



EUROPEAN CENTRAL BANK

EUROSYSTEM

Eurosystem oversight framework for electronic payment instruments, schemes and arrangements

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1 Introduction

Article 127(2) of the [Treaty on the Functioning of the European Union](#) and Article 3.1 of the Statute of the European System of Central Banks (ESCB) and of the European Central Bank (ECB) state that one of the basic tasks to be carried out through the ESCB shall be “to promote the smooth operation of payment systems”.

The safety and efficiency of the payment system is essential for a stable and well-functioning financial system and contributes to confidence in the currency. The term “the payment system” is understood as comprising individual payment systems¹, the set of payment instruments, which allow the transfer of value between end users (payers and payees), payment schemes, which define standardised procedures for using payment instruments, and payment arrangements, which provide functionalities supporting the use of electronic payment instruments. The interplay of all of these means they fall within the scope of the Eurosystem oversight framework for electronic payment instruments, schemes and arrangements (the PISA framework).

While the revised [Payment Services Directive](#) (PSD2) defines “funds” as banknotes and coins, scriptural money or electronic money², from a Eurosystem perspective recent technological developments warrant the extension of the scope of the PISA framework to transfer of value. Transfer of value consists not only of transfers of euro funds by means of payment instruments but also of representations of value backed by claims or assets denominated in euro or redeemable in euro (e.g. digital payment tokens). The PISA framework covers electronic payment instruments, including the use of these instruments to place or withdraw cash.

The Eurosystem carries out oversight activities in respect of payment instruments, payment schemes and payment arrangements to promote the above-mentioned statutory objective, as well as to maintain confidence in the currency and foster an efficient economy.

This document is structured as follows: Section 2 defines the payment instruments, payment schemes and payment arrangements covered by the framework. Section 3 explains the role of governance bodies as addressees of the framework and expectations vis-à-vis these entities. Section 4 outlines the coordination envisaged with payment system overseers and/or supervisory authorities. Section 5 offers considerations on establishing a proportionate oversight approach. Section 6 lists the risks and the applicable oversight principles for payment schemes and arrangements. Section 7 indicates how the oversight activities will be organised, and Section 8 provides a table showing the abbreviations and definitions used throughout the document.

¹ In the context of the Eurosystem oversight of payment systems.

² Electronic money refers to electronically, including magnetically, stored monetary value as represented by a claim on the issuer which is issued on receipt of funds for the purpose of making payment transactions as defined in point 5 of Article 4 of Directive 2007/64/EC, and which is accepted by a natural or legal person other than the electronic money issuer.

2 Scope

2.1 A single oversight framework for electronic payment instruments, payment schemes and payment arrangements – the PISA framework

This Eurosystem oversight framework applies to electronic payment instruments, payment schemes and payment arrangements (the PISA framework). It replaces the “[Harmonised oversight approach and oversight standards for payment instruments](#)” and all related oversight frameworks for cards, direct debits, credit transfers and the security objectives for e-money. It is the result of a comprehensive review considering regulatory³ and technological developments in recent years as well as the experience gained by the Eurosystem in the oversight of payment schemes and payment instruments. In particular, it takes into consideration the Eurosystem's approach to the oversight of payment systems and is, therefore, where this is appropriate and possible, aligned with the relevant principles of the [principles for financial market infrastructures](#) (PFMI) and the [Revised oversight framework for retail payment systems](#). Finally, as outlined in Section 4 and as shown in the respective assessment methodology, the oversight requirements of the PISA framework are aligned with the relevant requirements set out for the microprudential supervision of payment service providers.

2.2 Payment instruments

The PISA framework covers general purpose electronic payment instruments (i.e. which are not limited, with regard to transfer of value, to a single type of payee or to specific uses), all variants thereof (such as instant and/or business-to-business versions) and the usage of electronic payment instruments to place or withdraw cash.

A payment instrument is a personalised device (or a set of devices) and/or set of procedures agreed between the payment service user and the payment service provider used in order to initiate a transfer of value.

