<u>GUERNSEY STATUTORY INSTRUMENT</u>

<u>2017 No. 104</u>

The Single Euro Payments Area (Guernsey) (Amendment) Regulations, 2017

Made	*7ᵗʰ December, 2017*
Coming into operation	*13ᵗʰ January, 2018*
Laid before the States	*, 2018*

THE COMMITTEE FOR ECONOMIC DEVELOPMENT, in exercise of the powers conferred on it by section 60 of the Single Euro Payments Area (Guernsey) Ordinance, 2016[a], and all other powers enabling it in that behalf, hereby makes the following Regulations:-

Amendment of Ordinance.

1.   The Single Euro Payments Area (Guernsey) Ordinance, 2016 is amended as follows.

2.   In the Arrangement of Sections –

(a)   insert in the appropriate place -

"23A.   Burden of proof on payment service provider.",

---

[a]   No. II of 2016; as amended by No. IX of 2016.

(b)   in the section title of section 29, immediately after "payment" insert "and personalised security credentials",

(c)   in the section title of section 34, immediately after "Payer's" insert "or payee's",

(d)   in the section title of section 45, immediately after "defective" insert "or late",

(e)   in the section title of section 46, immediately after "defective" insert "or late", and

(f)   insert in the appropriate place -

"49A.   Consent for use of personal data.

49B.   Authentication."

3.   For section 1(a), substitute the following paragraph

"(a)   Titles III and IV of Directive (EU) 2015/2366 of the European Parliament and of the Council of 25 November 2015 on payment services in the internal market, amending Directives 2002/65/EC, 2009/110/EC and 2013/36/EU and Regulation (EU) No 1093/2010, and repealing Directive

2007/64/EC ("the Payment Services Directive"), and".

4. For section 2(1), substitute the following subsections -

"(1) This Part applies to payment services where -

(a) the services are provided from an establishment maintained by a payment service provider in Guernsey, and

(b) the services are provided in one of the following circumstances -

(i) the payment service providers of both the payer and the payee are located within the SEP statutory area, or

(ii) the payment service provider of either the payer or the payee, but not both, is located within the SEP statutory area.

(1A) In the circumstances mentioned in subsection (1)(b)(ii), this Part applies only in respect of those parts of a transaction which are carried out in the SEP statutory area.".

5. Immediately after section 2(4), insert the following subsection -

"(5)   This Part shall continue to apply to payment services provided prior to 13th January 2018 as if the Single Euro Payments Area (Guernsey) (Amendment) Regulations, 2017 had not been made.".

6.   For section 3(a), substitute the following subsection -

"(a)   payment transactions from a payer to a payee through a commercial agent authorised in an agreement to negotiate or conclude the sale or purchase of goods or services on behalf of either the payer or the payee but not both the payer and the payee,".

7.   In section 3(f), immediately after the words "payment transactions" insert the words "and related services".

8.   In section 6, immediately after the words "in section 7" wherever they appear insert the words "in relation to the service".

9.   In section 7(c), delete the words "the amounts of".

10.   In section 8(1), immediately after the words "in subsection (2)" insert the words "in relation to the service to be provided by the payer's payment service provider".

11.   In section 9(1), immediately after the words "in subsection (2)" insert the words "in relation to the service to be provided by the payee's payment service provider".

12. In section 12(2), for the word "supplying" substitute the word "providing".

13. In section 13 -

    (a)   in subsection (2)(d), for the words "as defined in" substitute the words "in accordance with",

    (b)   in subsection (3)(a), substitute the following paragraph -

        "(a)   details of all charges payable by the payment service user to the payment service provider, including those connected to the manner in and frequency with which information is provided or made available and, where applicable, a breakdown of the amounts of any charges,",

    (c)   in subsection (3)(c), immediately before the word "if" insert the words "where relevant and",

    (d)   in subsection (4)(a), immediately after the words "payment service user's equipment" insert the words "and software",

