

EPIF welcomes the European Commission proposal on the PSD3/PSR

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EPIF very much welcomes the new payments package proposed by the European Commission, with the revision of the Payment Services Directive (PSD3) and a new Payment Services Regulation (PSR).

Our members are very happy to see a number of important provisions in the new proposals. Notably,

- The move towards a **Single Rulebook**, that will allow to further deepen the EU's single market for payments and reduce divergences in national implementation;
- Introduction of a **targeted amendment to the Settlement Finality Directive (SFD)**, which will improve the level playing field between the bank and non-bank payment sector;
- The possibility for **safeguarding accounts** and a reinforcement of **de-risking provisions**, that will ensure a smoother provision of services by non-bank payment providers across the Union;
- Incremental improvements in the PSR in relation to **Strong Customer Authentication (SCA)** through the recognition that the relevant Regulatory Technical Standards (RTSs) need to account for technological neutrality;
- The **facilitation of data sharing for fraud prevention purposes** and the recital reference to environmental and behavioral characteristics are also very much welcomed; and
- The improvement of the Open Banking framework with the introduction of performance criteria for the provision of APIs.

Notwithstanding, EPIF stands ready to collaborate with the co-legislators in order to improve a number of elements. This relates mostly to:

- Ensuring that the **reauthorization process** that will have to take place from the repeal of the two Directives is as **smooth as possible** for both payment institutions (PIs) and supervisors.
- Our members note the **reevaluation of surcharging impacts** by the European Commission 5 years following the entry into force of the proposal. We continue to urge the European Commission to **ban surcharging altogether under the PSR**.

Elie Beyrouthy, EPIF Chair, commented: "EPIF welcomes these important legislative proposals that reflect the evolving landscape of the European payments market. EPIF grew out of the original PSD and our membership now represents 12 different payment models and represents about 40% of the EU payments market of non-bank payments. We are particularly excited about the possibility of giving our members direct access to the central banks' payment system and look forward to working with the European Commission, European Parliament and Member States in finalizing this legislation."

EPIF represents a wide range of traditional and innovative payment solutions and providers. What all of our thirteen business models have in common is that they do not require a bank account to carry out

payments. Examples include direct remittances, independent card networks and card payment providers, electronic money and wallets, as well as independent foreign exchange providers. We represent about 25% of the EU's overall payment market.

For any questions regarding the EPIF position on the PSD3/PSR, please contact Nickolas Reinhardt (nickolas.reinhardt@aforeconsulting.eu) or Andreia Jones Rodrigues (andreia.jones.rodrigues@aforeconsulting.eu) at the EPIF Secretariat.