



Mr José Manuel Campa
Chairperson
European Banking Authority
DEFENSE 4 - EUROPLAZA
20 Avenue André Prothin
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10 October 2019

Dear Chair,

Payment Services Directive: Strong Customer Authentication

I write to you regarding the implementation of the Strong Customer Authentication (SCA) requirements of the Payments Services Directive (PSD2) for online card payments.

BusinessEurope supports the overall objective of SCA to reduce fraud and enhance the security of online payments and welcomes the European Banking Authority's decision to allow national competent authorities to set their own implementation periods.

The EBA's decision to provide additional time to roll out these requirements will help prevent disruption in online payments caused by consumers being unable to complete their transactions and will avoid harmful loss of revenue for merchants. It will also help participants in the payment chain (including service providers, banks, retailers and merchants) get ready to use these new requirements.

In order to create a truly digital, cross-border market across Europe, SCA rules will need to have a unified final implementation date to ensure participants in the payment chain and consumers do not face disruption. National competent authorities need legal certainty as regards their obligations under the Directive. In this context, we believe that the European Banking Authority should grant an EU-wide extension of 18 months to avoid fragmentation and disruption in online payments. Such an extension would, in our view, be enough for all participant in the payment chain to fully implement the SCA requirements, provide the necessary clarity and legal certainty, and avoid any harmful fragmentation of the market.

We hope that you share these concerns and remain at your disposal should you wish to discuss this further.

Yours sincerely,

Markus J. Beyrer