    (e)   immediately after subsection (5)(a), insert the following paragraph -

"(aa)   the secure procedure by which the payment service provider will contact the payment service user in the event of suspected or actual fraud or security threats,",

(f)   in subsection (5)(b), for the words "section 28" substitute the words "sections 28(2), 28(3), 28(4), 28(5) and 28(6)",

(g)   in subsection (6)(a), immediately before the words "if agreed" insert the words "where relevant and",

(h)   in subsection (6)(c), immediately before the words "the right of" insert the words "where relevant,", and

(i)   in subsection (7)(b), for the words "out-of-court complaint and redress" substitute the words "alternative dispute resolution".

14.   In section 15 -

(a)   in subsection (2)(b), for the words "immediately and without charge" substitute the words "without charge at any time", and

(b)   in subsection (3)(a), for the words "the changes" substitute the words "any such changes".

15.   In section 16 -

(a) in subsection (3), for the words "Subject to subsection 4, any" substitute the word "Any", and

(b) for subsection (4), substitute the following subsection -

"(4) The payment service provider shall not charge the payment service user for the termination of the contract under subsection (1) or (2) after the expiry of 6 months of the contract.".

16. In section 18 -

(a) for subsection (1), substitute the following subsection -

"(1) The payer's payment service provider under a framework contract shall provide to the payer the information referred to in subsection (2) in respect of each payment transaction on paper or on another durable medium at least once per month free of charge.",

(b) in subsection (2)(a), for the word "each" substitute the word "the",

(c) in subsection (2)(c), for the word "thereof" substitute "of any such charges", and

(d)   for subsection (3), substitute the following subsections -

"(3)   A framework contract may include a condition that the payer may require the information referred to in subsection (2) to be provided or made available periodically at least once a month, free of charge and in an agreed manner which enables the payer to store and reproduce the information unchanged.

(4)   Subsection (1) does not require a payment service provider to provide information where -

(a)   the information has been, or is to be, provided or made available as required by the payer under a condition of the type referred to in subsection (3), or

(b)   more than one month has passed since information was last provided, but there are no payment transactions in respect of which the payment service provider has not previously provided or made available information in accordance with

8

subsection (1) or as required by the payer under a condition of the type referred to in subsection (3).".

17.   In section 19 -

(a)   for subsection (1), substitute the following subsection -

"(1)   The payee's payment service provider under a framework contract shall provide to the payee the information referred to in subsection (2) in respect of each payment transaction on paper or on another durable medium at least once per month free of charge.",

(b)   in subsection (2)(a), delete the words "and, where appropriate",

(c)   in subsection (2)(c), for the word "thereof" substitute the words "of any such charges", and

(d)   immediately after subsection (3), insert the following subsection -

"(4)   Subsection (1) does not require a payment service provider to provide information where -

(a) the information has been, or is to be, provided or made available in accordance with a condition of the type referred to in subsection (3), or

(b) more than one month has passed since information was last provided, but there are no payment transactions in respect of which the payment service provider has not previously provided or made available information in accordance with a condition of the type referred to in subsection (3).".

18. In section 23 -

(a) for subsection (4), substitute the following subsection -

"(4) Where, for the use of a particular payment instrument, a payment service provider or any relevant other party involved in the transaction requests a charge, he shall inform the payment service user of that request prior to the initiation of the payment transaction.",

(b)   in subsection (5), for the words "a third" substitute the words "a relevant other", and

(c)   immediately after subsection (5), insert the following subsection -

"(6)   A payer or payment service user is not obliged to pay a charge of the type referred to in subsection (1) or (4) if the payer or payment service user was not informed of the full amount of the charge in accordance with the relevant subsection.",

19.   Immediately after section 23, insert the following section -

"Burden of proof on payment service provider.
23A.   Where a payment service provider is alleged to have failed to provide information in accordance with this Part, it is for the payment service provider to prove that it provided the information in accordance with this Part.".