Typical examples of electronic payment instruments are cards, credit transfers, direct debits, e-money transfers and digital payment tokens.

From a geographical perspective, the framework covers electronic payment instruments used for transfers of value offered to end users within euro area and/or non-euro area countries, which are denominated in or funded in euro, partly or fully backed by euro, or redeemable in euro.

- Excluded from the framework are:

³ Most notably PSD2 and the Second Electronic Money Directive (EMD2).

- services for which the transfer of value from the payer to the payee is executed solely in banknotes and coins;
- services for which the transfer is based on a paper cheque (even if truncated/digitalised for transmission), paper-based bill of exchange, promissory note or other comparable instrument;
- paper-based vouchers or cards issued with a view to placing funds at the disposal of the payee.

Where relevant, the assessment methodology of the PISA framework considers the differences between electronic payment instruments.

The objective of the oversight is to monitor the security and efficiency of (a) the rules, as established in the related payment schemes, governing the functioning of the individual electronic payment instruments, and (b) the functionalities for the use of the payment instruments provided by payment arrangements.

2.3 Payment schemes and arrangements

The framework covers payment schemes.

A payment scheme is a set of formal, standardised and common rules enabling the transfer of value between end users by means of electronic payment instruments. It is managed by a governance body.

The rules describe the procedures and payment scheme functions which enable payers and payees to use or accept electronic payment instruments. These functions cover, as a minimum, the governance of a payment scheme but may also include payment service provision, payment guarantee, processing, clearing and/or settlement. The latter can be provided by the governance body itself, participating payment service providers or technical service providers⁴, or other third parties. The rules should be applicable for at least one payment service provider⁵.

The framework also covers payment arrangements. These may be a part of or separate from a payment scheme, or they may be provided by the governance body of a payment scheme.

A payment arrangement provides functionalities which support the end users of multiple payment service providers in the use of electronic payment instruments.⁶ It is managed by a governance body which issues the relevant rules or terms and conditions.

⁴ Including payment system operators.

⁵ The payment service provider may be the governance body itself.

⁶ Online banking services of account servicing payment service providers solely offered to the respective account holder do not constitute a payment arrangement.

Such payment arrangement functionalities include (i) initiation, facilitation or requests to execute transfers of value and (ii) the storage or registering of personalised security credentials or data related to payment instruments⁷.

Providers exclusively engaged in exchange services (e.g. between fiat currencies⁸ and digital payment tokens) are not considered to be a payment arrangement under this framework.

⁷ A payee storing data related to that payer's payment instruments solely on the payee's own behalf, in order to request a payment service provider to transfer value to the payee, does not constitute a payment arrangement (e.g. a card on file).

⁸ Coins and banknotes that are designated as legal tender and electronic money of a country, accepted as a medium of exchange in the issuing country.

3 Who this framework is aimed at

This framework is aimed at the governance bodies of payment schemes/arrangements. A governance body should adhere to the oversight expectations irrespective of whether it relies on third parties or even if it does not have, either itself or within its organisation, an operational role with regard to certain payment scheme functions or payment arrangement functionalities.

The Eurosystem follows a functional and holistic approach to oversight, which includes the governance function and the functionalities of a payment arrangement, as well as all the functions of a payment scheme. The approach covers both licensed and non-licensed governance bodies. For cases in which a governance body is responsible for the functioning of several payment schemes or arrangements⁹, the overseer may assess these jointly.

⁹ E.g. covering various payment instruments.

4 Coordination with payment system overseers and/or supervisory authorities

As mentioned in Section 2 in respect of scope, this framework complements the oversight of individual payment systems¹⁰ and/or the microprudential supervision of payment service providers¹¹ with aspects that are relevant from a payment scheme/arrangement perspective. If a governance body of a payment scheme/arrangement is, at the same time, an operator of one or more payment systems subject to oversight, and/or is a licensed payment service provider subject to microprudential supervision, it can provide evidence of how it meets the complementary key considerations of the PISA framework principles by sharing relevant oversight or supervisory assessments.

