

December 31, 2024

LEGAL ALERT

CMF published for consultation amendments to the regulation of issuers and operators of payment cards

On December 18, 2024, the Financial Market Commission ("CMF") published for consultation certain amendments to its regulation on issuers and operators of payment cards, in order, among other things, to align its provisions with those of the recently amended Chapter III.J of the Financial Regulations Compendium of the Central Bank ("CNF").

The main changes proposed by the CMF are summarized as follows:

- Clarifications are introduced regarding the regulatory treatment of electronic fund transfers ("TEF") in the case of Payment Cards with Fund Provision ("Prepaid Cards"), (i) excluding transfers between accounts of the same issuer from the calculation of the liquidity reserve required for issuers of such cards, (ii) including certain TEF under the list of permitted uses of a Prepaid Card, and (iii) establishing new obligations to enable interconnection and interoperability between different financial entities, among others.
- Specific regulations are established for "**Sub-Acquirer Operators**" created by the amended Chapter III.J of the CNF, including capital requirements, minimum content for the contracts they enter into, among others, and the modification of the regime applicable to service providers for payment processing.
- The inclusion of cross-border acquiring and sub-acquiring activities, considering both their exercise requirements and authorization conditions.
- The inclusion of new information duties and the enhancement of current reporting mechanisms related to the operation of payment card activities, in order for the CMF to monitor and supervise cross-border acquiring or sub-acquiring activities.

Finally, as part of the consultation process, feedback is being sought on the relevance and advisability of expanding the set of complementary activities that payment card operators can carry out, given the inclusion of Sub-Acquirer

Operators and cross-border acquiring as a service within the regulatory scope.

The proposed regulation will remain under public consultation until January 15, and interested parties may submit comments online through the following link.

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