EBA publishes Opinion on the deadline and process for completing the migration to strong customer authentication (SCA) for e-commerce card-based payment transactions

16 October 2019

**The European Banking Authority (EBA) published today an Opinion on the deadline for the migration to SCA under the revised Payment Services Directive (PSD2) for e-commerce card-based payment transactions. The Opinion sets the deadline to 31 December 2020 and prescribes the expected actions to be taken during the migration period.**

Today's Opinion also recommends national competent authorities (NCAs) to take a consistent approach toward the SCA migration period across the EU and to require their respective payment service providers (PSPs) to carry out the actions set out in the Opinion.

In addition, the Opinion recommends that, where required, NCAs communicate to PSPs in their jurisdiction that the supervisory flexibility they have exercised does not represent a delay in the application date of the SCA requirements in PSD2 and the EBA's Technical Standards. Rather, it means that NCAs will focus on monitoring migration plans instead of pursuing immediate enforcement actions against PSPs that are not compliant with the SCA requirements.

Furthermore, the EBA notes that consumers will be protected against fraud as required by the law and NCAs should, therefore, communicate to their PSPs that the liability regime under Article 74 of the PSD2 applies and that issuing and acquiring PSPs are still liable for unauthorised payment transactions.

**Background**

Today's Opinion is a follow-up to the Opinion on the elements of strong customer authentication under PSD2 (EBA-Op-2019-06) that the EBA published in June 2019. At the time, the EBA acknowledged the complexity of the payments markets across the EU and the challenges that arise from the changes that are required, in particular for some actors in the payment chain that are not PSPs who may not be ready by 14 September 2019.  Against this backdrop, the EBA accepted that, on an exceptional basis and in order to avoid unintended negative consequences for some payment service users after 14 September 2019, NCAs may decide to work with PSPs and relevant stakeholders, including consumers and merchants, to provide limited additional time.

When publishing the Opinion in June, the EBA announced that, in order to fulfil the objectives of PSD2 and the EBA of achieving consistency across the EU, it  would communicate later in 2019 the deadlines for the completion of the SCA migration plans, which today's Opinion provides.

**Legal basis**

The EBA issued the Opinion in accordance with Article 29(1)(a) of its Founding Regulation, which mandates the Authority to play an active role in building a common Union supervisory culture and consistent supervisory practices, as well as in ensuring uniform procedures and consistent approaches throughout the Union.