



PSD2

# Reform of European payments

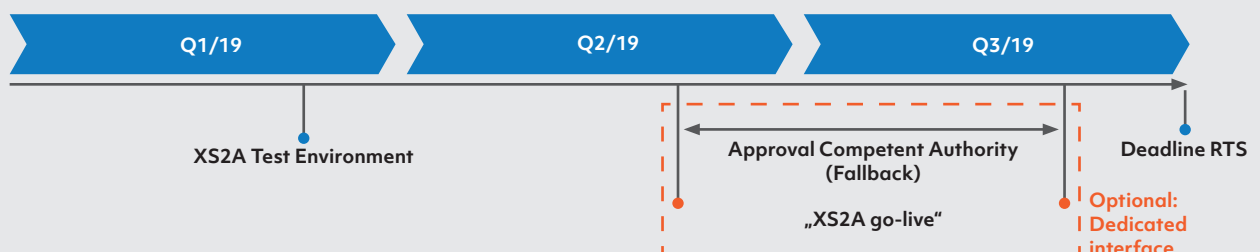
The PSD2 has been in force since January of 2018 but remains a current topic. The guidelines and standards mentioned in the PSD2 have separate deadlines for implementation.

One of the biggest changes of the PSD2 – the inclusion of third-party payment service providers – is regulated in the Regulatory Technical Standards (RTS) for strong customer authentication and secure communication. The implementation deadline is on 14/09/2019, in parts even earlier.

**The implementation of the RTS has major consequences for the bank customers.**

A two-factor-login as well as changed requirements for the authorisation procedures result in new processes, which indirectly affect the bank customers and require more information and consulting.

Timeline RTS “Strong customer authentication and secure communication”





## PSD2

### Two-factor-login

The login for online banking noticeably changes for all customers. Besides the introduction of a second factor, there is the possibility to be exempt from this due to derogations in individual cases. In addition to the technical implementation, in this context the customer communication is of particular importance since the changes of the login process garner a lot of attention.

### Exceptions from the strong customer authentication

The RTS allow for various exceptions. Some of them are used naturally by nearly every account-managing payment service provider, for example, in the case of standing orders or contactless payments. However, other exceptions require more analysis – and can supplement an individual product range. This may include the possibility to add trusted payment recipients or payments with a low risk.

### XS2A

Every account-managing payment service provider needs to provide an interface for the access to the payment accounts. Still, strategic decisions can be made on whether only the minimum requirements for the implementation of the RTS are met or whether services that far extend this standard shall be provided. The introduction of XS2A can be used as a chance for further lines of business.

### Guidelines

In addition, individual guidelines still await a national implementation. Here, especially the guideline on fraud reporting as well as the guideline on security measures need to be mentioned. The European Banking Authority (EBA) has announced that the guideline on the security measures will be replaced by the new guideline ICT and security risk management, whose consultation phase has already been completed.

#### Services of PPI:

- Review of present PSD2 implementation
- Guidance on analysis and interpretation of unfulfilled requirements
- Strategy workshops on chances resulting from the PSD2
- Creation of checklists and documentation

#### For questions and further information:



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