

## EFA Policy Statement on e-IDAS Regulation

### Introduction

The European FinTech Association (EFA) welcomes the European Commission's (Commission) proposal on the review of the e-IDAS regulation as a significant and positive step towards removing cross-border barriers in the EU, and building a more harmonized and accessible financial services landscape for European businesses and consumers.

### Ensuring Cross-border Harmonization on all Levels

As highlighted in EFA's position [paper](#), the proposed e-ID regulation can have substantial benefits for harmonization: It proposes the acceptance of a common standard for e-ID across the EU, creating an interoperable environment for digital identification across European jurisdictions, and removing gold plating on a national level.

However, while the proposal for a regulation aims to put in place common rules across the EU, harmonisation needs to occur on all levels. In order to ensure the broad acceptance and interoperability of e-ID solutions across Member States, the **EFA would like to stress the importance of a uniform implementation**. In this context, it is significant that the toolbox being developed by Member States creates common technical characteristics, standards, and practices. This would avoid any divergences and allow for the cross-border use of e-ID solutions.

This will enable European FinTechs to have broader market access, reduce regulatory costs, and to scale-up cross border. More importantly, **European citizens will experience a more effective, safer, and inclusive customer journey**.

### Effectively Tackling Money Laundering

A stronger e-IDAS mechanism and harmonization of rules will enhance European FinTechs' ability to tackle money laundering and terrorist financing (ML/TF).

Even though the regulation lists several services as qualified trust services, such as electronic archiving services or seal creation devices, this list could be more ambitious, e.g. by establishing both remote identity verification services and remote identity authentication services as qualified trust services.

Remote identity verification services and remote identity authentication services serve a crucial dual role. From an ML/TF perspective, the use of technology, such as biometrics, enables effective compliance with the "know your customer" principle. At the same time, these services provide European consumers with a trusted and seamless identification experience. Listing them as qualified trust services would ensure a level-playing field, fostering innovation in this space, and leading to even better customer journeys.

Overall, we support the Commission's initiative as a first step towards a truly harmonized and interoperable framework in the EU, which can enable innovation, scalability, and broader market access for European FinTechs.

**About us:**

*The European FinTech Association (EFA) is a not-for-profit organization representing leading FinTech companies of all sizes from across the EU. It brings together a diverse group of 35+ FinTech providers ranging from payments, to lending, banking, robo-advice, investment as well as software-as-a-service for the finance sector, with a clear focus on enabling a single market for digital financial services.*

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