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From:	Presidency
To:	Working Party on Financial Services and the Banking Union (Digital Euro Package) Financial Services Attachés
Subject:	Digital euro - WP meeting on 8 December 2025 - Presidency note on dispute and pre-dispute mechanisms

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Presidency discussion note on pre-disputes and disputes

Working Party on Financial Services and the Banking Union

8 December 2025

Regulation on the establishment of the digital euro

Meeting on 8 December 2025

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1. Introduction

A clear and effective framework for pre-disputes and disputes is essential to ensure user trust and support the proper functioning of digital euro payment services. In earlier discussions, **Member States broadly supported aligning the approach with the framework under the revised Payment Services Directive and regulation (PSD2 and, in future PSD3/R).** Under Article 94 of the PSR, payment service providers are responsible for putting in place and applying complaint resolution procedures linked to payment execution and fraud. At the same time, Member States consistently underlined that **dispute resolution services relating to the commercial relationship between a consumer and a merchant should not be mandatory** under the Digital Euro Regulation (DER).

In previous Council Working Party's (CWPs), **some delegations requested further clarity on the precise scope of pre-dispute and dispute services referred to in Article 27**, including whether the mechanisms provided by the ECB and the national central banks (NCBs) to facilitate message exchange should extend beyond PSD2-related disputes.

Against this background, **the Presidency has prepared a number of targeted adjustments to Articles 2 and 27, Annex II and IIa, and Recital 60**, with a view to enhancing legal clarity and responding to Member States' written comments and interventions. The relevant concepts are outlined in Box 1.

Box 1: The concepts of pre-disputes, disputes and the ECB/NCB mechanisms for the exchange of messages.

Pre-dispute services precede formal disputes services and are early-resolution mechanisms. They have the purpose of identifying and resolving potential payment-related issues before a consumer escalates and makes a formal complaint that triggers a dispute management process. They are provided by payment service providers (PSPs) for consumers and merchants. A pre-dispute service could tackle, for the example, the following scenario: The payer does not recognise the transaction due to missing transaction details or because she can simply not remember having made the transaction. Through a pre-dispute service, digital euro users are given tools to interact directly with the other party, such as requesting additional information or corrective action from the payee to resolve and close a complaint before a formal dispute is launched.

Dispute services are formal resolution mechanisms offered by PSPs to ensure that consumers and merchants can submit claims and substantiate them with the necessary details and evidence. Dispute management services come into play after pre-disputes have failed, and once the user files an official compliant, upon which the PSP is asked to categorise the

dispute claim, organise the submission of supporting documentation for that claim by consumers and merchants, and decide possible rectifications based on established rules.

Mechanisms made available by the ECB or NCBs for payment services providers to facilitate the exchange of messages as referred to in Article 27(2) refers to the mechanisms for the resolution of disputes. These mechanisms can be understood as 'communication pipes' for PSPs, where dispute-related messages get blindly passed on between PSPs.

2. Pre-dispute and dispute services

The Presidency recalls that several Member States have previously underlined that commercial pre-dispute and dispute services should not be considered mandatory services for payment service providers, a position that was reiterated at the CWP meeting on 28 November 2025. Delegations noted that the handling of commercial disputes is significantly more complex and resource-intensive than the resolution of technical or fraud-related cases. Delegations however found, that commercial dispute resolution could be considered an optional value-added service. The Presidency recalls that there are **important distinctions between pre-disputes and disputes, which may warrant a differentiated treatment.**

2.1. Dispute services

The Presidency notes that Article 5(3) in the DER applies the PSD/PSR framework for the resolution of disputes, covering, for example, incorrectly executed transactions and unauthorised transactions. **Commercial disputes, by contrast, concern the underlying goods or services and fall outside the scope of PSD3/PSR, and are, consequently, not included within the scope of the DER**.

In response to Member States' inputs and written comments, and to enhance legal clarity regarding the scope for the mandatory dispute services set out in Annex II and IIa, **the Presidency proposes to specify that such services shall be limited to technical or fraud-related dispute cases**, thereby confirming that services related to commercial disputes are not considered mandatory.

2.2. Pre-dispute services

The Presidency acknowledges that Member States have highlighted the need for greater clarity regarding the definition and scope for pre-dispute services, as these services are not explicitly addressed in existing legislation, including the PSD3/PSR framework. In particular, **some Member States suggested that mandatory pre-dispute services should be limited to fraud- and technical related cases, and not extend to commercial disputes.**

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However, the Presidency notes that pre-disputes are inherently difficult to categorise, as they occur prior to any formal claim and often involve uncertainty as to the nature of a potential future dispute, including whether the underlying issue relates to technical, fraud-related or commercial matters. Furthermore, the Presidency notes that pre-dispute procedures may resolve certain cases before they develop into formal disputes, thereby reducing the number of disputes requiring formal processing. Such procedures typically involve structured exchanges of information between the parties concerned. The Presidency also notes that the processes applied by PSPs to commercial and non-commercial pre-disputes are generally similar. On this basis, extending the scope of pre-dispute services to include commercial matters would not be expected to entail additional operational or compliance requirements for PSPs.

Against this background, **the Presidency proposes specifying that mandatory pre-dispute services shall be offered by payment service providers for all pre-dispute cases, while mandatory dispute services shall be limited to technical or fraud-related cases**, thereby confirming that commercial disputes do not fall within the list of mandatory services. Accordingly, the Presidency has reflected these changes in Annexes II and IIa and has introduced corresponding amendments in Recital 60 accompanying Article 27.

