

ISO 12812 – Mobile Banking/Payments

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In The Beginning

The US brings forward the notion of an ISO Standard for Mobile

- Idea first floated at 2007 Plenary
- US Prepares a New Work Item Proposal (NWIP)
- First NWIP failed to receive enough support
 - ISO Directives require a majority vote and 5 committed participants
 - Enough voted yes, but not enough committed
- TC68/SC7 Established a 'Study Group' to improve upon the NWIP
- The second NWIP passed
- The work begins November 2010

And Then There Was A Financial Hiccough



Scope

trouble getting it just right

- This may have been my first mistake

From the Study Group report

A refinement in scope

- A consensus opinion, among the nations that did not support the original Mobile Banking/Payments NWIP, was that they required greater specificity as to the scope of the NWIP. The Study Group set out to define areas around which one or more work groups could be formed, if a national representative were to offer a revised NWIP. The Study Group recommended the following areas specific areas be the subject of a revised NWIP:
 - Standards for mobile person-to-person payments, involving a financial institution intermediary.
 - Standards for the life cycle management of banking/payment applications
 - Standards for banking alerts
 - Standards for banking account Inquiries
 - Standards for banking solicitations and offers
 - Standards for payer to the secure element authentication
 - Standards for the discovery of device capabilities
 - Technical report on business oriented security requirements

Scope from the revised NWIP

As originally identified

- Mobile technology (including use of devices such as Cell Phones, PDAs, etc.) offers an opportunity to extend traditional banking functionalities by introducing a new form of accessing retail payments, as well as retail and wholesale banking services. Mobile devices enable a user to perform a number of specific banking functions, including:
 - (1) opening accounts, accessing account balance information and reviewing transaction history;
 - (2) transferring funds between accounts or to a third party;
 - (3) locating ATMs and/or brick and mortar banks to facilitate face-to-face banking; and
 - (4) paying at point of purchase, either by some pre-payment method, by direct funds transfer or by use of third-party payment methods controlled by the individual user,
 - (5) payment of bills,
 - (6) store of value and related transactions such as reloading.

With approval in hand we went to
work

How We Organized The Work

Multi-part standard

- Part 1: General Framework
- Part 2: Security and data protection for mobile financial services
- Part 3: Financial application lifecycle management
- Part 4: Mobile payments-to-person
- Part 5: Mobile Payments to Business
- ~~Part 6: General Mobile Banking operations~~

Where are we now

Summary of the DIS (Draft Internet Standard Candidates)

- Five documents being balloted as we speak
 - Part 1: General Framework
 - Part 2: Security and data protection for mobile financial services
 - Part 3: Financial application lifecycle management
 - Part 4: Mobile payments-to-person
 - Part 5: Mobile Payments to Business
- Ballot end date in July

What happens from here

Each part will be considered separately

- A lot depends on the vote
 - Passed with no comments (fat chance)
 - publication
 - Passed with comments
 - WG will address the contents and submit a FDIS (Final Draft Internet Standard)
 - Failed with comments
 - WG will decide if comments should be addressed and documents should be submitted as a TS (Technical Specification)

So you want to be Convenor of an ISO Work Group

- Some unexpected challenges along the way

Rocks on the road

- Cooperation/Competition with other effort
- Concern in some quarters about the weight of an International Standard
 - Some Regulators look for conformance to these standards
- Constraints imposed because of the body of marginally related standards
 - after long debate we used “proximate” because “proximity” and “contactless” have special meaning in financial standards
 - “tokenization” has taken on all sorts of special meaning not found in the Oxford English Dictionary

Rocks on the road (cont.)

- We started before the US was moving to EMV, so there was political sensitivity to appearing too EMV centered
- SEPA/ISO 20022 terminology dominated the early drafts (most of the participants were from the EU)
- Everybody wanted to make sure their prior investments were preserved
- Attacks on me from Nations that just want to undermine the effort
- Trying to address a subject in flux (Mobile)
- Trying to address a subject with a lot of baggage (payments)

Rocks on the road (cont.)

- Trying to deal with so many ways to do things, and cover them all in one set of documents
- Whatever organizational model we would have chosen would have been wrong
 - The six parts (now five) were decided early, and while there is merit to that organization, it was but one of many
 - Constant calls (mostly by new participants) to rethink the organization
- Bad selection of a project manager - me

Questions/Discussion

