
EBA/CP/2015/25

11 December 2015

Consultation Paper

Draft Regulatory Technical Standards

on the framework for cooperation and exchange of information
between competent authorities for passport notifications, under
PSD2

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Responding to this consultation

The EBA invites comments on all proposals put forward in this paper and in particular on the specific questions summarised in 5.2.

Comments are most helpful if they:

- respond to the question stated;
- indicate the specific point to which a comment relates;
- contain a clear rationale;
- provide evidence to support the views expressed/ rationale proposed; and
- describe any alternative regulatory choices the EBA should consider.

Communication of responses

To submit your comments, click on the 'send your comments' button on the consultation page by 11 March 2016. Please note that comments submitted after this deadline, or submitted via other means may not be processed.

Publication of responses

Please clearly indicate in the consultation form if you wish your comments to be disclosed or to be treated as confidential. A confidential response may be requested from us in accordance with the EBA's rules on public access to documents. We may consult you if we receive such a request. Any decision we make not to disclose the response is reviewable by the EBA's Board of Appeal and the European Ombudsman.

Data protection

The protection of individuals with regard to the processing of personal data by the EBA is based on Regulation (EC) N° 45/2001 of the European Parliament and of the Council of 18 December 2000 as implemented by the EBA in its implementing rules adopted by its Management Board. Further information on data protection can be found under the Legal notice section of the EBA website.

1. Executive Summary

The revised Payment Services Directive (PSD2) requires coordination, cooperation and information exchanges between competent authorities of different Member States. Article 28, in particular, foresees that an authorised payment institution wishing to provide payment services for the first time in one or more Member States other than its home Member State shall inform the competent authorities of its home Member State accordingly.

To that end, Article 28(5) confers a mandate on the EBA to develop draft regulatory technical standards (RTS), specifying method, means and details of the cross-border cooperation between competent authorities in the context of passport notifications of payment institutions. The RTS shall include the scope of information to be submitted, a common terminology and standard templates, in order to ensure the consistency and efficiency of the process.

The draft RTS proposed in this consultation paper, together with the provisions already stated in the PSD2 itself, set out a harmonized framework that is aimed at providing clarity to payment institutions about regulatory requirements, and foster the cross-border provision of payment services in the EU internal market. This, in its turn, is aimed at facilitating increased competition and innovation, in line with the overarching objectives of the PSD2.

The draft requirements specify the information that national supervisors will have to exchange with one another. In so doing, the RTS distinguishes the notifications related to branch establishments, agent's engagement and free provision of services. Moreover, it provides some specific features that the notifications shall have, in terms of format, transmission channel and language.

Next steps

The consultation period will run from 11 December 2015 to 11 March 2016. The final RTS will be published after consultation.

2. Background and rationale

2.1 Background

1. PSD2 requires coordination, cooperation and information exchanges between competent authorities of different Member States. Article 28, in particular, foresees that an authorised payment institution wishing to provide payment services for the first time in one or more Member States other than its home Member State shall inform the competent authorities of its home Member State accordingly.
2. Within a one-month period after receiving all the necessary and complete information, the competent authorities of the home Member State shall share this information with the competent authorities of the host Member State(s). The host competent authorities shall, then, assess the notification received and raise any concern they may have to the home competent authorities within one month. The PSD2 provides that the whole process, between the date when the home competent authorities assess the completeness of the payment institution's initial notification and the date when the home competent authorities inform the payment institution and the host competent authorities of their decision, shall last no more than three months.
3. The same procedure shall apply also when changes arise in the information related to a payment institution already providing services in Member States different from its home Member State. In particular, the same information exchanges between competent authorities shall take place.
4. According to Article 28 (5) PSD2, the EBA shall develop draft regulatory technical standards (RTS), specifying method, means and details of the cross-border cooperation between competent authorities in the context of passport notifications of payment institutions. The RTS shall include the scope of information to be submitted, a common terminology and standard templates, in order to ensure the consistency and efficiency of the process.

2.2 Rationale

5. Prior to starting to develop the substance of the RTS, the EBA sought input from market participants and other entities that are involved in the exchanges of passport notifications under the existing PSD1. The aim was to understand the issues that they were facing with these passporting notifications, to identify the reasons for these issues, and to identify which, if any, regulatory requirements could be developed to address these issues in the future notification requirements under the PSD2 and the EBA's RTS.
6. To that end, the EBA approached national authorities; members of the EBA Banking Stakeholder Group; and several European trade associations whose members operate in the payment services market (the European Payment Institution Federation, the Electronic Money Association, and the European Banking Federation). The responses confirmed the need for a common standardized

procedure, in order to reduce inefficiencies, misunderstandings, delays, non-transparency and regulatory arbitrage.

7. The draft RTS proposed in this consultation paper, together with the provisions already stated in the PSD2 itself, set out a harmonized framework that is aimed at providing clarity to payment institutions about regulatory requirements, and foster the cross-border provision of payment services in the EU internal market. This, in its turn, shall facilitate increased competition and innovation, in line with the overarching objectives of the PSD2.
8. Furthermore, Article 111(1) of Directive [xxxx/xx/..] provides that notification procedures foreseen for the establishment of branches, use of agents and free provision of services by payment institutions in another Member State to apply, *mutatis mutandis*, also to electronic money institutions. The draft RTS proposed in this consultation paper therefore provides clarification in the annexes on how to use the relevant templates for the purposes of e-money institutions providing payment services (via the establishment of a branch, through an agent or via free provision of services), issuing e-money (via the establishment of a branch or via free provision of services) or distributing or redeeming e-money (via the establishment of a distributor). The EBA will liaise closely with the EU Commission during the consultation period, in order to see whether the legal status of distributors under the EMD can be further clarified, in particular in the wake of the recent terrorist events in Paris and possible issues of terrorist financing, before the EBA finalises the RTS in 2016.
9. The requirements proposed below specify the information that national supervisors (henceforth referred to as 'competent authorities') will have to exchange with one another. They also specify the conditions under which the Home competent authorities shall notify competent authorities of the host Member State when payment institutions intend to operate on a cross-border basis, i.e. in a Member State different from their Home Member State. In particular, the RTS distinguishes the notifications related to branch establishments, agent's engagement and free provision of services. Moreover, it provides some specific features that the notifications shall have, in terms of format, transmission channel and language.
10. The cooperation framework between competent authorities and the efficiency of information exchanges is enhanced further by the obligation for competent authorities to acknowledge the receipt of notifications and assess their completeness and accuracy.
11. This set of provisions will contribute to a consistent, efficient and effective implementation of the provisions of the PSD2 and foster supervisory convergence across Members States, in line with the EBA's overall objective of bringing about regulatory and supervisory convergence, as set out in Article 1 (5) of Regulation (EU) No 1093/2010.

3. Draft regulatory technical standards

Draft regulatory technical standards on the framework for cooperation and exchange of information between competent authorities for passport notifications, under PSD2

In between the text of the draft RTS/ITS/Guidelines/advice that follows, further explanations on specific aspects of the proposed text are occasionally provided, which either offer examples or provide the rationale behind a provision, or set out specific questions for the consultation process. Where this is the case, this explanatory text appears in a framed text box.