3. Mechanisms to facilitate the exchange of information

The Presidency recalls that Article 27(1) of the DER enables the ECB and the NCBs to make available mechanisms to facilitate messages between PSPs for the resolution of disputes related to the digital euro. Such mechanisms serve to streamline dispute processes and enable more efficient interaction between PSPs, thereby contributing to lower costs of dispute resolution, regardless of the character of the dispute, and operational efficiency.

The Presidency recalls that, notwithstanding the availability of these mechanisms provided by the ECB and the NCBs, payment service providers remain fully responsible for providing dispute management services to their digital euro users under PSD/PSR, including the technical and functional support required to resolve cases. As these mechanisms do not affect the rights and obligations of payment service providers, merchants or consumers, and serve solely as a supporting infrastructure, **the Presidency considers that their use should not be limited to specific categories of disputes.** Should payment service providers voluntarily choose to offer commercial dispute management services, the Presidency proposes that they should likewise be able to use these mechanisms established under Article 27 for the exchange of related messages.

Against this background, **the Presidency proposes maintaining the current approach in Article 27** without modifying the voluntary nature of commercial dispute handling by PSPs.

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Questions 1-4 for Member States

Q1. *Do Member States agree with the Presidency's proposal to exclude commercial dispute services from the list of mandatory digital euro services?*

Q2*: Do Member States agree that pre-dispute services should include all types of disputes from the list of mandatory digital euro services?*

Q3. *Do Member States agree with the Presidency's proposed amendments to Articles 2 and 27, Annexes II and IIa, and the recital accompanying article 27?*

Q4*. Do Member States have any further comments regarding pre-dispute and disputes services or to the mechanisms facilitating the exchange of information?*

Drafting suggestions

DK PCY drafting suggestions in green

Recital accompanying Article 27

(60) To ~~**facilitate dispute resolution**~~ **protect consumers, maintain trust in the digital euro and contribute to its proper functioning**, the European Central Bank should provide **support to** payment service providers ~~**and digital euro users with technical and functional support for**~~ **to facilitate the resolution of pre-disputes and** disputes~~**s resolution**~~ related ~~**at least**~~ to **online digital euro payment transactions** ~~**technical and fraud (pre) disputes**~~**. The ECB and the national central banks may establish mechanisms of technical and functional support that facilitate the exchange of messages between payment service providers in view of the resolution of disputes pursuant to Directive (EU) 2015/2366, as a minimum, and make these mechanisms available to payment service providers.** ~~**Such mechanisms should operate without prejudice to alternative dispute resolution procedures applicable pursuant to Directive (EU) 2015/2366.**~~ **Disputes may arise in a number of situations which, including those** ~~**either**~~ **concerning the execution of a digital euro payment transaction, such as payments-related fraud or technical issues, or** ~~**are strictly in the commercial sphere**~~ **those relating to the good or service underlying a transaction.** Technical disputes include inter alia situations where the transaction amount differs, where there are duplicates, or where there is ~~**no**~~ **an issue with** authorization or pre-validation **or with the switching of digital euro payment accounts**. **Payment f**~~**F**~~raud**-related** disputes include inter alia situations of identity theft, merchant identity fraud, **and payment service provider impersonation fraud. Payment Service Providers should only be required to offer dispute resolution services for disputes**

pursuant to Directive (EU) 2015/2366. They may, however, make use of the the mechanisms referred to in this Regulation for dispute services other than those pursuant to Directive (EU) 2015/2366, without being obliged to provide such services to digital euro users.

~~**and sale of** counterfeit goods **linked to fraud**. **Whereas the mechanisms established by the ECB and the national central banks should facilitate the resolution of disputes related to fraud or technical matters, these mechanisms are complementary to the mechanisms that may additionally be developed, offered and charged by payment service providers to facilitate the resolution of commercial disputes in the context of digital euro payments.**~~ **Without prejudice to the functions of national central banks foreseen in other legislations or their involvement in alternative dispute resolution procedures, the ECB and the national central banks should not act as a party in any of those disputes. Comparable payment schemes, particularly those operating cross-border, have similar dispute resolution mechanisms in place and offer significant support to payment service providers in the resolution of disputes, including for commercial disputes.**

Article 2 – Definitions

37. **´pre-dispute services' means services made available to digital euro users by payment service providers that facilitate consumers and merchants to reach an agreement on disputes prior to the remedies available under Article 27.**

Article 27 – Dispute mechanisms

~~2~~**1.** The European Central Bank and the national central banks may make mechanisms available ~~**for payment services providers**~~ to facilitate the exchange of messages **between payment service providers** for the resolution of **pre-disputes and** disputes **related to digital euro payment transactions, including but not limited to disputes referred to in Article 5(3)** ~~**and 5(6)**~~. Those mechanisms may be operated directly by the European Central Bank **and the national central banks** or by ~~**the**~~ providers of support services designated by the European Central Bank.

3.**2. Without prejudice to other applicable legislation including alternative dispute resolution procedures, T**~~t~~he European Central Bank **and the national central banks** shall not act as a party in any of the disputes referred to in **Article 5(3)**. ~~**paragraphs 1 and 2**~~

Annex II – Mandatory digital euro payment services

(h) providing pre-dispute services as referred to in Article 2(37);

(i) providing dispute services on technical and fraud-related disputes as referred to in Article ~~27~~5(3).

Annex IIa – Mandatory acquiring services

(e) providing pre-dispute **services as referred to in Article 2(37);**

(f) providing dispute services **on technical and fraud-related disputes as referred to in Article ~~27~~5(3).**

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