EBA Opinion of the European Banking Authority on obstacles under Article 32(3) of the RTS on SCA and CSC

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Matter

PSD2 : PSUs have the right to use the services of regulated third party providers (TPPs) offering account information services (AIS) and/or payment initiation services (PIS)

ASPSPs to establish the access interfaces through which TPPs can access the customers' payment accounts in a secure manner

These access interfaces can be either a dedicated interface (in general an application programming interface or API) or the modified customer interface

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The method(s) of carrying out the authentication of the PSU (i.e. redirection, decoupled, embedded or a combination thereof) that ASPSPs should support will depend on the authentication procedures made available by the ASPSP to its PSUs and should support all these authentication procedures

ASPSPs that have implemented a dedicated interface can not create obstacles to the provision of TPPs

Number of TPPs have reported issues regarding redirection approaches offered by ASPSPs, where the customer is redirected to the ASPSP in order to authenticate when using AISPs/PISPs services

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3. Multiple SCAs
4. 90 days re-authentication
5. Account selection
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7. Additional registrations

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1. Authentication procedures that ASPSPs' interfaces are required to support

ASPSPs have to ensure that the access interfaces provided to TPPs do not prevent AISPs and PISPs from relying upon the authentication procedure(s) provided by the ASPSP to its PSUs

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1. Authentication procedures that ASPSPs' interfaces are required to support

ASPSPs that enable their PSUs to authenticate using biometrics when directly accessing their payment accounts or initiating a payment should also enable their PSUs to use biometrics to authenticate with the ASPSP in a PIS or AIS journey

as biometrics are not transmittable credentials, this means that these ASPSPs should enable their PSUs to authenticate with the ASPSP in an AIS or PIS journey using biometrics, by supporting decoupled authentication or app-to-app redirection to the ASPSP's authentication app

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1. Authentication procedures that ASPSPs' interfaces are required to support

ASPSPs that enable their PSUs to authenticate using the ASPSP's mobile banking app or a dedicated/decoupled app, when directly accessing their payment accounts or initiating a payment with the ASPSP, should also enable their PSUs to use the ASPSP's authentication app as one of the two-factor SCA elements in an AIS or PIS journey.

If the interfaces provided by ASPSPs do not support all the authentication procedures made available by the ASPSP to its PSUs, this would be a breach and an obstacle

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1. Authentication procedures that ASPSPs' interfaces are required to support

The authentication of the PSU with the ASPSP in an AIS/PIS journey, **in a redirection or decoupled approach**, should not create unnecessary friction or add unnecessary steps in the customer journey compared to the equivalent authentication procedure offered to PSUs when directly accessing their payment accounts or initiating a payment with the ASPSP.

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1. Authentication procedures that ASPSPs' interfaces are required to support

BUT if the PSU is using the AISP/PISP's services **in a mobile browser environment, and not via the AISP/PISP's app**, it is not an obstacle if the PSU is redirected to the ASPSP's mobile browser authentication page to enter their credentials, **provided that this is the only way in which PSUs authenticate when directly accessing their payment accounts via the ASPSP's mobile web browser environment.**

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2. Mandatory redirection at the point-of-sale

Mandatory redirection is an obstacle for TPPs, particularly at the point-of-sale, because redirection only works in a web browser or mobile apps-based environment and therefore limits the TPPs' ability to design new ways in which customers can initiate payments

Mandatory redirection in an AIS/PIS journey is an obstacle if redirection is the sole method of carrying out the authentication of the PSU that is supported by an ASPSP and does not support all the authentication procedures made available by the ASPSP to its PSUs.

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2. Mandatory redirection at the point-of-sale

PSD2 does not oblige ASPSPs to implement an embedded approach, or to enable PIS-initiated payments using authentication procedures that the ASPSP does not yet offer to its PSUs

But a PISP has the right to initiate the same transactions that the ASPSP offers to its own PSUs e.g instant payments

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3. Multiple SCAs

Requesting multiple SCAs can be an obstacle to the provision of TPPs' services.

Exception

→ for security reasons e.g. suspicion of fraud for a particular transaction,
→ where the payment account to be debited is not transmitted by the PISP to the ASPSP in the payment initiation request

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4. 90 days re-authentication

EBA advises NCAs to encourage all their ASPSPs to make use of the Article 10 exemption, by supporting ongoing 90-day access by AISPs without SCA

The obligation for the renewal of SCA lies with the ASPSPs

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5. Account selection

How should the account selection be handled in a redirection approach?

EBA: interface implementations that require PSUs to manually input their IBAN into the ASPSP's domain in order to be able to use AISPs/PISP's services are an obstacle

Not providing the list of all payment accounts to a PISP is not an obstacle

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6. Additional checks on consent

Additional checks of the consent given by PSUs to AISPs/PISPs are a potential obstacle

PSU can request to the ASPSP to deny access to their payment account(s) to one or more particular TPPs

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7. Additional registrations

"requiring additional authorisations and registrations in addition to those provided for in Articles 11, 14 and 15 of PSD2" are a potential obstacle

registration is not an obstacle if it is technically necessary to enable a secure communication with the ASPSP, is processed in a timely manner, and does not create unnecessary friction in the customer journey

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QUESTIONS?

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