

## Basic information

2023/0209(COD)

COD - Ordinary legislative procedure (ex-codecision procedure)  
Directive

Payment services and electronic money services in the Internal Market

Repealing Directive 2009/110 [2008/0190\(COD\)](#)  
Repealing Directive 2015/2366 [2013/0264\(COD\)](#)  
Amending Directive 1998/26 [1996/0126\(COD\)](#)

### Subject

2.50.04 Banks and credit  
2.50.04.02 Electronic money and payments, cross-border credit transfers  
2.50.10 Financial supervision  
4.60.08 Safety of products and services, product liability

Awaiting Council's 1st reading position

## Key players

European  
Parliament

### Committee responsible

[ECON](#) Economic and Monetary Affairs

### Rapporteur

LØKKEGAARD Morten  
(Renew)

### Appointed

12/09/2024

### Shadow rapporteur

PEREIRA Lídia (EPP)  
REPASI René (S&D)  
KUBÍN Tomáš (P/E)  
MALAĞ Marlena (ECR)  
SINKEVIČIUS Virginijus  
(Greens/EFA)  
SARAMO Jussi (The Left)

### Former committee responsible

[ECON](#) Economic and Monetary Affairs

### Former rapporteur

KOVAŘÍK Ondřej (Renew)

### Appointed

19/07/2023

### Former committee for opinion

[JURI](#) Legal Affairs

### Former rapporteur for opinion

The committee decided not to give an opinion.

### Appointed

Council of the  
European Union

European Commission	Commission DG	Commissioner
	Financial Stability, Financial Services and Capital Markets Union	MCGUINNESS Mairead
European Economic and Social Committee		

Key events			
Date	Event	Reference	Summary
28/06/2023	Legislative proposal published	COM(2023)0366 	Summary
11/09/2023	Committee referral announced in Parliament, 1st reading		
14/02/2024	Vote in committee, 1st reading		
21/02/2024	Committee report tabled for plenary, 1st reading	A9-0046/2024	Summary
23/04/2024	Decision by Parliament, 1st reading	T9-0297/2024	Summary
23/04/2024	Results of vote in Parliament		
21/10/2024	Committee decision to open interinstitutional negotiations after 1st reading in Parliament		
13/11/2024	Committee referral announced in Parliament, 1st reading		
13/11/2024	Committee decision to enter into interinstitutional negotiations announced in plenary (Rule 72)		

Technical information	
Procedure reference	2023/0209(COD)
Procedure type	COD - Ordinary legislative procedure (ex-codecision procedure)
Procedure subtype	Legislation
Legislative instrument	Directive
Amendments and repeals	Repealing Directive 2009/110 2008/0190(COD) Repealing Directive 2015/2366 2013/0264(COD) Amending Directive 1998/26 1996/0126(COD)
Legal basis	Treaty on the Functioning of the European Union TFEU 053-p1 Treaty on the Functioning of the European Union TFEU 114
Other legal basis	Rules of Procedure EP 165
Mandatory consultation of other institutions	<a href="#">European Economic and Social Committee</a>
Stage reached in procedure	Awaiting Council's 1st reading position
Committee dossier	ECON/9/12434

Documentation gateway				
European Parliament				
Document type	Committee	Reference	Date	Summary

Committee draft report		<a href="#">PE753.780</a>	13/11/2023	
Amendments tabled in committee		<a href="#">PE757.022</a>	04/12/2023	
Committee report tabled for plenary, 1st reading/single reading		<a href="#">A9-0046/2024</a>	21/02/2024	<a href="#">Summary</a>
Text adopted by Parliament, 1st reading/single reading		<a href="#">T9-0297/2024</a>	23/04/2024	<a href="#">Summary</a>

#### European Commission

Document type	Reference	Date	Summary
Legislative proposal	<a href="#">COM(2023)0366</a> 	28/06/2023	<a href="#">Summary</a>
Document attached to the procedure	<a href="#">SWD(2023)0231</a> 	29/06/2023	
Document attached to the procedure	<a href="#">SWD(2023)0232</a> 	29/06/2023	
Commission response to text adopted in plenary	<a href="#">SP(2024)394</a>	08/08/2024	