The assessment methodology complementing the PISA framework indicates which expectations are also subject to other Eurosystem oversight frameworks or that might fall under the scope of other authorities¹².

Individual payment system operators which are already overseen by the Eurosystem¹³ will not be assessed again against the PISA framework, provided that in the context of the Eurosystem's oversight of payment systems all major risks for a payment scheme/arrangement have already been assessed. If a payment system operator is part of a payment scheme, the PISA framework concentrates on the role of the governance body of the payment scheme to ensure that all actors comply with the scheme's rules and the scheme-wide risks. In the case of payment arrangements, if applicable, the focus of the PISA framework with regard to overseen payment systems is on the secure and efficient relationship of the governance body with the payment system.

Information on the supervisory assessments of payment service providers carried out by the competent authorities feeds into the oversight assessment to the extent that it covers similar requirements set out in the PISA framework.

In line with "Responsibility E" under "Cooperation with other authorities" defined in the PFMI and as stipulated in the Eurosystem oversight policy framework¹⁴, the Eurosystem lead overseer of a payment scheme/arrangement will seek to cooperate, to the extent possible, with all relevant regulatory bodies which have a legitimate interest in overseeing, supervising or regulating the payment scheme/arrangement.

¹⁰ In the context of the Eurosystem's oversight of payment systems.

¹¹ Article 1(1) of the PSD2 lists – among other things – the following categories of payment service provider: credit institutions, electronic money institutions, post office giro institutions, and payment institutions.

¹² These references are not exhaustive as they take into account the status quo at the point of publication.

¹³ In the context of the Eurosystem oversight of payment systems.

¹⁴ See "[Eurosystem oversight policy framework](#)", (2016), ECB, 2016.

5 Proportionality considerations

Eurosystem oversight concentrates its activities on payment schemes/arrangements which have reached a considerable level of importance for, and therefore also potential risk to, the overall payment system. The criteria the Eurosystem takes into consideration when deciding on the application of the framework to a payment scheme/arrangement are defined in the exemption policy for implementing this framework, as reviewed over time. The latter takes an approach that is proportionate to the risks introduced by payment schemes/arrangements.

The focus of assessments under the PISA framework is on risks that may have a payment scheme/arrangement-wide impact¹⁵ that can be expected to be under the control of the responsible governance body, be this directly or indirectly.

¹⁵ E.g. a potential issue caused by a deficiency of the rules or a security standard.

6 Risks and applicable oversight principles

Payment schemes and arrangements are exposed to legal, business, operational (including security and cyber), interdependencies and financial risks. The governance body is expected to take all necessary and appropriate measures to mitigate these risks and maintain confidence in the payment schemes/arrangements and electronic payment instruments used.

The PFMI have been specifically developed to enable financial market infrastructures (FMIs) to manage these and other risks. In June 2013 the Governing Council of the ECB adopted the PFMI as the standards for Eurosystem oversight of all types of FMIs in the euro area under Eurosystem responsibility. In respect of systemically important payment systems (SIPS), the PFMI have been implemented through the SIPS Regulation¹⁶.

The PISA framework identifies those principles of the PFMI that payment schemes/arrangements should comply with, concluding that up to 16 principles may be relevant for payment schemes/arrangements (see Table 1). However, in most cases fewer principles and key considerations will be applicable for each requirement. The assessment methodology indicates whether or not a specific function of a payment scheme or functionality of a payment arrangement is concerned and whether the requirement is specifically for certain payment instruments.

Moreover, in some cases the text of the PFMI and/or the key considerations has been adjusted if these were considered to be too demanding for payment schemes/arrangements or if they did not sufficiently address all aspects relevant to the interests of end users with regard to the safety and efficiency of a payment scheme/arrangement.

¹⁶ Regulation of the European Central Bank (EU) No 795/2014 of 3 July 2014 on oversight requirements for systemically important payment systems (ECB/2014/28) (OJ L 217, 23.7.2014, p. 16).

