

**PAYMENT SERVICES AND BUY NOW PAY LATER
(ADMINISTRATIVE AMENDMENTS) INSTRUMENT 2019**

Powers exercised

- A. The Financial Conduct Authority (“the FCA”) makes this instrument in the exercise of the powers and related provisions in or under:
- (1) the following sections of the Act:
 - (a) section 137A (The FCA’s general rules) (including as applied by paragraph 3 of part 1 of Schedule 6 of the Payment Services Regulations (“the Regulations”) 2017);
 - (b) section 137T (General supplementary powers) (including as applied by paragraph 3 of part 1 of Schedule 6 of the Regulations);
 - (c) section 139A (Power of the FCA to give guidance);
 - (d) paragraph 13(4) of Schedule 17 (FCA’s rules); and
 - (2) the following regulations of the Payment Services Regulations 2017:
 - (a) regulation 30(4) and (5) (Supervision of firms exercising passport rights);
 - (b) regulation 98 (3)(Management of operational and security risks)
 - (b) regulation 109 (Reporting requirements); and
 - (c) regulation 120 (Guidance).
- B. The rule-making powers listed above are specified for the purpose of section 138G(2) (Rule-making instruments) of the Act.

Commencement

- C.
- (1) Part 1 of Annex A to this instrument comes into force on 28 June 2019.
 - (2) Part 2 of Annex A to this instrument comes into force on 14 September 2019, immediately after those changes made by the Payment Services Instrument 2017 (FCA 2017/54) and the Payment Services (Amendment) Instrument 2018 (FCA 2018/57) enter into effect.
 - (3) Annex B to this instrument comes into force on 12 November 2019, immediately after those changes made by Part 2 of Annex B to the Buy Now Pay Later Instrument 2019 (FCA 2019/72) enter into effect.

Amendments to the Handbook

- D. The Supervision manual (SUP) of the FCA’s Handbook of rules and guidance is amended in accordance with the Annex to this instrument.
- E. The Consumer Credit sourcebook (CONC) is amended in accordance with Annex B to this instrument.

Citation

- F. This instrument may be cited as the Payment Services and Buy Now Pay Later (Administrative Amendments) Instrument 2019.

By order of the Board
27 June 2019

Annex A

Amendments to the Supervision manual (SUP)

In this Annex, underlining indicates new text and striking through indicates deleted text.

Part 1: Comes into force on 28 June 2019

16 Reporting requirements

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16.13 Reporting under the Payment Services Regulations

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- 16.13.13 D The assessments required by regulation 98(2) of the *Payment Services Regulations* must be submitted (except payment service providers mentioned in paragraph (1) (c) and (ca) of the Glossary definition of payment service provider and paragraph (1)(c) of the Glossary definition of electronic money issuer) to the FCA:
- ...
- 16.13.14 G *Payment service providers* (except payment service providers mentioned in paragraph (1) (c) and (ca) of the Glossary definition of payment service provider and paragraph (1)(c) of the Glossary definition of electronic money issuer) should submit the form and the assessments to the FCA in accordance with SUP 16.13.13D(2) as soon as practicable after the assessments have been completed.
- 16.13.15 G *Payment service providers* (except payment service providers mentioned in paragraphs (1) (c) and (ca) of the Glossary definition of payment service provider and paragraph (1)(c) of the Glossary definition of electronic money issuer) may provide operational and security risk assessments to the FCA on a more frequent basis than once every calendar year if they so wish. *Payment service providers* (except payment service providers mentioned in paragraph (1) (c) and (ca) of the Glossary definition of payment service provider and paragraph (1)(c) of the Glossary definition of electronic money issuer) should not, however, submit such assessments more frequently than once every quarter.
- 16.13.16 G Subject to the requirements in SUP 16.13.13D, *payment service providers* (except payment service providers mentioned in paragraph (1) (c) and (ca) of the Glossary definition of payment service provider and paragraph (1)(c) of the Glossary definition of electronic money issuer) should submit a nil return for each quarter in which they do not make a submission to the FCA.

