**MNB identification code: P13**

**Methodological manual**

**Data related to payment card turnover**

**I. General instructions**

1. The data of cooperative credit institutions using comprehensive services of banks, as reporting entities, are collected from the system, aggregated and submitted to the MNB in an aggregate form by the reporting entity (bank) operating the system. 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.

2. The codes necessary for filling the form are included in the technical manuals specified in point 4.8 of Annex 3 hereto, published on the MNB’s website.

3. In the tables containing turnovers, 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.

4. Requirements related to reporting the rendering of cross-border services by non-resident reporting entities:

* Table 01: Issuance business: All purchase, cash withdrawal and cash deposit turnovers carried out by payment cards issued by the service provider and the cardholder is resident or headquartered in Hungary shall be reported.
* Table 02: Acceptance business: The reporting shall include all purchase, cash withdrawal and cash deposit turnovers, initiated by cards issued in Hungary or abroad, which
  + were carried out within the framework of the card acquiring service provided by the reporting entity for physical acceptance points located in Hungary,
  + were carried out within the framework of internet-based (card not present) acquiring service provided by the reporting entity for enterprises registered in Hungary,
  + were carried out on ATMs operated by the reporting entity in its capacity as acquirer.

5. Reporting entities providing cross-border payment related services in Hungary are required to apply the code “CROSSB” under the “Type of payment service provider” dimension.

**II. Definitions**

Domestic turnover carried out by card issued in Hungary: of the transactions carried out by the reporting entity’s cards those must be reported here where the country of the transaction is Hungary.

Foreign turnover carried out by card issued in Hungary: of the transactions carried out by the reporting entity’s cards those must be reported here where the country of the transaction is any country other than Hungary.

Debit card (card with debit function): a card linked to the cardholder’s bank account, which enables the holder to withdraw cash or make purchases up to balance of the account subject to the conditions set forth in the contract between the cardholder and the issuer. The amount of each transaction is automatically debited to the payment account of the cardholder. A card with debit function may also be linked to a bank account with overdraft facility. If the debit card also has other functions (e.g. delayed debit), the turnover data must be clearly separated according to the functions.

Debit card (card with debit function) linked to a credit line: a subcategory within the debit cards (card with debit function); a debit card, which is linked to a loan account rather than to a bank account, and the cardholder may withdraw cash or make purchases up to this registered limit. The amount of each transaction is automatically debited to the credit line; there is no interest-free credit period.

Credit card (card with credit function): in accordance with the provisions of the contract between the cardholder and the issuing bank, a card linked to a credit line of a predefined amount, which can be used by the customer for cash withdrawal or purchases up to the amount of the credit line. At the end of the invoicing period (usually one month), the cardholder decides whether to settle the full debt or only part thereof until the deadline specified in the bank statement. The spending is free of interest, if the total debt is repaid by the payment deadline. If the repaid amount is less than the total debt, the interest is charged either on the full debt or on the unsettled part thereof. Interest on the remaining transactions is charged from the value date of those. Cash withdrawals are usually not interest-free, as interest is charged on them from the date of the transaction. If the credit card also has other functions (e.g. delayed debit), the turnover data must be clearly separated according to the functions.

Delayed debit card (charge card): a card linked to a credit line of a predefined amount, in accordance with the provisions of the contract concluded between the cardholder and the issuer. The card may be used for cash withdrawal and purchases. At the end of the invoicing period the cardholder is obliged to settle the full amount of the outstanding debt. If the delayed debit card also has other functions (e.g. debit or credit), the turnover data must be clearly separated according to the functions.

Prepaid card: a card linked to a prepaid amount, which is registered by the issuer on a bank account. The cardholder may use the card for cash withdrawal and/or for payment for goods or services up to the balance of the bank account. This also includes the schemes where the account underlying the card can be topped up as well as those where this is not possible (i.e. the card is only valid until such time as the cardholder fully utilises the amount paid up upon applying for the card). When the prepaid amount is stored on the card, the card must be reported under the cards with electronic money function.

Card with electronic money function: a card that may be used for carrying out electronic money transactions. This includes cards that store electronic money directly as well as those that provide access to electronic money accounts.

Business or corporate card: a card issued to the employees of enterprises and other organisations.

Retail card: a card issued for natural person clients.