#### National parliaments

Document type	Parliament /Chamber	Reference	Date	Summary
Contribution	<a href="#">CZ_CHAMBER</a>	<a href="#">COM(2023)0366</a>	14/11/2023	

#### Other institutions and bodies

Institution/body	Document type	Reference	Date	Summary
EDPS	Document attached to the procedure	<a href="#">N9-0086/2023</a> <a href="#">OJ C 000 16.11.2023, p. 0000</a>	22/08/2023	
EESC	Economic and Social Committee: opinion, report	<a href="#">CES3611/2023</a>	13/12/2023	
ECB	European Central Bank: opinion, guideline, report	<a href="#">CON/2024/0013</a> <a href="#">OJ OJ C 19.06.2024</a>	30/04/2024	

#### Additional information

Source	Document	Date
EP Research Service	<a href="#">Briefing</a>	29/08/2025
European Commission	<a href="#">EUR-Lex</a>	

## Meetings with interest representatives published in line with the Rules of Procedure

### Rapporteurs, Shadow Rapporteurs and Committee Chairs

#### Transparency

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Name	Role	Committee	Date	Interest representatives
ZIJLSTRA Auke	Shadow rapporteur	ECON	02/12/2025	Fédération bancaire française
LØKKEGAARD Morten	Rapporteur	ECON	07/11/2024	Nexi Group
KOVAŘÍK Ondřej	Rapporteur	ECON	21/11/2023	Union of Employers' Associations of the Czech Republic
KOVAŘÍK Ondřej	Rapporteur	ECON	21/11/2023	Apple Inc.
KOVAŘÍK Ondřej	Rapporteur	ECON	14/11/2023	EuroCommerce
KOVAŘÍK Ondřej	Rapporteur	ECON	17/10/2023	European Payment Institutions Federation
KOVAŘÍK Ondřej	Rapporteur	ECON	16/10/2023	Česká bankovní asociace
KOVAŘÍK Ondřej	Rapporteur	ECON	11/10/2023	Amazon Web Services
KOVAŘÍK Ondřej	Rapporteur	ECON	10/10/2023	The European Association of Corporate Treasurers
KOVAŘÍK Ondřej	Rapporteur	ECON	10/10/2023	American Express Corporation
KOVAŘÍK Ondřej	Rapporteur	ECON	15/09/2023	FTI Consulting Belgium Mastercard Europe
KOVAŘÍK Ondřej	Rapporteur	ECON	12/09/2023	Finanssiala ry - Finance Finland

## Other Members

Transparency		
Name	Date	Interest representatives
FERBER Markus	22/09/2025	IC Cash Services GmbH
ZIJLSTRA Auke	18/09/2025	Nederlandse Vereniging van Banken / Dutch Banking Association
FERBER Markus	11/03/2025	Handelsverband Deutschland
BOYER Gilles	27/11/2023	Gide Loyrette Nouel
GARCÍA-MARGALLO Y MARFIL José Manuel	15/11/2023	American Express Corporation
DE LANGE Esther	24/10/2023	Nederlandse Vereniging van Banken / Dutch Banking Association
KELLEHER Billy	06/03/2023	TrueLayer Ireland

## Payment services and electronic money services in the Internal Market

2023/0209(COD) - 21/02/2024 - Committee report tabled for plenary, 1st reading/single reading

The Committee on Economic and Monetary Affairs adopted the report by Ondřej KOVAŘÍK (Renew, CZ) on the proposal for a directive of the European Parliament and of the Council on payment services and electronic money services in the Internal Market amending Directive 98/26/EC and repealing Directives 2015/2366/EU and 2009/110/EC.

The proposed Directive lays down rules concerning: (a) access to the activity of providing payment services and electronic money services, within the Union, by payment institutions; (b) supervisory powers and tools for the supervision of payment institutions.

