

Secure Credential Framework Will Be Expanded in Europe

Europe | Acquirers, Issuers

Visa Network



Overview: Visa will expand the Secure Credential Framework to acquirers to continue to improve e-commerce payment experiences in Europe, effective October 2023. Visa is also revising the existing issuer token provisioning performance rule, and an integrity fee will be effective from April 2023.

Visa's vision for the future of digital payments is an ecosystem of high-quality cardholder credentials resulting in digital commerce performance that is closer to that of face-to-face chip transactions: lower fraud, higher authorization rates and improved consumer experience. As more consumers rely on online shopping, this vision has never been more important.

Secure Credential Framework Background

Visa's Secure Credential Framework (SCF), which launched in April 2022, is a balanced package of measures and related rules to improve support for Visa EMV® Payment Tokens used in a card-not-present (CNP)¹ environment and encourage the adoption and usage of Visa EMV Payment Tokens by merchants for e-commerce transactions.

The framework is designed to help:

- Increase security in the e-commerce payment ecosystem via wider use of Visa CNP EMV Payment Tokens
- Reduce fraud within the CNP payment ecosystem
- Ensure the availability of Visa EMV Payment Tokens when requested, by setting issuer performance requirements for token availability and updated credentials

¹ CNP transactions are all transactions other than card-present transactions.

SCF Acquirer Requirements

The framework announced in other Visa regions is expanding to Europe to help encourage the faster adoption of more secure payment credentials due to their superior performance in helping improve authorization rates and reduce fraud.

Effective 1 October 2023, Visa will introduce a new acquirer behavioral fee for domestic and intraregional e-commerce primary account number (PAN)-approved authorizations processed without Visa EMV Payment Tokens. The new fee

Mark Your Calendar:

- New issuer Token Provisioning Performance Integrity fee (**1 April 2023**)
- Secure Credential Framework acquirer behavioral fee effective (**1 October 2023**)

aims to help improve e-commerce authorization rates, reduce fraud and bolster security at a time when fraudsters are increasingly targeting digital and e-commerce channels. Incentivizing greater token adoption, by introducing differentiated pricing to reflect the higher risk associated with non-authenticated PAN transactions, is one of the many steps Visa is taking to scale higher quality payment credentials for the betterment of the ecosystem.

Fee	In Scope	Out of Scope	Rate	Effective Date
Acquirer Secure Credential CNP Behavioral Fee	All domestic or intraregional CNP PAN authorization approvals processed without Visa EMV Payment Tokens or Visa Secure	All domestic or intraregional CNP authorization approvals that are processed: <ul style="list-style-type: none">Using Visa EMV Payment TokensUsing Visa SecureWith a merchant location in Turkey or France²	2.5 bps per transaction	1 October 2023

² France will be in scope beginning October 2024.

Guidance to Acquirers

Visa recommends acquirers use the time prior to 1 October 2023 to:

- Consider which transactions and merchants are impacted by this fee and how increasing usage of Visa EMV Payment Tokens will help reduce the impact
- Work with merchants to tokenize card-on-file (COF) credentials and encourage the continued use of approved / provisioned token credentials. It is strongly recommended that clients with large volumes of COF credentials contact their Visa Account Manager to plan their PAN-to-token migration strategy.
- Tokenize, or authenticate via Visa Secure, PAN-based authorization requests, including those requesting an exemption to the strong customer authentication (SCA) regulation. This may help acquirers benefit from increased security, higher approvals and reduced fraud, as well as limit the impact of the behavioral fee.
- Engage with Visa to discuss the transition to token authentication with the Digital Authentication Framework (DAF) for low-risk merchants, which will benefit from greater user experience control and authenticated credentials

SCF Issuer Requirements: Reminders and Updates

As announced in April 2021, the SCF framework introduced requirements for issuers to:

- Ensure every card can be tokenized.** A Visa Token Service (VTS) Active Issuer Participant must ensure that all Bank Identification Numbers (BINs) are enabled in VTS for CNP environment transactions.
- Ensure that a token is provided on request.** All VTS Active Issuer Participants are required to meet a minimum issuer provisioning rate performance standard for Visa EMV Payment Tokens used exclusively in a CNP environment.
 - Revision to the token provisioning performance rule:** To ensure that minimum performance levels are maintained at an issuing BIN level, **effective 1 April 2023**, the minimum provisioning performance standard will be assessed at a BIN level rather than a Business Identification (BID) number level. A minimum provisioning performance integrity fee will be assessed for active token participants that do not meet the minimum provisioning rate on BINs enabled for CNP tokens.

