

Provision of digital euro services by payment services providers incorporated in Member States whose currency is not the euro

2023/0211(COD) - 28/06/2023 - Legislative proposal

PURPOSE: to lay down rules concerning the specific obligations that payment service providers incorporated in Member States whose currency is not the euro shall respect when distributing the digital euro and the supervision and enforcement of those obligations.

PROPOSED ACT: Regulation of the European Parliament and of the Council.

ROLE OF THE EUROPEAN PARLIAMENT: the European Parliament decides in accordance with the ordinary legislative procedure and on an equal footing with the Council.

BACKGROUND: this proposal complements the [proposed Regulation](#) establishing the digital euro with respect to digital euro services provided by payment services providers incorporated in a Member States whose currency is not the euro. To ensure that the provision of digital euro services by payment service providers incorporated in a Member State whose currency is not the euro in the euro area is adequately supervised by competent authorities of the Member State whose currency is not the euro, it is necessary to lay down rules that will apply to these payment service providers.

CONTENT: the purpose of this proposed Regulation is to lay down rules concerning the specific obligations that payment service providers incorporated in Member States whose currency is not the euro shall respect when distributing the digital euro and the supervision and enforcement of those obligations.

The proposed Regulation is necessary to **avoid any fragmentation** within the internal market, as all EU payment services providers, irrespective of where they have been licensed, should be in a position to provide similar services to best serve businesses and people.

More specifically, the proposal lays down rules concerning:

- the specific obligations that payment service providers incorporated in Member States whose currency is not the euro shall apply when providing digital euro payment services;
- the supervision and enforcement of the obligations by the Member States whose currency is not the euro;
- the specific obligations that original equipment manufacturers of mobile devices and providers of electronic communication services established in Member States whose currency is not the euro shall apply in relation to the digital euro.

All payment services providers incorporated in the Union should be in a position to distribute digital euro payment services under the same conditions to natural or legal persons residing or established in the Member States whose currency is the euro, to natural or legal persons who opened a digital euro account at the time they resided or were established in the Member States whose currency is the euro, but no longer reside or are established in such Member States, and to visitors in the euro area.

Payment services providers incorporated in Member States whose currency is not the euro should also:

- be in a position to distribute the digital euro to any other natural or legal persons residing or established in Member States whose currency is not the euro and in other countries of the European Economic Area or any third countries subject to specific conditions;

- apply the same rules as payment services providers incorporated in Member States whose currency is the euro for the purposes of distributing the digital euro. That is essential in order to ensure that the distribution of the digital euro by all payment services providers incorporated in the Union takes place in a uniform manner.

The provision of digital euro payment services by payment services providers incorporated in Member States whose currency is not the euro, should be subject to the same supervisory standards than those applied to payment services providers incorporated in Member States whose currency is the euro.

Monitoring

The proposal includes a general plan for monitoring and evaluating the impact on the specific objectives, requiring the Commission to carry out a first review three years after the date of application of the Regulation (and every three years thereafter), and to report to the European Parliament and the Council on its main findings.