The committee responsible recommended that the European Parliament's position adopted at first reading under the ordinary legislative procedure should amend the proposal as follows:

### **Applications for authorisation**

Undertakings intending to provide any of the payment services referred to in Annex I to the Directive, or electronic money services, should obtain authorisation from the competent authorities of their home Member State for the provision of those services. Member States should require institutions

applying for authorisation to provide the payment services referred to in Annex I, point 6 (payment initiation services), as a precondition for such authorisation, to have professional indemnity insurance covering the territories in which they offer services or another comparable guarantee against liability, which may, for the initial authorisation period only, include a minimum initial capital of EUR 50 000.

Within a maximum of two months of receipt of an application for authorisation, the competent authorities should inform the applicant whether the authorisation is granted or refused.

#### ***Initial capital***

Where the payment institution provides electronic money services, its capital should at no time be less than **EUR 350 000**.

#### ***Application to exercise the right of establishment and freedom to provide services***

Member States should ensure that any payment institution wishing to provide payment or electronic money services for the first time in a Member State other than its home Member State, including via an establishment in a third Member State, in the exercise of the right of establishment or the freedom to provide services, should communicate certain information to the competent authorities in its home Member State.

Within **10 business days** of receipt of all of the information, the competent authorities of the home Member State should send that information to the competent authorities of the host Member State. Where the services are provided via a third Member State, the Member State to be notified should be the one where the services are provided to payment service users.

Within **15 business days** of receipt of the information from the competent authorities of the home Member State, the competent authorities of the host Member State should assess that information and provide the competent authorities of the home Member State with relevant information about the intended provision of payment or electronic money services by the relevant payment institution in the exercise of the freedom of establishment or the freedom to provide services. Within **30 business days** of receipt of the information, the competent authorities of the home Member State should communicate their decision to the competent authorities of the host Member State and to the payment institution.

The Commission should create a **dedicated internet website** with all of the information in one place on how payment institutions can register in each Member State.

#### ***Services where cash is provided in retail stores without a purchase***

Member States should exempt from the application of this Directive natural or legal persons providing cash in retail stores independently of any purchase provided the following conditions are met:

- the service is offered at its premises by a natural or legal person selling goods or services as a regular occupation;
- the amount of cash provided does **not exceed EUR 100** or the equivalent amount in the currency of the Member State concerned, per withdrawal.
- the client's withdrawal is **non-anonymised** and requires the use of customer authentication.

#### ***Services enabling cash withdrawals offered by ATM deployers not servicing payment accounts***

Natural or legal persons providing cash withdrawal services and who do not service payment accounts and do not provide other payment services referred to in Annex I, should not be subject to authorisation but should register with a competent authority of the home Member State before taking up activity.

The natural or legal persons providing the services should comply with the requirements on transparency of fees and charges laid down in the Payment Services Regulation, and in particular should ensure that such fees and charges are displayed at the initiation of the provision of the services.

#### ***Transitional provisions***

Member States should allow payment institutions that have been authorised pursuant to Article 11 of Directive (EU) 2015/2366 by 18 months after the date of entry into force of this Directive to continue to provide and execute the payment services for which they have been authorised, without having to having to seek a new authorisation.

If those institutions fail to comply with the requirements laid down in Title II of the Directive no later than 24 months after the date of entry into force of this Directive, they should be **suspended** from the provision of payment services until they provide the relevant competent authority with the additional information required to ensure compliance with Title II and that competent authority has verified the accuracy of that information and duly authorised the payment service provider.

Competent authorities may exceptionally decide to extend the period before specific payment institutions and electronic money institutions are prohibited from providing services when those institutions provided the information required and the competent authority has not been able to process it within the applicable deadline.

## **Payment services and electronic money services in the Internal Market**

The European Parliament adopted by 484 votes to 8, with 118 abstentions, a legislative resolution on the proposal for a directive of the European Parliament and of the Council on payment services and electronic money services in the Internal Market amending Directive 98/26/EC and repealing Directives 2015/2366/EU and 2009/110/EC.

