



EUROPEAN CENTRAL BANK

EUROSYSTEM

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Item IV.4 Update of the ECB Regulation on payments statistics

Statistics Committee

Dialogue meeting with the banking industry on ESCB
statistics

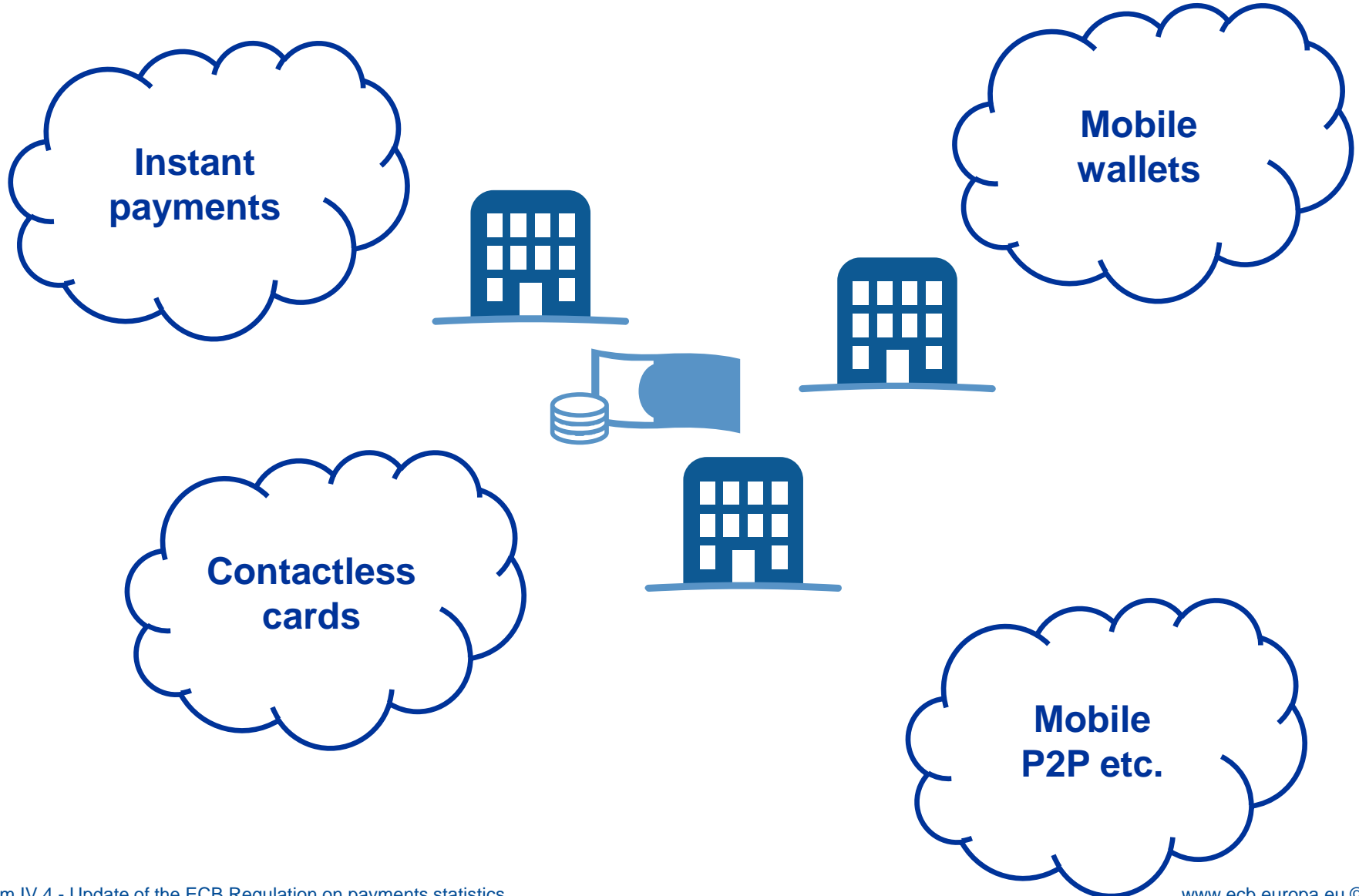
Frankfurt am Main, 16 March 2018

Overview

- 1 Payments statistics – introduction and background
- 2 Recent developments and evolution in payments
- 3 Changes in EU legislation
- 4 ECB's merits and costs procedure
- 5 Fraud reporting under PSD2
- 6 Tentative timetable for update of the Regulation
- 7 Conclusions and way forward

- Payments statistics provide harmonised and comparable information on payments and payment systems in the EU
- Compiled at annual frequency as of 2007
- As from 2014 data collection based on ECB Regulation addressed to payment service providers and payment system operators resident in the euro area
 - Triggered mainly by implementation of SEPA
 - Complemented by Guideline addressed to euro area NCBs and a Recommendation addressed to the NCBs of non euro-area Member States
- These statistics are used for
 - analysis of policy questions and conduct of oversight of payment instruments and systems
 - provision of information to general public and market participants

Retail payments are developing rapidly...



...and legislation is catching up

- Second Payment Services Directive (PSD2)
 - New types of payment services in the market: **payment initiation services** and **account information services**
 - Strong customer authentication
 - **Payment fraud** reporting
- Interchange Fee Regulation (IFR)
 - New definition of **cross-border card payments**
 - Different **fees** for credit and debit cards
 - Commercial cards exempted



→ ***Need to update ECB Regulation in order to capture new developments!***

Many reasons to update, but how?

- ECB's merits and costs procedure includes a **systematic assessment of merits and costs of proposed enhancements**
- Ensures that new statistics are justified by **high-priority policy needs**
- Provides incentives to search for **most cost-effective solutions**, with the aim to **keep reporting burden to a minimum**
- **Fact-finding exercise** is currently on-going and, depending on the results, assessment of the merits and costs will follow for the update of the ECB Regulation on payments statistics

- Under PSD2, payment service providers (PSPs) should report **statistics on payment fraud at least on an annual basis** to national competent authorities (NCAs)
 - NCAs shall transmit **national aggregates to the EBA and ECB**
- The EBA – in cooperation with the ECB – currently finalising **Guidelines on fraud reporting requirements under PSD2** addressed to PSPs and NCAs
- Draft EBA GL covers in part the requirements for fraud data expressed by ESCB oversight function
- Objective of the ECB and EBA is to have in the steady state **a single data flow** from reporting agents via NCBs/NCAs to EBA and ECB

- Jan. 2018 – Mar. 2018 Fact-finding exercise
- May 2018 – Jun. 2018 Costs assessment
- Aug. 2018 – Sep. 2018 Merits assessment
- Oct. 2018 – May 2019 Matching of merits and costs, drafting of legal text
- Jun. 2019 – Aug. 2019 Possible public consultation*
- Not before Q3 2019 Approval of updated Regulation by ECB Governing Council

**If following the merits and costs procedure the scope of the Regulation is extended extensively*

- Rapid developments in the payments market and changes in the EU legislation → need to update the ESCB payments statistics data collection framework
- Assessment of the merits and costs for the update of the ECB Regulation on payments statistics is now starting
 - Assessing also feasibility of including reporting of statistics on payment fraud in ECB Regulation
 - Incorporating also other user needs *inter alia* balance of payments and forecasting requirements
 - Industry involved via fact-finding and costs assessment
- Aim to align any fraud reporting under ECB Regulation with the reporting under EBA Guidelines to extent possible
- Updated Regulation foreseen to be approved in 2019
 - Reporting to start at least one year after the adoption of legal act

Thank you for your attention!