

# Global Regulation Tomorrow

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## PSR consults on draft guidance on supporting identification of APP scams and civil disputes



By Anita Edwards, Simon Lovegrove (UK) & Albert Weatherill (UK) on July 18, 2024

On 18 July 2024, the Payment Systems Regulator (**PSR**) launched a **consultation (CP24/10)** on draft guidance to support payment service providers (**PSPs**) in their assessment of whether an authorised push payment (**APP**) scam claim raised by a consumer is not reimbursable under the reimbursement requirement because it is a private civil dispute.

### Background

In 2023, the PSR published policy statements **PS23/3** and **PS23/4**, which set the detailed parameters for the Faster Payments Scheme (**FPS**) APP scams reimbursement requirement. It also published three legal instruments to give effect to the policy.

The reimbursement policy takes effect from 7 October 2024, and the PSR reminds firms that PSPs must continue the work already underway to prepare and ensure they are ready to implement the requirements.

### Consultation on proposed guidance

Following engagement with PSPs and industry, the PSR explains that it is aware of the practical challenges industry face in distinguishing between APP

scams and civil disputes, and it has therefore developed some draft guidance to help support PSPs in making this assessment. The draft guidance is relevant to the payments industry, consumer groups, PSPs, and prospective qualifying customers who use APP to send money and will be within scope of the policy, once implemented.

GC24/4 is open for feedback until 8 August 2024, and the PSR aims to publish its final guidance in mid-September 2024.

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