Table 1

PFMI versus the principles applicable¹⁷ to payment schemes/arrangements (non-editorial differences are highlighted in bold text).

| Principle | | Principles for financial market infrastructures | Principles for payment schemes/arrangements |
|-----------|---|--|--|
| 1 | Legal basis | An FMI should have a well-founded, clear, transparent, and enforceable legal basis for each material aspect of its activities in all relevant jurisdictions. | A payment scheme/arrangement should have a well-founded, clear, transparent and enforceable legal basis for each material aspect of its activities in all relevant jurisdictions. |
| 2 | Governance | An FMI should have governance arrangements that are clear and transparent, promote the safety and efficiency of the FMI, and support the stability of the broader financial system, other relevant public interest considerations , and the objectives of relevant stakeholders. | A payment scheme/arrangement should have governance that is clear and transparent, promotes the safety and efficiency of the payment scheme/arrangement, and supports the objectives of relevant stakeholders. |
| 3 | Framework for the comprehensive management of risks | An FMI should have a sound risk-management framework for comprehensively managing legal, credit, liquidity, operational, and other risks. | A governance body should have a sound risk management framework for comprehensively managing a payment scheme/arrangement's legal, credit, liquidity, operational and other risks. |
| 4 | Credit risk | An FMI should effectively measure, monitor, and manage its credit exposures to participants and those arising from its payment, clearing, and settlement processes. An FMI should maintain sufficient financial resources to cover its credit exposure to each participant fully with a high degree of confidence. [...] ¹⁸ | A payment scheme should effectively measure, monitor and manage its credit exposures to payment service providers and/or end users as well as those arising from its payment, clearing and settlement processes. A payment scheme/arrangement should maintain sufficient financial resources to fully cover its credit exposure to each payment service provider with a high degree of confidence. |
| 5 | Collateral | An FMI that requires collateral to manage its or its participants' credit exposure should accept collateral with low credit, liquidity and market risks. An FMI should also set and enforce appropriately conservative haircuts and concentration limits. | A payment scheme that requires collateral to manage its or its payment service providers' credit exposures should accept collateral with low credit, liquidity and market risk. |
| 7 | Liquidity risk | An FMI should effectively measure, monitor, and manage its liquidity risk. An FMI should maintain sufficient liquid resources in all relevant currencies to effect same-day and, where appropriate, intraday and multiday settlement of payment obligations, with a high degree of confidence under a wide range of potential stress scenarios that should include, but not be limited to, the default of the participant and its affiliates that would generate the largest aggregate liquidity obligation for the FMI in extreme but plausible, market conditions. | A payment scheme should measure, monitor and manage its liquidity risk effectively. A payment scheme should maintain sufficient liquid resources in all relevant currencies to meet its payment obligations in a timely manner with a high degree of confidence. This should be under a wide range of potential stress scenarios that should include, but not be limited to, the default of the payment service provider and its affiliates that would generate the largest aggregate liquidity obligation for the payment scheme under extreme, but plausible, market conditions. |
| 8 | Settlement finality and crediting of end user | An FMI should provide clear and certain final settlement, at a minimum by the end of the value date. Where necessary or preferable, an FMI should provide final settlement intraday or in real time. | A payment scheme should define clear rules for final settlement. |
| 9 | Money settlement | An FMI should conduct its money settlements in central bank money where practical and available. If central bank money is not used, an FMI should minimise and strictly control the credit and liquidity risk arising from the use of commercial bank money. | If central bank money is not used for the money settlement of the obligations of the end users or the payment service providers of a payment scheme, the governance body should minimise and strictly control the credit and liquidity risk arising from the use of commercial bank money. |
| 13 | Payment service provider default rules and procedures | An FMI should have effective and clearly defined rules and procedures to manage a participant default. These rules and procedures should be designed to ensure that the FMI can take timely action to contain losses and liquidity pressures and continue to meet its obligations. | A payment scheme should have effective and clearly defined rules and procedures for managing the default of a payment service provider. These rules and procedures should be designed to ensure that a payment scheme can take timely action to contain losses and liquidity pressures and, thereby, continue to meet its obligations. |

¹⁷ Applicable only if the respective functions, functionalities and payment instruments are offered by the payment scheme/arrangement.