COMMISSION DELEGATED REGULATION (EU) No .../..**of XXX****[...]**

supplementing [Directive XXXX/xx/.. / Regulation (..) No xx/XXXX] of the European Parliament and of the Council on payment services in the internal market with regard to regulatory technical standards for the cooperation and exchange of information between competent authorities relating to the exercise of the right of establishment and the freedom to provide services of payment institutions

THE EUROPEAN COMMISSION,

Having regard to the Treaty on the Functioning of the European Union,
Having regard to [Directive xxxx/xx/xx] of the European Parliament and of the Council of dd/mm/yyyy on ...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, and in particular Article 28(5) thereof,

Whereas:

- (1) In order to ensure a consistent and efficient notification process for payment institutions intending to exercise the right of establishment and the freedom to provide services on a cross-border basis, it is desirable to specify the framework for cooperation, and for the exchange of information, between competent authorities of the home and of the host Member State, specifying the method, means and details of cooperation and, in particular, the scope and treatment of information to be submitted, including common terminology and standard notification templates;
- (2) For the purposes of having a common terminology and standard notification templates, it is necessary to define some technical terms in order to make a clear distinction between branch notifications, services notifications and agents notifications with regard to payment institutions wishing to carry out their activities in another Member State;
- (3) The establishment of standard procedures covering the language and means of communication of passport notifications between competent authorities of home and host Member States facilitates the exercise of the right of establishment and the freedom to provide services and the efficiency of the performance of the respective tasks and responsibilities of the competent authorities of home and host Member States;
- (4) Technical standards should require competent authorities in home Member States to assess the accuracy and completeness of the information submitted by payment institutions intending to provide services in another Member State, ensuring the quality of

the passport notifications. To this end, competent authorities of home Member States should indicate to the payment institution the particular aspects in which passport notifications are assessed to be incomplete or incorrect to facilitate the process of identification, communication and submission of the missing or incorrect elements. Further, the assessment of completeness and accuracy of passport notifications should ensure an efficient notification process by determining without ambiguity the one-month period and the three-month period referred to, respectively, in Article 28(2), first subparagraph, and Article 28(3), first subparagraph, of Directive [...] as having commenced on the date of receipt of a passport notification containing information that is assessed to be complete and correct by the home Competent Authorities;

- (5) Where a procedure for settlement of disagreements between competent authorities of different Member States has been initiated, in accordance with Article 19 of Regulation (EU) No 1093/2010, competent authorities of the home Member State should inform the payment institution that a decision concerning the passport notification is deferred pending resolution under that provision;
- (6) To ensure an efficient and smooth notification process, allowing competent authorities of home and host Member States to perform their respective assessments in accordance with Directive xxxx/xx/xx, the scope of the information to be submitted between competent authorities in relation to a passport notification should be clearly defined, for each of the cases of a branch passport notification, an agent passport notification and a services passport notification, respectively. It is also appropriate to provide, in dedicated Annexes to this Regulation, standard templates for the transmission of the information in relation to a passport notification between competent authorities;
- (7) To facilitate the identification of payment institutions operating cross border in different Member States, it is desirable to include in an Annex to this Regulation the format of the relevant unique identification number used in each Member State to identify a payment institution, its branches or agents engaged by the payment institution to provide payment services in the host Member State;
- (8) Where a payment institution carrying out its activities in another Member State applies changes regarding the information communicated in the initial notification, competent authorities of the home Member State should transmit to the competent authorities of the host Member State only the information which is affected by the changes in accordance with Article 28(4) of Directive xxx/xx/;
- (9) In accordance with Article 6(1), letter (a) of Directive 2009/110/EC, electronic money institutions, in addition to issuing electronic money, are entitled to the provision of payment services. Further in accordance with Articles 3(1) of that Directive, as amended by Article 111(1) of Directive xxxx/xx/., the procedures for passport notification of payment institutions, including the provisions of this Regulation, apply *mutatis mutandis*, to electronic money institutions. Article 3(4) of Directive 2009/110/EC, as amended, also provides that the provisions for passport notifications of payment institutions, including the provisions of this Regulation apply, *mutatis mutandis*, to electronic money institutions distributing electronic money in another Member State through natural or legal persons which act on their behalf and Article 3(5), as amended, provides that electronic money institutions shall not issue electronic money through agents, while they are allowed to provide payment services through agents subject to the conditions laid down in Article 19 of Directive xxxx/xx/... In order to provide guidance on the application, *mutatis mutandis*, of the passport procedures set out in Directive xxxx/xx/... and of the provisions of this Regulation, the Annexes to this Regulation should facilitate the transmission between

competent authorities of the information in relation to a passport notification from an electronic money institution intending to exercise the right of the establishment or the freedom to provide services, including by engaging an agent for the provision of payment services or by distributing and redeeming electronic money through distributors which act on their behalf in another Member State, in accordance with the applicable framework of the activities that electronic money institutions are entitled to perform;

- (10) This Regulation is based on the draft regulatory technical standards submitted by the European Supervisory Authority (European Banking Authority) (EBA) to the Commission.
- (11) EBA has conducted open public consultations on the draft regulatory technical standards on which this Regulation is based, analysed the potential related costs and benefits and requested the opinion of the Banking Stakeholder Group established in accordance with Article 37 of Regulation (EU) No 1093/2010¹].

HAS ADOPTED THIS REGULATION:

Section 1

General provisions

Article 1 *Definitions*

For the purposes of this Regulation, the following definitions shall apply:

- (1) ‘branch passport notification’ means an application made in accordance with Article 28(1) of Directive [...] by a payment institution wishing to establish a branch within the territory of another Member State to the competent authorities of its home Member State;
- (2) ‘services passport notification’ means an application made in accordance with Article 28(1) of Directive [...] by a payment institution wishing to exercise the freedom to provide services by carrying out its activities within the territory of another Member State to the competent authorities of its home Member State;
- (3) ‘agent passport notification’ means an application made in accordance with Article 28(1) of Directive [...] by a payment institution intending to provide payment services in another Member State by engaging an agent as referred to in Article 19(1) of that Directive to the competent authorities of its home Member State;
- (4) ‘passport notification’ means a branch passport notification, a services passport notification or an agent passport notification.

¹ Regulation (EU) No 1093/2010 of the European Parliament and of the Council of 24 November 2010 establishing a European Supervisory Authority (European Banking Authority), amending Decision No 716/2009/EC and repealing Commission Decision 2009/78/EC (OJ L 331, 15.12.2010, p. 12).

Article 2
General requirements

1. The information and the templates exchanged between competent authorities under this Regulation shall comply with the following requirements:
 - (a) they shall be in writing in a language accepted by the competent authorities of the home Member State and in a language accepted by the competent authorities of the host Member State, or in any Union language accepted by both the competent authorities of the home and host Member States;
 - (b) they shall be transmitted by post with acknowledgement of receipt, or by electronic means where these are accepted by the competent authorities of the host Member State where the payment institution intends to provide payment services, followed by an electronic confirmation of receipt by such competent authorities.
2. Each competent authority shall make the following information available to the other competent authorities:
 - (a) the languages accepted, in accordance with of paragraph 1(a);
 - (b) the address to which information and templates are to be sent where submitted by post; or
 - (c) the e-mail address to which information and templates are to be sent where submitted by electronic means.

