

Template for comments

Public consultation on the draft ECB Regulation amending the Regulation on payments statistics

Institution/Company

VIVA PAYMENT SERVICES S.A

Contact person

Mr/Ms

First name

Surname

Email address

Telephone number

Please tick here if you do not wish your personal data to be published.

General comments

Thank you for being provided with the opportunity to participate in this critical consultation.

Despite the efforts of the European regulators to provide for substantial rules (especially PSD2) that would enhance competition in the payments market, promote Single Market and introduce new market participants, while proclaiming the principles of technological and business neutrality - recognizing the technological progress in the field of payments, we are afraid that in practice innovative and outward looking FINTECHs with pan-European footprint, still have significant barriers to overcome.

Please allow us to share our recent experience on the matter: in all different countries we are currently operating, and although that our operations for reporting obligations are centralized to the headquarters, we are asked to communicate with the host authorities only in the national language, to complete reporting tables in varying forms and content again in the national language only, to consult hundreds of pages of guidelines and supporting material in the national language only, to access different central banks portals with different underlying technological infrastructure (we have even been requested to use a lease line for reporting purposes, which is not feasible given our business model), to abide by different methods for authentication used by each NCA's portal and authority, etc.

Given the fact that by Q3 2020, our company will have physical presence through branches in 23 countries, it is evident that a non standardized implementation of Payment Statistics reporting obligation across Europe, would further stress our regulatory reporting obligations to meet the national particularities/different reporting requirements by each NCA. We strongly believe that with a standardized approach as mentioned above both objectives could be met: 1) Completeness of data availability for statistical analysis by the competent authorities and ECB and 2) ability of the reporting agents to meet their reporting obligations on an efficient and effective manner.

Further to our comments available in the relevant worksheet we stress the criticality of the following amendments to the Regulation, that would effectively address a number of obstacles to outward looking companies like ours with local establishments in different European countries:

1. Language of reports and technical guidelines. NCYs should not be allowed the discretion to publish templates and technical guidelines or other guidance only in national language. We strongly suggest that an official translation in English language should also be made available.
2. Report timeliness. NCAs should not be allowed the discretion to establish their own timeliness. We strongly suggest the national timelines to follow the timeliness of this regulation. It should be harmonized across EEA.
3. Forms and templates. NCAs should not be allowed the discretion to establish their own forms and formats. We strongly suggest the NCAs to follow the templates included in this regulation- At this point, we would like to further urge that the templates included in this regulation are aligned with the data fields required by the EBA Fraud reporting, where relevant.
4. Minimum common technical specifications. We would strongly suggest that minimum common technical specifications for data transmission are specified and applied to all NCAs in order to decrease the complexity of data transmission and minimise the human interaction during reporting (data entry). This is the case especially for companies like ours that report to multiple countries and as currently we have to meet a wide array of different national technical specifications:
Indicatively the format type (i.e. either xml or csv) and the security layer (i.e. electronic signature) are strongly suggested to be commonly defined by ECB.
Indicatively the mean of transmission. Either a European platform accessible by reporting agents, NCAs and EU Authorities
Instead of national portals reporting agents the process could be facilitated by given the ability to send automatically a link (https) via email to the designated email recipient with extra layer of security, with minimum human interaction and extended use of technology.
5. Geographical breakdown. We urge ECB to ensure that no further specifications or deviations are provided by the NCAs. It is of paramount importance ECB to ensure that any NCA additional specifications, examples and details are incorporated in the ECB specifications and guidelines. If necessary, the definition of GEO should be defined by ECB after taking into consideration all national NCAs suggestion

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Please enter all your feedback in this list.

When entering feedback, please make sure that:

- each comment deals with a single issue only;
- you indicate the relevant article/chapter/paragraph, where appropriate;
- you indicate whether your comment is a proposed amendment, clarification or deletion.

