



PRESS RELEASE

ESBG's first reactions on EU single currency package, open finance and payments as published today

The ESBG appreciates the potential transformative impact of these proposals on the resilience and competitiveness of the payments sector and the financial landscape. ESBG underlines that further discussions are required to tailor these proposals to the benefit of all stakeholders. Diligent considerations in the discussions ahead will be crucial to let the legislative acts succeed in fostering the European payments area.

Brussels, 28 June 2023 - The **European Savings and Retail Banking Group (ESBG)** acknowledges with keen interest the long awaited four legislative initiatives of the European Commission published today in the single currency package. The said package includes notably i) the proposed Regulations on the Digital Euro, ii) the Legal Tender of Euro Banknotes and Coins, iii) on open finance and payments, consisting of the Financial Data Access Regulation and iv) the revision of the EU rules on payments services.

The ESBG appreciates the potential transformative impact of these proposals on the resilience and competitiveness of the payments sector and the financial landscape, and underlines that further discussions are required to tailor these proposals to the benefit of all stakeholders. Diligent considerations in the discussions ahead will be crucial to let the legislative acts succeed in fostering the European payments area.

*“At ESBG, we have been engaging in the development of a **digital euro** via various stakeholder groups of the European Central Bank (ECB) throughout the whole investigation phase ever since it was launched in 2021”, Sofia Lindh Possne, Head of Group Regulatory Affairs – Group Brand Communications and Sustainability at Swedbank and Chairperson of the ESBG Task Force on Central Bank Digital Currencies, says. “A ground-breaking innovative project like the digital euro requires a prudent approach to maintain the financial stability of banks and to ensure a level playing field in the European payments market.” she adds.*

The third Payment Services Directive (PSD3) and the first Payment Services Regulation (PSR), which foresee changes to the foundational framework of the European payments market, are part of another significant and landmark set of proposals. According to Fabrice Denèle, Senior Vice President Payments Partnerships at BPCE Payments and Chairperson of the ESBG Payments Committee, the revised provisions of the PSD2 imply a huge potential to improve the overall situation of payments in Europe: *“A sound liability framework for fraud cases will be vital for both customers and banks. The PSD3 and the PSR have the chance to provide a coherent set of rules for this”*. At the



same time, the new acts should contribute to a fair competition in Europe: “*The same rules must apply to all actors with the same entitlements*”, Denèle states.

Another legislative proposal published today concerns the **legal tender status of euro banknotes and coins**. ESBG welcomes the clarity provided and recognises the role of cash even in an environment that tends to become more digital. To this end, Diederik Bruggink, Head of the Payments, Digital Finance and Innovation department at ESBG, comments: “*Cash still is vital for parts of the European population. However, the declining trend in usage of it poses challenges to both the acceptance of and the access to cash. The proposed Regulation is addressing both issues*”.

As regards the proposed **Financial Data Access Regulation (FIDAR)**, the Commission acknowledged the importance of a contract defining the sharing of costs and responsibilities, as well as the key factor of consumer trust; both elements ESBG stipulated in previous dialogues. Moreover, the authorisation and supervision of financial information service providers (FISPs) will support consumer protection and ensure a level playing field for data access. However, some provisions, such as the required adherence to financial data sharing schemes, or the mandatory provision of permission dashboards, should certainly be reconsidered both in terms of content and deadlines as their simultaneous development could represent a challenge for stakeholders.

As the publication of the four initiatives mark the start of the legislative process in the Council and the European Parliament, Peter Simon, Managing Director of ESBG, is looking forward to the constructive discussions in the months ahead. “*The changes proposed by the European Commission represent important steps that could impact some of the core activities of our members. We stand ready to contribute to the discussions and to ensure that the voices of the savings and retail banks in Europe are being heard.*”

ESBG is hosting a dedicated ESBG Spotlight Special, dedicated to shed some light on these legislative initiatives from the European Commission. The day after the European Commission publishes these proposals, ESBG will put Jan Ceysens, Head of Unit Digital Finance, and Eric Ducoulombier, Head of Unit Retail Financial Services, both from DG FISMA, in the “Spotlight”. The online event will take place on 29 June 2023, from 13:00 onwards, the day after the publication of these proposals. More information and a registration link can be found [here](#).

YOUR CONTACT:

Diederik Bruggink

Head of Payments, Digital Finance and Innovation

diederik.bruggink@wsbi.esbg

Phone: +32 2 211 11 21