Article 3
Assessment of completeness and accuracy

1. On receipt of a passport notification by a payment institution, the competent authorities of the home Member State shall assess the completeness and accuracy of the information provided in accordance with Article 28(1) of Directive [...].
2. Competent authorities of the home Member State shall treat the one-month period and the three-month period referred to, respectively, in Article 28(2), first sub-paragraph, and Article 28(3), first sub-paragraph, of Directive [...] as having commenced on the date of receipt of a passport notification containing information that is assessed to be complete and correct in accordance with paragraph 1.
3. Where the information provided in the notification is assessed to be incomplete or incorrect, the competent authority of the home Member State shall inform without delay the payment institution, indicating in which respect the information is assessed to be incomplete or incorrect.

Article 4

Communication in case of settlement of disagreements between competent authorities

Where a procedure for settlement of disagreements between competent authorities of different Member States has been initiated in accordance with Article 27 of Directive [...], in relation to a passport notification from a payment institution according to Article 28 of that Directive, the competent authorities of the home Member State shall inform that payment institution that a decision on the passport notification is deferred pending resolution under Article 19 of Regulation (EU) No 1093/2010.

Section 2

Branch passport notification

Article 5

Information to be transmitted for a branch passport notification

1. For the purposes of Article 28(2), first sub-paragraph, of Directive [...], the competent authorities of the home Member State shall send to the competent authorities of the host Member State the following information in relation to a branch passport notification received from a payment institution:
 - (a) The date of receipt of the passport notification from the payment institution containing information that is assessed to be complete and correct in accordance with Article 3;
 - (b) the Member State in which the payment institution intends to operate;
 - (c) the type of the passport notification,;
 - (d) the name, the address and, where applicable, the authorisation number and the unique identification number of the payment institution in the home Member State in accordance with the formats provided in Annex I to this Regulation;
 - (e) the identity and contact details of a contact person with the payment institution;
 - (f) the address of the branch;
 - (g) the identity and contact details of the persons responsible for the management of the branch;
 - (h) the intended date of start of the branch activities;
 - (i) the payment services to be provided in the host Member State;
 - (j) the organisational structure of the branch;
 - (k) a business plan, including a forecast budget calculation for the first three financial years, which demonstrates that the branch is able to employ the appropriate and proportionate systems, resources and procedures to operate soundly in the host Member State;
 - (l) a description of the branch`s governance arrangements and internal control mechanisms, including administrative, risk management, accounting procedures, which demonstrates that these governance arrangements, control mechanisms and procedures are proportionate, appropriate, sound and adequate with regard to the payment service business in the host Member State and comply with the obligations in relation to money laundering and terrorist financing under Directive (EU) 2015/849;
2. In addition to paragraph 1, where the payment institution has informed the home competent authorities of its intention to outsource operational functions of payment services to other entities in the host Member State, the competent authorities of the home Member State shall inform the competent authorities of the host Member State accordingly.

Article 6
Communication for a branch passport notification

The competent authorities of the home Member State shall transmit the information referred to in Article 5 to the competent authorities of the host Member State making use of the template laid down in Annex II to this Regulation. Where there are multiple notifications to communicate, competent authorities may alternatively communicate aggregated information but shall do so using the headings set out in Annex II.

Article 7
Communication of information for changes to a branch passport notification

1. Where, in accordance with Article 28(4) of Directive [...], the payment institution notifies the competent authorities of the home Member State of any relevant change regarding a branch passport notification, the competent authorities of the home Member State shall send to the competent authorities of the host Member State only the information, within the scope of Article 5, which is affected by the changes.
2. For the purposes of paragraph 1, the competent authorities of the home Member State shall transmit the relevant information to the competent authorities of the host Member State by compiling only those parts of the template laid down in Annex II to this Regulation that are affected by the changes.

Article 8
Information on the start of activities of the branch

For the purposes of informing the competent authorities of the host Member State of the date from which the payment institution commences its activities through a branch, in accordance with Article 28(3), third sub-paragraph, of Directive [...], the competent authorities of the home Member State shall transmit without undue delay to the competent authorities of the host Member State the template laid down in Annex V to this Regulation.

Section 3
Agent passport notification

Article 9
Information to be transmitted for an agent passport notification

1. For the purposes of Article 28(2), first sub-paragraph, of Directive [...], the competent authorities of the home Member State shall send to the competent authorities of the host Member State the following information in relation to an agent passport notification received from a payment institution:
 - (a) The date of receipt of the passport notification from the payment institution containing information that is assessed to be complete and correct in accordance with Article 3;
 - (b) the Member State in which the payment institution intends to operate by engaging an agent;
 - (c) the type of the passport notification;

- (d) the name, the address and, where applicable, the authorisation number and the unique identification number of the payment institution in the home Member State in accordance with the formats provided in Annex I to this Regulation;
 - (e) the identity and contact details of a contact person with the payment institution;
 - (f) the identity and contact details of the agent in the host Member State;
 - (g) the unique identification number of the agent in the host Member State, where applicable, according to the applicable format in the host Member State in accordance with the formats provided in Annex I to this Regulation;
 - (h) the identity and contact details of the persons responsible for the central contact point, where this has been appointed;
 - (i) the intended date of start of the agent activities;
 - (j) the payment services to be provided in the host Member State by engaging the agent;
 - (k) a description of the agent's structural organisation;
 - (l) a description of the internal control mechanisms that will be used by the agent in order to comply with the obligations in relation to anti-money laundering and terrorist financing under Directive (EU) 2015/849;
 - (m) the identity and contact details of directors and persons responsible for the management of the agent to be used in the provision of payment services and, for agents other than payment service providers, evidence that they are fit and proper persons;
2. In addition to paragraph 1, where the payment institution has informed the home competent authorities of its intention to outsource operational functions of payment services to other entities in the host Member State, the competent authorities of the home Member State shall inform the competent authorities of the host Member State accordingly..

Article 10

Communication of information for an agent passport notification

The competent authorities of the home Member State shall transmit the information referred to in Article 9 to the competent authorities of the host Member State making use of the template laid down in Annex III to this Regulation. Where there are multiple notifications to communicate, competent authorities may alternatively communicate aggregated information but shall do so using the headings set out in Annex III.

Article 11

Communication of changes to an agent passport notification

1. Where, in accordance with Article 28(4) of Directive [...], the payment institution notifies the competent authorities of the home Member State of changes to an agent passport notification, the competent authorities of the home Member State shall send

to the competent authorities of the host Member State only the information, within the scope of Article 9, which is affected by the changes.

2. For the purposes of paragraph 1, the competent authorities of the home Member State shall transmit the relevant information to the competent authorities of the host Member State by compiling only those parts of the template laid down in Annex III to this Regulation that are affected by the changes.

