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Directorate-General for Financial Stability, Financial Services and
Capital Markets Union
European Commission
1049 Brussels/Brussel
Belgium
Via e-mail + online portal for public consultation

TARGETED CONSULTATION ON THE REVIEW OF PSD2

10 MAY 2022 – 5 JULY 2022

TRANSPARENCY REGISTER NUMBER :

257888538969-50

Dear Commissioner McGuinness,

Worldline welcomes the opportunity to contribute to your Targeted Consultation on the review of the revised payment services Directive (PSD2).

Worldline is the European leader in the payments and transactional services industry, the technology partner for merchants, banks and others PSPs with over 15,000 employees in more than 50 countries.

Since 2015, Worldline is deeply engaged in the implementation of the PSD2 and we decided to become Third Party Provider respectively for AIS and PIS with a license granted by the National Bank of Belgium and passported in several European countries Europe. Furthermore, we enabled over 30 ASPSP to be compliant with PSD2 by connecting their systems with our digital platform to provide API to TPP. As Europe's biggest PSP we activated SCA for over around 250,000 e-merchants (for around 2.5 Bn transactions yearly) and we also supply our SCA solution to around 100 issuers across Europe. In addition we developed the first solution for SCA in the market based on internet browsers, so that no user is left behind nor excluded from online payment services.

If we follow the structure of the targeted consultation, we do agree that that PSD2 has undeniably been a tremendous boost for innovation in payments. Numerous players have emerged, security solutions have been perfected and exchange protocols have evolved towards new standards. However, the complexity and fragmentation of implementation has limited the expected benefits of these innovations.

Payment is an industry based on trust, and standards contribute to this trust. However, today, the diversity of APIs outside of any homogeneous governance means that practices condemned by PSD2, such as web scraping, are still being used in some areas. This point deserves particular attention in the review.

In addition to a free access, players should have been motivated to add additional APIs in order to have an actual benefit on the end-users as well as a business model on the providers

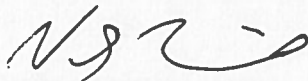
. In the end, ASPSPs were slow to allow access to the payment account and this slowed down the supply of TPPs. This is still the case today.. Concerning the AIS service, which was initially designed to aggregate bank accounts, it seems that the benefit of AIS is somewhat limited, and it would make sense to broaden it into Open Finance in order to have a significant benefit on the user.

Security was a fundamental point of PSD2, and we can say that the objective of reducing fraud on e-commerce transactions through SCA has been achieved. Nevertheless, the superposition of very different implementation schedules has led the players to invest massively in both human resources and degraded solutions, the time needed for everyone to come together. In the future, it will be necessary to improve synchronisation of the publication of the various texts inherent to a subject as sensitive as the security of payment transactions. The barrier between sometimes optional and sometimes mandatory recommendations has also been detrimental to the proper implementation of the texts. The importance of definitions cannot be overemphasised. Finally, we cannot stress enough that security has a cost and that this cost must be shared by the entire value chain, even if SCA is a preventive measure.

We would like to see the emergence of an adequate status for pan-European global players by introducing a consolidated group supervisory. A bit like the way it is managed in the banking industry where the notion of Group exists.

In line with this equal treatment, we would like to draw the Commission's attention to the importance of access to settlement systems. Today, payment and e-money institutions must go through direct participants, i.e. banks, only to settle their customers' transactions. This intermediation has a cost that affects the PIS service in particular. In the future, when instant transfers and future digital currencies become the norm, it is essential that fair rules apply. On this point, we must once again avoid a discrepancy in the timetable between a regulatory package on instant transfers expected by the end of 2022 and a new version of the Settlement Finality Directive which is slow in coming into force.

Worldline is a strong supporter of the innovation that founding texts like PSD2 can bring. And we support the Commission's strategy to revise this text. You will find the details of our answers to your questions in the interface provided for this purpose and we remain at your entire disposal for any further information.



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