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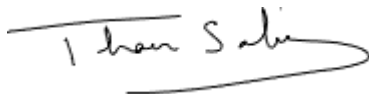
Dear David

Re: EMA response to the EFD consultation on technical standards and non-functional requirements

The EMA is the European trade body representing electronic money issuers and alternative payment service providers. Our members include leading payments and e-commerce businesses worldwide, providing online payments, card-based products, electronic vouchers, and mobile payment instruments. A list of current EMA members is provided at the end of this document.

I would be grateful for your consideration of our comments and proposals.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Thaer Sabri', with a long horizontal flourish extending to the right.

Dr Thaer Sabri
Chief Executive Officer
Electronic Money Association

On the technical standards

- **Use of accounts without a uniquely associated account number**

Many EMIs provide accounts to their customers that do not have a uniquely associated account number (or IBAN). For instance, EMIs often allow their customers to fund their e-money account: the e-money account has a unique identifier, and the customer initiates a transfer to a bank account to fund the e-money account. However, the unique identifier of the bank account is associated with the e-money institution rather than the individual e-money account holder.

The EMI reconciles the funds received into the bank account (in the name of the

EMI) using a secondary reference acting as an internal e-money account identifier and issues e-money to the relevant customer e-money account (in the customers' name). In this scenario, a data request applied to a payment intended for a beneficiary e-money account may not provide pertinent information unless the API can accommodate secondary account identifiers for the e-money account.

Similarly, intermediate PSPs may receive transactions for their customers into an account with an account number associated with the PSP name rather than the individual customer. Again, a data request applied to this transaction, which would be intended to capture information on the beneficiary customer of this intermediate PSP, would not provide relevant information unless the API can accommodate this scenario.

This could lead to transactions being flagged as “risky” because of a lack of relevant information on the final customer, as the information on the pooled account would not be relevant to assess the fraud risk.

A possible solution would be the use of the unique identifier associated with that e-money account or transaction. That would allow the EMI or PSP to provide accurate information in relation to the end-user. We note that the EFD Request specification identifies a Debtor Account Reference elements that can be potentially used to attach the unique reference of an e-money account (that is “hiding” behind the IBAN of the pool account) of the PSP.

Alternatively, the structure of the Creditor/Debtor Account Identification elements should be expanded to accommodate including individual e-money account references as well as the IBAN of a Pool Account. Please note that this unique identifier may be composed of letters, numbers or even special characters (@ for example). Since the inclusion of individual e-money account

references is necessary to allow the PSP to credit incoming funds to the correct e-money account, it should be possible to share this referenced in EFD Request/Response messages.

- **Information on the debtor account(s) in the case of multiple accounts**
We note that some of the data requests on the debtor or the creditor (e.g. the account turnover, the balance of the account) are limited to the account this client has, and not all of the accounts held by the specific financial institution. Some firms have specific business models (e.g. multiple accounts held in multiple currencies for the same client) where it would be more relevant to be able to provide the information for all accounts held by the financial institution.
- **Accounts used for money transfer**
Some firms use bank accounts to provide cross-border money transfer services. In this case, the first leg of the transaction, from the client account to the firm's UK bank account, may be the object of an EFD data request.

Being able to inform other financial institutions that this account is used by a regulated firm for money transfer purposes would avoid the account being deemed "suspicious" or "fraudulent".

On the non-functional requirements

- **Costs and fee model**
We understand that the costs and the fee model are still being discussed. We want to point out that it is essential that the costs remain reasonable, especially to prevent the exclusion of smaller firms that would therefore be more exposed to fraud and fraudsters.

Regarding the possible cost model, the enrollment and annual fees should be reasonable, proportionate and equitable to avoid acting as a large barrier to joining the solution.
- **Access by PISPs**
It remains unclear whether or not PISPs would be able to join the EFD, or respond to EFD requests, or if they are currently out of scope. Clarification on this topic would be welcomed.
- **Service Levels**
It is not clear how Pay.UK will be sharing service level information with customers. Such information (on API performance, availability) will be an important input to customers' fraud management workflows.

It would also be helpful to clarify the API performance figures that Pay.UK is committed to delivering to customers (and associated Warranties, Service Credit arrangements in case of subpar performance).

- **Customer onboarding**

We encourage Pay.UK to clarify the use of accreditation and/or of a self-certification process to onboard customers to the solution either directly or indirectly (through aggregators).

It is important to ensure a consistent, timely onboarding process that ensures that entities that exchange fraud data comply with the Pay.UK security and data protection requirements.

List of EMA members as of June 2023

[AAVE LIMITED](#)

[Airbnb Inc](#)

[Airwallex \(UK\) Limited](#)

[Allegro Group](#)

[Amazon](#)

[American Express](#)

[ArcaPay UAB](#)

[Banked](#)

[Bitstamp](#)

[BlaBla Connect UK Ltd](#)

[Blackhawk Network EMEA Limited](#)

[Boku Inc](#)

[Booking Holdings Financial Services](#)

[International Limited](#)

[BVNK](#)

[CashFlows](#)

[Checkout Ltd](#)

[Circle](#)

[Citadel Commerce UK Ltd](#)

[Contis](#)

[Corner Banca SA](#)

[Crypto.com](#)

[eBay Sarl](#)

[ECOMMPAY Limited](#)

[Em@ney Plc](#)

[emerchantpay Group Ltd](#)

[Etsy Ireland UC](#)

[Euronet Worldwide Inc](#)

[Facebook Payments International Ltd](#)

[Financial House Limited](#)

[First Rate Exchange Services](#)

[FIS](#)

[Flex-e-card](#)

[Flywire](#)

[Gemini](#)

[Globepay Limited](#)

[GoCardless Ltd](#)

[Google Payment Ltd](#)

[HUBUC](#)

[IDT Financial Services Limited](#)

[Imagor SA](#)

[Ixaris Systems Ltd](#)

[J. P. Morgan Mobility Payments](#)

[Solutions S. A.](#)

[Modulr Finance Limited](#)

[MONAVATE](#)

[Moneyhub Financial Technology Ltd](#)

[Moorwand](#)

[MuchBetter](#)

[myPOS Payments Ltd](#)

[Nuvei Financial Services Ltd](#)

[OFX](#)

[OKTO](#)

[One Money Mail Ltd](#)

[OpenPayd](#)

[Own.Solutions](#)

[Park Card Services Limited](#)

[Paymentsense Limited](#)

[Paynt](#)

[Payoneer Europe Limited](#)

[PayPal Europe Ltd](#)

[Paysafe Group](#)

[Paysend EU DAC](#)

[Plaid](#)

[PPRO Financial Ltd](#)

[PPS](#)

[Ramp Swaps Ltd](#)

[Remitly](#)

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[Securiclick Limited](#)

[Skrill Limited](#)

[Soldo Financial Services Ireland DAC](#)

[Square](#)

[Stripe](#)

[SumUp Limited](#)

[Swile Payment](#)

[Syspay Ltd](#)

[Transact Payments Limited](#)

[TransferMate Global Payments](#)

[TrueLayer Limited](#)

[Trustly Group AB](#)

[Uber BV](#)

[VallettaPay](#)

[Vitesse PSP Ltd](#)

[Viva Payments SA](#)

[Weavr Limited](#)

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[Wirex Limited](#)

[Wise](#)

[WorldFirst](#)

[Yapily Ltd](#)