Co-branded card: The image of the card features the trademark of the partner in addition to that of the issuing bank, and the underlying reason for the issuance is the joint economic interest of the parties. The issuance of cards with international trademark is also conditional upon the international card company’s authorisation of the scheme as a co-branded product.

Card with contactless payment function: a card, which facilitates data transmission between the POS terminal and the card without direct physical contact (contactless data transmission). In the turnover data of cards with such function the total turnover of the card must be reported by the issuer, not only the contactless payment turnover.

Virtual card: a card that may only be used in internet-based transactions, irrespective of in what form the card data necessary for the execution of the transaction are available to the customers.

Card registered in mobile wallet: a card registered in a mobile phone payment application provided by the card issuer payment provider or by the service provider being in contractual relationship with it, which may be used for payments at physical points of acceptance (by NFC or QR code), and which may be issued in physical form as well.

Novel, innovative POS solutions: smart devices (e.g. mobile phones, tablets) that are able to process payment card transaction processes related to purchase transactions due to a software update. There are 3 solutions in this category: using the communication channel and the display of a smart device, but data transmission (e.g. card chip reading) and PIN entry is done on a separate device (MPOS); PIN entry also on the smart device but data transmission (e.g. card chip reading) on a separate device (SPOS); both data transmission (e.g. card chip reading) and PIN entry on the smart device (Tap-on-Phone). Transactions related to novel, innovative devices shall be reported under the appropriate category and not under the code “POS”.

**III. Detailed requirements for the completion of the tables**

**Table 01: Card turnover transacted in the issuer business in the reporting period**

1. The table shall contain the domestic and foreign turnover carried out by the payment cards issued by the reporting entity.
2. Data to be reported in the individual columns:

