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L’iniziativa EPA / IPIPS
International Parking Industries Payment Standards
Why do we need an e-payment initiative?

• Complex technical problems in each member country

• The high cost of card payment processing

• Lack of interoperability
Strategic objectives:

1. Promote a good understanding of the e-payment processes

2. Develop a “VOICE” for the parking industry

3. Develop a payment standard for the parking industry

4. Promote adoption of the standard by operators and other stakeholders
The e-Payments Working Group:

- Brings together parking industry experts
- Is advised and led by a payment industry expert
- Has created ‘use cases’
- Has achieved the first 3 strategic objectives
Objective 1: Promoting Understanding

The card payment industry is:

- Complex
- Highly regulated
- Technical
- Constantly changing
The European Parking Industry Payments Landscape:
A white paper to help operators understand the e-payment (card) ecosystem:

- Summarises the interplay of forces in action in the payment world
- Highlights the regulatory and security demands
- Highlights the need for a “parking standard”
- Briefly describes the IPIPS standard
- Addresses new payment methods
Promoting Understanding

The issuing domain contains generally only back-office processes.

The acquiring domain contains both front-office processes and back-office processes.

ISSUING DOMAIN

1. Consumer provides card as payment
2. Acquiring bank reimburses merchant for the transaction amount less:
   - The fee withheld by the card issuer
   - A fee to cover its own costs and margin
3. ONLINE: Merchant enters card in POS to obtain authorization from its “acquiring” bank
4. Offline: Bank pulls merchant transaction at end of period
5. Issuing bank “settles” by paying DIO/LCSN the amount of the transaction, less a fee it retains for providing the service
6. DIO/LCSN identifies bank that issued the card and routes the transaction voucher to them (INCOMING)
7. DIO & LCSN
8. Customer is debited immediately or at the end of the period
9. Later... Same day processing, issuing banks debits its customers for full amount of transaction

ACQUIRING DOMAIN

Merchants

Cardholders

Issuer

3rd Party Processor

Guarantee

Outgoing

Incoming

IPIPS Update
Objective 2: Developing a Voice

The e-Payments Working Group has:

• Started a debate about Payments and Standards

• Held discussions with VISA & Payment industry (suppliers)

• Gained recognition of the needs of the parking industry

• A place on the European Payments Council
Objective 3: The need for Standards

A fully developed payment standard can help operators move confidently into the future:

<table>
<thead>
<tr>
<th>Issue</th>
<th>Opportunity</th>
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<tbody>
<tr>
<td><strong>In car payment</strong></td>
<td>Standard payment interfaces ensure cars can pay at majority of car parks</td>
</tr>
<tr>
<td>Aggregators/3rd party apps</td>
<td>Standards will allow car parks to receive payments easily &amp; ensure maximum choice</td>
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<tr>
<td><strong>Pay by mobile expansion</strong></td>
<td>Pay by mobile/app providers will be able to pay for their customers at most car parks (IPIPS will enable operators to accept payments from any payment provider)</td>
</tr>
<tr>
<td>Multi Modal journey planners</td>
<td>Operators will be able to accept payments from any planner app</td>
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The IPIPS Standard

• A development of IFSF existing standards & protocols
• Adapted to the use cases for parking
• Introduced in an “industry friendly” way
• Agreement with European Vending Association to adopt existing physical standards
• Ongoing work with IFSF
IPIPS: Connecting parking & payment

Off Street

Diagram showing the connection between parking equipment, payment terminals, and payment processing through the IPIPS system.

Key:
- IPIPS Protocols
- Parking System Network
IPIPS: Connecting parking & payment

On Street

Parking Equipment

Payment Terminals

Payment Processing

IPIPS

IFSF Protocols

Authorisation Server

Acquirer (Bank)

Card Schemes (Visa, MC, Amex etc)
Objective 4: Promoting adoption of the standard

The standard must be used if it is to be successful:

- Raising the profile with national associations:
- Piloting the standards
- Speaking at conferences and events
Work on developing standards continues:

- Standards for mobile payment (ie “cashless”, app payment)
- Standards for Tokenisation
- Standards for exchanging parking data
GRAZIE