20.   In section 24 -

(a)   for subsection (1), substitute the following subsection -

"(1)   This Part applies to payment services where -

(a)   the services are provided from an establishment maintained by a payment service provider in Guernsey, and

(b)   the services are provided in one of the following circumstances -

(i)   the payment service providers of both the payer and the payee are located within the SEP statutory area, or

(ii)   the payment service provider of either the payer or the payee, but not both, is located within the SEP statutory area.

(1A)   In the circumstances mentioned in subsection (1)(b)(ii) -

(a)   this Part applies only in respect of those parts of a transaction which are carried out in the SEP statutory area, and

(b)   sections 25(2), 35, 36, 40, 41(1) and (2), 45, 46, 47 and 48 do not apply.", and

(b)   immediately after subsection 24(3), insert the following subsection -

"(4)   This Part shall continue to apply to payment services provided prior to 13th January 2018 as if the Single Euro Payments Area (Guernsey) (Amendment) Regulations, 2017 had not been made."

21.   For subsections 25(2) and 25(3), substitute the following subsections -

"(2)   Where both the payer's and the payee's payment service providers, or the only payment service provider, in respect of a payment transaction are within the SEP statutory area, the respective payment service providers shall ensure that -

(a)   the payee pays any charges levied by his payment service provider, and

(b)   the payer pays any charges levied by his payment service provider.

(3)   The payee's payment service provider shall not prevent the payee from -

(a)   requesting payment of a charge by the payer for the use of a particular payment instrument,

(b)   offering a reduction to the payer for the use of a particular payment instrument, or

(c)   otherwise steering the payer towards the use of a particular payment instrument.".

22.   In section 26(2)(a), for the words "and 34(3)" substitute the words "and 34(4)".

23.   In section 29 -

(a)   in the section heading, immediately after the words "payment instruments" add the words "and personalised security credentials", and

(b)   for subsection 29(2), substitute the following subsections -

"(2)   Subsection (1)(a) applies only in relation to terms and conditions that are objective, non-discriminatory and proportionate.

(3)   The payment service user shall take all reasonable steps to keep safe personalised security credentials relating to a payment instrument.".

24.   In section 30 -

(a)   in subsection (1) -

(i)   in paragraph (a), for the words "features of the payment instrument" substitute the words "credentials",

(ii)   for paragraph (c)(ii), substitute the following subparagraph -

"(ii)   to request that, in accordance with section 28(6), the use of the payment instrument is no longer stopped,", and

(iii)   for paragraph (e), substitute the following paragraphs -

"(e)   provide the payment service user with an option to make a notification under section 29(1)(b) free of charge, and

ensure that any costs charged are directly attributed to the replacement of the payment instrument, and

(f)   prevent any use of the payment instrument once notification has been made under section 29(1)(b).", and

(b)   for subsection (2), substitute the following subsection -

"(2)   The payment service provider bears the risk of sending to the payment service user a payment instrument or any personalised security credentials relating to it.".

25.   In section 32 -

(a)   in subsection (1), immediately after the words "some other deficiency" insert the words "in the service provided by the payment service provider", and

(b)   for subsections (2) and (3), substitute -

"(2)   Where a payment service user denies having authorised an executed payment transaction, the use of a payment instrument recorded by the payment service provider shall not in itself necessarily be sufficient to prove that -

(a) the payment transaction was authorised by the payer, or

(b) the payer acted fraudulently or failed with intent or gross negligence to comply with section 29.

(3) If a payment service provider claims that a payer acted fraudulently or failed with intent or gross negligence to comply with section 29, the payment service provider shall provide supporting evidence to the payer.".

26. For section 33, substitute the following section -

"**Payment service provider's liability for unauthorised payment transactions.**

33. (1) Subject to sections 31 and 32 where an executed payment transaction was not authorised in accordance with section 27(1), the payment service provider shall -

(a) refund the amount of the unauthorised payment transaction to the payer, and

(b) where applicable, restore the debited payment account to the

state it would have been in had the unauthorised payment transaction not taken place.

