

EDPIA considerations on the European Business Wallet

As the leading voice of the European payment acceptance industry, the European Digital Payments Industry Alliance (EDPIA) welcomes the European Commission's [proposal](#) to establish a European Business Wallet. This initiative has the potential to strengthen Europe's digitalisation and accelerate the completion of the Single Market.

By offering companies a digital, secure and interoperable way to identify themselves, the European Business Wallet can reduce administrative burdens, build trust in cross-border transactions, and foster innovation in digital services. Its benefits span multiple use cases, with particularly strong potential when it comes to accepting payments.

From a payments acceptance perspective, the European Business Wallet could indeed streamline business/merchant onboarding, simplify Know-Your-Business (KYB) checks, improve invoice handling and payment processes, and optimise compliance procedures, delivering efficiency and trust across the payments value chain.

When it comes to onboarding, the Business Wallet has the potential to particularly benefit smaller businesses that often face hurdles in accessing the full set of documents required in traditional onboarding processes. Small businesses frequently face fragmented systems, manual checks and repeated requests for information, which can slow down their ability to operate effectively. By providing a centralised and trusted source of business credentials the wallet can reduce administrative burdens.

At the same time, offering easy, secure and reliable onboarding experience for businesses can foster greater competition by lowering barriers for new entrants. Simplified onboarding reduces the time and effort required for businesses to become operational within the ecosystem, while empowering businesses to switch providers without facing prohibitive costs or delays.

To fully leverage the potential of the future European Business Wallet, EDPIA and its Members want to share key recommendations on the European Commission's proposal:

- **The issuance of business wallets should be mandatory in every jurisdiction for use by private businesses** – to ensure widespread adoption and prevent fragmentation. Experience under the eIDAS Regulation demonstrates that while secure, market-driven solutions have achieved some success, they have not scaled consistently across the EU because issuance remains voluntary. If issuance is not required, divergent implementations across countries and sectors will persist, undermining the goal of a unified and trusted EU-wide digital framework. In addition, incentives should be created to encourage the use of the wallet by businesses in everyday operations.
- **The wallet should enable comprehensive onboarding of businesses while meeting Know-Your-Business (KYB) requirements** – today, onboarding, especially in a cross-border context, remains a complex, time-consuming and costly process due to fragmented verification systems. An EU-wide business identity wallet would streamline these steps by providing a single, trusted source of verified business credentials, and ultimately reducing fraud and scams. In this context, we strongly support the proposal to grant business wallets full equivalence with traditional paper-based attributes.
- **Wallets should be capable of storing all critical business identity components, incl. Ultimate Beneficial Owner (UBO) data** – which is essential for business-to-business interactions and regulatory compliance during business onboarding. In addition to UBO

information, the wallet should also securely hold key identifiers such as the company's Tax ID or VAT registration number, official bank account details and other relevant verified credentials.

- **It is important to clarify how the EU Business Wallet interacts with other relevant EU payment-related legislations** – in particular, guidance is needed on the obligation to perform Strong Customer Authentication (SCA) under PSD2 (and the future PSD3/R) and whether transactions authenticated by a business representative using the business wallet would qualify for SCA exemptions. Ultimately, the EBW should follow the same standards as other payment methods when enabling payment capabilities including for authentication.
- **It is also essential to specify how individual wallets will interact with business wallets in business-to-business scenarios such as contract signing or invoice issuance** – clear rules should ensure that a business representative can legally act on behalf of the company and that the identity of an invoice issuer can be reliably verified, reducing fraud risk and enabling automated payments to authenticated suppliers.