

SUMMARY OF THE 22nd PLENARY MEETING – 19 July 2023

The 22nd plenary meeting of the Italian Payments Committee (CPI) was held on 19 July 2023.

Opening remarks

Mr **Cipollone**, Deputy Governor of the Bank of Italy, gave a welcome address to the participants and introduced the topics of the meeting.

In particular, he stressed that the Committee's activities are being carried out in a market environment characterized by major changes, a push towards innovation, and regulatory and technological pressures, which have led to a strong acceleration in the payments industry towards the adoption of digital solutions. The payments industry is a 'innovation driver' that can pull along the entire financial sector: the shift towards platform ecosystems – in which the transaction element is strongly linked to the provision of the service and the management of the accompanying data – makes the payment the keystone around which to create value, increase the quality of services and translate the impact of digitalization into benefits for consumers, households and businesses. However, the speed at which the technological frontier advances, the entry of new operators, including non-financial operators competing with traditional ones, and the size of the investments required to meet market challenges may lead to the development of disconnected solutions, create fragmentation and undermine the basis of fair competition, to the detriment of users and to the overall reliability of the system, with possible effects on financial stability itself.

Hence the commitment of central banks to ensure a level playing field among all operators, to define an appropriate level of regulatory and technical standardization, and to foster the adoption of interoperability paradigms, including between highly differentiated technological options, leveraging the most traditional and defining aspect of the payments industry, i.e. the establishment of a 'system' in which each party needs to interact with other parties, the same ones with which they may be competing.

The task of the CPI is precisely to develop and foster dialogue and cooperation, in order to reach a shared position, including when coming from very different starting points. Precisely because of its ability to 'create synergies', the Committee was among the first to put forward some reflections on the most important trends affecting the development of the European payments industry. At the beginning of this year, the Committee set up three working groups on the revision of the PSD2, the development of the open banking paradigm and the modernization of the public sector payment system.

The work of the three working groups contains important points raised at national level, against the background of the legislative package published by the European Commission on 28 June and the start of the connected negotiations. Moreover, it was noted that the CPI serves as the forum for sharing developments on the path that can lead to the introduction of the digital euro, which is an important part of the regulatory package presented by the Commission. The aim is to strengthen an integrated view of all the major and fast-changing components affecting the payments market and to promote models that are inclusive, sustainable and safe and that ensure the protection of the users of payment services.

From this perspective, the commitment of central banks remains that of accompanying the digital development of payments by ensuring that all users can choose the payment instrument they deem preferable according to their specific needs.

Mr **Tornetta**, Director General for Currency Circulation and Retail Payments, opened the meeting, thanking the participants and illustrating the agenda and rules of order. He then gave the floor to Mr Stefano Capiello, Director General of the Financial System Regulation and Supervision Department of the Ministry of Economy and Finance (MEF).

Remarks by Mr Stefano Capiello (MEF)

Mr Capiello welcomed the Committee's work, noting that the MEF attends its meetings as an observer, subscribing to the principle of 'know to decide'. The existence of fora such as the CPI or the Fintech Committee is increasingly important in order to enable policy makers and supervisory authorities to closely monitor technological and market developments and to strike an optimal balance between the multiple interests at stake.

In this context of rapid change in the financial system, the MEF is responsible for bringing the results of the discussions in the CPI and the other committees to the EU and national working groups in which, with the support of other national authorities, the new rules are being defined.

Mr Capiello noted the various fronts on which the MEF, together with the Bank of Italy and the other sectoral authorities, is engaged.

At the international level, the G20 is implementing the roadmap for cross-border payments launched under the Italian Presidency. As regards the G7, where Italy is preparing to take on the Presidency, the topics of digital assets, operational resilience and cyber risk will continue to be explored further.

At the European level, the proposals on retail payments and the digital euro published by the European Commission on 28 June, which will keep lawmakers busy for the next few years, represent a very important change in the regulatory framework and build on the significant results already achieved by PSD2 in terms of safe and innovative payments.

