

Security in communication between banks and third party payment service providers

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Statement

The European institutions are currently discussing new rules that will apply when new payment service providers (fintechs) access data stored in consumers' online banking accounts.

BEUC is fundamentally opposed to the idea of 'screen scraping', which consists of giving the third party payment provider access to the consumer's online bank account. For this to happen the consumer must provide his security details to the payment provider. As a result, the third party would have access to data which is not necessary for the service it is providing. On this point, we wholly support the European Banking Authority (EBA) which recently criticised the Commission proposal to authorise 'screen scraping'.

Nevertheless, we recognise that the proposal as it stands could create technological chaos. If screen scraping is forbidden and every bank in the EU is free to develop its own interface for fintechs, it could potentially lead to thousands of different interfaces. This would be unmanageable for fintechs and would unfairly favour the incumbent banks.

As a result, we recommend the creation of a harmonised and unique interface for all banks and fintechs to work through (Application Programming Interface). This would allow fintechs to enter the market and increase competition in the field of payments which consumers warmly welcome.