



**PAYMENTS
EUROPE**

POLICY RECOMMENDATIONS TO SUPPORT A FAIR, DYNAMIC AND INNOVATIVE PAYMENTS MARKET

**A PERSPECTIVE FROM
PAYMENTS EUROPE**

THE EUROPEAN PAYMENTS MARKET

The European payments landscape is evolving at an ever-increasing speed. New technology and regulation are fuelling innovation which is making payments easier and safer. Consumers and retailers have access to a wide array of electronic payments solutions, ranging from card-based solutions to account-to-account payments facilitated by mobile applications to bank transfers. This leads to Europe having one of the most dynamic and competitive payments markets in the world.

Card-based payments solutions are a vital component and a key driver of the European payments landscape. Many of the innovative and secure solutions we see on the market today are supported by cards. As Payments Europe, we want to promote the values these solutions bring to the European society, including businesses, merchants and consumers.



SOCIETY

- *Financial inclusion*
- *Reduce the shadow economy and increase government revenues*
- *Enable open competition*
- *Increase transparency*
- *Reduce money laundering and other criminal activity*



CONSUMERS

- *Flexibility and convenience*
- *Security and fraud protection*
- *Ability to pay everywhere in the world*
- *Chargebacks and purchase protections*
- *Access to credit*



CORPORATES & SMEs

- *Expense management*
- *Access to credit facility*
- *Reduces late payments*
- *Reduced administration*



RETAIL

- *Increased sales*
- *Guaranteed payment*
- *Enabling new and cross-border sales channels*
- *Improving back office and financial efficiencies*
- *Support the fight against fraud*

Below, you will find Payment Europe's recommendations for how to ensure a vibrant European payments market through the 2019-2024 legislative policy cycle and beyond.



FAIR COMPETITION TO ALLOW FOR INNOVATION

An environment in which businesses can compete fairly spurs innovation, which ultimately leads to better solutions for users of payments. This means that different companies and business models active in the payments sector should have a level playing field in terms of regulation. In order to foster innovation, businesses also need to have the capacity to invest and regulation should not hamper this ability.

Looking ahead, it is important that EU policy continues to foster an environment where a multitude of payment solutions can co-exist and compete in a level playing field. Certain solutions or technology should not be favoured over other. Policy makers also need to be mindful of intervening in a market which is functioning well and is delivering value to the actors involved. As far as it is possible, policy makers should aim to be technology neutral when drafting legislation – this is particularly important for the payments industry as it is a rapidly developing and evolving sector.



GLOBAL AND OPEN ECONOMY

A global and open economy in which businesses from all over the world can compete fairly between one another benefits the European economy. While there is a lot of innovation in payments in Europe, there are also countless companies in other regions which are developing solutions which could make payments smarter and better for European retailers and consumers. When it comes to fraud and security risks, global

businesses are able to stay at the forefront of preventing these through having access to information about threats when they arise across the globe.

In order to continue to be a leading region for electronic payments, the EU needs to ensure that Europe remains open for business from other regions of the world. Closing off the European market for competition or promoting solutions from certain regions over others will lead to worse outcomes for retailers and consumers.



SECURITY AND CONSUMER PROTECTION

High security and consumer protection standards are key for the payments industry. Handling payments requires the highest degree of trust from the users and as Payments Europe, we take this responsibility very seriously. Our aspiration is to make payments as easy and convenient as possible, while maintaining top of class security standards.

When developing regulation for the payments industry, security and consumer protection should serve as guiding principles. Any regulation which risks undermining the trust of consumers in payments services could be detrimental to the European economy. Because of this, it is also important that policy makers engage in a dialogue with the industry to make sure that the practical consequences of regulation are clear and that payments are made as convenient and as secure as possible.



About Payments Europe:

Payments Europe is the voice of the card-based payments industry. We represent issuing banks, acquiring banks and four-party card schemes and our members are active in all European countries. Our mission is to promote the value that card-based payments bring to the European economy and society. We strive for a vibrant, competitive and consumer-centric European payments market.