

## Statement on the necessity of an exemption from the PIN pad obligation when paying at a charging station for electric vehicles

We hereby make use of the European Banking Authority's (EBA) consultation on amending its technical standards for strong customer authentication and secure communications. We strongly recommend not only providing for a 90-day account access exemption, but also advocating for a further strong customer authentication (SCA) exemption in the EU Commission Delegated Regulation (EU) 2018/389.

We are manufacturers and operators of charging points for electric vehicles in Germany. The Second Amendment Ordinance to the Charging Column Ordinance (LSV), which was published in the Federal Law Gazette on 10 November 2021, stipulates in § 4 Paragraph 2 Number 2 LSV that only payment with a debit and credit card via a Near Field Communication (NFC) terminal will be permitted as a payment method for spot charging (ad hoc charging). The obligation will take effect from 1 July 2023 and will not apply to existing stock. According to the Payment Service Directive II (PSD II), the use of a card terminal requires the entry of a PIN for every fifth payment transaction or amount over 50.00 EUR. **If, in implementation of the SCA requirement of PSD II, a PIN pad is required to be installed on the charging station, this will have considerable consequences for the costs and installation space especially of AC charging stations, as described below.**

It is becoming apparent that the **Alternative Fuels Infrastructure Regulation (AFIR)**, which is the Alternative Fuels Infrastructure Directive (AFID), also provides for a regulation in Art. 5 that requires an NFC card terminal at least from 50 kW. **This means that the SCA obligation of PSD II does not only apply to charging processes in Germany, i.e. it is not a national issue, but to all charging processes throughout Europe.**

In the following, we explain why it is urgently advisable that **there should be an exemption from the PIN pad requirement for payment transactions via a card terminal at charging stations for electric vehicles throughout Europe:**

- The payment transactions at AC-charging stations for electric vehicles for "full charging" (charging up to 80 %) usually amount to approx. 8.00 EUR per charging transaction. This can be supplemented by an amount of a few euros for the parking fee (charging time). These are therefore trivial amounts that are far below the limits for contactless transactions in the European Union, like the 50 EUR limit in Germany for giro card and the mayor credit cards. Although the amounts for DC charging can be higher, but even these are nowhere near 50.00 EUR. The amounts are therefore in no way comparable to amounts for refuelling internal combustion vehicles.
- The spread of smartphones with wallets, where SCA is implemented via fingerprint / Face-ID or similar, is increasing more and more. PIN entry is then no longer required - neither for the amount limit, nor does one reach the limit of five payment transactions or the EUR 50 limit in Germany or EUR 150 limit in other member states. The customer will then of course always use SCA. Since ad hoc charging at public charging stations with card terminals is a topic of the future, the technical means to implement SCA should also be future-oriented in thinking and acting.
- Parking and public transport have been given the SCA exemption for exactly these reasons (low amounts and problems if you can't pay). Charging electric vehicles poses an even more existential

problem than parking or riding public transport. Because, if you have to charge and you can't, there is a serious problem. This is why the SCA exemption (e.g. PIN pad use) for parking and riding public transport exists for a good reason. The extension of such an exception to payment transactions for electricity at charging stations makes sense because of the comparability of the circumstances. Both cases involve comparably small amounts and electric vehicle users are particularly reliant on using charging points and paying for charging.

- The costs for a terminal with a PIN pad that is only relevant for 1-2% of payments make the entire charging infrastructure considerably more expensive. A terminal with PIN pad can be installed in a DC charger that costs EUR 100,000. But with the cheaper AC charging facilities, the additional costs for a terminal with PIN pad are a considerable obstacle. The costs of better wallboxes that comply with calibration regulations (e.g. for the private sector) or AC charging stations in the public sector are in the lower single-digit thousands. The costs for the terminal with PIN pad are beyond the scope of this. In addition, there is also a space problem, especially in the wallboxes, but also in smaller AC charging stations. Therefore, the interest of the user of electric vehicles is also served because the retrofitting of charging stations in compliance with calibration law not only includes the installation of a terminal, but also the equipment with a PIN pad. Both would lead to higher costs due to the more complex conformity assessment procedure, which would ultimately be reflected in the charging electricity prices. In terms of handling, it would also be easier for users of electric vehicles if they did not have to enter the PIN of the card for every loading process, as is the case when buying tickets for public transport and for parking.

