CERHA HEMPEL CEE NEWSLETTER *Romania*

The Payment Services Directive in Romania

The Payment Services Directive (PSD2; Directive (EU) 2015/2366) was transposed into Romanian legislation by Law No. 209/2019 (the "Law") enacted by the Romanian Parliament and published in the Romanian Official Gazette, Part 1, on 13 November 2019.

The Law enters into force within 30 days of its publication in the Official Gazette. With regard to its applicability, the Law expressly provides that (i) for contracts in progress, payment service providers are obliged to ensure the contract provisions comply with the Law within 60 days of the date of its entry into force, and that (ii) payment service providers offering account administration services must take steps to ensure they do not block or abusively obstruct the payment initiation services or account information services.

The Law regulates (i) the conditions for providing payment services, (ii) the prudential supervision of the payment institutions and of the providers specialized in information services for accounts, (iii) the transparency regime for the conditions and requirements of the information regarding payment services, and (iv) the rights and obligations of the payment service users and providers in the context of performing payment services under professional title. The Law expressly indicates which operations fall outside the scope of application of the Law.

According to the Law, any entity intending to provide payment services in Romania as a payment institution needs authorization from the National Bank of Romania (BNR) prior to commencing such an activity. Other domestic authorities may be involved (e.g. consumer protection, anti-money laundering, etc.) during the authorization process. Authorization is issued to a Romanian legal person that performs – at least in part – the payment services in Romania and only under specific conditions for the shareholders or the associates holding qualified participations.

The authorization issued by the BNR allows payment services to be provided in any EU Member State subject to observance of the Law. Payment institutions may provide operational services and ancillary/related services to ensure, for instance, the execution of payment operations, exchange services, and custody activities or data storage/processes, as well as other services provided by the Law.

In terms of the application of the Law, the BNR will issue a secondary regulation providing detailed requirements for the authorization and supervision process.

For more information

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