

Single Rulebook Q&A

Question ID	2021_6077
Status	Final Q&A
Legal act	Directive 2015/2366/EU (PSD2)
Topic	Strong customer authentication and common and secure communication (incl. access)
Article	65
Paragraph	-
Subparagraph	-
COM Delegated or Implementing Acts/RTS/ITS/GLs/Recommendations	Regulation (EU) 2018/389 - RTS on strong customer authentication and secure communication
Article/Paragraph	36(1)(c)
Date of submission	06/07/2021
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Disclose name of institution / entity	Yes
Name of institution / submitter	Central Bank of Malta
Country of incorporation / residence	Malta
Type of submitter	Competent authority
Subject matter	Confirmation of Funds (CoF) request by a PISP in case of batch processing system
Question	With respect to confirmation of funds request made by a Payment Initiation Service Provider (PISP), in the event that the Account Servicing Payment Service Providers (ASPSP) makes use of a batch processing system, should the ASPSP take into account batches that are in the queue waiting to be processed at the point when the fund confirmation request is made?
Background on the question	As per the EBA Opinion on the implementation of the RTS on SCA and CSC published on 13 June 2018, the EBA noted that the RTS on SCA and CSC does not make a distinction between batch and real time booking. Furthermore, the EBA also noted that the ASPSP should also take into account any overdraft and incoming/outgoing payments when responding to a Confirmation of Funds (COF) request. With reference to ASPSPs which

	<p>make use of a batch processing system, if a PISP makes a COF request and at that point in time there is sufficient balance in the account, the ASPSP will provide a 'yes' confirmation. However, there may be instances where the PISP follows that request with a payment initiation which is queued for the next batch release and during this time, the account balance drops below the payment amount due to other batches which are at the front of the queue being executed. Should the ASPSP also consider the batches which are already in the queue at that point in time when the CoF request is made by the PISP?</p>
<p>Final answer</p>	<p>Article 36(1)(c) of the Commission Delegated Regulation (EU) 2018/389 requires account servicing payment service providers (ASPSPs) to immediately provide, upon request, payment service providers with a confirmation in a simple 'yes' or 'no' format, whether the amount necessary for the execution of a payment transaction is available on the payment account of the payer.</p> <p>Paragraph 25 of the EBA Opinion on the implementation of the RTS on SCA and CSC (EBA-Op-2018-04) clarified that the ASPSP, in determining whether to give a yes or no response to the request for confirmation required under Article 36(1)(c), needs to determine whether or not there are funds available, taking into account not only the balance available but also any overdraft and also any other data that the ASPSP uses to determine whether or not to execute a payment of one of its own customers, for instance any incoming/outgoing payments that will affect the balance or overdraft.</p> <p>Therefore, if the ASPSP takes into account batch payments that are in the queue waiting to be processed when deciding whether or not to execute a payment initiated directly by the payment service user PSU, the ASPSP should also take into account such batch payments when providing a confirmation of funds to a payment initiation service provider in accordance with Article 36(1)(c) of the Delegated Regulation.</p>
<p>Link</p>	<p>https://www.eba.europa.eu/single-rule-book-qa/qna/view/publicId/2021_6077</p>