The European Parliament's position adopted at first reading under the ordinary legislative procedure amends the proposal as follows:

### ***Subject matter***

The proposed Directive lays down rules concerning: (a) access to the activity of providing payment services and electronic money services, within the Union, by payment institutions; (b) supervisory powers and tools for the supervision of payment institutions.

### ***Applications for authorisation***

Undertakings intending to provide any of the payment services referred to in Annex I to the Directive, or electronic money services, should obtain authorisation from the competent authorities of their home Member State for the provision of such services. The application for authorisation must be accompanied by the following information:

- a programme of operations setting out in particular the type of payment services envisaged;
- evidence that the applicant holds initial capital as provided for in the Directive;
- for the undertakings applying to provide certain services and electronic money services, a description of the measures taken for safeguarding payment service users' funds;
- a description of the applicant's governance arrangements and internal control mechanisms, including administrative, risk management and accounting procedures;
- a description of the procedure in place to monitor, handle and follow up a security incident and security related customer complaints;
- a description of the process in place to file, monitor, track and restrict access to sensitive payment data;
- a description of business continuity arrangements including a clear identification of the critical operations, a description of the ICT business continuity plans and ICT response and recovery plans;
- a security policy document;
- for applicant institutions that are subject to the obligations in relation to money laundering and terrorist financing under Directive (EU) 2015/849 and Regulation (EU) 2015/847;
- the identity of the persons that hold in the applicant, directly or indirectly, qualifying holdings, the size of their holdings and evidence of their suitability to ensure the sound and prudent management of the applicant;
- the identity of directors and other persons responsible for the management of the applicant payment institution and the applicant's legal status;
- a winding-up plan in case of failure.

The applicant should provide a description of its audit arrangements and of the organisational arrangements it has set up to protect the interests of its users and to ensure continuity and reliability in the performance of payment or electronic money services.

### ***Initial capital and own funds***

Member States should require payment institutions to hold, at the time of authorisation, initial capital which should at no time be less than EUR 25 000; EUR 50 000 or EUR 150 000 according to the payment service provider.

Member States should require that the payment institution's own funds do not fall below the amount of initial capital or the amount of own funds either calculated in accordance with the Directive for payment institutions that do not offer electronic money services, and for payment institutions that offer electronic money services.

### ***Granting of authorisation***

Member States should authorise an applicant payment institution for the payment services and electronic money services it intends to provide, provided that it is a **legal person established in a Member State** and it has the required initial capital.

Within a maximum of two months of receipt of an application for authorisation, the competent authorities should inform the applicant whether the authorisation is granted or refused. The competent authority should give reasons where it refuses an authorisation.

An authorisation should be **valid in all Member States** and should allow the payment institution concerned to provide the payment or electronic money services that are covered by the authorisation throughout the Union.

The competent authorities of the home Member State may withdraw the authorisation granted to a payment institution only if that institution has not made use of its authorisation within twelve months of obtaining that authorisation or has not provided any of the services for which it was authorised for more than six consecutive months.

Member States should maintain a **public electronic register** of payment institutions. The EBA should operate and maintain a central electronic register of payment institutions.

### ***Entities to which activities are outsourced***

Member States should ensure that payment institutions that intend to outsource operational functions of payment or electronic money services inform the competent authorities of their home Member State thereof. They should also ensure that payment institutions do not outsource important operational functions, including ICT systems, in such way that the quality of the payment institution's internal control and the ability of the competent authorities to monitor and retrace the payment institution's compliance with all of the obligations laid down in this Directive is materially impaired.

### ***Designation of competent authorities***

Member States should designate as the competent authorities responsible for the authorisation and prudential supervision of payment institutions which are to carry out the duties provided for under this Directive either public authorities, or bodies recognised by national law or by public authorities expressly empowered for that purpose by national law, including national central banks.

The amended text also contains provisions relating to the application to exercise the right of establishment and the freedom to provide services, as well as the supervision of payment institutions exercising the right of establishment and the freedom to provide services. Transitional provisions are also included.

