**MNB identification code: P12**

**Completion instructions for the report**

**Data related to payment turnover and fraud**

**I. General instructions**

1. In the tables the forint equivalent of the data arising in foreign currency shall be calculated using the data provider’s own exchange rate prevailing on the day of the transaction or the average MNB exchange rate for the reporting period.

2. When a cooperative credit institution connects to the national clearing turnover indirectly – through its correspondent bank – (hereinafter: respondent cooperative credit institution), the data shall be supplied by its correspondent bank, separately from its own data, in separate tables. In order to ensure this, the respondent cooperative credit institution shall provide the correspondent bank with the data necessary for the data supply in full and in due course. The correspondent bank shall send the data of the respondent cooperative credit institution to the MNB in aggregated form. In the case of a sponsoring bank relationship, the data of the sponsored bank are submitted to the MNB either by the sponsored bank or by the sponsoring bank; in the latter case, the data must be separated from its own data and the GIRO code and registration number of the sponsored bank must be indicated. The data of the payment service provider, belonging to the ‘other’ category, pursuing payment services shall be reported on its own irrespective of whether it is connected to the national clearing turnover independently or through a correspondent bank.

3. The codes to be used in the completion of the tables and the methodological and technical guidelines supporting the completion are included in the technical guidelines published on the website of the MNB in accordance with points 4.8 and 9 of Annex 3.

4. The correlations and specific aspects of verification within the data supply are specified in the technical guidelines in accordance with point 5 of Annex 3, published on the website of the MNB.

**II. Detailed instructions for the completion of the tables**

**1. Table 01: Payment debit and credit turnover in the reference period**

1.1 The data supply contains certain payment turnover conducted in forint and foreign currency by payment service providers keeping payment accounts and the data related to requests to pay, sent and received by the data providers. For the purposes of the payment turnover to be reported, the forint and foreign currency turnover transacted on the payment accounts specified in point 8 of Section 2 of the Payment Services Act and on the client accounts specified in point 130 of Section 5(1) of the Capital Markets Act (accounts subject to reporting) shall be taken into consideration, subject to the restrictions specified in sub-point 1.2. For the purposes of the data supply, customer transactions shall and interbank transactions shall not be taken into account. However, the data provider’s own transactions, carried out in its capacity as a customer (e.g. payment of wages to own employees), shall be included.

1.2 The cash-pool turnover shall be reported among the credit transfer transactions when actual postings are made between member accounts and the central account participating in the cash-pool settlement. It is not necessary to report the turnover carried out by payment cards, with the exception of payment orders submitted by payment cards. The turnover transferred to the merchant acceptance point in connection with the payments made by payment cards must be reported only in the credit turnover, in the column corresponding to the direction of the transaction. It is also not necessary to report in the data supply the payment turnover where both parties (the payer and the beneficiary) are included in group C1, C3, C4 or C7 in the list under point 1 of Annex 3, published on the MNB’s website. An exception to the above is the credit transfer resulting from non-financial market transactions (sale of real estate to another credit institution, agent’s activity, settlement of other services with other credit institution). However, the payment for goods and services purchased by the data provider, and the turnover generated by the payment of wages and taxes must be reported. It is not necessary to report the turnover linked to the issuance of government securities transacted with the Government Debt Management Agency and the transactions carried out between the data provider’s two branches for bookkeeping purposes.

1.3 Domestic payment turnover shall mean the payment turnover defined as such in MNB Decree No 35/2017 (XII. 14.) on Payment Services Activities. Cross-border payment turnover shall mean the payment turnover where the payment service provider of either the principal , or of the beneficiary renders the payment services outside Hungary, irrespective of the currency of the payment transaction, i.e. the payment transaction carried out between a payment service provider with registered office or branch office in Hungary and a payment service provider with registered office or branch office abroad. Payments within the organisation of the payment service provider shall be reported only as internal turnover.

1.4 Reckoning of forint, foreign currency and conversion transactions:

1.4.1 Debit turnover: unless provided otherwise by these filling instructions, credit transfers carried out in the national clearing turnover (Interbank Clearing System (BKR), real-time gross settlement system (VIBER), postal clearing centre (PEK)) shall be regarded as forint payments, while the credit transfers settled through nostro accounts held with foreign banks or through international clearing centres (e.g. STEP2, TARGET) shall be regarded as foreign currency payments, irrespective of whether those were initiated from the forint or foreign currency accounts of the counterparty.

1.4.2 Credit turnover: unless provided otherwise by these filling instructions, the turnover received in forint by the data provider or by the account-keeper thereof shall be regarded as forint credit entry, while the turnover received in foreign currency shall be regarded as foreign currency credit entry (i.e. it does not matter whether the payment is received on the beneficiary client’s forint or foreign currency account).

1.4.3 Internal and conversion items: credit and debit turnover in forint shall be regarded as forint turnover, while credit and debit turnover in foreign currency shall be regarded as foreign currency turnover.

1.4.4 If the data of forint payments resulting from letters of credit cannot be separated at the data provider, those shall be reported under the subtype of the payment method (e.g. credit transfer) that the data provider uses to manage the forint payments resulting from letters of credit together in its systems.

