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Robert Courtneidge is the Firm’s Global Head of Cards and Payments. Robert is noted for his knowledge and experience in the e-money area, where he has acted on matters for major financial institutions around the world, as well as for internationally well-known technology providers. He has more than 25 years of experience in the cards and payment systems and is skilled in all aspects of consumer finance issues, including consumer protection, banking regulation and compliance and data protection.

## Setting Up Shop in the UK? Don’t Overlook Your Card Payment Services

*Editor’s Note: This is one in a continuing series of Q&As with Locke Lord lawyers on key legal issues confronting companies engaged in industries that have national and global impact.*

### What are the specific card payment regulations that a merchant operating in the UK must follow?

**RC:** The PCI DSS Compliance Standards are the key ones in respect of card payments and are enforced by the card brands (Visa, Mastercard, etc.). Separately, there are other regulations that apply to merchant payments.

Namely, the Payment Services Regulations include the Second Payment Services Directive (which is just about to be published and will be in force in two years’ time), the Merchant Interchange Fee Regulations, data protection regulations, the Fourth Anti-Money Laundering (AML) Regulations and Distance Selling Regulations (if they are an e-merchant or selling by phone).

### Do new regulations run the risk of hindering innovation in the card payments industry?

**RC:** All regulations cause friction in the market, but are aimed at reducing friction. The EC MIF Regulations are very good for merchants requiring acquirers to unblend rates so that the merchant can see exactly how the fee is made up.

The Revised Directive on Payment Services (PSD2) is set to add further client protection with the section on security of Internet payments. Generally, the new regulations are helping rather than hindering the industry. It does, of course, need time to see how it beds in.

### What extra steps are necessary when retailers accept mobile payments?

**RC:** Mobile payments span a broad arena. If the payment is contactless by phone like Apple Pay, then the merchant just needs POS with contactless, which is common in the UK now but still developing elsewhere.

However, if it is general payments by phone, then there are few, if any, merchants able to take mobile-based payments. It needs a whole education process. My own view is that mobile will only take off once we have crypto fiat currencies for all.

### Are British and American merchants embracing cryptocurrencies like Bitcoin? Why or why not?

Embracing is a strong term. There is growing support, but with the total Bitcoin in circulation being less than one day’s volume with either brand (Visa/ Mastercard), it can only make a pinprick on the global acquiring world.