## **Payment services and electronic money services in the Internal Market**

2023/0209(COD) - 28/06/2023 - Legislative proposal

PURPOSE: to lay down rules on payment services and electronic money services in the internal market.

PROPOSED ACT: Directive of the European Parliament and of the Council.

ROLE OF THE EUROPEAN PARLIAMENT: the European Parliament decides in accordance with the ordinary legislative procedure and on an equal footing with the Council.

BACKGROUND: the second Payment Services Directive (PSD2) provides a legal framework for all retail payments in the EU, both Euro and other currencies, domestic and cross-border.

PSD2 has tackled the barriers to access to new types of payment services and improved the level of consumer protection and security. PSD2 contains both rules on the provision of payment services by payment service providers (PSPs) and rules on the authorisation and supervision of a specific category of financial service providers, namely payment institutions.

The review of PSD2 has led the Commission to decide to propose legislative changes to PSD2 in order to improve its functioning. These changes are set out in two proposals, this proposal for a Directive on payment services and electronic money services, focusing on the authorisation and supervision of payment institutions (and amending certain other Directives) and a [proposal for a Regulation](#) on payment services in the EU.

The impact assessment accompanying this proposal (as well as the proposal for a Regulation on payment services in the internal market) revealed that the EU payments market has four major problems, despite the achievements of the PSD2: (i) consumers are at risk of fraud and lack confidence in payments; (ii) the open banking sector functions imperfectly; (iii) supervisors in EU Member States have inconsistent powers and obligations; (iv) there is an unlevel playing field between banks and non-bank PSPs.

The proposal will amend and modernise the current Payment Services Directive (PSD2) which will become PSD3 and establish, in addition, a Payment Services Regulation (PSR). It will ensure consumers can continue to safely and securely make electronic payments and transactions in the EU, domestically or cross-border, in euro and non-euro.

CONTENT: this proposed Directive therefore lays down rules concerning:

- access to the activity of providing payment services and electronic money services, within the Union, by payment institutions;
- supervisory powers and tools for the supervision of payment institutions.

The revised Directive aims to **update and clarify the provisions relating to payment institutions** and integrates former electronic money institutions as a sub-category of payment institutions (and consequently repeals the second Electronic Money Directive, 2009/110/EC). Furthermore, it includes provisions concerning cash withdrawal services provided by retailers (without a purchase) or independent ATM deployers and amends the Settlement Finality Directive (Directive 98/26/EC).

More specifically, it consists of a package of measures which:

- combat and mitigate payment **fraud**, by enabling payment service providers to share fraud-related information between themselves, increasing consumers' awareness, strengthening customer authentication rules, extending refund rights of consumers who fall victim to fraud and making a system for checking alignment of payees' IBAN numbers with their account names mandatory for all credit transfers;
- improve **consumer rights**, in cases for example where their funds are temporarily blocked, improve transparency on their account statements and provide more transparent information on ATM charges;

- further levelling the playing field between **banks and non-banks**, in particular by allowing non-bank payment service providers access to all EU payment systems, with appropriate safeguards, and securing those providers' rights to a bank account;
- improve the functioning of **open banking**, by removing remaining obstacles to providing open banking services and improving customers' control over their payment data, enabling new innovative services to enter the market;
- improve the availability of cash in shops and via ATMs, by allowing retailers to provide **cash services to customers without requiring a purchase** and clarifying the rules for independent ATM operators;
- strengthen harmonisation and enforcement, by enacting most payment rules in a directly applicable regulation and reinforcing provisions on implementation and penalties.

#### ***Transitional provisions***

Transitional measures are appropriate regarding existing activities under PSD2 given the creation of a new legal licensing regime. For example, existing licenses for payment institutions and electronic money institutions are prolonged in validity ("grandfathered") until 30 months after entry into force (one year after the transposition deadline and the beginning of application) on condition that application for a license under this Directive is made at the latest 24 months after entry into force.