¹⁸Excluding the part for CCPs.

| Principle | Principles for financial market infrastructures | Principles for payment schemes/arrangements |
|---|---|--|
| 15 General business risk | An FMI should identify, monitor and manage its general business risk and hold sufficient liquid net assets funded by equity to cover potential general business losses, so that it can continue operations and services as a going concern if those losses materialise. Further, liquid net assets should at all times be sufficient to ensure a recovery or orderly wind-down of critical operations and services. | A payment scheme/arrangement should identify, monitor and manage its general business risk and it should hold sufficient liquid net assets funded by equity to cover potential general business losses. This would allow it to continue operations and provide services as a going concern if such losses were to materialise. |
| 16 Custody and investment risk | An FMI should safeguard its own and its participants' assets and minimise the risk of loss on and delay in access to these assets. An FMI's investments should be in instruments with minimal credit, market, and liquidity risks. | A payment scheme should safeguard its end users' assets and minimise the risk of losses on these assets or delayed access to them. A payment scheme should invest in instruments that carry minimal credit, market and liquidity risks. |
| 17 Operational risk | An FMI should identify the plausible sources of operational risk, both internal and external, and mitigate their impact through the use of appropriate systems, policies, procedures, and controls. Systems should be designed to ensure a high degree of security and operational reliability and should have adequate, scalable capacity. Business continuity management should aim for timely recovery of operations and fulfilment of the FMI's obligations, including in the event of a wide-scale or major disruption. | Payment schemes/arrangements, payment services providers and technical service providers should identify the plausible sources of operational risk, whether internal or external, and mitigate impact by implementing appropriate systems, policies, procedures and controls. Systems should be designed to ensure a high degree of security and operational reliability and should have adequate, scalable capacity. Business continuity management should aim for timely recovery of operations and the fulfilment of the obligations of the payment scheme/arrangement, the payment services providers or the technical service providers , including in the event of a wide-scale or major disruption. |
| 18 Access and participation requirements | An FMI should have objective, risk-based, and publicly disclosed criteria for participation, which permit fair and open access. | A payment scheme/arrangement should have objective, risk-based and publicly disclosed criteria for participation, which permit fair and open access. |
| 21 Efficiency and effectiveness | An FMI should be efficient and effective in meeting the requirements of its participants and the markets it serves. | A payment scheme/arrangement should be efficient and effective in meeting the requirements of the payment service providers, end users and the markets it serves. |
| 22 Communication procedures and standards | An FMI should use, or at a minimum accommodate, relevant internationally accepted communication procedures and standards in order to facilitate efficient payment, clearing, settlement and recording. | A payment scheme/arrangement should use, or at least accommodate, relevant internationally accepted communication procedures and standards in order to facilitate the efficient transfer of value between end users. |
| 23 Disclosure of rules, key procedures and market data | An FMI should have clear and comprehensive rules and procedures and should provide sufficient information to enable participants to have an accurate understanding of the risks, fees, and other material costs they incur by participating in the FMI. All relevant rules and key procedures should be publicly disclosed. | A payment scheme/arrangement should have clear and comprehensive rules and procedures and it should provide sufficient information to enable payment service providers, technical service providers and end users to reach an accurate understanding of the risks, fees and other material costs they incur by participating in/making use of the payment scheme/arrangement. All relevant rules and key procedures should be publicly disclosed, bearing in mind those rules and procedures which, if disclosed, could pose a threat to the security of a scheme or arrangement. The latter should only be disclosed to scheme or arrangement stakeholders on a "need to know" basis. |

7 Organisation of oversight activity

The Treaty assigns oversight responsibilities to the Eurosystem. As the Eurosystem oversight policy framework explains¹⁹, to achieve effective and efficient oversight the Eurosystem shares these responsibilities in a manner that enables it to benefit from its decentralised structure, while also ensuring that its oversight activities are coordinated and that its policy stance is consistently applied throughout the euro area.