(2) The payment service provider shall provide a refund under subsection 1(a) as soon as practicable, and in any event no later than the end of the business day following the day on which it becomes aware of the unauthorised transaction.

(3) Subsection (2) does not apply where the payment service provider has reasonable grounds to suspect fraudulent behaviour by the payment service user and notifies a person for one of the purposes mentioned in section 43(1) of the Criminal Justice (Proceeds of Crime) (Bailiwick of Guernsey) Law, 1999[b] of those grounds in writing.

(4) When crediting a payment account under subsection (1)(b), a payment service provider shall ensure that the credit value date is no later than the date on which the amount of the unauthorised payment transaction was debited.

(5) This section is without prejudice to any further financial compensation that may be determined in

---

[b]   Ordres en Conseil Vol. XXXIX, p. 137; there are amendments not relevant to this Ordinance.

accordance with the law applicable to the contract concluded between the payer and the payment service provider.".

27.   For section 34, substitute the following section -

"**Payer's or payee's liability for unauthorised payment transactions.**

34.   (1)   Subject to subsections (2), (3) and (4), a payment service provider which is liable under section 33(1) may require that the payer is liable up to a maximum of £35 for any losses incurred in respect of unauthorised payment transactions arising from the use of a lost or stolen payment instrument, or from the misappropriation of a payment instrument.

(2)   Subsection (1) does not apply if -

(a)   the loss, theft or misappropriation of the payment instrument was not detectable by the payer prior to the payment, except where the payer acted fraudulently, or

(b)   the loss was caused by acts or omissions of an employee, agent or branch of a payment service provider or of an entity which

carried out activities on behalf of the payment service provider.

(3) Notwithstanding subsection (1), the payer shall be liable for all losses incurred in respect of an unauthorised payment transaction where the payer -

(a) has acted fraudulently, or

(b) has with intent or gross negligence failed to comply with section 29.

(4) Except where the payer has acted fraudulently, the payer shall not be liable for any losses incurred in respect of an unauthorised payment transaction -

(a) arising after notification under section 29(1)(b),

(b) where the payment service provider has failed at any time to provide, in accordance with section 30(1)(c), appropriate means for notification, or

(c) where section 49B requires the application of strong consumer authentication, but the payer's

20

payment service provider does not require strong customer authentication.

(5) Where section 49B requires the application of strong customer authentication, but the payee or the payee's payment service provider does not accept strong customer authentication, the payee or the payee's payment service provider, or both (as the case may be) shall compensate the payer's payment service provider for the losses incurred or sums paid as a result of complying with section 33(1).".

28. In section 35 -

(a) for subsection (3), substitute -

"(3) The payer shall be entitled to an unconditional refund from its payment service provider of the full amount of any direct debit transactions of the type referred to in Article 1 of Regulation 260/2012.", and

(c) immediately after subsection (3), insert the following subsection -

"(3A) When crediting a payment account under subsection (1), a payment service provider shall ensure that the credit value date is no later than the

date on which the amount of the unauthorised payment transaction was debited.".

29. In section 36 -

(a) in subsection (2), for the words "ascertain whether" substitute the words "prove that",

(b) in subsection (3), for the words "Subject to subsection 4, the" substitute the word "The",

(c) for subsections (4) and (5), substitute the following subsections -

"(4) Any refund or justification for refusing a refund shall be provided within 10 business days of receiving a request for a refund or, where applicable, within 10 business days of receiving any further information requested under subsection (2).

(5) If the payment service provider requires further information under subsection (2), it may not refuse the refund until it has received further information from the payer."

30. For section 37(1), substitute the following subsections -

"(1)   A payer's payment service provider shall not debit the payment account before receipt of a payment order.

(1A)   Subject to subsections (2) and (5), for the purposes of this Ordinance the time of receipt of a payment order is the time at which the payment order is received by the payer's payment service provider.".

