

POSITION PAPER: Card Payment Sweden Statement on the Proposal for an EU Regulation as regards instant credit transfers in euro 2022/0341(COD)

CPS acknowledges the European Commission [proposal](#) for a regulation on instant payments in euros published on 26 October 2022.

The uptake of instant payments could enable more competition in the area of payments for consumers and merchants where today established payment solutions exist for certain transactions like payments for online or physical shopping and peer-to-peer (P2P) payments. For consumers in particular, the choice of payment instruments would be expanded with new alternatives to cash and debit card transactions.

However, the investment and development required from payment providers to create a new means of payment at point of interaction for all the different use cases is substantial. Given this, the proposed price cap risks instead undermining the objectives.

While we support the development of instant payments, not all current SEPA credit transfers should be replaced by instant payments. Since not all actors in the payment chain are ready for such a shift, the focus should initially be on the areas where instant payments add the most value and where the risk level is acceptable. The regulation should as a priority cover P2P payments, where instant payments are already widely used (e.g. the Swedish SWISH payments). For Consumer to Business (C2B) payments at Point of Sales, via QR codes or in-app, on the other hand, the application of instant payments would be premature.

It is also important to allow time for PAN-European technical and operational standards for instant payments initiated at the merchant point of interaction to be developed, and for these to be aligned with existing card standardization regarding initiation at POI. Important work on standards for instant payments at POI is currently being conducted. From 2023, these will be aligned with card payment standards in the next version of the Volume Book of Requirements issued by the European Payments Stakeholder Group (EPSG, former ECSG – European Cards Stakeholder Group).

Preserving a level playing field across payment methods is crucial. We encourage the EU to promote greater choice for consumers, without bias for any specific solution, be it instant payments, credit cards, electronic bank transfers or any other. Consumer preferences and competition should continue to drive the evolution of the payments market, as preferences can differ among payment needs and Member States.

Furthermore, it is paramount to understand that the payments market is global in nature, as payments are often made across national borders and beyond the EU. Thus, for a payment method to answer the market needs it should be interoperable with global payment networks and standards.

Finally, targeted consumer protection is vital. If or when instant payments are available to consumers for online shopping, the same rights protecting users as those offered by card payments should apply. For instance, the proposal should provide measures to allow consumers to dispute unauthorised payment transactions (fraudulent payments) and when the goods or service are not delivered or are damaged/faulty.

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About Card Payment Sweden (CPS)

Card Payment Sweden (CPS) is an industry association that promotes the use of payments by card in Sweden. CPS was established in 2017 by card acquirers and card issuers on the Swedish market. We aim to ensure that payments by card can be made securely, efficiently and in a commercially viable way. Card payments benefit the whole of society – consumers, companies and merchants.

The very high use of cards has given Sweden the reputation of having one of the world's most efficient payment markets. CPS strives to ensure that the regulatory framework in Sweden and the EU works as it should do and facilitates fair competition. Our aim is to create the conditions to make card payments more attractive both to households and companies.