PSD2 review

(scope, process, timeline)
Scope

- Review clause in Second Payment Services Directive (PSD2)
- Retail Payment Strategy of 24 September 2020 announced a “comprehensive review of the application and impact of PSD2”
- Some expected fields subject to review:
  - The payments market and its evolution, e.g. emerging new actors and new products
  - Whether the scope, definitions and supervisory framework are still appropriate
  - Lessons on the implementation of access to payment accounts in view of enhancing open banking
  - Thorough consideration of consumer protection issues, e.g. regarding transparency and liability requirements as well as security/protection against fraud (Strong Customer Authentication)
- Council welcomed a comprehensive review in its Conclusions from 22 March 2021
A backward-looking evaluation on the application and impact of the existing rules and a forward-looking assessment on a possible revision of PSD2

The review is based on three main blocks:

- External study: gathering legal and economic evidence on the application and impact of PSD2 and identifying areas where amendments might be appropriate
- EBA call for technical advice: addressing specific questions related to supervisory experiences e.g. regarding Strong Customer Authentication, harmonised enforcement
- Public consultation: seeking input from a broader audience

Report to the co-legislator on the review, and, if appropriate, a proposal for a possible revision of PSD2
Timeline (indicative)

Oct '21 - Jun '22
• Call for technical advice EBA

Jan/Feb '22
• Call for evidence

Q1 '22
• Public consultation

Q1- Q3 '22
• External study

Q3- Q4 '22
• Finalise PSD2 review report

Q1 '23
• If appropriate, legislative proposal

Result: Review report/legislative proposal
Discuss: recent innovations/remaining obstacles

➢ To what extent do you consider

  • *That the PSD2 has supported innovation in payments?*

  • *That market developments require amendments to the PSD2 and if so which ones?*
Thank you