31.   In section 38 -

(a)   in subsection (3), for the word "notification" substitute the word "refusal", and

(b)   in subsection (5), for the words "framework contract have been satisfied, the payment service provider" substitute the words "framework contract with the account servicing payment service provider have been satisfied, the account servicing payment service provider".

32.   In section 39 -

(a)   in subsection (2), delete the words "transmitting the payment order or",

(b)   for subsection (5)(a) substitute the following paragraph

-

"(a)   agreed between the payment service user and the relevant payment service provider or providers, and", and

(c)   in subsection (6), after the words "may provide for the" insert the word "relevant".

33.   In section 40 -

(a)   in subsection (2), for the words "may agree that the payment service provider" substitute the words "may agree for the relevant payment service provider to", and

(b)   in subsection (3), delete the word "nevertheless" wherever it appears.

34.   In section 41, for the words "subsections (2) and (3)" substitute the words "subsection (2)".

35.   In section 43, immediately after subsection (1) insert the following subsection -

"(1A)   Subsection (2) applies where -

(a)   the transaction does not involve a currency conversion,

(b)   the transaction involves only a currency conversion between -

(i)   the euro and pounds sterling or the currency of another Member State,

(ii)   pounds sterling and the currency of another Member State, or

(iii)   the currencies of two other Member States, or

(c)   the transaction involves only one payment service provider.".

36.   In section 44 -

(a)   in subsection (2), substitute "46" for "50", and

(b)   for subsection (3), substitute the following subsections -

"(3)   The payee's payment service provider shall co-operate with the payer's payment service provider in its efforts to recover the funds, in particular by providing to the payer's payment service provider all relevant information for the collection of funds.

(4)   If the payer's payment service provider is unable to recover the funds it shall, on receipt of a written request, provide to the payer all available relevant information in order for the payer to claim repayment of the funds.

(5)   Where the payment service user provides information additional to that referred to in section 7(a) or section 13(2)(b), the payment service provider shall be liable only for the execution of payment transactions in accordance with the unique identifier provided by the payment service user.".

37.   For sections 45 and 46, substitute the following sections -

"Non-execution or defective or late execution of payment transactions initiated by the payer.

45.   (1)   This section applies where a payment order is initiated directly by the payer.

(2)   Without prejudice to sections 31 and 44, the payer's payment service provider shall be liable to the payer for the correct execution of the payment transaction unless he can prove to the payer and, where relevant, to the payee's payment service provider, that the payee's payment service provider received the amount of the payment transaction in accordance with section 41(1) and (2).

(3)   Where the payer's payment service provider is liable under subsection (2), he shall without undue delay refund to the payer the amount of the non-executed or defective payment transaction and, where applicable, restore the debited payment account to the state in which it would have been had the defective payment transaction not taken place.

(4)   The credit value date for a credit under subsection (3) shall be no later than the date on which the amount was debited.

(5)   If the payer's payment service provider proves, that the payee's payment service provider received the amount of the payment transaction in accordance with section 41(1) and (2), the payee's payment service provider shall be liable to the payee for the correct execution of the payment transaction and shall -

(a)   immediately make available the amount of the payment transaction to the payee, and

(b)   where applicable, credit the corresponding amount to the payee's payment account.

(6)   The credit value date for a credit under subsection (5)(b) shall be no later than the date on which the

amount would have been value dated if the transaction had been executed correctly.

(7)   Where a payment transaction is executed late, the payee's payment service provider shall, on receipt of a request from the payer's payment service provider on behalf of the payer, ensure that the credit value date for the payee's payment account is no later than the date the amount would have been value dated if the transaction had been executed correctly.

(8)   Regardless of liability under this section, the payer's payment service provider shall, on request by the payer, immediately and without charge -

(a)   make efforts to trace any non-executed or defectively executed payment transaction, and

(b)   notify the payer of the outcome.

Non-execution or defective or late execution of payment transactions initiated by the payee.

46.   (1)   This section applies where a payment order is initiated by the payee.

