

**EUROPEAN FORUM FOR INNOVATION IN PAYMENTS**

Statement of the third meeting of the European Forum for Innovation in Payments

held on 9 February 2022

**Implementation of instant payments**

Four years after the launch of the SEPA Instant Credit Transfer (SCT Inst) scheme, the European Forum for Innovation in Payments (EFIP) reviewed the progress made in the meantime in rolling out instant payments in Europe. The EFIP reflected on possible obstacles to the wider uptake of instant payments and identified the following main priorities:

- providing an instant, secure and convenient pan-European complement to existing payment methods, in particular at the POI, including for cross-border use, while catering for accessibility to facilitate end-user uptake;
- offering instant payments to merchants and consumers at competitive prices;
- completing the work to establish ongoing pan-European standardisation initiatives which are highly relevant for instant payments, such as QR codes;
- communicating effectively on the benefits of instant payments and devising measures to increase user awareness.

EFIP members:

- welcomed the European Commission's determination to increase, through an initiative to be adopted in 2022, the uptake of instant payments in the EU, by ensuring their full availability to consumers and businesses, enhancing payer trust and removing operational frictions;
- called on the industry to further increase end-user uptake of instant payments by rolling out safe and convenient end-user solutions, including for POI payments, and by offering competitive pricing to merchants, consumers and businesses. National payment committees will actively contribute to achieving this objective;
- called for the rapid completion of the ongoing work on pan-European standardisation of relevant technologies supporting instant payments;
- took note that, at its July 2022 meeting, the Euro Retail Payments Board (ERPB) will consider whether to conduct further work on communication on instant payments for end users.

**PSD2 review**

The Payment Services Directive (PSD2) has played a key role in removing barriers to innovation in retail payments and fostering competition.

PSD2 has been in force for four years, during which the payments market has undergone important changes. The European Commission's ongoing review provides an opportunity to assess whether PSD2 is still fit for purpose.

EFIP members:

- welcomed the PSD2 review process launched by the European Commission and reiterated the importance of EU retail payments legislation to support innovation and competition;
- committed to actively contributing, in the framework of the national payment committees, to the reflections on whether the EU regulatory framework needs to be amended to further support innovation and competition in payments.

### **IBAN discrimination**

Following on from its SEPA implementation report from November 2017, the European Commission informed EFIP members of recent measures it has taken to combat IBAN discrimination. These notably include enforcement action, awareness campaigns and constructive dialogue with relevant national authorities.

EFIP members welcomed the European Commission's initiatives and took note of recent progress achieved in some Member States.

Chairs of national payments committees committed to taking up or supporting initiatives aimed at removing the remaining barriers to the acceptance of non-domestic IBANs.

### **E-identity in relation to payments**

Following the adoption of the proposal for a European digital identity framework regulation on 3 June 2021 revising the eIDAS Regulation, the European Commission informed EFIP members of the opportunities for payments arising from the use of the European Digital Identity Wallet (EDIW).

The EDIW will facilitate a high level of security for online identification and authentication. EFIP members welcomed the presentation of the framework and discussed the timeline of the process and the use of digital identities in the financial sector.

### **Items for information**

EFIP members took note of the overview of national payment committees' activities, current priorities and national strategies for retail payments.