Deadline:	9 April 2020
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ID	Chapter	Article	Paragraph	Page	Type of comment	Detailed comment	Concise statement as to why your comment should be taken on board	Name of commenter	Personal data
1	Regulation	4	2	4	Clarification	The second paragraph of the new article 4 would benefit from a clarification as it is unclear if reporting agents that are not fulfilling the requirement described in sub-paragraphs a, b and c can still benefit from this exemption, if granted by a Member State.	A clarification would allow to avoid any uncertainty.		Don't publish
2	Regulation	6	1	5	Clarification	The amended article 6 provides that the reporting would become semi-annual for most of the reporting agents, with the exemption of Table 9 which would be quarterly. The reporting should be made yearly, with a half year breakdown.	The proposed new reporting timeliness would be burdensome for all reporting agents and especially for those that have branches in many countries across European Economic Area like our company. Our company strongly believes that if the reporting is annual but with a half-year breakdown, it still allows the ECB to collect the same data while lowering significantly the burden for the reporting agents.		Don't publish
3	Annex I	2.3	13	7	Amendment	Credit transfers are split in mutually the exclusive subcategories of "online banking" and "mobile payment solutions". However, there exist transactions that are considered to fall under both categories i.e. transactions executed through a mobile device by the use of an online banking application. Given the complexity of the solutions offered combining on line and mobile services it is advised to exclude these dimensions from the reporting obligations.	Linear and common specification across countries are critical for the automation of the process which will further decrease resources consumption (i.e. for manual errors and reconciliation handling)		Don't publish
4	Annex II			6	Clarification	It is unclear if the definition of credit transfer includes the transfer of e-money from one e-money account to another e-money account.	A clarification would allow to avoid any uncertainty.		Don't publish
5	Annex II			10	Amendment	Mobile payment solution definition is considered vague and it is suggested to exclude the specific dimension from the reporting requirements. In detail, the definition is comprised by the terms "transition/ confirmation", "mobile communication technology", "Mobile data transmission technology" and "mobile device" which makes it too complicated to identify and report accurately and consistently.	Linear and common specification across countries are critical for the automation of the process which will further decrease resources consumption (i.e. for manual errors and reconciliation handling)		Don't publish

6	Annex III	Table 4a		4	Amendment	<p>The introduction of more frequent reporting will have a significant impact on reporting agents, especially for Table 4a, as the data breakdown is extremely detailed. Our company considers that the costs of the fraud reporting requirements detailed in the draft Regulation outweighs the fraud management benefits. The requirement to submit six-monthly reporting starting from the second half of 2021 underestimates the impact on existing fraud management tools and processes that we have in place. The reporting should be made on an annual basis only, with a half year breakdown.</p> <p>We also note that a large proportion of this data is already collected by the EBA under their Fraud Reporting Guidelines required under PSD2. We strongly suggest that the form is aligned EXACTLY with the data fields required for the EBA Fraud reporting requirements to assist us to automate the process for extracting the requested data, while at the same time fully meet the goal sought by the ECB. Our company also notes the requirement to break down each data item into each of the 29 EEA jurisdictions for each payment transaction category. This data collection will take far longer than 6 months for us to develop in response to NCA requests.</p>	<p>The proposed new reporting timeliness would be burdensome for all reporting agents and especially for those that have branches in many countries across European Economic Area like our company. Our company strongly believes that if the reporting is annual but with a half-year breakdown, it still allows the ECB to collect the same data while lowering significantly the burden for the reporting agents allowing them to further expand in the EEA</p>		Don't publish
7	Annex III	Table 5a		11	Amendment	<p>The introduction of more frequent reporting will have a significant impact on reporting agents, especially for Table 4a, as the data breakdown is extremely detailed. Our company considers that the costs of the fraud reporting requirements detailed in the draft Regulation outweighs the fraud management benefits. The requirement to submit six-monthly reporting starting from the second half of 2021 underestimates the impact on existing fraud management tools and processes that we have in place. The reporting should be made on an annual basis only, with a half year breakdown.</p> <p>We also note that a large proportion of this data is already collected by the EBA under their Fraud Reporting Guidelines required under PSD2. We strongly suggest that the form is aligned EXACTLY with the data fields required for the EBA Fraud reporting requirements to assist us to automate the process for extracting the requested data, while at the same time fully meet the goal sought by the ECB. Our company also notes the requirement to break down each data item into each of the 29 EEA jurisdictions for each payment transaction category. This data collection will take far longer than 6 months for us to develop in response to NCA requests.</p>	<p>The proposed new reporting timeliness would be burdensome for all reporting agents and especially for those that have branches in many countries across European Economic Area like our company. Our company strongly believes that if the reporting is annual but with a half-year breakdown, it still allows the ECB to collect the same data while lowering significantly the burden for the reporting agents allowing them to further expand in the EEA</p>		Don't publish
8	Annex III	Table 5a		11	Amendment	<p>Our company proposes that the additions of Geo 3 breakdown in Table 5a is replaced with a reference to Geo 1 or Geo 2 that is, without further reporting fraud data separately for each EEA territory</p>	<p>Our company urges for the use of harmonised and unique templates so as to facilitate the processing of the data by ECB/EBA and at the same time to meet its reporting requirements.</p> <p>The ECB/EBA can use such data to identify differences in volumes/fraud types across EEA territories with minimal additional analysis and without transferring the burden to the reporting agents</p>		Don't publish