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Part 2: Comes into force 14 September 2019

15 Notifications to the FCA

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15.14 Notifications under the Payment Services Regulations

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Notifying problems with a dedicated interface (article 33(3) of the SCA RTS)

15.14.38 D *Account information service providers, payment initiation service providers, payment service providers issuing card-based payment instruments, and account servicing payment service providers must report problems with dedicated interfaces as required by article 33(3) of the SCA RTS to the FCA:*

- (a) without undue delay;
- (b) using the form set out in ~~SUP 46~~ SUP 15 Annex 13~~RD~~; and
- (c) by electronic means made available by the FCA.

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**16 Annex REP017 Payments Fraud Report
27ED**

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Losses due to fraud per liability bearer:

- 45 The reporting payment service provider
- 46 The Payment service user (~~payer~~) (payee)
- 47 Others

A	
Total losses	

...

Losses due to fraud per liability bearer:

- 152 The reporting payment service provider
- 153 The Payment service user (~~payer~~) (payee)
- 154 Others

A	
Total losses	

...

- 169 **Authenticated via strong customer authentication**
of which fraudulent ~~credit transfers~~ e-money payment transactions by fraud types:
- 170 Issuance of a payment order by the fraudster
- 171 Modification of a payment order by the fraudster
- 172

- 173 **Authenticated via non-strong customer authentication**
of which fraudulent ~~credit transfers~~ e-money payment transactions by fraud types:
- 174 Issuance of a payment order by the fraudster
- 175 Modification of a payment order by the fraudster
- 176

- 177 Low value
- 178 Trusted beneficiary
- 179 Recurring transaction
- 180 Payment to self
- 181
- 182 Transaction risk analysis

- 183 **Via non-remote payment initiation channel**
of which:

- 184 **Authenticated via strong customer authentication**
of which fraudulent ~~credit transfers~~ e-money payment transactions by fraud types:
- 185 Issuance of a payment order by the fraudster
- 186 Modification of a payment order by the fraudster
- 187

- 188 **Authenticated via non-strong customer authentication**
of which fraudulent ~~credit transfers~~ e-money payment transactions by fraud types:
- 189 Issuance of a payment order by the fraudster

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46AD interface

REP020 Quarterly statistics on availability and performance of dedicated interfaces

1 Do you wish to make a nil return? A

2 **Daily statistics**
This section must be completed for each payment service user interface and dedicated interface for which the firm has published the daily statistics on its website.

Day	A Interface Name/Id		B Interface type	C <u>Has exemption been granted for dedicated interface?</u>			
	Availability statistics		Payment services user interface	Performance statistics			
	Interface-type		Response (milliseconds)	Dedicated interface			
	Has exemption been granted for dedicated interface?			PISP AISP response (milliseconds)	AISP PISP response (milliseconds)	CBP/II/PISP Yes/No response (milliseconds)	Error response rate (%)
	D Uptime (%)	E Downtime (%)	F	G	H	I	J
1							

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16 Annex 46BG Notes on completing REP020 Statistics on the availability and performance of a dedicated interface

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Data elements

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Dedicated interface	
...	
2I – <u>CBP/II/PISP</u> <u>yes/no</u> response (milliseconds)	...
...	

Annex B

Amendments to the Consumer Credit sourcebook (CONC)

In this Annex, underlining indicates new text and striking through indicates deleted text.

TP 8 Other transitional provisions

(1)	(2)	(3)	(4)	(5)	(6)
	Material to which the transitional provision applies		Transitional provision	Transitional provision: dates in force	Handbook provision coming into force
...					
2	CONC 6.7.16B	R	A <i>firm</i> need not comply with <i>CONC</i> 6.7.16BR in respect of drawdowns of <i>credit</i> made on or before 12 June <u>November</u> 2019.	From 12 November 2019	12 November 2019
3	CONC 6.7.16B	G	The effect of TP 2 is that where an agreement allows for multiple drawdowns, a <i>firm</i> must comply with <i>CONC</i> 6.7.16BR in respect of drawdowns of <i>credit</i> made after 12 June <u>November</u> 2019, but need not do so for drawdowns made on or before this date.	From 12 November 2019	12 November 2019