* column “a”: This column shall indicate whether the reporting entity is a payment service provider, an e-money issuer not providing payment services, a cross-border service provider, or a credit institution.
* column “b”: This column shall indicate if the payment account belonging to the issued card is kept not by the reporting entity.
  + code “PENZ”: This code shall be used when the reporting entity payment provider issues cards, as a third party provider, linked to payment accounts kept by other payment providers and the transaction is carried out by such card.
  + code “EGYÉB”: This code shall be used when the payment card is issued by the reporting entity payment provider linked to an account kept by it.
  + code “TPP”: This code shall be used when the card linked to the account kept by the reporting entity payment service provider was issued by another – third party – payment service provider, and the transaction is carried out by such card.
* column “c”: This column shall indicate the reference date of the reported data in the case of data related to SZÉP-cards.
* column “d”: This column shall indicate the type of turnover data reported in columns “w” and “x”. The data of the purchase, cash withdrawal, cash deposit, refund and card-to-card turnover relate to the transactions carried out in Hungary and abroad in the reporting period with cards issued by the reporting entity, irrespective of whether the network in terms of the relevant acquiring service is operated by a domestic or foreign payment service provider. If there is a purchase and a cash withdrawal transaction at the same time (cashback), please report the transaction separately using the code combinations KER + POS + VASAR and KER + POS + KPFELV.
  + “VASAR”: Enter all purchases made with a payment card, including account-funding Transactions (AFTs) not initiated by providing the recipient’s card number.
  + “PENZTERH” and “PENZJOV”: For card-to-card transfers, only those transactions that are processed in payment card systems inside (on-us) or outside the bank and are initiated by providing the beneficiary’s card number should be reported here. Other (e.g. fintech) account-funding transactions (AFTs) initiated with a payment card but not by providing the recipient’s card number should not be reported here, but under the code “VASAR”. Report credit transfer orders initiated by payment card in table 01 of the P12 data report.
  + “SZEPKEGY”: The SZÉP-card balances include the data related to the balances available to the cardholders at the end of the reporting quarter, for which solely the value included in column “x” shall be reported.
  + “CHARGEBACK”: Please report here chargeback procedures initiated by customers, irrespective of whether or not they were successful, i.e. whether or not the client received a refund for a contested transaction. Report chargeback procedures for the quarters in which the customer initiated the procedure. All cases when a customer objected to a transaction and submitted a complaint to the reporting entity shall qualify as a chargeback procedure, irrespective of whether an official chargeback procedure has commenced with the involvement of institutions other than the reporting entity.
  + “REVERSAL”: Transactions shall be reported as reversals where the customer was refunded the amount without any customer complaints being received by the bank (e.g. reversal initiated by merchant or reversal due to technical error).
* column “e”: This column shall indicate whether the reported turnover has been carried out in the acquiring network of the foreign payment service provider in Hungary or abroad. If a domestic acquirer directly provides cross-border acquiring service abroad, it is not necessary to report the foreign turnover carried out in such network separately from the domestic network. It must be indicated in the table whether the registered office of the foreign payment service provider is within or outside the European Union. Foreign turnover shall be reported broken down by countries in the case of EU Member States, and in aggregate under code “U9” in the case of other countries.
* column “f”: This column shall indicate the place of the transaction. Where a foreign service provider renders acquiring services in Hungary directly rather than through a branch office or subsidiary, the transaction shall be reported with the code “HU” as a domestic transaction.
* column “g”: This column shall indicate that to the use of which type of service the reported SZÉP-card balance and the turnover of the purchases by SZÉP-card relate.
* column “h”: This column shall indicate the card company codes based on the attached code lists.
* column “i”: This column shall indicate the place of card acceptance in the case of the turnover reported by the reporting entity.
* column “j”: This column shall indicate the acceptance channel. Under the INAPP code report the transactions initiated through the mobile wallet application by cards registered in the mobile wallet, executed in an online environment. Transactions conducted at POS terminals or ATMs with payment cards digitized into a wallet application are not considered to be “INAPP” transactions, these transactions shall be reported under “POS” or “ATM” codes.
* column “k”: shall indicate whether the respective turnover qualifies as remote payment transaction based on point 27a of Section 2 of Act LXXXV of 2009 on the Pursuit of the Business of Payment Services (hereinafter: Payment Services Act).
* column “l”: shall indicate whether strong customer authentication (SCA), specified in point 4a of Section 2 of the Payment Services Act has been carried out upon transaction initiation.
* column “m”: if no strong customer authentication has been carried out in the respective turnover, the reason for omitting that shall be indicated here based on 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
* column “n”: This column shall indicate the breakdown of the turnover by card function. For cards with multiple functions (credit, debit, delayed debit), the turnover data shall be clearly separated by function.
* column “o”: This column shall indicate the method of data transmission in the case of contactless transactions. Namely, the value reported in this column refers to the method of carrying out the transaction rather than to the data transmission capabilities and functions of the card or the mobile payment application. A transaction is deemed contactless, if the NFC data transmission between the POS terminal and the card takes place without a direct physical link. Those contactless card-based mobile payments which use NFC data transmission (code “MOBIL”) shall be indicated separately from the transactions carried out by physical contactless cards. The code “PROXY” shall be indicated in all cases when the data transmission applied to the card payment takes place without direct physical connection, but not with the use of NFC technology (but e.g. by BLE).
* column “p”: shall indicate the limit category in which the reported purchase transaction has been carried out.
* column ‘”q”: This column shall indicate whether the respective turnover has been carried out by a retail or corporate card. Business and corporate cards are those issued for the employees of corporations and other organisations. Retail cards are those issued for private customers. In the case of SZÉP-cards only the retail card code may be applied.
* column “r”: This column shall indicate whether the respective turnover has been carried out by a card issued by a bank or by a co-branded card. Co-branded cards are those the image of which contains the trademark of the partner in addition to that of the issuing bank, and the underlying reason for the issuance is the joint economic interest of the parties. The issuance of cards with international trademark is also conditional upon the international card company’s authorisation of the scheme as a co-branded product.
* column “s”: This column shall indicate whether the transaction was conducted with a payment card registered in mobile wallet application, through the mobile wallet application. This is to indicate the transactions that have been made via a mobile payment application that can also be used for payment at physical points of acceptance (e.g. using NFC or QR code) provided by the card issuer payment service provider or a service provider contracted by the card issuer payment service provider. Online transactions made through these mobile wallets must also be reported as mobile wallet transactions.
  + Transactions submitted using a mobile phone payment application provided by the card issuer payment service provider shall be reported under the “SAJAT” code.
  + Transactions submitted in a mobile phone payment application provided by a contracted partner of the reporting entity shall be reported under the “EGYEB” code.
* column “t”: This column shall indicate whether the card used for carrying out the turnover is a virtual card. Virtual cards are cards that may only be used in internet-based transactions, irrespective of in what form the card data necessary for the execution of the transaction are available to the customers.
* column “u”: This column shall indicate whether the card used for carrying out the turnover has been issued in physical form as well.
* column “v”: shall indicate the type of merchant at which the purchase turnover has been carried out by the card. The code list contains the classification categories applied by MasterCard, VISA, Union PAY and Amex; if during the acceptance of data you wish to apply a newly introduced code not identified in the code list, please contact the staff of the MNB’s Directorate Statistics to register the new code in the data acceptance system. In the case of a temporary absence of a code, the “0000” technical code may be applied.
* column “w”: Show here whether the chargeback procedures reported on the basis of column “d” succeeded, i.e. whether the customer received a refund for the transaction amount objected or not. Report the chargeback procedure in the quarter it has emerged, in this dimension under the “FOLYAMAT” code by default. However, when the chargeback procedure is completed, it must reported again, with a code other than “FOLYAMAT” Accordingly, if the procedure is completed in the same quarter when the customer complaint was received, it shall be reported twice in that quarter, once under the “FOLYAMAT” code and once under a different code. If the procedure is completed later, it shall be reported upon commencement under the “FOLYAMAT” code and later on it shall be reported repeatedly under a code other than “FOLYAMAT”. Apply the “RESZ” code when only a part of the transactions objected by the customer was refunded, and the procedure is closed. A procedure is deemed successful, when the full amount is refunded in response to the customer’s complaint and the procedure is closed. A procedure is deemed unsuccessful when the customer’s complaint has been rejected, i.e. he received no refund, and the procedure has been closed.
* columns “x” and “y”: These columns shall contain the number of card transactions carried out and their value specified in units of forint.