With regard to the digital euro, the MEF, together with the Bank of Italy, will be heavily involved in communication activities, with dedicated campaigns on the subject; on the political front, particular attention will be paid to the remuneration system for intermediaries distributing the digital euro and to achieving the right balance between the need to protect privacy and that of countering money laundering and terrorist financing.

The beginning of the trilogue between the Parliament, the Council and the European Commission on the proposal for a regulation on instant payments was mentioned. In this context, it is necessary to strike a balance between market players' need to have an economically viable system with adequate implementation times on the one hand, and users' need to have secure, easy-to-use and affordable payment instruments on the other hand, while also bearing in mind the issue of financial inclusion.

Lastly, a brief mention was made of the work underway regarding the implementation of the MiCA (Market in Crypto-Assets) and DORA (Digital Operation Resilience Act) regulations, for which public consultations will be launched and discussions may be envisaged also within the CPI.

Remarks by the participants

Mr **Gaggi** (ABI) welcomed the working methods used by the three groups. He also noted that it is often difficult to identify common positions among the various stakeholders participating in the working groups and called for the possibility to reach common understanding on the issues discussed within the CPI, not only under the pressure of 'external constraints' (e.g. the need to have a national position with respect to the adoption of European regulations or standards), but also when dealing with national topics (as in the case of domestic tools that given their features will remain for national use but nevertheless need to become more efficient). Finally, he called for a rapid resumption of the Committee's work in September, so that the discussions can continue on PSD3, open banking and open finance, as well as on general government payments.

Mr **Pimpinella** (Associazione Prestatori di Servizi di Pagamento, APSP, an association bringing together payment service providers), expressed appreciation for the Bank of Italy's initiative to launch the working groups and agreed with Mr Gaggi on the fact that greater attention needs to be paid to the domestic situation, where many gaps remain to be bridged, including in comparison with other countries. He then noted the work of the APSP research centre, which has covered several topics discussed in the CPI working groups. With reference to the Commission's legislative package, he welcomed the legislator's efforts to fully integrate the payments sector into the broader financial system. Lastly, he reminded the Committee of the need to continue to study and analyse the business models that will emerge on the market, future scenarios and the positioning of international operators.

1. Presentation of the first results of the Italian open banking working group

Mr **Parrini**, coordinator of the Open Banking Italy working group, recalled its mandate, the main objective of which is to collect from domestic operators in the payments market possible proposals concerning future developments in open banking services. The working group focuses on two macro-issues: the first, linked to the analysis, in terms of functionality and efficiency, of online payment services based on open banking, including in comparison with other services offered in the e-commerce sector; the second relates to the identification of new functionalities and developments, including outside the scope of the mandatory services provided for by under the PSD2. Reference was also made to the way in which the working group operates in the context of the current regulatory environment (in particular, by making comparisons between operators and by using empirical evidence).

The composition of the Open Banking Italy working group and the activities it carried out so far were illustrated, noting that 34 operators, comprising market participants and trade associations, take part in the working group, for a total of 58 experts, plus a technical team made up of 9 representatives from the Bank of Italy. A task force with a focus on 'transaction status' was also set up within the working group;¹ since the start of the work, 8 meetings have taken place, 4 written consultations have been held and 2 expert panels have been activated² on specific topics. In this first phase, the working group focused on improving performance based on the calculation, identification and analysis of key performance indicators (KPIs) in terms of relevance and feasibility, and on starting the collection of data to be used to calculate and obtain early estimates of these indicators. A first area of intervention on transaction status has already been identified for possible corrective measures. In parallel, dialogue with payment card networks was initiated in order to obtain benchmarks in terms of conversion rate (or transaction success rate). The ongoing activities relate to: the collection of data for the calculation of KPIs on a quarterly basis, the development of e-commerce benchmarks and the drafting of guidelines for the technical specifications of payment status.

