 2014?

Yes, the year 2014 is to be reported to the Bank of Finland as a whole, even though the Regulation requires data collection only as from 1 July 2014. In the absence of actual data, the reporting entity may use estimates for the first year-half, but this must be pointed out to the Bank of Finland in connection with the reporting.

What is the difference between an ECB Regulation and an ECB Guideline?

A Regulation is binding on reporting entities and a Guideline is binding on central banks. Data items are included in the collection of data on payment statistics also on the basis of a Guideline, to enable the Bank of Finland to fulfil its obligations under the Guideline.

Must all data items be reported, as for example, the data requested on the basis of a Guideline?

All data items are mandatory; there are no voluntary parts. The additional data items based on the Guideline supplement the data in each Table and are a part of the data collection.

According to the new Statistics Regulation, central banks must report according to the new breakdown also for 2013. Will these data be required from the reporting entities afterwards?

No, the statistical reform will apply for the first time to the 2014 figures. The Bank of Finland will report for 2013 to the ECB based on best estimates derived from the Federation of Finnish Financial Services' data collection.

Reporting Tables

Could the instruction (or Table) also indicate where a sum of subcategories is expected to be reported?

The data collection is designed so that sums are not required if they can be calculated on the basis of subcategories.

Why does Table 2 not include the combination "Cards with a debit and/or credit function" ? Is this because these are reported in cell 2.4. (Cards with a debit and/or delayed debit function)? The same question concerns Table 4. Transactions per type of payment service, sections c)15 and c)16.

Table 2: In the data collection, we follow the instructions (and breakdown) provided by the ECB, so that payment cards are reported by functions/features. The basic features of a card are debit, delayed debit and credit; and cards should generally fall into these categories. In addition, the ECB has determined two "and/or" categories (2.4 and 2.5) for cards in case a breakdown by basic functions is not possible.

Hence, payment cards are reported by feature separately in each subsection (ie a card with several features is reported in each relevant section; eg our "combination cards" have been "traditionally" reported in sections 2.1 (debit cards) and 2.5 (Cards with a credit and/or delayed debit function, the reason being the difficulty of distinguishing in practice between the delayed debit and credit functions). The breakdown for credit and/or debit should be clear: such a card is reported in both section "debit" and "credit" (or where one cannot clearly distinguish the function from delayed debit; section 2.5).

Table 4: the same principle according to the function used in card payment applies to the breakdown: in general, debit, delayed debit and credit. If the last two cannot be distinguished, the category (credit and/or delayed debit) is used. Hence, in practice we have

so far reported credit/debit cards in sections 12 and 16. Naturally, if a clear distinction can be made between delayed debit and credit, the reporting sections are 13 and 14.

What is the difference between sections 4, 5 and 6 for e-money in Table 3.

Section 4 includes POS terminals with a dual function: EFTPOS terminal and e-money terminal.

Section c) is for reporting the aggregate of the following: POS terminals with e-money function and POS terminals with e-money function only.

Section 5 is for terminals used to load and unload e-money cards.

Section 6 is for POS terminals that enable payment in e-money.

As regards direct debits in Table 4, does the reporting concern ordered direct debits or executed direct debits?

The payee's payment service provider reports orders submitted, so there is no need to consider whether there have been cancellations or not.

How does the country breakdown in Table 5 b) differ from that in sections a) and c)?

The country breakdown in Table 5 refers to the country of location of the devices and POS terminals. In section 5 b), a breakdown is further made on the basis of the country issuing the card, to illustrate the breakdown of cards from different countries used to make payment transactions in Finland.

In addition, for b)8 (POS transactions made in Finland with foreign cards) and c)13 (POS transactions made abroad with Finnish cards), the MCC code is requested in order to acquire information on travellers' purchasing behaviour for the travel statistics of Statistics Finland.

Is the MCC breakdown in Table 5 reported at code level or aggregated (eg combining of codes for different airlines)?

There is no need for the reporting agent to do any aggregation; only reporting of transactions by MCC codes (Merchant Category Classification) is required.

Who reports cash advances at POS terminals in Table 5, section 16?

These transactions are reported by the issuer of the card.

In the country breakdown in Table 5, section c), does the reporting concern the country of the acquirer or the country where the transaction occurs?

In Table 5 c), Transactions of cards issued by a Finnish issuer at foreign POS terminals are reported by the country of transaction (not by acquirer's location).

How are transactions related to loans reported in the payment statistics?

- Loans withdrawn at the clerk's cash register are not visible to the customer and therefore are not reported.
- The entry of a bank's commission in the general ledger based on the cash register is not visible on the customer's bank account statement and therefore are not reported.
- The depositing a loan from the bank's cash register into the customer's account is reported in section 4 g) Simple book entries.