Article 12

Information on the start of the activities of the agent

For the purposes of informing the competent authorities of the host Member State of the date from which the payment institution commences its activities through an agent, in accordance with Article 28(3), third sub-paragraph, of Directive [...], the competent authorities of the home Member State shall transmit without undue delay to the competent authorities of the host Member State the template laid down in Annex V to this Regulation.

Section 4

Services passport notification

Article 13

Information to be transmitted for a services passport notification

1. For the purposes of Article 28(2), first sub-paragraph, of Directive [...], the competent authorities of the home Member State shall send to the competent authorities of the host Member State the following information in relation to a services passport notification received from the payment institution:
 - (a) The date of receipt of the passport notification from the payment institution containing information that is assessed to be complete and correct in accordance with Article 3;
 - (b) the Member State in which the payment institution intends to operate;
 - (c) the type of the passport notification,;
 - (d) the name, the address and where applicable, the authorisation number and the unique identification number of the payment institution in the home Member State in accordance with the formats provided in Annex I to this Regulation;
 - (e) the identity and contact details of a contact person with the payment institution;
 - (f) the intended date of start of the provision of services ;
 - (g) the payment service(s) to be provided in the host Member State.
2. In addition to paragraph 1, where the payment institution has informed the home competent authorities of its intention to outsource operational functions of payment services to other entities in the host Member State, the competent authorities of the home Member State shall inform the competent authorities of the host Member State accordingly.

Article 14

Communication of information for a services passport notification

The competent authorities of the home Member State shall transmit the information referred to in Article 13 to the competent authorities of the host Member State making use of the template laid down in Annex IV to this Regulation. Where there are multiple notifications to communicate, competent authorities may alternatively communicate aggregated information but shall do so using the headings set out in Annex IV.

Article 15

Communication of changes to a services passport notification

1. Where, in accordance with Article 28(4) of Directive [...], the payment institution notifies the competent authorities of the home Member State of changes to a services passport notification, the competent authorities of the home Member State shall send to the competent authorities of the host Member State only the information, within the scope of Article 13, which is affected by the changes.
2. For the purposes of paragraph 1, the competent authorities of the home Member State shall transmit the relevant information to the competent authorities of the host Member State by compiling only those parts of the template laid down in Annex IV to this Regulation that are affected by the changes.

Section 5

Final provisions

This Regulation shall enter into force on the twentieth day following that of its publication in the Official Journal of the European Union.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at Brussels,

For the Commission
The President

[For the Commission
On behalf of the President

[Position]



ANNEX I

Format of the relevant unique identification number in each Member State

Member State	Legal person		Natural person	
	ID number type	ID number format	ID number type	ID number format
Austria	If registered: Firmenbuchnummer (https://www.justiz.gv.at/web2013/html/default/8ab4a8a422985de30122a90fc2ca620b.de.html)	numerical digits (maximum: six) plus one check letter	If not registered: Umsatzsteuer-Identifikations-Nummer (UID-Nummer) (https://www.bmf.gv.at/steuern/selbststaendige-unternehmer/umsatzsteuer/UID-und-ZM.html)	
Belgium	KBO/BCE number (KBO=KruispuntBank van Ondernemingen; BCE=Banque-Carrefour des Entreprises) http://economie.fgov.be/nl/ondernemingen/KBO/#.VlBmZpYcTcu	("0" + the VAT-Number)	KBO/BCE number (KBO=KruispuntBank van Ondernemingen; BCE=Banque-Carrefour des Entreprises) http://economie.fgov.be/nl/ondernemingen/KBO/#.VlBmZpYcTcu	("0" + the VAT-Number)
Bulgaria	Unified Identification Code" as regulated by art. 23, para. 1 of the Bulgarian Commercial Register Act.	9 digits	Unified Identification Code" as regulated by art. 23, para. 1 of the Bulgarian Commercial Register Act.	9 digits
Croatia	OIB (fiscal number; Osobni identifikacijski broj – Personal Identification Number)	11 digits (10 random digits + 1 check digit)	OIB (fiscal number; Osobni identifikacijski broj - - Personal Identification Number)	11 digits (10 random digits + 1 check digit)
Cyprus	Tax Identification Code (TIC) https://ec.europa.eu/taxation_customs/tin/tinByCountry.html	8 digits and 1 letter (e.g. 99999999L)	Tax Identification Code (TIC) https://ec.europa.eu/taxation_customs/tin/tinByCountry.html	8 digits and 1 letter (The first digit is always zero)



Czech Republic	Personal identification number / Identifikační číslo osoby (IČO)	8 digits (e.g.: 12345678)	Personal identification number / Identifikační číslo osoby (IČO)	8 digits (e.g.: 12345678)
Denmark	The company registration number (CVR number)	8 digit numerical number (e.g. 12345678)	The personal registration number (CPR number)	12 digit numerical number (e.g. 1234567- 8901)
Estonia				
Finland	The local business: (https://www.ytj.fi/en/index/businessid.html) or Internationally VAT number (https://en.wikipedia.org/wiki/VAT_identification_number)	Local business id : seven digits, a dash and a control mark, for example 1234567-8 VAT number: 8 digits - e.g. FI12345678	-	-
France	SIREN	9 numerical digits	SIREN	9 numerical digits
Germany	If registered: Handelsregisternummer (HReg-Nr.) (Commercial Register-number; https://www.handelsregister.de/rp_web/mask.do), incl. place of registration HRA; HRB; GnR; PR;VR	HRA xxxx HRB xxxx GnR xxxx PR xxxxx VR xxxx Chose the applicable format, depending on the (legal) person type, followed by numeric number with different length	If not registered: Umsatzsteuer-Identifikationsnummer (USt- IdNr.) (http://www.bzst.de/DE/Steuern_International/USt_Identifikationsnummer/Merkblaetter/Aufbau_USt_IdNr.html?nn=19560) (VAT-number)	DExxxxxxxxx followed by a 9 digit numeric number
Greece	Tax Registry Number ΑΦΜ (ΑΦΜ)	9 numerical digits	Tax Registry Number ΑΦΜ (ΑΦΜ)	9 numerical digits
Hungary	company registration number	numbers (##-##-#####)	register number of private entrepreneurs company registration number for sole proprietorships	numbers (#####); numbers (##-##-#####)
Iceland				
Ireland				



Italy	Registration number	5 numeric digits	Fiscal code, available on the website of the OAM (Organismo Per La Gestione Degli Elenchi Degli Agenti In Attivita' Finanziaria E Dei Mediatori Creditizi): https://www.organismo-am.it/elenco-agenti-servizi-di-pagamento	Alphanumeric code of 16 characters('SP' followed by numeric digits)
Latvia	ID Number type – Tax registration number (http://www.csb.gov.lv/en/node/29890)	11 digits	ID number format – personal ID number (XXXXXX-XXXXX), or if person is a tax payer - individual entrepreneur, tax registration number (http://www.csb.gov.lv/en/node/29890)	Tax registration number : 11 digits
Liechtenstein				
Lithuania				
Luxembourg				
Malta	Company registration number	The letter 'C' and five digits – Example: C 28938	Identity Card number OR Passport number	Six digits and a capital letter - Example: 034976M OR Six digits – Example: 728349
Netherlands	Chamber of Commerce (KvK) number	8 numerical digits	Chamber of Commerce (KvK) number	8 numerical digits
Norway	Business Register Number (Organisation number)	9 digits (for example 981 276 957)	National identity number/D-number	11 digits (six first digits are the person's birthdate. DD.MM.YY.)
Poland	Polish NIP (numer identyfikacji podatkowej) https://en.m.wikipedia.org/wiki/VAT_identification_number		Polish NIP (numer identyfikacji podatkowej) https://en.m.wikipedia.org/wiki/VAT_identification_number	
Portugal	Número de Identificação de Pessoa Coletiva (NIPC)	9 numeric digits	Número de Identificação Fiscal (NIF)	9 numeric digits
Romania				