1.5 Reckoning of loans

1.5.1 If the disbursement takes place from the loan account by direct credit transfer, and the repayment is credited directly to the loan account, i.e. the disbursed or repaid amount is not credited to a payment account held with the data provider:

a) the disbursement, i.e. the debiting of the loan account, shall be reported in column ‘i’, indicating the code ‘Other submission channel’ and in column ‘e’ indicating as transaction under ‘Instant payment’ or ‘Credit transfer (not subject to instant settlement)’ code.

b) the repayment, i.e. the crediting of the loan account shall be reported in the credit turnover in accordance with the applied payment method and currency.

1.5.2 If the loan disbursement or repayment results in the crediting or debiting of a payment account held with the data provider, the turnover between the loan and payment accounts shall be regarded as turnover between the data provider and the customer, i.e.:

a) upon disbursement, the debiting of the loan account and crediting of the payment account shall be reported in column ‘e’ as ‘Turnover between the data provider and the customer’ in the debit and credit turnover,

b) upon repayment, the debiting of the payment account and the crediting of the loan account shall be reported in column ‘e’ as ‘Turnover between the data provider and the customer’ in the debit and credit turnover.

**2. Table 02: Loss incurred in the debit turnover of payments in the reference period and losses written off**

The table shall be used for reporting abuses related to payment cards with the exception of all abuses of payment nature.

**3. Table 03: Number, turnover and cash revenues of merchants using electronic payments acceptance service**

3.1. Revenues from electronic payment acceptance: the fee and commission incomes collected from the merchants in relation to the merchant acceptance points belonging to the data provider shall be reported. Revenue related data shall be reported by the data providers having vested interest in the acceptance, irrespective of whether they use their own devices or ones operated by other organisations. In the data supply, merchants shall be categorised by payment method based on the overall value of the total electronic payment turnover transacted by them in the reference period, and this categorisation shall be carried out in each reference period.

3.2 In the data supply – with the exception of the data related to payment revenues – the data shall be taken into consideration by merchant contracts, i.e. in a breakdown by parties contracted to use the acceptance service of the data provider for electronic payment methods. The data by merchants shall be allocated to the specified turnover groups, and merchants shall be reported in aggregate in the individual turnover groups. A single merchant may provide acceptance services at multiple acceptance points, at the units specified in the acceptance service and involved in the acceptance; these shall be aggregated by merchants. The range of acceptance points shall correspond to the range of acceptance points reported in Table 02 of the Data supply with MNB identification code P11, but the data shall be reported aggregated by merchants and turnover groups.

3.3 Under Payment revenues (code ‘PENZFBEV’) the fee and commission revenues received (due) in connection with the payment services rendered by the data provider shall be reported, broken down by the specified categories. The data supply shall include the part of the reportable revenues that relate to the reference period. The amounts accumulated since the beginning of the calendar year included in the data supply for the reference period shall correspond to the sum of reportable revenues of the reference period. Revenues to be reported in the data supply shall be as follows:

a) the revenues reported by the credit institution in column 2 of row 22 (row code: 051) and row 23 (row code: 052) of Table 03 of the data supply with MNB identification code M01 and M11 (hereinafter collectively: Statistical balance sheet data supply),

b) in the case of data providers not obliged to submit Statistical balance sheet data supply

ba) when applying the Hungarian accounting standards, the revenues reported in columns ‘e’ and ‘f’ of the rows with codes 82A111 and 82A112 in supervisory report of code 82A presented in accordance with the MNB Decree on financial and credit market supervisory data supply;

bb) when applying the IFRS, the revenues reported in columns ‘a’ and ‘b’ of row PI82A02 in the supervisory report table of code PI82A in accordance with the MNB Decree on the financial and credit market supervisory data supply.

**4. Table 04: Fraud rate statistics in the debit turnover of payments in the reference period**

4.1 The account-keeping payment service provider shall report in this table the fraud rate calculated based on a 90-day rolling average, as specified in the SCA Regulation, and the cases when the calculated fraud rate for any of these transaction types exceeds the reference fraud rate under the SCA Regulation specified as condition for risk-based exemption (hereinafter: reference fraud rate under the SCA Regulation).

4.2. Contents of the fields of individual columns:

4.2.1 Column ‘c’ shall indicate the fraud rate related to the amount reported in column ‘f’ and the deviation from the reference fraud rate under the SCA Regulation, i.e. when the calculated fraud rate differs from the reference fraud rate under the SCA Regulation. Furthermore, the termination of the application of exemption from strong customer authentication based on transaction risk analysis shall be reported here, i.e. the case when for any of the transaction types the calculated fraud rate in two consecutive quarters (180 days) exceeded the reference fraud rate under the SCA Regulation, and based on this the data provider terminated the application of the exemption based on transaction risk analysis.

4.2.2 Column ‘d’ shall indicate the transaction type connected to the respective fraud.

4.2.3 Column ‘e’ shall indicate the reference fraud rate applicable to the transaction type under the SCA Regulation.

4.2.4 Column ‘f’ shall indicate the percentage value of the calculated fraud rate, as well as the deviation from the reference fraud rate under the SCA Regulation. The deviation from the reference fraud rate under the SCA Regulation shall be calculated by deducting the reference fraud rate under the SCA Regulation from the calculated fraud rate. Value data shall provided in units to 3 decimals. In the case of deviation from the reference fraud rate under the SCA Regulation negative values may be also reported, while upon the termination of the application of exemption from strong customer authentication based on transaction risk analysis only positive values may be reported.