

## **ABBL response to the European Banking Authority consultation on draft implementing technical standards (ITS) for uniform reporting under the Instant Payments Regulation (IPR)**

**24 October 2024**

### **Scope of the ITS**

**Question 1:** Do you perceive that the reporting requirements adequately cater for the situation where the PSP has already reported the same data to the authorities?

The information requested in template S 01.00 seems redundant with what is already provided via CDDP6 to the Central Bank of Luxembourg. Also, the reporting requirements seem to go beyond what is requested in the Instant Payments regulation.

The entities would expect a simpler reporting based on some existing information that is usually already extracted, i.e.

- the level of charges for credit transfers, instant credit transfers and payment accounts: reporting of Bank Tariffs as it is done for the Payment Account Directive;
- the share of rejections, separately for national and cross-border payment transactions, due to the application of targeted financial restrictive measures: expected reporting on a % of rejection IP with only one split - national and cross-border payments.

### **Credit transfers**

**Question 2:** Do you consider the reporting requirements proposed in templates S 01.00 and S 02.00 to be suitable for carrying out a robust analysis and to strike an appropriate balance with the competing need to avoid excessive reporting burden for the industry?

For template S 01.00, the information will already be extracted and analyzed for CDDP6.

PSPs already carry out robust analysis of their transactions without this specific report S 02.00 which will not be of any help for PSPs or added value for the bank's analysis.

Instant Transactions will be in most cases free for retail customers.

Certain PSPs expect this reporting to be done manually and therefore would prefer a low frequency.

### Payments accounts

**Question 3:** Do you consider the reporting requirements proposed in templates S 03.00 to be suitable for carrying out a robust analysis and to strike an appropriate balance with the competing need to avoid excessive reporting burden for the industry?

The information requested in template S 03.00 seems out of scope for the purpose of Instant Payments.

Also, this information is redundant and is already available in CDDP6 (report 1.80) – Luxembourg Central Bank payment statistics.

**Question 4:** Do you consider that the reporting requirements on the charges for payment accounts and credit transfers will allow for a robust analysis of charges for such individual financial services where they are provided as part of a package of services? How could robustness be improved to strike the right balance between collecting relevant data and not overburdening the PSPs?

We need clarification for the term 'charges': is it 'charges' for the customers or charges for the bank?

We don't see technical and maintenance costs for the bank in this report. However, the banks' charges and fees are usually available on their websites.

### Share of rejected transactions

**Question 5:** Do you agree that, in light of the aims of the underlying regulation, there is a need for template S 04.00 to collect data on the number of rejected transactions on the side of the payer's and payee's PSP prior to the application of the IPR amendments to SEPA Regulation, and rejected transactions on the side of the payer's PSP, and frozen funds on the side of the payee's PSP, after the application of the IPR amendments to SEPA Regulation?

We understand the necessity of collecting the number of rejected transactions on both sides payee's PSP and payer's PSP in template S 04.00.

**Question 6:** Are the instructions and templates in Annex I and II clear to you or do any of the terms therein require to be defined further?

Template S 01.00, it is not clear whether sent and received credit transfers should be taken into account.

Template S 01.00 - 0330 : Total number of credit transfers initiated using mobile payment solutions  
The way the Annex II explains the difference between « online banking payments » and « mobile payment solutions » is confusing, i.e. for Mobile App payments we would mention in row 0330 but a mobile payment through Paypal, Apple Pay, etc. would appear in row 0290, is it correct?

Template S 03.00, the difference between Total value of charges for the maintenance of payment accounts and Total value of charges for a payment account is not clear.

Template S01, row 0010 :

Are the book to book payments (credit transfers between 2 customers in the same bank) part of the scope ? In addition, do we also have to include transfers between 2 accounts held by the same customer in the same bank ?

Template S01, row 0170 :

“credit transfers initiated by a payer or by a payee” : what’s the meaning of a credit transfer initiated by a payee ? Is it a typo ?

Template S04, row 0010 :

We are wondering how it is possible to freeze an instant payment. To our knowledge, as specified as soon as our client is under the EU asset freeze sanction, his capacity of receiving or sending instant payment is suspended. Therefore if one instant payment is received for this particular client it will be directly rejected because of its incapacity of receiving instant payments. So there will never be a case of frozen instant payment transaction. Could you clarify this request ?

CDDP6 – report 1.20 aggregate payments made via online banking or mobile banking app in the same category (“WEBB”). This will make reconciliation even more difficult.

**Question 7:** Do you perceive the reporting requirements to be proportionate? Is there information contained in the templates that is overly burdensome to report?

As of now, the notion of Total value of all charges for payment accounts in template S 03.00 is unclear and can be complicated to extract.

### Additional comments

**Question 8:** Do you have any other comments on the reporting requirements proposed in this consultation paper?

We understand the substance of the reporting request, in particular statistics on the volume of instant payments and their profitability for banks. However, we need clarification on several questions otherwise consolidation will not make sense.

We also suggest avoiding reporting of redundant data already available in CDDP6.

Will there be any common channel for all PSPs to submit the reporting?

Some PSPs perform their usual reporting only in CSV or Excel format, the use of XML might require some entities to outsource the conversion to a third party, increasing friction and risk.