Slovak Republic	Identifikačné číslo organizácie / Company Registration Number (IČO)	8 digits numerical code IČO – 00 000 000	Company Registration Number (IČO) is assigned to legal persons and entrepreneurs http://slovak.statistics.sk/wps/portal/ext/Databases/register_organizacii!/ut/p/b1/iY7RCOlwGEafKPfPqdsuV-BcLGnJlu0mLCKEpl1E0dtn0m3Wd_fBOXCQRzXyXXNvz82t7bvm8v4-2zu9ZvM5FsCwo6DyyiTGrrA06QDsBmAhRZFQDcC0TEGJwm64IQQE-c-HLxPwy18i3x5C9DiGCKKE4pRzChnlLOYEbZEffWGMqBRzIF2cgyJYQmktQE4_wFT_CEWElkUFTugabP2s1OwFKhgzhg!!/dl4/d5/L2dBISEvZ0FBI S9nQSEh/	
Slovenia	Identification (registration) number assigned by the Agency of the Republic of Slovenia for Public Legal Records and Related Services (www.ajpes.si)	10 digits	Identification (registration) number assigned by the Agency of the Republic of Slovenia for Public Legal Records and Related Services (www.ajpes.si)	10 digits
Spain	The LEI code In absence: NIF ('Número de Identificación Fiscal') a.k.a tax identification number.	It is composed by 20 characters where: Characters 1-4: A four character prefix allocated uniquely to each LOU (Local Operating Unit). Characters 5-6: Two reserved characters set to zero. Characters 7-18: Entity-specific part of the code generated and assigned by LOUs according to transparent, sound and robust allocation policies. Characters 19-20: Two check digits as described in the ISO 17442 standard. It is composed by 9 characters with the following composition: a) A letter providing information on its	NIF ('Número de Identificación Fiscal') a.k.a tax identification number. For Non-Resident Spanish Individuals, for Spanish Individuals under 14 and for Non-Resident Foreign Individuals doing transactions with tax transcendence:	It is composed by 9 characters: 8 digits and a final letter as check code at the end. It is composed by a letter ("L" for Spanish Non-Residents, "K" for under 14 and "M" for Non-Resident Foreigners), 7 alphanumeric characters and a letter (check control).



	<p>-----</p> <p>Further information about the structure of the tax ID number is available at the following links:</p> <p>NIF (Legal Entities): http://www.agenciatributaria.es/AEAT.internet/Inicio_es_ES/La_Agencia_Tributaria/Campanas/Censos__NIF_y_domicilio_fiscal/Empresas_y_profesiones_Declaracion_censal__Modelos_036_y_037/Informacion/NIF_de_personas_juridicas_y_entidades.shtml</p>	<p>legal form:</p> <ul style="list-style-type: none"> A. Corporations. B. Limited Liability Companies. C. General Partnerships D. Limited Partnerships E. Co-ownerships and Inheritances in Abeyance F. Cooperatives G. Associations H. Homeowners Communities J. Civil Corporations N. Foreign Entities P. Local Government Q. Public Organisms R. Religious Congregations and Institutions S. Central Government and Autonomous Regions Bodies U. Joint Ventures with Legal Personality V. Others not defined in the preceding list W. Permanent Establishments settled by Non-Resident Entities <p>b) A random number of 7 digits. c) A letter or a number, depending on its legal form (check code).</p>	<p>For Foreign Individuals: NIE ('Número de Identidad de Extranjero').</p> <p>-----</p> <p>Further information about the structure of the tax ID number is available at the following links:</p> <p>NIF (Individuals) and NIE: http://www.agenciatributaria.es/AEAT.internet/Inicio_es_ES/La_Agencia_Tributaria/Campanas/Censos__NIF_y_domicilio_fiscal/Ciudadanos/Informacion/NIF_de_personas_fisicas.shtml</p>	<p>It is composed by 9 characters: an initial letter, "X", followed by 7 digits, and a final letter as check code.</p> <p>Having exhausted the numerical capacity of the letter "X", the sequence will be continued in alphabetical order (first with "Y" and then "Z").</p>
Sweden	Registration number (www.bolagsverket.se),	NNNNNN-XXXX	Social Security Number	YYMMDD-XXXX
United Kingdom	TAX IDENTIFICATION NUMBERS (TINs) https://ec.europa.eu/taxation_customs/tin/pdf/en/TIN_-_country_sheet_UK_en.pdf		TAX IDENTIFICATION NUMBERS (TINs) https://ec.europa.eu/taxation_customs/tin/pdf/en/TIN_-_country_sheet_UK_en.pdf	

ANNEX II**Branch passport notification form**

1)	Home Member State	
2)	Name of the competent authorities of the home Member State	
3)	Date of receipt by the competent authority of the home Member State of the notification from the payment institution/e-money institution	DD/MM/YY
4)	Member State where the branch is to be established	
5)	Type of notification	<input type="checkbox"/> First notification <input type="checkbox"/> Change to previous notification <input type="checkbox"/> End of business activity/cessation
6)	Type of Institution	<input type="checkbox"/> Payment Institution <input type="checkbox"/> E-Money Institution
7)	Name of the payment institution/e-money institution	
8)	Head office address of the payment institution/e-money institution	
9)	Unique identification number of the payment institution/e-money institution under the format of the home Member State specified in the annex I (where applicable)	
10)	Home Member State authorisation number of the payment institution/e-money institution (where applicable)	
11)	Contact person within the payment institution /e-money institution	
12)	Email of the contact person within the payment institution/e-money institution	
13)	Telephone number of the contact person within the payment institution/e-money institution	
14)	Branch address	
15)	Identity of person responsible for the management of the branch	
16)	Email of the person responsible for the management of the branch	
17)	Telephone number of the contact person within the branch	

18)	Intended date of start of branch activities	DD/MM/YYYY ²
19)	Payment services to be provided	<ol style="list-style-type: none"> 1. <input type="checkbox"/> Services enabling cash to be placed on a payment account as well as the operations required for operating a payment account 2. <input type="checkbox"/> Services enabling cash withdrawals from a payment account as well as the operations required for operating a payment account 3. Execution of payment transactions, including transfer of funds on a payment account with the user`s payment provider or with another payment service provider: <ol style="list-style-type: none"> a) execution of direct debits, including one-off direct debits <input type="checkbox"/> b) execution of payment transactions through a payment card or a similar device <input type="checkbox"/> c) execution of credit transfers, including standing orders <input type="checkbox"/> 4. Execution of payment transactions where the funds are covered by a credit line for a payment service user³: <ol style="list-style-type: none"> a) execution of direct debits, including one-off direct debits <input type="checkbox"/> b) execution of payment transactions through a payment card or a similar device <input type="checkbox"/> c) execution of credit transfers, including standing orders <input type="checkbox"/> 5. <input type="checkbox"/> Issuing of payment instruments⁴ <input type="checkbox"/> Acquiring of payment transactions⁵

