

General Direction 3

Access (PSRs 2017) (2020)

March 2020

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1 Recitals

Whereas:

- 1.1** The PSR gave General Direction 3 under the Financial Services (Banking Reform) Act 2013 (FSBRA). It came into force on 30 June 2015.
- 1.2** The PSR has reviewed General Direction 3 and, following consultation, has decided to:
- apply it to all operators of the card payment systems and interbank payment systems subject to Regulation 103 of the PSRs 2017
 - update the notification and reporting requirements
- 1.3** The PSR has decided to give a new General Direction 3, replacing the General Direction 3 we gave in 2015.

2 Powers exercised and purpose

- 2.1** The PSR gives this General Direction in accordance with Regulation 125(1) and (4) of the PSRs 2017.
- 2.2** The PSR has had regard, in particular, to:
- a. Regulation 124(2) of the PSRs 2017 (Functions of the PSR)
 - b. Regulation 106(3) of the PSRs 2017 (General policy and principles)

Direction

NOW the PSR gives the following General Direction:

3 Access (PSRs 2017)

- 3.1** An operator of a card payment system or interbank payment system which is subject to Regulation 103 of the PSRs 2017 must, as soon as possible, notify us about any material updates and changes to its access requirements.
- 3.2** Operators must give us a report on their own compliance with the access obligation contained in Regulation 103 of the PSRs 2017 each year, covering the 12-month period to 30 September. They must do this by 31 October of the same year.

- 3.3** This report must include at least:
- a. confirmation of the operator's access requirements.
 - b. an assessment of its compliance with the obligation contained in Regulation 103 of the PSRs 2017 throughout the relevant 12-month period
 - c. details of:
 1. all occasions in the relevant 12-month period where access has been withdrawn or modified for an existing service-user
 2. all occasions in the relevant 12-month period when another party had expressed interest in potentially securing direct access or direct technical access to the payment system
 3. the operator's initial response to the expression of interest, and the outcome at the conclusion of the process
 - d. details of all occasions in the relevant 12-month period when the operator has engaged with, and considered the views of PSPs and other interested parties on the operation and effectiveness of its access requirements
 - e. details of any anticipated review of its access requirements, or any engagement with service-users and other interested parties, that the operator plans to take over the following 12-month period
 - f. details of any anticipated future developments that the operator considers may require or justify material updates or changes to its access requirements
 - g. any information as the PSR may, from time to time, require to be included in the report, the PSR having given reasonable notice of at least eight weeks before the report is due

4 Application

This General Direction applies to all the operators of card payment systems and interbank payment systems subject to Regulation 103 of the PSRs 2017.

5 Revocation of 'day one' General Direction 3

Our original General Direction 3, which we gave in 2015, is revoked.

6 Commencement

This general direction comes into force on 5 April 2020.

7 Citation

This General Direction may be cited as General Direction 3: Access (PSRs 2017) (2020).

8 Interpretation

- 8.1** The headings and titles used in this General Direction are for convenience and have no legal effect.
- 8.2** The Interpretation Act 1978 applies to this General Direction as if it were an Act of Parliament, except where words and expressions are expressly defined.
- 8.3** References to any statute or statutory provisions must be construed as references to that statute or statutory provision as amended, re-enacted or modified, whether by statute or otherwise.
- 8.4** In this general direction, the word ‘including’ shall mean including without limitation or prejudice to the generality of any description, definition, term or phrase preceding that word, and the word ‘include’ and its derivatives shall be construed accordingly.
- 8.5** In this general direction, the following definitions and abbreviations apply:

direct access	access to a payment system to enable a PSP to provide services for the purposes of enabling the transfer of funds using the payment system, as a result of arrangements made between that PSP and the operator (and other participants, as applicable)
direct technical access	a direct connection by a PSP or another third party with the central infrastructure used by a payment system
operator	as defined in section 42(3) of FSBRA
PSP	payment service provider as defined in section 42(5) of FSBRA
payment system	as defined in Regulation 2 PSRs 2017
PSR	the Payment Systems Regulator, the body corporate established under Part 5 of FSBRA references to ‘we’, ‘us’ and ‘our’ mean the PSR
PSRs 2017	Payment Services Regulations 2017 (SI 2017/752), as amended from time to time
service-user(s)	those who use or are likely to use services provided by payment systems

Made on 5 March 2020

Chris Hemsley
Managing Director
Payment Systems Regulator

Explanatory notes

1. We do not expect operators to provide any technical information which could compromise the security or integrity of a payment system, or to publicly disclose such information in the access requirements for the system.
2. Examples of changes as referred to in paragraph 3.1 may include, but are not limited to, changes to the following:
 - a. terms and conditions relating to fees or charges for direct access, or technical requirements for participation in the payment system, where the change could (positively or negatively) affect direct access or direct technical access for PSPs
 - b. eligibility requirements for PSPs to obtain or continue to have direct access
 - c. any rules, criteria, terms or conditions, policies or procedures affecting access to, or participation in, a payment system, including those that may (positively or negatively) affect indirect access to the system
3. Operators do not need to notify us about routine changes to technical requirements, such as non-significant software updates.
4. In addition to acting in response to any issues arising in the reporting under General Direction 3, and in response to any complaints received, we may monitor operators' compliance with General Direction 3 on an ad hoc basis.

Status of Directions and explanatory notes

Directions give rise to binding obligations. Breaching a direction is a compliance failure which makes a party liable to regulatory sanction.

Explanatory notes may be used, among other things, to explain provisions and requirements (such as General Directions) and/or to indicate how to approach compliance.

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