

## Secure Payments Task Force September 13, 2016 Call Summary

### Welcome and Opening Remarks<sup>1</sup>

Todd Aadland, Payments Security Strategy Leader, opened the Secure Payments Task Force (SPTF) teleconference, noting that the call would cover a number of key updates since the June SPTF meeting. Mr. Aadland reviewed the meeting objectives and agenda. He then turned the discussion over to work group chairs to provide an update on their respective work groups.

### Work Group Updates

Work group chairs reviewed problem statements, industry challenges, and desired outcomes associated with their respective work groups, highlighting changes that have occurred over the last few weeks as a result of SPTF Steering Committee (SPSC) feedback. In addition, the Chairs discussed solutions the work groups plan to deliver to address the industry challenges and other potential solutions under evaluation.

### Payment Identity Management

Nancy O'Malley, MasterCard, provided an overview of the progress made by the Payment Identity Management (PIM) Work Group, highlighting that subgroup 1 is nearly finished mapping payment identity management processes in the four use cases it prioritized.<sup>2</sup> Ms. O'Malley also noted that subgroup 2 is now working hand-in-hand with subgroup 1, completing its assessment of PIM practices as they are mapped by subgroup 1. With respect to solutions, Ms. O'Malley noted that the Work Group plans to identify, document, and promote effective PIM practices within the industry. She noted that the Work Group continues to evaluate a solution to move the industry toward a common set of PIM policies, practices, and protocols.

### Information Sharing for the Mitigation of Payments Risk / Fraud

Glen Ulrich, U.S. Bank, provided an overview of the Information Sharing for the Mitigation of Payment Risk / Fraud Work Group. Mr. Ulrich stated that subgroup 2 recently completed an inventory of payment security information currently shared within the industry, highlighting that the inventory will be a useful input to subgroup 3's work effort.<sup>3</sup> He noted that the Work Group's solutions focus on enhancing existing fraud information, broadening information sharing, and identifying options for sharing information on a global basis. He noted

---

<sup>1</sup> John Yanish, Federal Reserve Bank of Minneapolis, reminded those in attendance to participate in a manner consistent with Anti-Trust and other applicable laws.

<sup>2</sup> The PIM Work Group has divided its work efforts into three subgroups. Subgroup 1's objective is to inventory and understand the relative adoption rates of the existing processes by which identity is established, verified, and subsequently authenticated. Subgroup 2's objective is to develop and complete a risk-based process to assess the strengths and weaknesses of those existing processes. These two subgroups have recently merged and are working collaboratively on the aforementioned efforts. Subgroup 3's objective is to explore possibilities to bridge gaps in PIM practices and to develop a framework to establish, create and propose PIM policies, practices, and protocols to guide the industry.

<sup>3</sup> The Information Sharing Work Group has divided its work efforts into three subgroups. Subgroup 1's objective is to identify key information sharing terms and document applicable reporting standards and metrics. Subgroup 2's objective is to identify and inventory the types of information currently shared within the payments industry. Subgroup 3's objective is to develop information sharing best practices.

in particular the importance of fostering trust within the industry to increase sharing of data on fraud losses, which is currently considered sensitive material.

### Data Protection

Ed O'Neill, Federal Reserve Bank of Chicago, noted that the Data Protection Work Group has made measurable progress since launching in June, highlighting that three subgroups have been established.<sup>4,5</sup> He also noted that the Work Group's planned solutions focus on documenting existing standards, identifying gaps, and developing recommendations for applicable improvements to the appropriate standards bodies. Mr. O'Neill mentioned that the group is evaluating the creation of a data protection framework or methodology, which would include baseline industry standards.

### Standards Assessment Team

Steve Mott, BetterBuyDesign, stated that the Standards Assessment Team (SAT) is supporting the three work groups by documenting relevant industry standards, identifying gaps, and determining whether new standard development work is needed. Mr. Mott noted that the Team began preliminary work to support the Law and Regulation Coordination Work Group, which is scheduled to launch later this year.

### **Work Product Communication and Validation**

Connie Theien, Federal Reserve Bank of Chicago, provided an overview of a communication and validation plan to help promote SPTF work group efforts, including objectives, timelines and key milestones. Ms. Theien highlighted that a key objective of the plan is to build awareness and support across the SPTF and industry for the Work Group efforts. Ms. Theien encouraged SPTF members to complete a survey in coming weeks meant to provide feedback on the direction of the work groups.. She noted that the SPTF would have many opportunities to engage with the broader industry to promote and seek feedback on task force work efforts.

### **Faster Payments Task Force (FPTF) Commentary Period and Final Paper**

Ms. Theien provided an update on the commentary period for the SPTF to review faster payments proposals, which is scheduled to begin October 3. Ms. Theien stated that the Federal Reserve plans to help SPTF members prepare for the upcoming commentary period by providing education on the process, tools, and information resources. She noted that these topics would be covered through several channels – including drop-in calls, webinars, and reference materials posted to Task Force Knowledge Central.

Ms. Theien also provided an update on the FPTF final deliverables, highlighting that the FPTF now plans to publish its final report in two releases. The first release – targeted for publication in January 2017 – will cover foundational concepts, such as background on the FPTF work effort and an update on the payments landscape. The second release – targeted for publication in mid-2017 – will contain the faster payments proposals and assessments;

---

<sup>4</sup> Mr. O'Neill reported on the Data Protection Work Group in the absence of the Work Group chair.

<sup>5</sup> The Data Protection Work Group has divided its work efforts into three subgroups. Subgroup 1's objective is to define key terms applicable to data protection and help define the scope of the work group's efforts. Subgroup 2's objective is to research principles and payment frameworks applicable to data protection and identify gaps between available resources and the desired end state. Subgroup 3's objective is plans to develop and publish a scalable data protection framework or methodology that includes a security baseline that can be universally applied to payment data.

challenges and opportunities related to implementing faster payment systems; and recommendations and next steps. Mr. Aadland stressed the importance of the commentary period and encouraged SPTF members to take advantage of the educational opportunities and resources.

### **SPTF Meeting and Closing Remarks**

Mr. Aadland gave an overview of the agenda planned for the November 14-16 SPTF meeting. He noted that November 16 will be a joint SPTF/FPTF session, during which SPTF members will have the opportunity to network and engage with FPTF members. Finally, Mr. Aadland reminded the group that in-person work group meetings will be held in October. Mr. Aadland closed the call and thanked meeting participants for their contributions.