



Electronic Money Association

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Ministry of Finance
Greece

11 September 2020

Dear Sir/Madam,

Re: EMA response to the Ministry of finance [consultation](#) on amendments to Law 4557/2018 (A'139) for the prevention and suppression of money laundering and terrorist financing

The EMA is the EU trade body representing electronic money issuers and alternative payment service providers. Our members include leading payments and e-commerce businesses worldwide, providing online payments, card-based products, electronic vouchers, and mobile payment instruments. Most members operate across the EU, most frequently on a cross-border basis. A list of current EMA members is provided at the end of this document.

I would be grateful for your consideration of our comments and proposals.

Yours sincerely,

A handwritten signature in black ink, reading "Thaer Sabri", with a long horizontal flourish extending to the right.

Dr Thaer Sabri
Chief Executive Officer
Electronic Money Association

I. Article 7 (amending Article 12) E-money exemption from CDD:

The draft text applies the same limits introduced by 5MLD to the e-money derogation from CDD. However, the text places an additional limitation in relation to the acceptance of anonymous prepaid cards: rather than limiting acceptance of anonymous prepaid cards to those issued in the EEA and third countries where such cards meet requirements equivalent to the limitations of Article 12, the Greek draft limits acceptance of these products to those issued in the EU only (and not even the EEA). After Brexit, this would also result in the non-acceptance in Greece of UK-issued anonymous prepaid cards, despite the equivalence of the regulatory regime.

EMA Response:

Anonymous prepaid instruments play an important role in facilitating the uptake of electronic money products by consumers and provide convenient payment functionality to those who either are unable to verify their identity or do not wish do so out of privacy concerns. Anonymous prepaid instruments issued in the EU and EEA are limited by the conditions imposed on their issuance under Article 12 4MLD (as amended), which minimizes the risk that they are used for money laundering or terrorist financing purposes. Limiting the acceptance of these instruments to those issued in the EU only will affect all anonymous products (eg. gift cards, benefit or expense cards) issued in the UK (which has already implemented 5MLD) and other third countries with equivalent regimes without taking into consideration the risk posed and the mitigation applied for the products in question.

We therefore propose amending the wording of article 7 (amending article 12) paragraph 5 on page 13 of draft changes:

Credit institutions and financial institutions acting as payment card recipients shall accept payments made with anonymous prepaid cards only if these have been issued by liable persons established in the European Union or in third countries where such cards meet requirements equivalent to those set out in paragraphs 2 and 3.

2. Article 17 (new article 21A transposing Article 32A of 5MLD) Bank account

Register: The transposition goes beyond 5MLD, as it appears to extend the application of the reporting requirements to EMIs and PIs operating in Greece without establishment (i.e. passporting into Greece). It also requires PSPs to report (i) bank accounts attached to IBAN and (ii) all payment accounts, while the directive only requires the reporting of (i) bank accounts attached to an IBAN and (ii) payment accounts attached to an IBAN.

EMA Response:

The Law appears to apply to any EMI or PI, including EMIs and PIs acting in Greece by way of cross-border services. This scope includes EMIs and PIs whose competent authorities are not in Greece and to which the link with Greece might be confined to the location of their customer. Additionally, these PSPs are already required to report payment accounts associated with an IBAN to their local competent authority under implementing legislation for article 32a of directive 2018/843 (“5MLD”) in their own member state. This would therefore result in multiple reporting obligations, for the same account, in at least two Member States. The reporting formats are likely to differ, as will the timelines. We believe the application of this obligation to cross border service providers is disproportionate and acts to erode the benefits of the single market. It may in some circumstances, where the volume of business does not justify the cost for these firms, lead them to withdraw their offerings in Greece. We propose the following change to Article 17 (new article 21A, paragraph 1d):

d) any data and information on natural or legal person or legal entity held by the credit institutions of Law 4261/2014 (A '107), including the branches of foreign credit institutions, the payment institutions of Law 3862/2010 (A' 113) and the electronic money institutions of law 4021/2011 (A '218) that operate in the Greek territory, with physical presence, and are kept in the Register of the Bank of Greece, as well as of the payment service providers that accept payment card transactions (card acquirers) based abroad and who are established in Greece, serving companies in Greece.

The EMA strongly supports a harmonised approach across the EU, and proposes that the Greek transposition of 5MLD should be in line with 5MLD, and limit the account register only to payment and bank accounts associated with an IBAN. Going beyond 5MLD will have a significant impact on payment specialist PSPs, especially those that offer low-value or limited/one-time use products, as the administrative burden of reporting all these short-term accounts will outweigh the benefit to law enforcement. In fact even single and short-term-use payment products with an IBAN do not merit inclusion in the scope of the register, for example a one-time virtual card used by a corporate to pay expenses. We propose the following change to Article 17 (new article 21A, paragraph a):

a) payment accounts designated by IBAN number, as defined in Regulation (EU) 260/2012 of the European Parliament and of the Council of 14 March 2012 establishing technical requirements and business rules for credit transfers and direct debits in euros and with the amendment of Regulation (EC) no. (

Members of the EMA, as of September 2020

AAVE LIMITED

Account Technologies
Airbnb Inc
Airwallex (UK) Limited
Allegro Group
American Express
Azimo Limited
Bitstamp
BlaBla Connect UK Ltd
Blackhawk Network Ltd
Boku Inc
CashFlows
Ceevo
Circle
Citadel Commerce UK Ltd
Coinbase
Contis
Corner Banca SA
Crypto.com
Curve
eBay Sarl
ECOMMPAY Limited
Em@ney Plc
Euronet Worldwide Inc
Facebook Payments International Ltd
First Rate Exchange Services
Flex-e-card
Flywire
Gemini
Globerpay Limited
GoCardless Ltd
Google Payment Ltd
IDT Financial Services Limited
Imagor SA
Ixaris Systems Ltd
Modulr FS Europe Limited
Moneyhub Financial Technology Ltd
MuchBetter
myPOS Europe Limited

Nvayo Limited

OFX
OKTO
One Money Mail Ltd
OpenPayd
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Own.Solutions
Park Card Services Limited
Paydoo Payments UAB
Paymentsense
Payoneer
PayPal Europe Ltd
Paysafe Group
Plaid
PPRO Financial Ltd
PPS
Remitly
Revolut
SafeCharge UK Limited
Securiclick Limited
Skrill Limited
Soldo Financial Services Ireland DAC
Stripe
SumUp Limited
Sysday Ltd
Token.io
Transact Payments Limited
TransferMate Global Payments
TransferWise Ltd
TrueLayer Limited
Trustly Group AB
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Vitesse PSP Ltd
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WEX Europe UK Limited
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