The framework applies in the same way to all payment schemes and arrangements unless they have been exempted. Exempted payment schemes and arrangements are encouraged to apply the principles of the framework on a voluntary basis.

For the purpose of conducting oversight, including the collection and assessment of information and the implementation of measures aimed at inducing change, the Eurosystem assigns, in line with its oversight policy framework, primary oversight responsibility to the central bank which is considered best placed for the task (the lead overseer). In principle, the lead overseer is the Eurosystem central bank of the country in which the governance body of the scheme or arrangement is legally incorporated, unless the Governing Council decides otherwise and assigns the Eurosystem's primary oversight responsibilities to the ECB. If there is no clear national anchorage, for example if the scheme or arrangement is incorporated outside the euro area or provides pan-European services, the lead overseer is the ECB, while if there is a traditional oversight or supervisory relationship with a national central bank (NCB) of at least [three] years, the ECB jointly conducts oversight with the respective NCB. For pan-European schemes or arrangements, oversight is conducted under a cooperative oversight arrangement with interested central banks, coordinated by the lead overseer. The oversight of national schemes and arrangements is conducted by NCBs which report oversight activities conducted in accordance with this framework to the Governing Council of the ECB via the appropriate ESCB committee structure.

¹⁹See the "[Eurosystem oversight policy framework](#)" (2016).

Annex

Draft definitions

The draft terms below form part of the public consultation and may, if necessary, deviate from those used in EU legal and regulatory documents as well as those used in other ECB regulatory documents to address current technological developments. For terms not defined below, payment specific definitions from Article 4 of PSD2²⁰ or Article 2 of EMD2²¹ apply, as amended over time. For general terms relating to the Eurosystem please refer to the [ECB glossary](#) (available in English only).

Table 2
Draft definitions

| Term | Definition |
|--|--|
| Cash placement | A procedure initiated by an end user to place cash on a user account. |
| Cash withdrawals | The cash-out of value initiated by an end user via an automated teller machine or following an agreed procedure at a point of acceptance and resulting in the debiting of the exact same end user's account. |
| Clearing | The reconciliation and, in some cases, confirmation of transactions prior to settlement, potentially including their netting and the establishment of final positions for settlement. |
| Credit transfer | A set of procedures enabling a transfer of value by crediting a payee's user account. This occurs by means of a payment transaction or a series of payment transactions from a payer's user account carried out by the payment service provider which holds or administers the payer's user account, based on an instruction given by the payer. |
| Digital payment token | A digital payment token is a digital representation of value backed by claims or assets recorded elsewhere and enabling the transfer of value between end users. Depending on the underlying design, digital payment tokens can foresee a transfer of value without necessarily involving a central third party and/or using payment accounts. ²² |
| Direct debit | A set of procedures enabling a transfer of value by debiting a payer's user account. A payment transaction is initiated by the payee on the basis of the consent given by the payer to the payee, to the payee's payment service provider, or to the payer's own payment service provider. |
| Electronic payment instrument | A personalised device(s), software and/or set of procedures agreed between the end user and the payment service provider which is used to initiate or accept a transfer of value via electronic communication. |
| End user | A natural or legal person making use of an electronic payment instrument governed by a payment scheme/arrangement for the transfer of value, in the capacity of payer, payee, or both. |
| Governance body | The decision-making entity/ies responsible for the governance of the payment scheme or payment arrangement. |
| Governance of a payment arrangement | The function in charge of controlling the payment arrangement's functionalities by (i) defining the respective rules or terms and conditions as well as ensuring (ii) the effective enforcement of the former. This does not exclude the delegation of responsibilities for certain functionalities to other actors. |
| Governance of a payment scheme | The function of a payment scheme responsible for ensuring the overall functioning of the payment scheme by (i) setting formal, standardised and common rules for participation and/or the use of payment instruments and (ii) effective enforcement. This does not exclude the delegation of responsibilities to other actors. |

²⁰ Directive (EU) 2015/2366 of the European Parliament and of the Council of 25 November 2015 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 (OJ L 337, 23.12.2015, p. 35).