9	Annex III	Table 5b		11	Amendment	Our company proposes that the additions of Geo 3 breakdown in Table 5a is replaced with a reference to Geo 1 or Geo 2 that is, without further reporting fraud data separately for each EEA territory	Our company urges for the use of harmonised and unique templates so as to facilitate the processing of the data by ECB/EBA and at the same time to meet its reporting requirements. The ECB/EBA can use such data to identify differences in volumes/fraud types across EEA territories with minimal additional analysis and without transferring the burden to the reporting agents		Don't publish
10	Annex III	Table 9		25	Amendment	The requirement to breakdown card payments by MCC code each quarter appears hugely disproportionate. EBA should seek this data elsewhere or request reporting of MCC codes that are most frequently used or another measurement (i.e grouping of codes)	A requirement to break down by MCC Code is hugely disproportionate for companies like ours that have branches in many EEA Member States		Don't publish
11	Annex IV		1a	1	Amendment	Our company disagree with CAs being allowed the discretion to establish their own timeliness forms and formats. We strongly suggest the national timelines to follow the timelines of this regulation. It should be harmonised across EEA	Linear and common specification across countries are critical for the automation of the process which will further decrease resources consumption (i.e. for manual errors and reconciliation handling)		Don't publish
12	Annex IV		1b	1	Amendment	Our company disagree with CAs being allowed the discretion to establish their own forms and formats. We strongly suggest the NCAs to follow the templates included in this regulation	Linear and common specification across countries are critical for the automation of the process which will further decrease resources consumption (i.e. for manual errors and reconciliation handling)		Don't publish
13	Annex IV		1d	1	Amendment	ECB should define minimum common technical specifications for data transmission applied to all NCAs in order to decrease the complexity of data transmission and minimise human interaction during reporting. This is the case especially for companies like ours that report to multiple countries _ Indicatively the format type (i.e. either xml or csv) and the security layer (i.e. electronic signature) are strongly suggested to be commonly defined by ECB. _Indicatively the mean of transmission (sends automatically a link (https) via email to the designated (by the NCA) email recipient with extra layer of security as appropriate	Linear and common specification across countries are critical for the automation of the process which will further decrease resources consumption (i.e. for manual errors and reconciliation handling)		Don't publish
14	Annex IV		2d	1	Amendment	ECB should define common rounding applied by all NCAs, as well as to ensure that the reporting is provided in EUR rather than in local currency	Linear and common specification across countries are critical for the automation of the process which will further decrease resources consumption (i.e. for manual errors and reconciliation handling)		Don't publish
15	Annex IV		3a	1	Amendment	ECB should ensure that no further specifications or deviations are provided by the NCAs. ECB shall gather from the NCAs any additional specifications, examples and details and incorporate them in the ECB specifications and guidelines. For example, the definition of GEO should be defined by ECB after taking into consideration local NCAs suggestions/considerations.	Linear and common specification across countries are critical for the automation of the process which will further decrease resources consumption (i.e. for manual errors and reconciliation handling)		Don't publish