



## The European hospitality sector calls on national authorities to delay enforcement of Strong Customer Authentication (SCA) as offered by the European Banking Authority



Due to Payment Service Providers' and merchants' lack of readiness for the new SCA standard for online transactions, HOTREC calls on national competent authorities to make use of the flexible supervision period proposed by the [EBA in its recent opinion](#) and therefore not enforce it as of 14 September as initially foreseen. HOTREC also calls on national competent authorities to agree with the EBA on a common deadline and European roadmap for implementation of SCA by all merchants and Payment Service Providers.

*"Implementing SCA in the hospitality sector is a huge challenge, as businesses rely on layers of intermediation and differed transactions such as cancellation fees. As technical solutions are not yet available in many cases, national authorities shall delay enforcement"* said Jens Zimmer Christensen, President of HOTREC.

HOTREC also stresses that hospitality is a cross-border industry with a high-share of cross-border payments. Diverging approaches and deadlines for SCA implementation between Member States would inevitably lead to a high share of valid transactions being rejected due to differences in the stage of preparation of the main players in the payment ecosystems when established in different countries. This would dramatically impact both businesses and consumers.

*"To avoid a major economic disruption on the tourism market, we also need competent authorities and the EBA to agree on a pan-European roadmap to ensure a smooth and harmonised transition to SCA-compliance. An 18 months harmonised transition period is needed"* added Christian de Barrin, CEO of HOTREC.

### **What is HOTREC?**

HOTREC represents the hotel, restaurant and café industry at European level. The sector counts in total around 2 million businesses, being 99,5% small and medium sized enterprises (91% are micro enterprises, i.e. employing less than 10 people). These businesses make up some 60% of value added. The industry provides some 11,9 million jobs in the EU alone. Together with the other tourism industries, the sector is the 3rd largest industry in Europe. HOTREC brings together 43 national associations representing the interest of this industry in 31 different European countries.

For further information: [www.hotrec.eu](http://www.hotrec.eu)

**PRESS CONTACT:** Alessia Angiulli, +32(0)2 504 78 45, [alessia.angiulli@hotrec.eu](mailto:alessia.angiulli@hotrec.eu)