The working methodology used was then retraced, following its implementation, which drew on the proposals collected by the participants to the Open Banking Italia working group.³ Reference was also made to the assessments conducted on the level of dissemination of open banking services and on the most critical cases that emerged during the debate (e.g. 'adoption level' and

¹ This is the parameter by which the API Berlin Group interface of ASPSP informs a given payment initiation service provider (PISP) about the completion of the payment initiated by the PISP itself ('transaction status'). At present, this piece of information is not provided in a clear manner. The working group has launched a task force to identify possible improvements on this front on the domestic market.

² In order to gather information on the phenomena under observation, two expert panels were invited to report on specific topics. The first group reported on the issue of transaction status, eventually leading to the creation of the task force on transaction status. The second group (made up of e-commerce entities) reported on the topic of the necessary requirements for the introduction of open banking services in the e-commerce sector.

³ This methodology is based on an approach that considers two families of indicators: symptomatic indicators, which are based on a differential analysis of the composition of the flows (in/out) in order to trace the causes ('black-box view'), and causal indicators, which look at the internal processes and are useful to measure the real cause of the problems that were detected ('see-through-box view').

'walk-through').

With regard to the first macro area of intervention, i.e. the analysis of efficiency and functionality, Mr Parrini explained that the data collection and calculation of KPIs agreed within the working group is useful to achieve an improvement in performance through: identification of the performance areas of interest, identification of the relevant processes and indicators, measurement of indicators, comparison with sectoral benchmarks, implementation of corrective actions to reach the target, and monitoring of the results. The data collection activity has already started and the coordinator has drawn attention to its main features. In addition, the first findings of the calculation of KPIs were reviewed on the basis of data voluntarily sent in by some operators in advance of the agreed dates; the results are illustrated by way of example, given that the data collected are still limited.

Finally, the ongoing work on the drafting of the guidelines for transaction status in the API-PSD2 framework were covered, with a view to establishing common practices within the various standards for open banking services. A first consolidated draft has been drawn up and will be circulated for consultation among the participants in the Open Banking Italia working group.

Mr **Doria** stressed that the results of the working group (in particular the guidelines and performance indicators) could be presented at European level, since they are based on a harmonized and shared open banking model.

Remarks by the participants

Ms Fratini Passi (CBI) welcomed the work achieved, and noted the contribution made by CBI also with regard to the sharing of data and information; she then focused on possible competition scenarios, which that could also benefit from future activities carried out by the working group and further analyses conducted, for example, on abandon rates. She also highlighted the importance of taking action to increase awareness of the potential of open banking services. Such awareness is still very low, resulting in limited use.

Ms Sippelli (ABI) concurred with the appreciation of the work done, highlighting the importance, from the onset, of listening to the needs of intermediaries and taking into account the active participation and efforts that operators make to collect data. She also called for the work to continue after the summer break and mentioned the need to develop the communication theme in order to increase knowledge of the various functionalities among a wider audience.

Mr Bottesini (TeamSystem) expressed his satisfaction with the opportunity to participate in the working group, which gave TPPs the opportunity to feel reassured that they are not isolated in their action, and pointed out that the work carried out was an impetus for further improvement. He pointed out that 'business' customers value open banking services, even though there are still operational complexities, especially in the execution of strong customer authentication (SCA) (which is the moment in which a TPP and an ASPSP come into contact) and difficulties relating to the technical sandboxes set up to support development activities. He also highlighted the importance of focusing on the operational and problem-solving part, also in cooperation with counterparties (platforms and ASPSPs), to improve customer experience.

Mr Liscia (Netcomm) noted, in view of the work carried out so far and the positive experience of the CPI linked to the adoption of SCA, the importance of promoting the interoperability of the proposed solutions and analysing the critical issues related to the user experience, in order to avoid differences across the different channels and operators in Open Banking. To this end, it is essential to address the still existing cultural barriers related to the use of cash and reticence in using online banking credentials. Furthermore, it is important to improve the accessibility of banks by Third-Party Providers (TPPs) and to promote integration and investments in online payments by enhancing the performance and usability of Open Banking services, increasing the visibility of these services and raising customer awareness.

