

RESPONSE TEMPLATE: Public consultation on the draft Eurosystem oversight framework for electronic payment instruments, schemes and arrangements

CONTACT DETAILS (will not be published)

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Type of respondent	<input type="checkbox"/> Authority <input type="checkbox"/> Scheme or arrangement <input type="checkbox"/> Payment service provider <input type="checkbox"/> Association <input type="checkbox"/> Private individual <input checked="" type="checkbox"/> Other

Disclose comments Yes

The table below serves as a template for ordering comments received in a standardised manner.

- o Please only add issues to the table if you consider that follow-up is necessary, i.e. please do not make general statements like “We welcome the recommendations.” Do not make introductory statements about your company/association.
- o All comments should be presented by issue so that thematic sorting can easily be performed later (i.e. one row for each issue).
- o If necessary, replicate the table to provide further comments.

The response template consists of the following items, and should be filled in as follows:

- **Document:** please indicate the document.
- **Page:** please indicate the page number.
- **Section:** please select the sub-section that you are referring to from the list.
- **Sub-chapter:** please indicate the number of the sub-chapter/key consideration or question.
- **Original text:** please provide the text you are commenting on (or indicate a figure or table).
- **Comment:** please suggest any amendment, clarification or deletion.

No	Comment by	Document <i>[Please indicate the document concerned using the drop-down list]</i>	Page	Section <i>[Please indicate the part concerned using the drop-down list]</i>	Original Text <i>[Please provide the text you are commenting on (or indicate a figure or table)]</i>	Comment <i>[Please provide your input]</i>	Reasoning <i>[Please provide your input]</i>
1		PISA_framework		2 Scope		It is our view that the proposed Oversight Framework will achieve furthering the principle of level playing field. For this to materialise, it will be key that upon implementation, all entities/arrangements that fall under scope of the activities described in the proposal are included. This will ensure the principle of level playing field is safeguarded.	Safeguarding of the principle of level playing field.
4		PISA_framework		2.1 A single oversight framework for electronic payment instruments, payment schemes and arrangements – the PISA framework		The new framework should further clarify either the term or definition of “payment arrangement” or provide further explanations on the exact scope of this notion and its possible relation to other existing oversight or regulatory frameworks.	It is assumed that payment arrangement will not cover “payment systems” or “payment services providers” as such, nor mere “technical service providers” as defined by PSD2. “Payment systems” are by definition “...a formal arrangement... with common rules and standardized arrangements for the execution of transfer orders between participants.” (Source Settlement Finality Directive 98/26/EC). In this respect the notion of “arrangement” in the context of the PISA “payment arrangement” concept may require more specific qualifications in the new framework.
2		PISA_framework		2.3 Payment schemes and arrangements		To ensure the smooth functioning of payments throughout Europe, it will be necessary that arrangements of a similar nature are subject to centralised and open requirements (pan-European schemes) and will ensure they are interoperable at a pan-European level immediately from the launch onwards and avoid fragmentation (local only solutions). (Comment also to be reflected in the assessment methodology accordingly.)	Safeguarding the objective of smooth functioning of payment systems at Pan-european level. Mitigating the risk of a fragmented landscape with several local arrangements of a similar nature that would not interoperate.
3		PISA_framework		2.3 Payment schemes and arrangements		The framework should be applied to payment instruments, schemes, and arrangements, regardless of the underlying settlement system used. Payment arrangements utilising payment instruments should be clearly segregated from such payment instruments and be settlement system agnostic. (Comment also to be reflected in the assessment methodology accordingly.)	For the benefit of resilience and choice, it is important that no interdependencies are created between the systems used for the payment arrangement layer and the settlement layer.

5		PISA_framework		4 Coordination with payment system overseers and/or supervisory authorities	<p>Table 1 <i>A payment scheme/arrangement should have clear and comprehensive rules and procedures and it should provide sufficient information to enable payment service providers, technical service providers and end users to reach an accurate understanding of the risks, fees and other material costs they incur by participating in/making use of the payment scheme/arrangement. All relevant rules and key procedures should be publicly disclosed, bearing in mind those rules and procedures which, if disclosed, could pose a threat to the security of a scheme or arrangement. The latter should only be disclosed to scheme or arrangement stakeholders on a "need to know" basis.</i></p>	<p>The addition to Principle 23 applied to the PISA framework: "<i>bearing in mind those rules and procedures which, if disclosed, could pose a threat to the security of a scheme or arrangement. The latter should only be disclosed to scheme or arrangement stakeholders on a "need to know" basis.</i>" should be added to the framework applicable to Payment Systems, and to the SIPS Regulation.</p>	<p>This added language is equally applicable for Payment Systems as it is in the context of Payment Instruments, Schemes and Arrangements. In line with the objective of aligning the Oversight frameworks for Payment Systems and for Instruments, Schemes and Arrangements, it will be important to ensure the new language is adopted in the Oversight Framework and Regulation applicable to Payment Systems.</p>
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