



Position Paper

on the PSD2 Evaluation

July 2022

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The cooperative's range of products and services encompasses the fields of accounting, personnel management, taxes, enterprise resource planning (ERP), IT services, IT security, training and consultancy.

Via our 40,000 members, the cooperative continuously improves the business processes of 2.5 million companies (most of them SMEs), municipalities and institutions.

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DATEV eG welcomes the opportunity to provide feedback in course of the evaluation process of the revised Payment Services Directive (PSD2). The PSD2 has many implications for our accounting solutions that use payment initiation and account information services. While there is some potential for improvement in the context of PSD2, most **shortcomings** can be **remedied** to a large extent **without** a **revision** of the directive by **aligning** the **Regulatory Technical Standards** on Strong Customer Authentication and common and secure communication under Article 98 of PSD2 with today's market requirements.

Additionally, the provisions of PSD2 have only recently become fully effective. Therefore, it is too early to assess the full impact on the market and further evaluation is necessary.

1. SMEs must be given greater consideration.

The PSD2 is mainly targeted to strengthen rights and opportunities of consumers. However, the rules also apply to SMEs. This poses challenges, as the rules did not pay full considerations to the potential impact on SMEs. In order to address the specific **challenges SMEs face**, we suggest considering the following aspects:

- PSD2 foresees that the Account Servicing Payment Service Provider performs a **Strong Customer Authentication** (SCA) every time the user accesses its payment account online through an Account Information Service Provider (AISP). There is an optional exemption to only conduct the SCA every 90 days, which is not used consistently.

In practice, the SCA in its current form prevents automation of business processes and has not yet been able to unleash its full potential. For example, when trusted third parties, such as tax advisors, need to access a company's account through an AISP (e.g., for accounting purposes) and have been authorized to do so by the client company, then this is today unnecessarily hindered by SCA.

To address this shortcoming the EU Commission should propose changes that require **SCA for AISPs only** when a customer uses an AISP for the **first time**. SCA, either at each access or every 90 days, should be removed for AISPs. At minimum, the time frame required for the SCA should be expanded to **180 days**, as suggested by the EBA.¹ Alternatively, there could be **risk-based approach**, where the **payment service user decides** on his/her own risk to deny further SCAs, when there was an initial successful SCA.

- **Consequential digitisation through high data quality.** In Germany, there are mandatory documentation requirements regarding account information. These are part of the current accounting standards (*"Grundsätze zur ordnungsmäßigen Führung und Aufbewahrung von Büchern, Aufzeichnungen und Unterlagen in elektronischer*

¹ European Banking Authority (2021), *EBA consults on the amendment to its technical standards on strong customer authentication and secure communication in relation to the 90-day exemption for account access*. Available at: <https://www.eba.europa.eu/eba-consults-amendment-its-technical-standards-strong-customer-authentication-and-secure> (Accessed: 27.06.2022).

Form" (GoBD)) and support both paper-based and electronic archiving given a certain data quality. The low data quality of electronic account information currently provided, which differs from that of paper-based bank statements, hinders companies from electronic archiving. The missing data quality does not only pose a major obstacle to digitisation but undermines the objective of PSD2. The electronic account information should be accessible through APIs in machine-readable format and the quality of the data should be at least as high as that of paper-based account statements. Furthermore, electronic account information should be regarded as legally sufficient. This could be addressed in a future revision of PSD2.

2. Standardised interfaces and data fields for the exchange of information are key for a successful payment market.

The basic prerequisite for data exchange is the standardisation of interfaces. Regarding the PSD2, there is a multitude of **Access to Account (XS2A) interfaces**. This leads to a considerable implementation effort, which results in prohibitive costs, especially for SMEs. For effective payment transactions and the processes based on them, the proliferation of different APIs must stop. The Berlin Group has developed the quasi-standard "NextGenPSD2".

- We call on the EU Commission to adopt **NextGenPSD2** as a **binding standard** for the XS2A interfaces.

In order to be able to cover all use cases of payment transactions in one format, the standard must in future include optional fields for processing purchases and initiating payments. This applies in particular to data fields for previous payment transactions at banks and specific information from e-commerce or service providers not currently affected by the regulation (e.g., withholding, order ID, buyer protection, transaction number of credit card acquirers and SEPA direct debit).

- The EU should initiate and promote the **extension of the XS2A format**.

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