² Cannot precede the date of entry of the branch into the register of the home Member State, as foreseen by Article 28 (3) of PSD2

³ Including granting of credit in accordance with Article 18(4) of PSD2

yes no

⁴ Including granting of credit in accordance with Article 18(4) of PSD2

yes no

		6. <input type="checkbox"/> Money remittance 7. <input type="checkbox"/> Payment initiation services 8. <input type="checkbox"/> Account information services
20)	Electronic money services to be provided ⁶	<input type="checkbox"/> Issuing of electronic money <input type="checkbox"/> Distribution and/or Redemption of electronic money
21)	Description of the organisational structure of the branch	
22)	<p>Business plan, which demonstrates that the branch is able to employ the appropriate and proportionate systems, resources and procedures to operate soundly in the host Member State, comprising the following items:</p> <p>a. main objectives and business strategy of the branch and an explanation of how the branch will contribute to the strategy of the institution and, where applicable, of its group</p> <p>b. list of the envisaged activities that the branch will conduct and, where applicable, any limits that apply to the activities of the branch;</p> <p>c. indication of the activities that will constitute the core business of the branch in the host Member State, including the intended start date for each core activity</p> <p>d. description of the target customers and counterparties</p> <p>e. a forecast budget calculation for three complete financial years.</p>	
23)	Governance arrangements and internal control mechanisms, comprising the following items:	

⁵ Including granting of credit in accordance with Article 18(4) of PSD2
 yes no

⁶ Applicable only to e-money institutions

	<ul style="list-style-type: none"> a. description of the governance structure of the branch, including functional and legal reporting lines and the position and role of the branch within the corporate structure of the institution and, where applicable, of its group b. description of internal control mechanisms of the branch, including the following items: <ul style="list-style-type: none"> i. internal risk control procedures of the branch, the link with the internal risk control procedure of the payment institution/e-money institution,, and where applicable, of its group; ii. details of the internal audit arrangements of the branch, including details of the person responsible for these arrangements and, where applicable, details of the external auditor, iii. details of the anti-money laundering procedures to be adopted by the branch in the host Member State, under Directive (EU) 2015/849, iv. accounting procedures v. branch’s IT and business continuity arrangements. 	
<p>24)</p>	<p>In case of outsourcing of operational functions of payment/e-money services:</p> <ul style="list-style-type: none"> a. Name and address of the entity to which operational functions are to be outsourced b. Contact details (email and telephone number) of a contact person belonging to the entity to which operational functions are to be outsourced c. Type and exhaustive description of the operational functions outsourced 	

	<p>d. Name and address of the directors and the persons responsible for the management of the entity to which operational functions are to be outsourced</p> <p>e. Procedures to ensure compliance with Articles 19(6) of PSD2, with particular focus on the measures taken to ensure that outsourcing of important operational functions in the host Member State do not materially impair the quality of the payment institution /e-money institution and branch’s internal controls and the ability of the competent authorities to trace compliance of the activities carried out in the host Member State by the recourse to third parties with operational functions</p>	
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ANNEX III

Agent⁷/distributor⁸ passport notification form

1)	Home Member State	
2)	Name of the competent authority of the home Member State	
3)	Date of receipt by the competent authority of the home Member State of the notification from the payment institution/e-money institution	DD/MM/YY
4)	Member State where the agent/distributor is to be engaged	
5)	Type of notification	<input type="checkbox"/> First notification <input type="checkbox"/> Change to previous notification <input type="checkbox"/> Additional agents <input type="checkbox"/> Additional distributors <input type="checkbox"/> Agent deactivation <input type="checkbox"/> Distributor deactivation
6)	Type of Institution	<input type="checkbox"/> Payment Institution <input type="checkbox"/> E-Money Institution
7)	Type of passporting	<input type="checkbox"/> Agent <input type="checkbox"/> Distributor
8)	Name of the payment institution/e-money institution	
9)	Head office address of the payment / e-money institution	
10)	Identification number of the payment institution/e-money institution under the format of the home Member State specified in the annex I (where applicable)	
11)	Home Member State authorisation number of the payment institution/e-money institution (where applicable)	
12)	Contact person with the payment institution/e-money institution	
13)	Email of the contact person within the payment institution/e-money institution	
14)	Telephone number of the contact person	

⁷ For passporting notification of payment services by payment institution or e-money institution

⁸ For passporting notification of electronic money services by e-money institutions

	within the payment institution/e-money institution	
15)	<p>Agent/Distributor details:</p> <p>a. If legal person:</p> <p>i. Name</p> <p>ii. Registered Address(es)</p> <p>iii. Unique identification number under the format of the host Member State specified in the annex I</p> <p>iv. Telephone number</p> <p>v. Email</p> <p>vi. Name, place and date of birth of legal representatives</p> <p>b. If natural person:</p> <p>i. Name, date and place of birth</p> <p>ii. Registered Business address(es)</p> <p>iii. Unique identification number under the format of the host Member State specified in the annex I</p> <p>iv. Telephone number</p> <p>v. Email</p>	
16)	<p>Central contact point, if already established and/or required by the host authorities⁹:</p> <p>a. Name of representative</p> <p>b. Address</p> <p>c. Telephone number</p> <p>d. Email</p>	
17)	Intended date of start of agent/distributors activities	DD/MM/YYYY ¹⁰
18)	Payment services to be provided by the agent	1. <input type="checkbox"/> Services enabling cash to be placed on a payment account as well as the operations required for

⁹ Not applicable for e-money institutions passporting e-money related services through a distributor.

¹⁰ Cannot precede the date of entry of the agent into the register of the home Member State, as foreseen by Article 28 (3) of PSD2