(2)   Without prejudice to sections 31 and 44, the payee's payment service provider shall be liable to the payee for the correct transmission of the payment order to the

payer's payment service provider in accordance with section 41(4).

(3) Where the payee's payment service provider is liable under subsection (2), it shall immediately re-transmit the payment order in question to the payer's payment service provider.

(4) The payer's payment service provider shall also ensure that the transaction is handled in accordance with section 43, such that the amount of the transaction -

(a) is at the payee's disposal immediately after it is credited to the payee's payment service provider's account, and

(b) is value date on the payee's payment account no later than the date the amount would have been value dated if the transaction had been executed correctly.

(5) In the case of a non-executed or defectively executed payment transaction where the payment order is initiated by the payee, the payee's payment service provider shall, on request by the payee and free of charge, and regardless of liability under this section, make immediate

efforts to trace the payment transaction and notify the payee of the outcome.

(6)   Subject to subsection (8), if the payee's payment service provider proves to the payee and, where relevant, to the payer's payment service provider, that it is not liable under subsection (2) in respect of a non-executed or defectively executed payment transaction, the payer's payment service provider shall be liable to the payer and shall, as appropriate and immediately -

(a)   refund to the payer the amount of the payment transaction, and

(b)   restore the debited payment account to the state in which it would have been had the defective payment transaction not taken place.

(7)   The credit value date for a credit under paragraph (6)(b) shall be no later than the date on which the amount was debited.

(8)   If the payer's payment service provider proves that that the payee's payment service provider has received the amount of the payment transaction, subsection (6) does not apply and the payee's payment service provider shall value date the amount on the payee's payment account

no later than the date the amount would have been value dated if the transaction had been executed correctly.".

38.   In section 47, for the words "non-execution or defective execution" substitute the words "non-execution, or defective or late execution,".

39.   For section 48, substitute the following section -

"**Right of recourse.**

48.   Where the liability of a payment service provider under section 33, 45 or 46 is attributable to another payment service provider or an intermediary, the other payment service provider or intermediary shall compensate the first-mentioned provider for any losses incurred or sums paid pursuant to that section."

40.   Immediately after section 49, insert the following section -

"**Consent for use of personal data.**

49A.   A payment service provider shall not access, process or retain any personal data for the provision of payment services by it unless it has the explicit consent of the payment service user to do so."

41.   Immediately after section 49A, insert the following section -

Authentication.

49B.   (1)   A payment service provider shall, in accordance with regulatory technical standards adopted under

Article 98 of the Payment Services Directive, apply strong customer authentication where a payment service user –

(a)   accesses his payment account online,

(b)   initiates an electronic payment transaction, or

(c)   carries out any action through a remote channel which may imply a risk of payment fraud or other abuses.

(2)   Where a payer initiates an electronic remote payment transaction, the payment service provider shall in accordance with regulatory technical standards adopted under Article 98 of the Payment Services Directive apply strong customer authentication that includes elements which dynamically link the transaction to a specific amount and a specific payee.

(3)   A payment service provider shall maintain adequate security measures to protect the confidentiality and integrity of payment service users' personalised security credentials.

(4)   Subsections (1), (2) and (3) are subject to any exemptions from the requirements in those subsections provided for in regulatory technical standards adopted under Article 98 of the Payment Services Directive.

(5)   For the avoidance of doubt, a failure by another payment service provider or an intermediary to use strong customer authentication as required by this section may provide a right to recourse under section 48."

42.   In section 57(1) -

(a)   in paragraph (a), for the word "thereof" substitute the words "of the partnership", and

(b)   in paragraph (b), for the word "thereof" substitute the words "of that body".