²¹ Directive 2009/110/EC of the European Parliament and of the Council of 16 September 2009 on the taking up, pursuit and prudential supervision of the business of electronic money institutions amending Directives 2005/60/EC and 2006/48/EC and repealing Directive 2000/46/EC (OJ L 267, 10.10.2009, p. 7).

²² The term digital payment token excludes the "tokenisation" of sensitive data by a surrogate value which is conducted for security reasons to protect the original data and where the token does not represent an asset or claim recorded elsewhere.

| | |
|---|--|
| Payment arrangement | Provides functionalities which support the end users of multiple payment service providers in the use of electronic payment instruments. ²³ It is managed by a governance body which issues the relevant rules or terms and conditions. |
| Payment card | A payment instrument, which is based on the rules of a card payment scheme, used to withdraw cash and/or enable a transfer of value at the request of the payer (via the payee) or the payee in respect of an end-user account linked to the card. |
| Payment guarantee | A defined degree of protection against losses for end users and/or participating payment service providers as defined in the formal, standardised and common rules of the scheme. |
| Payment instrument | A personalised device(s) and/or set of procedures agreed between the payment service user and the payment service provider used to initiate a transfer of value. |
| Payment scheme | A set of formal, standardised and common rules enabling the transfer of value between end users by means of electronic payment instruments. It is managed by a governance body. |
| Payment service provider | A natural or legal person providing services (e.g. issuing, acquiring, the authorisation of transactions, the authentication of end users) enabling the transfer of value between end users. |
| Payment service user | A natural or legal person making use of a payment service in the capacity of payer, payee, or both. |
| Personalised security credentials | Personalised features provided by the payment service provider to a payment service user for the purposes of authentication. |
| Processing | Information technology services and network communication services, such as authentication and authorisation, which enable the governance body and/or participating payment service providers to provide services. |
| Set of formal, standardised and common rules | A set of rules covering all material aspects governing the payment scheme that is uniform throughout the payment scheme, irrespective of whether the rules are based on a multilateral agreement, general terms and conditions or standardised bilateral contracts. These rules typically cover a common name and/or logo. |
| Settlement | Discharge of obligations of [a] payment service provider[s] through the transfer of value. The crediting/debiting of the end user's account or transfer of value to/from the end user[s] can, but does not necessarily have to, depend on settlement at the payment service provider level ²⁴ . |
| Transfer of value (between end users) | The act, initiated by the payer or on the payer's behalf or by the payee, of transferring funds or digital payment tokens, or placing or withdrawing cash on/from a user account, irrespective of any underlying obligations between the payer and the payee. The transfer can involve a single or multiple payment service providers. |
| Technical service provider | Any service which supports the provision of the services of a payment scheme/arrangement to end users, but does not involve entering into possession of the value to be transferred at any time. Technical service may include the processing and storage of data, trust and privacy protection services, data and entity authentication, information technology (IT) and communication network provision, as well as the provision and maintenance of terminals and devices used by payment services. |
| User account | An account held in the name of one or more end users which is used in the initiation or acceptance of transfers of value stored or registered on the account. |
| Waiver policy | Waiver policy of the Eurosystem oversight framework for payment instruments, schemes and arrangements |

Documents replaced by this framework

Table3

Documents replaced by this framework

| | |
|---|---|
| PI Standards | " Harmonised oversight approach and oversight standard for payment instruments ", ECB, February 2009. |
| EMSSO | " Electronic money system security objectives ", ECB, May 2003. |
| Oversight framework for cards | " Oversight framework for card payment schemes – standards ", ECB, January 2008. |
| Oversight framework for credit transfers | " Oversight framework for credit transfer schemes ", ECB, October 2010. |
| Oversight framework for direct debit | " Oversight framework for direct debit schemes ", ECB, October 2010. |

²³ Online banking services of account servicing payment service providers solely offered to the respective account holder do not constitute a payment arrangement.

²⁴ E.g. in the case of a settlement on a deferred net basis at the payment service provider level.

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For specific terminology please refer to the [ECB glossary](#) (available in English only).