**Table 02: Card turnover transacted in the acceptance business in the reporting period**

1. The reporting shall include the turnover carried out in Hungary by cards issued in Hungary and abroad at cash withdrawal and merchant acceptance points (ATM, POS, imprinter) operated by the reporting entity in Hungary. The data related to the acceptance turnover shall be reported by the reporting entity interested in the acquiring irrespective of whether it uses its own ATM and POS network or that operated by other organisations. Among turnover data, under “Type of turnover and stock” dimension refund transactions shall be reported under the code “REVERSAL”.
2. Data to be reported in the individual columns:

* For the data to be reported in columns “a”, “c”, “d” and “h” to “p”, the definitions described under Table 01 of this data reporting shall be used.
* column “b”: This column shall indicate the currency of the respective cash withdrawal and cash deposit turnover.
* column “f”: This column shall indicate the place of the transaction. Domestic transactions where a foreign (cross-border) service provider directly renders acquiring services in Hungary shall be recorded as domestic turnover with code “HU”. Also indicate here turnover in a Hungarian resident reporting entity’s foreign acquiring network, with the appropriate code, if it provides services directly, rather than via a subsidiary or foreign branch.
* column “g”: This column shall indicate whether the reported turnover has been carried out on payment card POS terminals installed based on the Decree of the Minister of National Economy No 47/2016 (XII. 6.) on the Subsidy provided to increase the number of POS terminals (MNE Decree). Namely, the payment providers rendering card acceptance services shall report separately the turnover related to terminals for the installation of which they received state subsidy due to their compliance with the conditions set forth in the MNE Decree.
* column ”q”: This column shall indicate the place where the card used for the respective transaction (including purchases, cash deposits as well as cash withdrawals) was issued. In the case of on-us transactions it shall be indicated if the card used in the transaction has been issued by the reporting entity.
* column “r”: indicate here the type of merchant at which the purchase turnover was carried out with the card. The code list contains the classification categories applied by MasterCard, VISA, Union PAY and Amex; if during the acceptance of data, you wish to apply a newly introduced code not identified in the code list, please contact the staff of the MNB’s Directorate Statistics to register the new code in the data acceptance system. In the case of a temporary absence of a code, the “0000” technical code may be applied.
* columns “s” and “t”: These columns shall contain the number of card transactions carried out and their value specified in units of forint. The turnover data shall also contain the on-us items. When identifying the turnover data, the date of processing the transaction shall be taken into consideration.