		<p>operating a payment account</p> <p>2. <input type="checkbox"/> Services enabling cash withdrawals from a payment account as well as the operations required for operating a payment account</p> <p>3. Execution of payment transactions, including transfer of funds on a payment account with the user's payment provider or with another payment service provider:</p> <p>a) execution of direct debits, including one-off direct debits <input type="checkbox"/></p> <p>b) execution of payment transactions through a payment card or a similar device <input type="checkbox"/></p> <p>c) execution of credit transfers, including standing orders <input type="checkbox"/></p> <p>4. Execution of payment transactions where the funds are covered by a credit line for a payment service user¹¹:</p> <p>a) execution of direct debits, including one-off direct debits <input type="checkbox"/></p> <p>b) execution of payment transactions through a payment card or a similar device <input type="checkbox"/></p> <p>c) execution of credit transfers, including standing orders <input type="checkbox"/></p> <p>5. <input type="checkbox"/> Issuing of payment instruments¹² <input type="checkbox"/> acquiring of payment transactions¹³</p> <p>6. <input type="checkbox"/> Money remittance</p> <p>7. <input type="checkbox"/> Payment initiation services</p> <p>8. <input type="checkbox"/> Account information services</p>
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¹¹ Including granting of credit in accordance with Article 18(4) of PSD2

yes no

¹² Including granting of credit in accordance with Article 18(4) of PSD2

yes no

¹³ Including granting of credit in accordance with Article 18(4) of PSD2

yes no

19)	Electronic money services to be provided by the distributor	<input type="checkbox"/> Distribution <input type="checkbox"/> Redemption of electronic money
20)	Description of the internal control mechanisms that will be used by the agent/distributor in order to comply with the obligations in relation to money laundering and terrorist financing under Directive (EU) 2015/849, including the agent structural organisation if relevant for those purposes (e.g.: number of business units/premises; anticipated initial number of employees; organisational chart, showing both functional and legal reporting lines and of how the agent fits into the corporate structure of its group).	
21)	Identity and contact details of directors and persons responsible for the management of the agent to be used	
22)	For agents other than payment service providers, criteria considered to ensure that directors and persons responsible for the management of the agent to be used in the provision of payment services are fit and proper persons.	<p>a. Evidence gathered by the Payment Institution attesting that directors and persons responsible for the management of the agent to be used in the provision of payment services are fit and proper persons.</p> <p>b. Actions taken by the home competent authority to verify the information provided by the payment institution.</p>
23)	<p>In case of outsourcing of operational functions of payment/e-money services:</p> <p>a. Name and address of the entity to which operational functions are to be outsourced</p> <p>b. Contact details (email and telephone number) of a contact person belonging to the entity to which operational functions are to be outsourced</p> <p>c. Type and exhaustive description of the operational functions outsourced</p> <p>d. Name and address of the directors and the persons responsible for the</p>	

	<p>management of the entity to which operational functions are to be outsourced</p> <p>e. Procedures to ensure compliance with Articles 19(6) of PSD2, with particular focus on the measures taken to ensure that outsourcing of important operational functions in the host Member State do not materially impair the quality of the payment / e-money institution's internal controls and the ability of the competent authorities to trace compliance of the activities carried out in the host Member State by the recourse to third parties with operational functions</p>	
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ANNEX IV

Services passport notification form

1)	Home Member State	
2)	Name of the competent authority of the home Member State	
3)	Date of receipt by the competent authority of the home Member State of the notification from the payment institution/e-money institution	DD/MM/YY
4)	Member State where services are to be provided	
5)	Type of notification	<input type="checkbox"/> First notification <input type="checkbox"/> Change to previous notification <input type="checkbox"/> End of business activity/cessation
24)	Type of Institution	<input type="checkbox"/> Payment Institution <input type="checkbox"/> E-Money Institution
6)	Name of the payment institution/e-money institution	
7)	Head office address of the payment institution/e-money institution	
8)	Identification number of the payment institution /e-money institution in the home Member State (where applicable)	
9)	Home Member State authorisation number of the payment institution/e-money institution (where applicable)	
10)	Contact person within the payment institution/e-money institution	
11)	Email of the contact person within the payment institution/e-money institution	
12)	Telephone number of the contact person within the payment institution/e-money institution	
13)	Date from which payment/e-money services will be provided	DD/MM/YYYY ¹⁴
14)	Payment services to be provided	1. <input type="checkbox"/> Services enabling cash to be placed on a payment account as well as the operations required for operating a payment account

¹⁴ Cannot precede the communication of the decision of the competent authority of the home Member State, as foreseen by Article 28 (3) of PSD2

		<p>2. <input type="checkbox"/> Services enabling cash withdrawals from a payment account as well as the operations required for operating a payment account</p> <p>3. Execution of payment transactions, including transfer of funds on a payment account with the user's payment provider or with another payment service provider:</p> <p>a) execution of direct debits, including one-off direct debits <input type="checkbox"/></p> <p>b) execution of payment transactions through a payment card or a similar device <input type="checkbox"/></p> <p>c) execution of credit transfers, including standing orders <input type="checkbox"/></p> <p>4. Execution of payment transactions where the funds are covered by a credit line for a payment service user¹⁵:</p> <p>a) execution of direct debits, including one-off direct debits <input type="checkbox"/></p> <p>b) execution of payment transactions through a payment card or a similar device <input type="checkbox"/></p> <p>c) execution of credit transfers, including standing orders <input type="checkbox"/></p> <p>5. <input type="checkbox"/> Issuing of payment instruments¹⁶ <input type="checkbox"/> Acquiring of payment transactions¹⁷</p> <p>6. <input type="checkbox"/> Money remittance</p> <p>7. <input type="checkbox"/> Payment initiation services</p> <p>8. <input type="checkbox"/> Account information services</p>
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¹⁵ Including granting of credit in accordance with Article 18(4) of PSD2

yes no

¹⁶ Including granting of credit in accordance with Article 18(4) of PSD2

yes no

¹⁷ Including granting of credit in accordance with Article 18(4) of PSD2

yes no

15)	E-money services to be provided ¹⁸	<input type="checkbox"/> Issuing of electronic money <input type="checkbox"/> Distribution and/or Redemption of electronic money
16)	<p>In case of outsourcing of operational functions of payment/emoney services:</p> <p>a. Name and address of the entity to which operational functions are to be outsourced</p> <p>b. Contact details (email and telephone number) of a contact person belonging to the entity to which operational functions are to be outsourced</p> <p>c. Type and exhaustive description of the operational functions outsourced</p> <p>d. Name and address of the directors and the persons responsible for the management of the entity to which operational functions are to be outsourced</p> <p>e. Procedures to ensure compliance with Articles 19(6) of PSD2 , with particular focus on the measures taken to ensure that outsourcing of important operational functions in the host Member State do not materially impair the quality of the payment institution's internal controls and the ability of the competent authorities to trace compliance of the activities carried out in the host Member State by the recourse to third parties with operational functions</p>	

¹⁸ Applicable only to e-money institutions

ANNEX V**Start of branch/agent/distributor passport activities notification form**

Start of activities notification	
1)	Home Member State
2)	Name of the competent authority of the home Member State
3)	Date of initial notification according to annex II or III.
4)	Member State where the branch/agent/distributor is to start activities
5)	Type of Institution <input type="checkbox"/> Payment Institution <input type="checkbox"/> E-Money Institution
6)	Name of the payment institution/e-money institution
7)	Head office address of the payment institution/e-money institution
8)	Identification number of the payment institution/e-money institution under the format of the home Member State specified in the annex I (where applicable)
9)	Home Member State authorisation number of the payment institution/e-money institution (where applicable)
10)	Type of establishment <input type="checkbox"/> Branch <input type="checkbox"/> Agent <input type="checkbox"/> Distributor
11)	For Agent/Distributor, a. If legal person: i. Name ii. Unique identification number under the format of the host Member State specified in the annex I (where applicable) iii. Telephone number b. If natural person: i. Name, date and place of birth ii. Unique identification number under the format of the host Member State specified in the

		annex I (where applicable)
12)	For agent and branches, date of entry in the register of the competent authorities of the Home Member State	DD/MM/YYYY
13)	Date of start of branch/agent/distributors activities	DD/MM/YYYY ¹⁹

¹⁹ For agents and branches, the date cannot precede the date of entry of the agent/branch into the register of the home Member State, as foreseen by Article 28 (3) of PSD2

4. Accompanying documents

4.1 Draft cost-benefit analysis / impact assessment

Article 10(1) of the EBA Regulation provides that when any regulatory technical standards developed by the EBA are submitted to the Commission for adoption, they should be accompanied by an analysis of ‘the potential related costs and benefits’. This analysis should provide an overview of the findings regarding the problem to be dealt with, the solutions proposed and the potential impact of these options.