Mr Esposito (Intesa Sanpaolo) confirmed its full support for the activity of the working group and welcome the concrete results achieved and presented at the meeting, calling for work to be continued with a view to improving services across the board; this also taking into account the

need for reciprocity with regard to requests for indicators, both regarding ASPSP and TPP operators.⁴

Mr Masi (FlowPay) stressed the importance of communication with customers in order to provide clarity on key issues for promoting open banking, such as the security aspects linked to the use of the functionalities of the new channel (e.g. app-to-app). This is because open banking is not a new product, which competes with the other payment services available, but only a different channel for offering services and creating opportunities, for TPPs and for banks, with a view to enhancing digital access through a dialogue that can add value for all operators in the sector.

Ms **Camporeale** (ABI) said that Italian banks are also very supportive of the possibility that the working group could explore the potential of the SEPA scheme for access to accounts (SPAA) which will enter into force next November. This can be seen as an ideal precursor to what the open finance framework envisages, and inspire the European Commission to identify the way forward to achieve open finance in Europe, and thus represent a useful perspective which the CPI – through the open banking working group – could also investigate.

Mr Musso (Utego) pointed out the need to speed up the identification of solutions to existing problems, given the urgency of creating an increasingly sustainable system for TPPs in order to ensure better conditions for action and to avoid difficulties for smaller entities.

2. Presentation of the first results of the general government payments working group

Mr Giuzio, in his capacity as coordinator, reminded the Committee of the mandate of the working group and the way it works to identify critical issues, problems and opportunities to improve general government payments. Some 27 participants from banks, PSPs and trade associations took part in the table, for a total of 51 appointed representatives. Six general meetings were held and two dedicated focus groups were activated on technical issues ('request to pay' and 'corporate operations'). The focus groups held seven additional meetings.

For the '**request to pay**' (RTP) issue, the aim is to support the development of a solution enabling its adoption by the public authorities which, in terms of volumes and reach, could, in the opinion of the participants to the working group, facilitate the spread of RTP and the recovery of the investments to be made for its effective implementation. With this in mind, the participants asked the PagoPA platform to consider the development of a RTP generation service integrated with the collection processes managed by the platform, in order to use its central role in payments to the general government. Further thought may also be given to the role of other system players/platforms.

The work summarized above was carried out in the context of a small focus group, which identified a number of technical aspects, still under discussion, that need to be discussed further. Work will continue after the summer break to complete the discussion of the key points that have emerged and identify possible solutions.

The focus group on corporate operations brings together representatives from the corporate world and from PagoPA to identify measures aimed at meeting the needs of firms and resolving existing problems. Several aspects have been identified on which to take action and the possible measures are being agreed in order to support the implementation of more efficient PA payment processes that are better suited to firms' operating realities.

With regard to **instant payments**, with a view to the future adoption of a European regulation, and with a view to ensuring the use of these instruments also on the part of general government, the working group examined the potential problems, closely linked to the existence of country-specific infrastructure (PagoPA and SIOPE+ above all), reserving the right to assess possible solutions on the basis of the legislative text to be adopted.

Lastly, with regard to the **reconciliation of general government payments** to the corporate

⁴ In this regard, it should be noted that the call for uniformity was also a topic shared by operators operating as third party providers (TPPs; e.g.: Flowpay, Utego), as a key factor in overcoming the remaining problems.

world, the working group discussed the possibility of implementing the Extended Remittance Information (ERI) option in the mapping of transfers, thus expanding their information content. During the meetings, the banks and other PSPs stated that, at present, demand is not high enough to make these investments economically viable.

Mr Doria pointed to the importance of general government payments in the current fast-changing environment and, with regard to RTP and corporate payments (on which there was a broad consensus within the working group) stressed that in the coming months it will be important to set out on a path focusing more on the application and implementation on these tools.

