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Financial Markets & Payment Systems/Taina Mantovaara

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Secretariat Division

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### **Draft Oversight Framework for Card Payment Schemes - Requirements**

The Federation of Finnish Financial Services (later FK) represents companies operating in the financial industry in Finland. The body was formed by combining the operations of the Finnish Bankers' Association, the Federation of Finnish Insurance Companies, the Employers' Association of Finnish Financial Institutions and the Finnish Finance Houses Association under one roof starting 1 January 2007.

FK appreciates the work done in developing a common oversight framework for CPS. The draft proposal of requirements is overall well in line with existing requirements and procedures.

However, FK wants to point out the requirement of monitoring

*Requirement 3: The CPS should ensure an adequate degree of security, operational reliability and business continuity.*

*3.3.2 The activities of card-holders and card acceptors should be permanently monitored in order to enable a timely reaction to fraud and any risks posed by such activities. Appropriate measures should be in place to limit the impact of fraud.*

The monitoring maybe needs more detailed description to ensure that no conflict exists with EU Data Protection Directive (Directive 95/46/EC of the European Parliament and of the Council of 24 October 1995 on the protection of individuals with regard to the processing of personal data and on the free movement of such data) or EU Directive on privacy and electronic communications (Directive 2002/58/EC of the European Parliament and of the Council of 12 July 2002 concerning the processing of personal data and the protection of privacy in the electronic communications sector).

FK wishes that national data protection commissioners will allow the proposed monitoring to protect card-holders against fraud.

Yours sincerely,

Federation of Finnish Financial Services  
per procuration  
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