



AN 7831 Introducing M/Chip Deployment Performance Program for Select Countries in the Europe Region

Type:

Bulletin announcement

Category:

Pricing/Fees

Audience:

Acquirer

Processor

Country or Territory:

Select countries in the Europe region

Brand:

Mastercard®

Debit Mastercard®

Maestro®

Product or service:

Chip and Contactless Specifications

Action indicator:

Attention warranted (program/service-related)

Financial impact

System:

Authorization

Mastercard Consolidated Billing System

Single Message System

Published:

23 May 2023

Effective:

1 February 2024

10 March 2024

Executive overview

Mastercard is introducing a new Transaction Processing Excellence (TPE) program to monitor M/Chip deployment performance. Acquirers are assessed a fee under this program whenever a chip acceptance device, also known as point-of-sale terminal or terminal, is identified as being responsible for chip technology failure. Chip technology can provide major fraud prevention benefits to customers, but these benefits must not be at the expense of reliable acceptance.

Effective date details

Date	Details
1 February 2024	M/Chip Deployment Performance Program pricing becomes effective.
10 March 2024	First billing

What Mastercard is doing

Mastercard is introducing the M/Chip Deployment Performance Program. Under this program, Mastercard will assess acquirers in Europe, on a recurring 30-day period, a per-terminal fee for devices deemed to have an implementation issue causing technology failure.

Mastercard has identified various reasons that can cause terminals to become deficient, potentially resulting in a security risk to Mastercard's ecosystem and its issuers.

Background

The purpose of TPE programs is to identify unfavorable transaction processing behavior and drive positive behavior change, resulting in a more seamless network experience for all parties involved.

Version history

Date	Description of change
23 May 2023	Initial publication date

Applicable countries

This announcement applies to customers in the following countries.

- Albania
- Andorra
- Austria
- Belgium
- Bosnia and Herzegovina
- Bulgaria
- Croatia
- Cyprus
- Czech Republic
- Denmark
- Estonia
- Finland
- France
- Germany
- Gibraltar
- Greece
- Hungary
- Iceland
- Ireland
- Israel
- Italy
- Jersey
- Kosovo
- Latvia
- Liechtenstein
- Lithuania
- Luxembourg
- Macedonia
- Malta
- Monaco
- Montenegro
- Netherlands
- Norway
- Poland
- Portugal
- Romania
- San Marino
- Serbia
- Slovakia
- Slovenia
- Spain
- Sweden
- Switzerland
- United Kingdom
- Vatican City

Overview

Mastercard creates materials and programs to help customers remain compatible with the fast-emerging payment technologies. Not regularly ensuring that point-of-sale devices are up to date can prevent the adoption of new technologies (like biometric authentication). Out-of-date terminals lead to card authentication failures which poses a serious security threat to the payment ecosystem. The underlying source of these issues can be for various reasons ranging from bad configuration of cryptographic parameters to incorrect deployment.

Mastercard is consistently working with acquirers to identify deficient terminals and remedy the problems, however, some terminals continue to exhibit vulnerabilities, which can also lead to a negative customer experience, security-related issues, and may hinder the migration to digital.

Acquirer impact

Acquirers should identify the impacted terminals in the available reporting and take action to update or replace the terminals assessed through this program. Recommended actions will be communicated in a field called Sub Program Indicator in the AB605010-FF and AB605010-AA reports with the following values:

- C = Update Payment System Public Keys (PSPKs) in Combined Dynamic Data Authentication (CDA) supporting terminals
- K = Upgrade software kernel to V3.x reader
- P = Update Payment System Public Keys (PSPKs) in CDA supporting terminals and upgrade software kernel to V3.x reader

Mastercard will publish a separate announcement detailing enhancements to the Transaction Processing Excellence Acquirer Detail report (AB605010-AA and AB605010-FF) about the inclusion of these new fields and values.

Enhancements to Support the M/Chip Deployment Performance Program

Mastercard will assess acquirers a per-terminal fee on a recurring 30-day period for terminals determined to be improperly configured and resulting in a technology failure. Mastercard will also notify the acquirers which terminals were found to be deficient and recommend remediation actions to solve the problem. In order to support this program, Mastercard will make the following two enhancements to existing tools to help customers.

Transaction Processing Excellence Dashboard Modifications

Mastercard will update the TPE dashboard currently available to all acquirers through Mastercard Connect™ to incorporate summarized trends and drilled-down views for the M/Chip Deployment Performance Program.

To request access to the TPE dashboard, follow the steps provided in AN 6273 (refer to Related documentation section).

Authorization Transaction Processing Excellence Detail Report Modifications

Mastercard will update the Transaction Processing Excellence Acquirer Detail report (AB605010-AA and AB605010-FF) to include the terminal information and a sub program indicator to highlight the recommendations suggested for each terminal, as listed above. The AB605010-AA report is available in image format using bulk file (T852) or through Operational Reports within Mastercard Connect. The AB605010-FF report is available in data format using bulk file (TKR8).

Billing and pricing information

Refer to the following table for the billing information. Rates are assessed for the number of identified deficient terminals.

Billing / Tier event number	Billing event name	Service ID	Rate 1 February 2024	Rate 1 January 2025	Rate 1 January 2026
2PI2015, TPI2015	M/Chip Deployment Performance Program	P4	EUR 5	EUR 8	EUR 12

There will be no assessment for 25 or fewer deficient terminals per MCE group.

The minimum charge is EUR 1,000 per MCE group per billing cycle.

The maximum charge is assessed per MCE group per billing cycle as provided in the following table.

Billing / Tier event number	Billing event name	Service ID	Max fee	Max fee	Max fee
			1 February 2024	1 January 2025	1 January 2026
2PI2015, TPI2015	M/Chip Deployment Performance Program	P4	EUR 50,000	EUR 75,000	EUR 90,000

Billing occurs on applicable Sundays for the previous 30 days. A billing calendar is available on the TPE dashboard which indicates the applicable Sundays for billing and the respective 30-day period covered.

Related documentation

- AN 6273 Announcing the Availability of Transaction Processing Excellence Dashboard in the Europe Region
- AN 6866 Updated Payment System Public Keys for M/Chip
- *M/Chip Requirements for Contact and Contactless*
- *Security Guidelines for Chip, Contactless, and Tokenized Transactions*

Questions

Customers with questions about the information in this announcement should contact Global Customer Service using the contact information on the Technical Resource Center.