**SUMMARY OF:**

[Directive (EU) 2015/2366 on EU-wide payment services](http://eur-lex.europa.eu/legal-content/EN/AUTO/?uri=celex:32015L2366)

**WHAT IS THE AIM OF THE DIRECTIVE?**

* It provides the legal foundation for the further development of a better integrated internal market for electronic payments within the EU.
* It puts in place comprehensive rules for payment services[\*](http://eur-lex.europa.eu/summary/EN/LEGISSUM:2404020302_1?celex=CELEX:32015L2366#keyterm_E0001), with the goal of making international payments (within the EU) as easy, efficient and secure as payments within a single country.
* It seeks to open up payment markets to new entrants leading to more competition, greater choice and better prices for consumers.
* It also provides the necessary legal platform for the Single Euro Payments Area ([SEPA](http://ec.europa.eu/finance/payments/sepa/index_en.htm)).

**KEY POINTS**

* The directive seeks to improve the existing EU rules for electronic payments. It takes into account emerging and innovative payment services, such as internet and mobile payments.
* The directive sets out rules concerning:
  + **strict security requirements** for electronic payments and the protection of consumers' financial data, guaranteeing safe authentication and reducing the risk of fraud;
  + the **transparency** of conditions and information requirements for payment services;
  + the **rights and obligations** of users and providers of payment services.
* The directive is complemented by [Regulation (EU) 2015/751](http://eur-lex.europa.eu/legal-content/EN/AUTO/?uri=uriserv:24040603_1) which puts a cap on interchange fees charged between banks for card-based transactions. This is expected to drive down the costs for merchants in accepting consumer debit and credit cards.

**Towards a better integrated EU payments market**

The directive establishes a clear and comprehensive set of rules that will apply to existing and new providers of innovative payment services. These rules seek to ensure that these players can compete on equal terms, leading to greater efficiency, choice and transparency of payment services, while strengthening consumers' trust in a harmonised payments market.

**Opening up the EU market to new services and providers**

The directive also aims to open up the EU payment market to companies offering consumer- or business-oriented payment services based on access to information about the payment account, particularly:

* **account information services** which allow a payment service user to have an overview of their financial situation at any time, allowing users to better manage their personal finances;
* **payment initiation services** which allow consumers to pay via simple credit transfer for their online purchases, while providing merchants with the assurance that the payment has been initiated so that goods can be released or services provided without delay.

**Consumer rights**

* Consumer rights are enhanced, including:
  + **reduced liability** for non-authorised payments from €150 to €50;
  + **unconditional refundright** for direct debits in euro;
  + **removal of surcharges** for the use of a consumer credit or debit card.
* The [European Commission](http://eur-lex.europa.eu/summary/glossary/european_commission.html) will produce a ‘user-friendly’ electronic leaflet by early 2018 listing consumers' rights under the directive and related EU law.

**Authorisation of payment institutions**

The directive does not substantially change the conditions for granting **authorisation** as payment institutions, although payment institutions offering account information services will be required to have professional **indemnity insurance** as a condition of authorisation. The directive also contains rules on the **supervision** of authorised payment institutions, as well as measures in case of non-compliance

**Role of European Banking Authority (EBA)**

The role of the [EBA](http://eur-lex.europa.eu/summary/glossary/european_banking_authority.html) is strengthened to:

* develop a publicly accessible **central register** of authorised payment institutions, which shall be kept up to date by the national authorities;
* assist in **resolving disputes** between national authorities;
* develop **regulatory technical standards** on strong customer authentication and secure communication channels with which all payment service providers must comply;
* develop cooperation and information exchange between supervisory authorities.

The directive repeals [Directive 2007/64/EC](http://eur-lex.europa.eu/legal-content/EN/AUTO/?uri=uriserv:l33226) from 13 January 2018.

**FROM WHEN DOES THE REGULATION APPLY?**

It has applied since 12 January 2016. EU countries have to incorporate it into national law by 13 January 2018.

**BACKGROUND**

For more information, see:

* [Directive on Payment Services (PSD)](http://ec.europa.eu/finance/payments/framework/index_en.htm) on the European Commission's website.

**\* KEY TERM**

**Payment services:** services enabling cash to be deposited in or withdrawn from, for example, a bank account, as well as all the operations required to operate the account. This can include transfers of funds, direct debits, credit transfers and card payments. Paper transactions are not covered by the directive.

**MAIN DOCUMENT**

Directive (EU) [2015/2366](http://eur-lex.europa.eu/legal-content/EN/AUTO/?uri=celex:32015L2366) of the European Parliament and of the Council of 25 November 2015 on payment services in the internal market, amending Directives 2002/65/EC, 2009/110/EC and 2013/36/EU and Regulation (EU) No 1093/2010, and repealing Directive 2007/64/EC (OJ L 337, 23.12.2015, pp. 35-127)

**RELATED ACTS**

Directive [2007/64/EC](http://eur-lex.europa.eu/legal-content/EN/AUTO/?uri=celex:32007L0064) of the European Parliament and of the Council of 13 November 2007 on payment services in the internal market amending Directives 97/7/EC, 2002/65/EC, 2005/60/EC and 2006/48/EC and repealing Directive 97/5/EC (OJ L 319, 5.12.2007, pp. 1-36)

Successive amendments to Directive 2007/64/EC have been incorporated in the basic text. This [consolidated version](http://eur-lex.europa.eu/legal-content/EN/AUTO/?uri=celex:02007L0064-20091207) is of documentary value only.

Regulation (EU) [2015/751](http://eur-lex.europa.eu/legal-content/EN/AUTO/?uri=celex:32015R0751) of the European Parliament and of the Council of 29 April 2015 on interchange fees for card-based payment transactions (OJ L 123, 19.5.2015, pp. 1-15)