43.   In section 62 -

(a)   immediately after the definition of **"agent"**, insert the following definition -

""account servicing payment service provider" means a payment service provider providing and maintaining a payment account for a payer,",

(b)   for the definition of **"authentication"**, substitute the following definition -

""authentication" means a procedure which allows a payment service provider to verify the identity of a payment service user or the validity of the

use of a specific payment, including the use of the payment service user's personalised security credentials,",

(c)   immediately after the definition of "**EPC**", insert the following definition -

""**European Economic Area**" means the area created by the Agreement on the European Economic Area signed at Oporto on 2nd May 1992 as adjusted by the Protocol signed at Brussels on 17th March 1993,",

(d)   for the definition of "**group**", substitute the following definition -

""**group**" has the meaning given by Article 4 of the Payment Services Directive,",

(e)   in the definition of "**means of distance communication**" for the words "any means", substitute the words "a method",

(f)   in the definition of "**payment service user**", delete the word "**either**",

(g)   immediately after the definition of "**payment transaction**", insert the following definition -

""personalised security credentials" means personalised features provided by a payment service provider to a payment service user for the purposes of authentication,",

(h)   immediately after the definition of "**Regulation 260/2012**", insert the following definition -

""**remote payment transaction**" means a payment transaction initiated through the internet or otherwise initiated through a device that can be used for distance communication,",

(i)   for the definition of "**single payment service contract**", substitute the following definition -

""**single payment service contract**" means a contract for a single payment transaction not covered by a framework contract,",

(j)   in the definition of "**SEP statutory area**", for the word "SEPA" substitute "the European Economic Area",

(k)   immediately after the definition of "**single payment service contract**", insert the following definition -

""**strong customer authentication**" means authentication based on the use of two or more elements that are independent, in that the breach of

one element does not compromise the reliability of any other element, and designed in such a way as to protect the confidentiality of the authentication data, with the elements falling into two or more of the following categories -

(a)   something known only by the payment service user ("**knowledge**"),

(b)   something held only by the payment service user ("**possession**"),

(c)   something inherent to the payment service user ("**inherence**"),", and

(l)   in the definition of "**unique identifier**" in paragraph (a), for the words "the other" substitute the word "another".

Interpretation.

44.   The Interpretation (Guernsey) Law, 1948[c] applies to the interpretation of these Regulations.

Citation.

---

c   Ordres en Conseil Vol. XIII, p. 355.

45. These Regulations may be cited as the Single Euro Payment Area (Guernsey) (Amendment) Regulations, 2017.

Commencement.

46. These Regulations shall come into force on the 13th January, 2018 except that regulation 40 shall come into force on the same day as regulation 100 of the Payment Services Regulations 2017[d] comes into force.

Dated this 7th December, 2017

DEPUTY J. KUTTELWASCHER

Vice-President of the Committee for Economic Development

For and on behalf of the Committee

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations amend the Single Euro Payments Area (Guernsey) Ordinance, 2016 ("the Ordinance") to implement Titles III and IV of Directive (EU) 2015/2366 of the European Parliament and of the Council of 25 November 2015 on payment

---

[d] U.K. S.I. 2017/752.

services in the internal market ("the second Payment Services Directive") (relating to transparency of conditions and information requirements for payment services, and rights and obligations in relation to the provision and use of payment services) to the extent necessary for Guernsey's continued inclusion in the Single Euro Payments Area ("SEPA").

The Ordinance implemented Titles III and IV of Directive 2007/64/EC of the European Parliament and of the Council of 13 November 2007 on payment services in the internal market ("the first Payment Services Directive"), which permitted Guernsey, as a third country, to be included within the geographic scope of SEPA.

The first Payment Services Directive has now been repealed and replaced by the second Payment Services Directive and amendments have been made to Titles III and IV. These Regulations make amendments to the Ordinance in order to ensure that Guernsey continues to meet the third country participation criteria. The amendments enhance consumer protection and bring into scope payments where one of the payment service providers is outside Guernsey, Jersey, the Isle of Man and/or the European Economic Area.

These Regulations come into force on the 13th January, 2018 except for regulation 40 which shall come into force on the same day as regulation 100 of the Payment Services Regulations 2017 comes into force.