A. Problem identification

The internal market for payment services in the EU is incomplete and suffers from a number of specific failures. Lack of competition in the payment services market and existing barriers to the freedom of establishment and the provision of services across borders prevent consumers and businesses from fully reaping the potential benefits of the internal market²⁰.

Efficient passporting regimes are commonly considered a useful instrument to facilitate the cross-border provision of financial services²¹. For a passporting regime to be effective and efficient, standards for the cooperation between competent authorities of different Member States and the content and procedures for notifications and the exchange of information are necessary. Without such standards, the passporting regime can be inefficient and risk not to effectively achieving the objective of facilitating cross-border provision of payment services in the EU.

The EU passporting regime stipulated by the PSD2 is intended to address these potential risks by providing a technical standard on the information to be notified by payment institutions and electronic money institutions wishing to passport and by requesting EBA to develop draft Regulatory Technical Standards specifying the framework for cooperation, and for the exchange of information, between competent authorities of the home and of the host Member State.

In order to complete its mandate on a comprehensive manner, the EBA sent separate questionnaires to Member States (MS), its Banking Stakeholder Group (BSG), and representatives of several European trade associations²². The aim of the questionnaires was for market

²⁰ COM: Report on the application of the payment services directive on the internal market and on cross-border payments in the Community (2013)

²¹ EBA: Guidelines on passport notifications for mortgage credit intermediaries (2014); EBA: Regulatory and Implementing Technical Standards on passport notifications (2013); EBA: Regulatory and Implementing Technical Standards on collaboration concerning supervision between competent authorities of home and host Member States in relation to sharing of information (2013); ESMA: MiFID II/MiFIR draft technical standards on authorisation, passporting, registration of 3rd country firms and cooperation between competent authorities (2015)

²² European Payment Institution Federation, Electronic Money Association, European Banking Federation and European Association of Cooperative banks

participants and national competent authorities (NCAs) to convey to the EBA any issues they have experienced with regard to passporting under the existing Payment Services Directive (PSD1) and which the EBA should ideally address through its passporting mandates under the PSD2.

The issues identified broadly related to frictions in the relationship between home and host NCAs, lack of harmonisation of EU legislation and its interpretation across MS as well as deficiencies in national supervision and oversight practices.

B. Policy objectives

To achieve an efficient passporting regime, the EBA took into account that the general objective of the draft regulatory technical standards is to achieve supervisory convergence, by creating a level playing field, preventing regulatory arbitrage opportunities, and providing legal clarity. In particular, provisions included in the draft regulatory technical standards shall clearly specify the information that needs to be notified and, by doing so, reduce the burden of compliance for the [payment institutions and electronic money institutions](#) and contribute to the efficient and effective cooperation between the competent authorities in the home and host Member States.

C. Baseline scenario and options considered

The baseline scenario is that the EBA sets clear standards on passport notifications for payment institutions and electronic money institutions through the development of the draft regulatory technical standards and standardised notification templates. The draft regulatory technical standards represent common standards agreed on by Member States and are based on notification requirements developed by the EBA for other EU Directives.

They also take account of the practical experience gained by national authorities in implementing the existing Payment Services Directive (PSD1) and the Electronic Money Directive (EMD), as well as feedback received from market participants on their experience with the compliance with these passporting notifications.

In developing these standards, a technical specification was considered, regarding the specification of the services provided in the passport notifications of branches, agents and payment institutions

To require the specification of the services provided (Option 1.1)

To abstain from requiring a specification of services provided (Option 1.2)

D. Cost-Benefit Analysis and preferred options²³

In general, these standards aim at improving the functioning of the internal market for payment services and fostering competition and cross-border provision of payment services in the EU²⁴. This should benefit the efficiency of the European financial system and consumers of financial services. More specifically, these standards are designed to establish an effective regime of passport notifications for providers of payment services, as well as electronic money, to operate in various EU Member States. At an operational level, it is intended that these standards facilitate the implementation of efficient procedures for the exchange of information between (home and host) competent authorities.

These notification requirements are generally expected to generate incremental benefits rather than incremental costs. The envisaged incremental benefits are expected to accrue to competent authorities due to greater administrative efficiencies.

Payment institutions, in turn, will benefit as competent authorities will be able to assess passporting applications more quickly, with payment institutions thus being able to provide payment services more quickly to the benefit of their customers. On the other hand, the incremental costs are expected to affect equally the competent authorities and the payment institutions, while no incremental costs are expected to arise for any other stakeholders.

Regarding the passport notifications of agents, branches or payment institutions, refraining from specifying the services provided would risk resulting in excessive lists of possible services, out of which only a few would actually be provided in the host MS following the notification by the home member state. This preventive over-notification of possible services poses a burden to the efficient and effective assessment of passport notifications by NCAs. It leaves NCAs unclear about the specific services that will actually be provided and requires excessive time to assess the notifications, leading to unnecessary delays for notifying branches, agents and payment institutions. Akin to the EBA requirements on passport notifications for credit institutions under the Capital Requirements Directive IV and for mortgage credit intermediaries under the Mortgage Credit Directive, these guidelines consequently require the specification of the services provided by PSPs (Option 1.1).

²³ COM: Impact assessment accompanying proposal for payment services directive and interchange fees regulation (2013); London economics et al: Study on the impact of the payment services directive on the internal market and on cross-border payments in the Community (2011)

²⁴ COM: Green paper on the way towards an integrated European market for card, internet and mobile payments (2012)

4.2 Overview of consultation questions

- 1) Do you agree with the draft RTS on passport notifications under the PSD2? If not, outline why you disagree and how the RTS could be improved?
- 2) Do you agree with the format of the relevant unique identification number in each Member State set out in Annex I? If not, please outline which content you disagree with, why you disagree and how the format could be improved.
- 3) Do you agree with the draft notification form for branch passporting set out in Annex II? If not, please outline which content you disagree with, why you disagree and how the notification form could be improved.
- 4) Do you agree with the draft notification form for agent/distributor passporting set out in Annex III? If not, please outline which content you disagree with, why you disagree and how the notification form could be improved
- 5) Do you agree with the draft notification form for the passporting of services set out in Annex IV? If not, please outline which content you disagree with, why you disagree and how the notification form could be improved.
- 6) Do you agree with the draft notification form for the start of branch/agent/distributor passporting activities as set out in Annex V? If not, please outline which content you disagree with, why you disagree and how the notification form could be improved.