- **Ensure credentials are kept up to date.** As announced previously, the Active Expired Data Fee for out-of-date credentials in Visa Account Updater (VAU) will additionally include cards stored in VTS.

Refer to the table below for further details on the updated issuer performance requirements.

Requirement	Details	Effective Date
Minimum provisioning standard for active token participants (Update)	<p>The Visa Rules requires issuers to meet a minimum provisioning performance standard for Visa EMV Payment Tokens for e-commerce transactions (credential-on-file and e-commerce enabler tokens only) to ensure that all token requestor requests for a token are properly evaluated by an issuer and a token is provided where the request is valid (ID#: 0029515).</p> <p>The standard will change from assessment at a BID number level to assessment at a BIN level.</p> <ul style="list-style-type: none"> • The minimum provisioning rate target will be set at 90%, calculated at a BIN level on a monthly basis. • A fee of USD 2,500 per month will be assessed per BIN for active BINs not meeting the 90% successful provisioning rate threshold. • Fees will be capped at USD 50,000 per month per licensee BID. <p>Provisioning performance is measured over a three-month rolling period and determined by the number of successfully provisioned token requests divided by the total number of provisioning requests received on valid cards. Valid cards are cards that have seen valid transaction activity in the three months prior to the provisioning request.³</p>	1 April 2023
BIN Enablement in VTS (Reminder)	A VTS Active Issuer Participant must ensure that all BINs are enabled in VTS for card-absent (CNP) environment transactions (Visa Rules ID#: 0029515).	1 April 2022
Active Expired Data Fee—VAU (Reminder)	<ul style="list-style-type: none"> • A fee of USD 0.10 will be assessed on all out-of-date credentials that are stored in VAU. The charge will be levied if the number of out-of-date credentials in VAU exceeds 5,000. • These fees will be assessed per issuer BID and billed quarterly in arrears based on the number of out-of-date credentials in the final month of the quarter to be billed. • These fees will increase to USD 0.15 per out-of-date credential in April 2023 and USD 0.20 per out-of-date credential in April 2024. 	1 April 2022
Active Expired Data Fee—VTS (Reminder)	<ul style="list-style-type: none"> • A fee of USD 0.15⁴ will be assessed on all out-of-date credentials that are stored in VTS. The charge will be assessed if the number of out-of-date credentials in VTS exceeds 5,000. • These fees will be assessed per issuer BID and billed quarterly in arrears based on the number of out-of-date credentials in the final month of the quarter to be billed. • These fees will increase to USD 0.20 per out-of-date credential in April 2024. 	1 April 2023

³ Monthly provisioning performance takes into consideration the three-month aggregation of token provisioning requests, i.e., the current month plus the previous two months (e.g., provisioning performance for the month of April will be determined by total number of requests received in February, March and April) to normalize performance fluctuations.

⁴ Because the implementation date for this fee was delayed to 1 April 2023, it is effective with the second-year rate of USD 0.15.

Additional Resources

Advance Copy of the Visa Rules

The advance copy of the upcoming Visa Rules illustrates the associated rule changes that will be reflected in the next edition of the publication. If there are any differences between the published version of the rules and this advance copy, the published version of the rules will prevail. The advance copy is not available for agents.

- [Expanding the Secure Credential Framework in Europe \(Advance Copy\)](#)
- [Expanding the Secure Credential Framework in Europe \(Advance Copy\)](#) (V PAY—Europe only)

Documents & Publications

["VTS Provisioning Volume Increases; Extension of ECI 05 Classification for HCE Token Transactions Outside of Digital Authentication Framework,"](#) *Visa Business News*, 24 March 2022

["Secure Credential Framework Update and Reminders,"](#) *Visa Business News*, 24 March 2022

["Launch of Digital Authentication Framework in Europe,"](#) *Visa Business News*, 16 September 2021

["E-Commerce Changes for Issuers and Acquirers Will Be Introduced,"](#) *Visa Business News*, 22 April 2021

Online Resources

More information and documentation on VTS can be found on the [Visa Token Service Resources](#) page at Visa Online.

More information and documentation on Visa Secure can be found on the [Visa Secure Resources](#) page at Visa Online.

Note: For Visa Online resources, you will be prompted to log in.

For More Information

Contact Visa customer support on your country-specific number, or email CustomerSupport@visa.com.

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