Remarks by the participants

Mr Esposito (Intesa Sanpaolo) highlighted the importance of the work carried out and expressed his willingness to continue to play a part in it, with a view to contributing to the effective implementation of RTP in the domestic system, starting from general government payments, also pointing to the urgent need to leverage this vehicle in order to stimulate effective adherence to the scheme, to subsequently be able to extend services to private sector users. He also highlighted the need to address, from a system-wide perspective, the analysis of the impacts (business and compliance) that the instant payments regulation will produce for banks and general government, including in the light of the challenging time frame it provides for. Finally, he took the opportunity to call for this time frame to be relaxed in order to allow operators to adjust smoothly.

Ms Di Iorio (ABI) stressed the importance of including in the Italian general government payments structure, which by law provides for the intermediation of PagoPA, a European-wide scheme such as RTP, conveying the greatest willingness on the part of ABI to support the activities required to achieve the objective. It also provided an opportunity for a preliminary analysis to be carried out in September, pending conclusion of the legislative process for instant payments, covering the specific features and needs of general government payments and the measures to be taken on the basis of the text of the instant payments regulation that will be approved.

Mr Fatarella (PagoPA) called for the working group to continue its activity and expressed satisfaction with the work carried out, confirming the PagoPA's willingness to help to quickly identify the first use cases (both for RTP and corporate payments) in order to be able to carry out pilot tests on the envisaged solutions.

Mr Barbalace (Unicredit) expressed the urgent need to complete the analyses relating to RTP in order to tap, in an efficient and timely manner, into the high potential of increased digitalization of general government transactions, with benefits for the public and for firms.

Mr Battistella (AITI) pointed out that, contrary to what the banks perceive, companies are very interested in adopting the ERI option and that AITI is working to overcome this visibility gap on the part of banks.

Ms Pelliccione (ABI) reiterated the sensitivity of the instant payments regulation with particular reference to the issue of the implementation time frame and the need to promptly start appropriate analyses to overcome implementation issues, particularly for the public sector.

Finally, **Mr Scaduto (Poste Pay)** noted the importance of looking at the payments industry as a whole and thus identifying synergies between the various topics (e.g. those linked to open banking and RTP in general government payments).

3. Presentation of the first results of the working group on the revision of PSD2

Ms Grasso, coordinator of the table on the revision of PSD2, thanked the participants – approximately 70 representatives of 30 stakeholders (among them, the MEF, banks, PSPs and trade associations) and the Bank of Italy – for the quality of the insights they provided and the spirit of cooperation they showed. She noted that the mandate of the working group was to examine in greater depth a number of issues of greater importance to the national community, arising from the experience gained with the implementation of PSD2, in order to identify regulatory solutions to be proposed to the European fora for debate. The working methodology followed is mainly based

on the collection of participants' views and the preparation of summaries to facilitate the discussion and analysis of issues and the drafting of position papers/proposals. The working group held 7 meetings on the following issues:

Combating fraud and fine-tuning strong customer authentication (SCA). In this context, in-depth studies have been carried out on: i) the liability framework for unauthorized transactions, with particular reference to the role and responsibilities of the various parties involved in the payment chain in both the prevention of possible fraud and the recovery of sums (e.g. technical service providers and telcos); II) the use, as a preventive tool, of IBAN name-check services, for which the needs of aligning with the provisions of the instant payments regulation and of identifying an operating model that takes into account the various interests of the parties involved have been highlighted. While stressing the effectiveness of SCA in fraud prevention, the speaker highlighted the need for regulatory and technological improvements, including in relation to new, more sophisticated types of fraud (e.g. social engineering). Another point that was made was the inclusion, in the context of the revision of PSD2, of the definition of certain types of exemptions to SCA (e.g. MIT – Merchant Initiated Transactions and MOTO – Mail Orders or Telephone Orders) to avoid SCA circumvention phenomena. The final point discussed was the importance of consumer education.

