



Banc Ceannais na hÉireann
Central Bank of Ireland

Eurosystem



EUROPEAN CENTRAL BANK
EUROSYSTEM



The update of the Regulation on payments statistics

08/01/2021

Overview

- 1** Introduction
- 2** Overview of the amending ECB Regulation on Payments Statistics
 - 2.1** Payments Statistics - background
 - 2.2** Key features of the amending Regulation
 - 2.3** Outcome of the public consultation: main highlights
- 3** ECB Manual and CBI supporting documentation
- 4** Way forward



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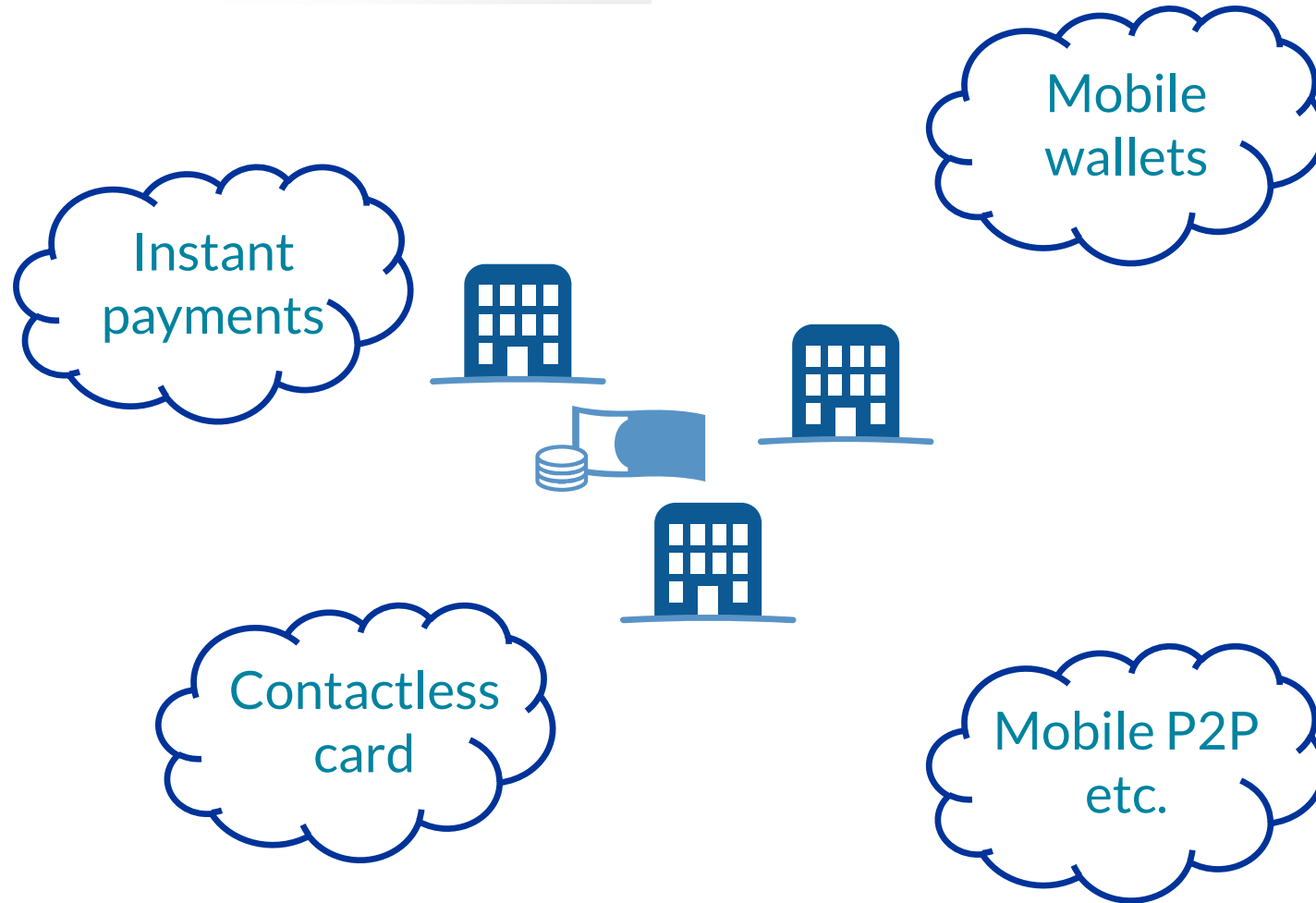


Payments statistics – background (1/4)

- 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 (ECB/2013/43) addressed to payment service providers and payment system operators resident in the euro area
 - 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

Payments statistics update – scope and user demands (2/4)

Retail payments are developing rapidly...



