

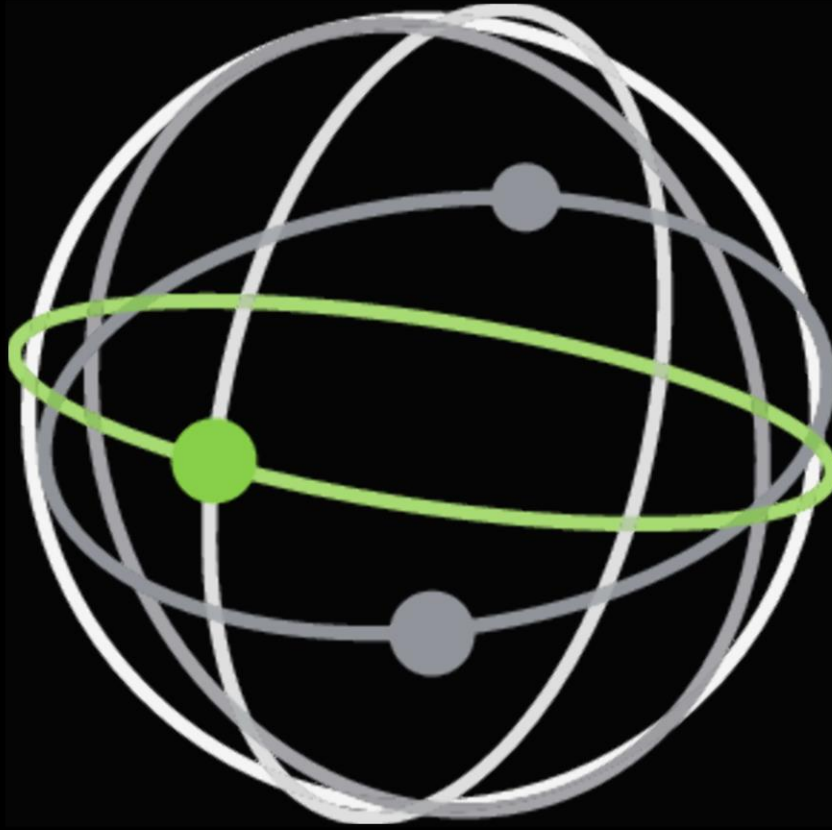
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Bank of Portugal Circular Letter no.
CC/2020/0000045

On 9 July, Bank of Portugal's Circular Letter no. CC/2020/00000045 ("the Circular Letter"), regarding compliance of dedicated interfaces provided by Account Service Payment Service Providers ("ASPSP") under the Legal Framework for Payment Services and Electronic Currency ("RJSPME"), approved by Decree-Law No. 91/2018, of 12 November, was published in Bank of Portugal's website.

This Circular Letter follows the Commission Delegated Regulation (EU) 2018/389 ("the Delegated Regulation"), of 27 November 2017, which complements Directive (EU) 2015/2366, of 25 November, concerning payment services in the internal market (the Second Payment Services Directive - "PSD2"), establishing technical regulatory standards for strong customer authentication and common and secure open communication standards.

Since the entry into force of the Delegated Regulation on 14 September 2019, ASPSPs must provide communication interfaces compatible with the requirements established in the RJSPME and the Delegated Regulation, which allow common and secure communication with third party payment service providers ("TPP").

In order to define what is meant by "compatible communication interfaces", the European Banking Authority ("EBA") published, on 4 June 2020, its *Opinion on obstacles under Article 32 (3) of the RTS on SCA and CSC*, where it identified situations that could potentially be considered obstacles to the provision of services by TPP and that the national competent authorities - among us, Bank of Portugal - must monitor.

This Circular Letter is the result of the obstacles encountered by Bank of Portugal in the exercise of its monitoring duty. In this sense, Banco de Portugal believes that:

1. ASPSPs must make available, on dedicated interfaces, all payment instruments available on ASPSP channels directly accessible by the user;
2. Dedicated interfaces must not create any obstacles to authentication;
3. ASPSPs must make available, on dedicated interfaces, all authentication procedures available on ASPSP channels directly accessible by the user.

Bank of Portugal establishes that authorized ASPSPs who have chosen to develop an API must correct the non-conformities identified above by the following deadlines:

1. Availability, in the API, of all payment instruments offered in the channels for direct access to payment service users:
 - 1.1. "Pagamentos for services", "Payments to the State", "Payments to Social Security", "TSU Payments", "Top-ups", "Sending of Payment Files" e "Payments in batch" – **until 30 September 2020.**
 - 1.2. Other payment instruments which are not available in the API – **until 31 December 2020.**
2. Removal of obstacles in user authentication flows – **until 31 October 2020.**

3. Availability in the API of all authentication methods offered on channels for direct access by payment service users ("app-to-app redirection" or "decoupled" method) – **until 31 December 2020.**

Failure to comply with the aforementioned deadlines may imply the revocation of the exemption from the API contingency mechanism granted by Bank of Portugal, under article 33, paragraph of Delegated Regulation (EU) 2018/389. In addition, the violation of the rules regarding access to payment accounts within the scope of payment initiation services or account information services is considered a very serious administrative offence, punished with a fine of up to 5,000,000 euros.

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