



OFFICE OF THE GOVERNOR

CIRCULAR NO. 1055

Series of 2019

Subject: Adoption of a National Quick Response (QR) Code Standard

The Monetary Board, in its Resolution No. 1563 dated 10 October 2019, approved the adoption of a National Quick Response (QR) Code Standard.

Section 1. The following Sections shall be created in the Manual of Regulations for Payment Systems:

Part 8 Payment System Standards

A. Adoption of a National Quick Response (QR) Code Standard

Section 801. Policy Statement. In line with its thrust of ensuring the safety, efficiency, and reliability of payment systems in support of inclusive economic growth, the Bangko Sentral requires the adoption of a National QR Code Standard.

Section 802. Adoption of a National QR Code Standard. The adoption of this standard shall conform to the following guidelines:

a. The National QR Code Standard shall be established through a collaborative undertaking where the Payment System Management Body¹ (PSMB) takes the lead in a consultative exercise involving the Payment Service Providers² (PSPs), operators of payment systems, and Automated Clearing House (ACH) participants.

(1) The PSMB shall, at the minimum, consider the following principles in approving the National QR Code Standard:

(a) Interoperability to allow acceptance of multiple payment schemes through the National QR Code;

(b) Simplicity to encourage usage of QR-enabled payment and financial services; and

(c) Accessibility where an open infrastructure is adopted to facilitate the acceptance of payments from various transaction accounts.

The PSMB shall approve the National QR Code Standard and inform the Bangko Sentral of the approved Standard within ten (10) calendar days

¹ The Philippine Payments Management, Inc. (PPMI) is the PSMB in the Philippines.

² PSPs are entities that provide payment and financial services to end users. These entities include banks and non-bank electronic money issuers.

from the date of approval or from the effectivity of this regulation, as applicable.

- (2) The PSPs shall adopt the National QR Code Standard approved by the PSMB, within thirty (30) calendar days from the date the PSMB notified the BSP of said approval.
- (3) The National QR Code Standard shall be aligned with the globally-recognized standard to support interoperability not only on a domestic but also on broader regional or global scale.
- (4) To build public trust, the PSPs shall give utmost priority to the safety of the payers and the payees making use of QR-enabled payment and financial services.
- (5) The PSPs shall ensure that QR-enabled payment and financial services are accorded appropriate treatment in the determination of applicable fees.
- (6) The PSPs shall ensure that the threats and vulnerabilities arising from their QR-enabled payment and financial services are identified, measured, monitored, and controlled accordingly.
- (7) The PSMB shall maintain the document which contains among other information, the following details on the National QR Code Standard:
 - (a) National QR Code specifications, such as the prescribed structure and design of merchant-presented and customer-presented QR and the conventions that apply to both of these modes;
 - (b) Technical operating guidelines on the use of the standard;
 - (c) Flow of settlement between the PSPs; and
 - (d) Minimum security features and functionalities of QR-enabled payment and financial services.

Upon request by the Bangko Sentral, the PSMB shall make this document available for review. The PSMB shall also inform the BSP of changes to this document not later than 10 days after the approval of the changes by the PSMB Board.

B. Supervisory Enforcement Action

Section 803. Supervisory Enforcement Action. The Bangko Sentral may deploy enforcement actions to ensure compliance with the provisions of Part 8 of the Manual of Regulations for Payment Systems. Any violation shall subject the PSPs and/or its

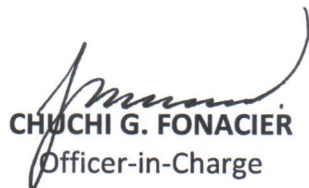
directors, officers, and/or employees to the sanctions set forth in Section 37 of R.A.No. 7653, as amended, and Section 19 of R.A. No. 11127, as applicable.

Section 2. The following transitory provision shall be included as footnote to Section 802 above on the Adoption of a National QR Code Standard.

The PSPs that have deployed QR codes which are not compliant with the National Standard shall be allowed to transition towards full compliance until 30 June 2020.

Section 3. This Circular shall take effect fifteen (15) calendar days following its publication either in the Official Gazette or in a newspaper of general circulation.

FOR THE MONETARY BOARD:


CHUCHI G. FONACIER
Officer-in-Charge

17 October 2019