Proposals for regulatory changes to open banking. The in-depth analyses focused on the possibility of requiring the adoption of a single standard for the implementation of communication interfaces (APIs) between PSPs and the removal of the choice – which is currently possible – between 'adapted' and dedicated interfaces, in favour of the former. In this respect, reference was made to the Commission's proposal to adopt only dedicated interfaces and communication standards developed by international bodies. The working group discussed a possible revision of the current remuneration (i.e. no remuneration) and accountability framework for access to the interfaces offered by ASPSPs to TPPs; on this point too, which is particularly sensitive and on which market participants have positions that do not always match, further work will be carried out, also in the light of the content of the proposed revision of the PSD2.⁵

Access to payment accounts and payment systems. With regard to access to payment accounts, the points raised confirm the need to assess the risk of money laundering on a case-by-case basis; the Commission's proposal to revise PSD2 provides for specific circumstances for refusal and gives payment institutions a right of appeal in the event of refusal to open an account. As regards access to the payment systems designated by the Settlement Finality Directive, the discussion highlighted the need to seek solutions that foster a level playing field between different intermediaries and at the same time ensure the protection of payment systems by carefully assessing access requirements; the Commission's proposal appears to share the same approach.

Amendments to the scope of the regulation. The working group's discussion covered, in the case of negative scope, the assessment of certain exemptions (e.g. limited spending instruments, independent ATMs and commercial agents); for the positive scope, it covered the maintenance of the AIS service, the possible inclusion of certain types of technical service providers (TSPs) and the advisability of separating issuing and acquiring services (which are now included in a single payment service). The Commission's proposal has followed a similar approach, for example by providing for measures relating to access to cash and to issuing and acquiring services; as regards the inclusion of TSPs in the scope of the regulation, the proposal provides for certain requirements only for those TSPs that play an active and important role in the management of SCA and in the case of outsourced services.

⁵ Article 108 of the Payment Services Regulation (PSR) provides that 'the Commission shall, by 5 years after the date of application of this Regulation, submit to the European Parliament, the Council, the ECB and the European Economic and Social Committee, a report on the application and impact of this Regulation, and in particular on: [...] (b) the impact of the rules on the absence of obligatory contractual arrangements and compensation for access by account information service and payment initiation service providers [...]'. However, recital 56 clarifies that PISPs and AISP may establish a contractual relationship with ASPSPs, with possible compensation, for the provision of value-added services other than those falling under the scope of the regulation.

Coordination with other legislation on payments. Coordination between PSD rules and other relevant legislation in the area of payments is a topic that the working group is analysing. Moving beyond the distinction between the rules applicable to payment services and instruments and those applicable to electronic money has been set as one of the objectives to be pursued. Alignment with some provisions of the DORA, GDPR and MiCAR regulations is something that requires further analysis, especially in relation to MiCAR (given that the Commission's proposal at present only considers e-money tokens).

Mr Doria reminded the Committee of the purpose behind the decision, made last March, to launch the three working groups, i.e. setting an early example at national level in contributing to the discussion at European level that began when the new regulatory package was published. Based on the work of the Committee and of the working groups, the issues identified and some of the positions which emerged appear to be reflected in the Commission's proposals. Further work will be needed on the details and this is also why the working groups will continue to function, with a different composition where appropriate, to enable them to offer the best possible technical support to the MEF in the management of negotiations that are likely to be promising.

Remarks by the participants

Ms Camporeale (Italian Banking Association, ABI) agreed that it would be appropriate to continue the work to accompany the negotiations by drawing up positions that are, as far as possible, shared by the participants, bearing in mind, however, that in some cases there might be different positions depending on the interests of the participants in the working group. She identified the following issues as priorities for ABI: i) the fight against fraud, on which she cited both to the measures that are in line with ABI's positions (e.g. the idea of rules covering players along the entire payment chain) and the areas that still need fine-tuning, such as liability in the case of new forms of fraud; ii) the sustainability of open banking models, which, also in order to offer better performance and user experience, would require the introduction of a remuneration system for banks, along the lines of the open finance framework for services offered through data access.