Payments statistics update – scope and user demands (3/4)

...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 (needed to serve the ECB's oversight function)

Interchange Fee Regulation (IFR)

New definition of [cross-border card-based payment transactions](#)

Different [fees](#) for credit and debit cards



Payments statistics update – scope and user demands (4/4)

...new user requirements arise

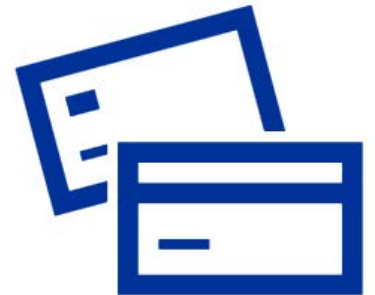
Monitoring cross-border trade and domestic activity

Higher frequency and more timeliness

More granular data

[Merchant category code](#) (MCC) provides information of the business of the merchant

MCC and individual country breakdown reported [quarterly](#)



→ *Need to update ECB Regulation in order to capture new developments and meet user needs*

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Key features of the amending Regulation(1/4)

- **New initiation channels; changes in the payments systems**
(P2P) mobile payments, payment initiation services, instant payments
- **Fraud and related data**
Payments, fraudulent payments and authentication measures
Overlap with EBA Guidelines necessitates a “single data flow”
- **Data for Balance of Payments purposes**
More detailed sectoral and geographic coverage
- **Enhanced frequency**
- **Enhanced geo breakdown**
- **Enhanced timeliness**



Key features of the amending Regulation(2/4)

Integrated reporting of EBA and ECB reporting

- Agreement, in principle, with the EBA on a single data flow involving fraud data (and associated payment information) at European level **for euro area countries**
- **Methodological alignment** ensured between EBA Guidelines and ECB Regulation
- The Central Bank of Ireland will use an integrated reporting form covering both the EBA Fraud Reporting (PFD) and the ECB Statistics Regulation (PSA)
 - PFD and PSA merge into single return covering the updated Regulations
 - Investigating integrating Credit and debit card statistics



Key features of the amending Regulation(3/4)

Enhanced frequency

Current Regulation

- ECB (PSA) data
 - Annual
 - Report T+3 months
 - 2.100 data point
- EBA (PFD) data
 - Semi-annual basis
 - 1.800 data points

Future Regulation

- ECB (PSA) data
 - Quarterly reporting (T+1 month *tbc*)
 - Up to 711.000 data points
- EBA (PFD) data
 - Unchanged frequency
 - Up to 203.000 data points



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Key features of the amending Regulation(4/4)

Example of increased data points

- **Payment developments:**
 - Contactless cards and accepting devices
 - Online banking based credit transfer
- **All payment instruments broken down by:**
 - Total/Remote/Non-Remote
 - Fraudulent Transactions
 - Individual country breakdown (262 countries)
- **Card payments split by:**
 - MCC Codes
 - Individual country of POS location
 - Individual country of Acquirer
 - Card schemes



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Outcome of the public consultation: main highlights

Public consultation closed on 7 May 2020 and received overall 621 detailed comments.

Amendment in response included

1. Implementation period

Delayed to first reference period Q1 2022 and H1 2022.

2. Definitions

Reviewed to enhance alignment with existing legal acts (IFR, PSD2 and EBA Guidelines)

3. Streamlining requirements

4. Derogations

Increased clarity and discretion to national central banks

5. Drafting and clarification within regulations



Derogations

- Article on derogations enhanced to clarify NCBs discretion to grant derogations
- NCBs may grant derogations regardless of whether the reporting agents benefit from a waiver or exemption pursuant to the national law transposing PSD2 and EMD.
- Central Bank of Ireland has already moved to use derogation from 2019
- Reporting agents granted a derogation will have a reduced reporting relative to full reporters

Nonetheless, the reporting under revised regulation is larger than now (Report Tables 4b and 5b of Annex III to the Regulation)

Semi-annual breakdown

- Cumulative share of RAs that could be granted a derogation can't exceed 5% of total
- Refresh on the entities granted derogations is required



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ECB Manual (1/2)

- ECB Manual, in excel format includes: FAQ, definitions and additional information on reporting requirements, basic validation checks , annex III to the Regulation
- Manual was shared with the EBF in mid-December 2020
- Feedback by EBF provided at the end-January 2021
- Manual will be updated after a certain time (latest after one year) to include any additional FAQ channelled via the NCBs (NCBs as first contact for reporting agents)

ECB Manual (2/2)

Nov 20:

- First draft Manual finalised

Dec 20:

- Consultation with ESCB working group
- Consultation with EBF

Jan 21:

- Consultation with ESCB statistics committee (incl. EBF feedback)
- EBF-ECB meeting

Q1 2021:

- Publication of the Manual on the ECB website

Q1 2022:

- Publication of revised Manual (updated FAQs)

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Way Forward

- 2020 and 2021 data submissions unchanged
- 2022 data submitted under the Updated ECB Regulation – first data submission with reference to Q1 2022 due at the Central Bank in April 2022
- The manual will be available by end-March on the [ECB Website](#)
- Regulation and supporting material can be accessed at the [CBI Website](#)



Way Forward

CBI Communication

- Central Bank of Ireland dedicated WebPage available on the [Website](#)
 - Regulation relevant documents
 - Guideline/notes on compilation
 - Project updates
 - Industry engagement events details
- Next industry engagement will be in Q2 2021
- Queries to be sent to: paystats@centralbank.ie



QUESTIONS?

paystats@centralbank.ie



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