

## **Updating rules for payment services: Council agrees its stance**

The Permanent Representatives Committee (Coreper) agreed, on behalf of the Council, its negotiating stance on a draft directive aimed at further developing an EU-wide market for electronic payments ([16154/14](#)).

The draft directive incorporates and repeals the existing payment services directive (directive 2007/64/EC), which provided the legal basis for the creation of an EU-wide single market for payments.

The revised directive would adapt existing rules to emerging and innovative payment services, including internet and mobile payments. It would establish a comprehensive set of rules with the aim of ensuring a more secure environment for payments, in particular for those using remote channels. The directive would also set up a more harmonized and effective framework for supervision by national competent authorities.

Today's agreement enables negotiations with the European Parliament to start, with the aim of adopting the directive at first reading.

Since adoption of the original payment services directive in 2007, payment initiation services in the field of e-commerce have evolved. They establish a software bridge between the website of the merchant and the online banking platform of the payer's bank in order to initiate internet payments on the basis of a credit transfer. These services, which are now covered by the draft directive, enable the payment initiation service provider (who never holds the user's funds) to give comfort to the payee that the funds necessary for a specific payment transaction are available on the account and the payment has been initiated.

A regime to cover the activities of account information services is also provided for. These services offer the payment service user, for example, with aggregated online information on one or more payment accounts held with one or more other payment service providers and accessed via online interfaces of the account servicing payment service provider. This enables the payment service user to have an overall view of his/her financial situation at any given moment.

"The agreement reached by the Council today represents an important step forward to further enhance innovation and competition in the European retail payments market", declared Ambassador Stefano Sannino, chairman of the Coreper. "Payment service users will benefit from secure and efficient online payments throughout the EU in line with the European Digital Agenda."

Under the Council's general approach, member states would have two years to transpose the directive into their national laws and regulations.

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