



Joint Letter on the impact of COVID-19 on the roll out of Strong Customer Authentication

Brussels, 31 March 2020

The European Banking Authority's (EBA) statement on consumer and payment issues in light of COVID-19 of 25 March¹ included relaxation of some aspects of Strong Customer Authentication (SCA), and a willingness to consider other measures in respect of their Opinion.

In this context, Ecommerce Europe, EuroCommerce and Independent Retail Europe call on the EBA and the European Commission to seriously consider such additional measures and especially the granting of an extension of the current deadline for the migration to Strong Customer Authentication (SCA) of 31 December 2020.

As the EBA statement recognizes, the current COVID-19 outbreak has resulted in a major disruption of people's daily lives, work and travel. With many countries going into lockdown and businesses having to close or slow down their activities, the European Commission already anticipates a severe downturn of the European economy.

We welcome this statement, which importantly contributes to the coordinated effort at EU and National level to mitigate as much as possible the short and long-term impact of the current crisis on citizens and businesses, particularly SMEs.

Customers are turning to e-commerce for products they cannot get offline due to store closures and panic-buying of essential items. While demand online for some products has skyrocketed, demand for many others is in steep decline.

Against this background, multi-channel and online sellers of all sorts and sizes have to focus all of their efforts on keeping their business running and customers' needs met, and will for the foreseeable future, need to make this their top priority.

Given the current exceptional circumstances, we ask that full consideration be given to granting a harmonized extension to the current deadline of 31 December 2020 for the migration to SCA, in order to allow businesses to focus on keeping their businesses running as efficiently as possible.

For retailers, as for other businesses, it is impossible to foresee when the present crisis will end. In addition to this uncertainty, they will need to focus on rebuilding their business when the crisis is over. There are still aspects of the SCA transition which need further work by public authorities and the payments industry, and retailers and the e-commerce sector in particular, simply do not have the additional resources at present to undertake the considerable steps needed for a successful transition by the end of the year. Furthermore, in view of the above, we cannot afford lower conversion rates or more declined transactions.

We finally wish to express our full commitment to the successful implementation and roll out of SCA, but we urgently ask the European Commission and the EBA to coordinate with National Competent Authorities to agree on a new harmonized set of milestones for its roll out.

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¹ [Opinion of the European Banking Authority on the deadline for the migration to SCA for e-commerce card-based payment transactions](#), European Banking Authority, 16 October 2019