Mr Vadruccio (Italy Fintech) highlighted the difficulties encountered by fintech companies during the start-up phase of open banking and thanked the Bank of Italy for activating the technical working groups, which have the concrete objective of providing support in terms of analysis and guidance on the many issues at play; finally, as a representative of the fintech sector, he expressed the hope that cooperation regarding these activities will continue in the future.

Mr Pimpinella (APSP) welcomed the results achieved by the working group and the Commission's proposals, in particular the long-awaited merger between the PSD and EMD directives, in order to remove the differences between payment institutions and electronic money institutions. He also touched on: i) the money laundering dangers associated with certain business models and the presence of technological operators that could exploit areas of regulatory uncertainty, thereby highlighting the need to put in place all the necessary controls; ii) the need to revise distributional models and the concept of a payment instrument with a view to promoting digital financial inclusion.

Mr Musso (Utego) stressed the importance of ensuring a real level playing field between domestic and foreign operators operating under a European passport, especially in relation to the obligations laid down in the anti-money laundering legislation, which in some cases entail considerable effort and additional costs for national intermediaries and a more complex user experience. In this respect, **Mr Doria** pointed out that this issue will be shared with the Bank of Italy's unit that deals specifically with AML profiles.

Remarks by Mr Eric Ducoulombier, Head of the Retail Financial Services and Payments Unit, DG FISMA (European Commission)

Mr Ducoulombier opened his remarks by discussing the legislative package adopted by the European Commission on 28 June 2023, which includes proposals on the revision of PSD2, a new open finance framework, and the legal tender status of the digital euro and cash. With regard to the revision of PSD2, while noting the benefits it brought, for example in the field of fraud prevention

through the introduction of Strong Customer Authentication (SCA), Mr Ducoulombier highlighted EU lawmakers' decision to revise it with two separate legislative proposals, i.e. one for a directive and one for a regulation. He also pointed out that there is still room for improvement with regard to open banking, which is a key pillar of the revised PSD2. Another important point is levelling the playing field between 'bank' and 'non-bank' PSPs (e.g. with respect to access to payment systems and payment accounts). With regard to fraud, despite the progress made thanks to the introduction of SCA, there are still problems linked to increasingly sophisticated fraud techniques. For this reason, mechanisms have been proposed to verify the concordance between the name and the International Bank Account Number (IBAN) of payees for all payment transactions and special arrangements have been proposed to improve the exchange of fraud-related information between PSPs. There has also been a strong focus on increasing knowledge and awareness among users. The fraud prevention measures in place since PSD2 may still not be sufficient. For this reason, some provisions on the division of responsibilities between the parties have also been revised and measures are being proposed to involve telecommunications companies in this area given the responsibility that they can have in some cases of fraud such as 'spoofing'.

As regards Open Banking, **Mr Ducoulombier** stressed that greater harmonization is being pursued when it comes to providing services, removing obstacles and carrying out enforcement actions on the part of supervisory authorities, all this, however, without changing the foundations of the open banking paradigm introduced by PSD2 (e.g. with respect to API standards and to remuneration models).

He also cited the proposed removal of the distinction between the rules applicable to electronic money institutions and to payment institutions, which, in view of the evolution of business models, has lost meaning over time.

Finally, he concluded his remarks by once again thanking the Bank of Italy for the invitation and expressing his appreciation for the Committee's work, which will offer some points for consideration /reflection in the coming months of negotiations.

In wrapping up the work of the Committee, **Mr Doria** reiterated, on the basis of the consensus reached at the meeting, the Committee's commitment to continue the work of the three working groups, including considering whether to adjust their composition and mandates to take account of the content of the European Commission's recent legislative proposals and of the commitment to provide the MEF with the necessary technical support for the negotiation process that will cover the complete package presented by the Commission. He also took the opportunity to announce that, in September, a decision would be made on whether to convene the Committee to review the progress on the digital euro, so as to develop a comprehensive vision and a shared position at national level. Finally, Mr Doria reminded everyone that, as usual, a summary of the meeting would be drawn up and published on the Bank of Italy's website.