A cash loan and its cash repayment comprise several transactions

- Cash withdrawal of the loan: 1) transfer at the bank branch to the customer's account and 2) cash withdrawal from the account → transmission of the loan on the account is a simple book entry in Table 4) whether made by a clerk or automatically. Cash transactions in Table 5 section 17, cash transactions.
- Cash repayment of the loan: 1) money deposit to the customer's account and loan repayment from the account → deposit in Table 5 section 18 Cash deposits; repayment is recorded in the statistics as in Table 4 (credit transfer/payment service or direct debit)

How should an “unknown” country code be reported?

The code XX may be used for unknown countries.

With what accuracy should the statistics be reported?

The reporting is to be done to the accuracy of actual numbers and with the precision of each euro (i.e. the statistics are not to be rounded to any certain level).

Reporting Service

Can the OpusCapita service be used to send a report in several different parts?

This is not possible because the Bank of Finland will not be able to follow when all the relevant parts have been received. The report is to be sent in one piece.

Can parts of the statistics be reported as a CSV-file and parts of it by inserting the information manually to the system? The report can be compiled by combining manually inserted data and a CSV-report. However, this needs to be done so that manually inserted data is added to the system first. After this, the inserted data is downloaded to the user and the CSV-report is added as an extension to it. The final step is to send the combined report through the reporting service.

How should corrections to already reported data or missing data be sent?

The entire report is to be sent again with the corrections/missing data included.

How can previously sent reports be obtained by the sender?

The CSV file can be downloaded from the OpusCapita service. From the menu on the left you will find "Reports" through which you will find a link to send reports. From here you are able to download all previously sent reports as a CSV file.

When should the payments statistics report be sent to the Bank of Finland at the very latest?

The statistics are to be sent to the Bank of Finland by the end of February following the reporting year. For example, payment statistics concerning the calendar year 2015 are to be submitted by 29 February 2016 at the latest.

How can the login name and password be changed to the OpusCapita service?

Please address all inquiries concerning any problems regarding login or the renewal of the login name and password to [information.fi\(at\)opuscapita.com](mailto:information.fi(at)opuscapita.com).

When is it possible to test the payment statistics reporting?

The test environment is open all year round.

Should the payment statistics be reported for the entire calendar year even if authorization from the FIN-FSA has been attained in the middle of the year?

Reporting is to be done from the moment the authorization is given to the reporting entity.

Abbreviations related to the reporting of payment statistics

CNP = Card-Not-Present transaction, or a card transaction where payment is made without the card being physically present. For example, an online purchase with a card is a CNP transaction.

EMV = EMV (Europay, MasterCard, Visa) is an international standard for the verification of card payments at retailers and self-service terminals. Instead of storing the card details on magnetic stripe they are on a chip, and the cardholder identifies himself with a personal code (PIN, Personal Identification Number).

EFTPOS (Electronic funds transfer at point of sale) = Terminals which receive payment data electronically, transmit the data either online (when payment authorisation/verification is requested in real time) or offline. These also include unmanned payment terminals (eg unmanned petrol stations).

KTO (FI: *Konekielinen tiliote*) = Traditional electronic account statement.

MCC (Merchant Classification Category) = Code for card transactions, categorising the vendor on the basis of sector.

OTC = The term "Over the counter" is used in payment statistics to specify that cash deposit and cash withdrawals (Table 5) refer to transactions carried out "over the counter" at a bank branch.

NFC (Near Field Communication) = proximity payment with a card, where NFC data transfer is used in a contactless data transmission between a payment card or payment sticker and an EMV payment terminal (EFTPOS terminal).

POS = Point of Sale payment terminal enabling the use of payment cards in a physical (non-virtual) point of sale. Information on the payment is received either manually or on a payment receipt or electronically, ie via an electronic funds transfer system. Finnish payment terminals are of the EFTPOS type.

POPS = POPS is the banks' online payment system for transmission of interbank express transfers and cheques. (FI: *Pankkien online -pikasiirrot ja sekitt -järjestelmä*). The POPS system transmits express transfers and cheques (and bank drafts) between Finnish banks. The POPS is an up-to-date, diversified, traditional payment system based on bilateral exchange of information according to payment standards agreed on in Finland.

SCT = SEPA Credit Transfer, credit transfer under the SEPA standard.

SEPA = Single Euro Payments Area, an area where basic payment services based on a uniform standard are used.

SDD = SEPA Direct Debit, direct debit under SEPA standards.

SWIFT = Society for Worldwide Interbank Financial Telecommunication. A company owned by banks which produces payment message standard and connection services. SWIFT services are used widely in both international and

domestic payment traffic. A Swift address (BIC, Bank Identifier Code) is a standard for banks' addresses. Each bank has its unique address. These addresses are used in interbank payment traffic internationally.

TUPAS = Finnish banks' common identification service. The TUPAS service is a method specified by the Federation of Finnish Financial Services for identifying users of online services according to banks' online service IDs.

XML electronic account statement = An electronic account statement in accord with the new XML standard.

The Questions & Answers section will be supplemented, similarly to the reporting instructions, based on feedback received.