**MNB identification code: P12**

**Completion instructions**

**Data related to payment turnover and abuses**

**I. General instructions**

1. In the tables the forint equivalent of the data arising in foreign currency shall be calculated using the reporting entity’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 reported 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 reporting 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 necessary for filling the tables and the methodological and technical guidelines are included in the technical manuals specified in Section 4.8 and 9. of Annex 3 hereto, published on the MNB website.

4. Correlations between the specific tables and rules of individual control of reports as per point 5 of Annex 3 are listed in the technical guidelines, published on the MNB website.

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

**Table 01: Payment debit and credit turnover in the reporting period**

1. The data reporting contains certain payment turnover conducted in forint and foreign currency by payment providers keeping payment accounts and the data related to requests to pay, sent and received by the reporting entities. 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 Section 5 (1)130 of Act CXX of 2001 of Capital Markets (hereinafter: Capital Markets Act) (reportable accounts) shall be taken into consideration, subject to the restrictions specified in subsection 1.2.
2. The cash-pool turnover shall be reported in terms of 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 reporting the payment turnover where both parties (the payer and the beneficiary) are included in group C1, C3, C4 or C7 in the list under section 1 of Annex 3, published on the MNB’s website. An exception to the above is the credit transfer stemming 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 reporting entity, 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, nor the transactions carried out between the reporting entity’s two branches for bookkeeping purposes.
3. Domestic payment turnover shall mean the payment turnover defined as such in MNB Decree 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.
4. Reckoning of forint, foreign currency and conversion transactions:

4.1. Debit turnover: Unless provided otherwise by the 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 transfer 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 customers.

4.2. Credit turnover: Unless provided otherwise by the filling instructions, the turnover received in forint by the reporting entity 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 customer’s forint or foreign currency account).

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.

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

1. Reckoning of loans:

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 reporting entity:

– 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.

– 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.

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

– upon disbursement, the debiting of the loan account and crediting of the payment account shall be reported in column “e” as “Turnover between the reporting entity and the customer” in the debit and credit turnover.

– upon repayment, the debiting of the payment account and crediting of the loan account shall be reported in column “e” as “Turnover between the reporting entity and the customer” in the debit and credit turnover.

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

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

**Table 03. Number, turnover and cash revenues of merchants using payment card acquiring service**

1. Under revenues from card acquiring, the fees and commissions collected from merchants in connection with the merchant acceptance points belonging to the reporting entity shall be reported. Revenue related data shall be provided by the reporting entities having vested interest in the acceptance, irrespective of whether they use their own devices or ones operated by other service providers. In the data reporting, merchants shall be categorised on the basis of the overall value of the total payment card turnover transacted by them in the period under review, and this categorisation shall be carried out in each period under review.
2. In the data reporting – 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 card acquiring service of the reporting entity. 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 card acceptance services at multiple acceptance points, at the units specified in the card acceptance service and involved in the card acceptance; these shall be aggregated by merchants. The range of acceptance points shall correspond to the range of acceptance points reported in Table 2 of the Data reporting No. P11 to the MNB, but the data shall be reported aggregated by merchants and turnover groups.
3. Under Payment revenues (code “PENZFBEV”) the fee and commission revenues received (due) in connection with the payment services rendered by the reporting entity shall be reported, broken down by the specified categories. The data reporting shall include the part of the reportable revenues that relate to the reporting period. The amounts accumulated since the beginning of the calendar year included in the data reporting for the reporting period shall correspond to the sum of reportable revenues of the reporting period. Revenues to be reported in the data reporting shall be as follows:

* the revenues reported in row 22 (line code: 051) and row 23 (line code: 052) in column 2 of Table 3 in the MNB data reporting of M01 and M11 (hereinafter collectively: Statistical balance sheet data reporting) under MNB Decree on the reporting obligations of credit institutions for the central bank information system to be fulfilled primarily in relation to carrying out the basic tasks of the Magyar Nemzeti Bank,
* in the case of reporting entities not obliged to report Statistical balance sheet data

1. when applying the Hungarian accounting standards, the revenues reported in columns e and f of the rows with line codes 82A111 and 82A112 in the supervisory report No 82A presented in accordance with the MNB Decree on the obligations of money and credit market institutions to report data to the central bank’s information system primarily to enable the Magyar Nemzeti Bank to carry out its supervisory duties;
2. when applying the IFRS, the revenues reported, in columns and b of row with line code PI82A02 in the supervisory report No PI82A presented in accordance with the MNB Decree on the obligations of money and credit market institutions to report data to the central bank’s information system primarily to enable the Magyar Nemzeti Bank to carry out its supervisory duties.

**Table 04: Fraud ratio statistics in the debit turnover of payments in the reporting period**

1. The account-keeping payment service provider shall report in this table the fraud rates calculated on the basis of a 90-day rolling average specified in Commission Delegated Regulation 2018/389/EU of 27 November 2017 supplementing Directive 2015/2366/EU of the European Parliament and of the Council with regard to regulatory technical standards for strong customer authentication and common and secure open standards of communication (hereinafter: SCA Regulation) and the cases when the calculated fraud rate at any of these transaction types exceeds the reference fraud rate specified in the SCA Regulation as a condition of risk-based exemption (hereinafter: reference fraud rate under the SCA Regulation).
2. Instructions for completing the columns:

* column “c”: This column 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 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 reporting entity terminated the application of the exemption based on transaction risk analysis.
* column “d”: This column shall indicate the type of the reported turnover.
* column “e”: This column shall indicate the reference fraud rate applicable to the transaction type under the SCA Regulation.
* column “f”: This column 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. The values shall be specified in values for one unit, with an accuracy of 3 decimal points. 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.