

Ensuring security of online payment services

Abstract

The thesis is devoted to the topic of ensuring security of online payment services, especially in the context of identification and authentication of the client in the Internet when performing acts related to the provision of payment services.

The issue of the customer identity is described especially in the context of know your customer principle governed by legal regulation in the area of combating money laundering and financing of terrorism, and in the context of the obligation to carry out a strong customer authentication (SCA) brought by the PSD2 directive and related RTS.

The aim of the thesis is to describe and critically evaluate the legislation in the area of ensuring security of online payment services, meaning the binding legislation, soft law and rules created by entities operating on the payment services market. In this context, the thesis also deals with the question of proportionality of legislation in connection to the positive user experience and the possibility of implementing innovative FinTech solutions.

The thesis is divided into four chapters, supplemented by introduction to the respective subject matter and conclusion summarizing the observations made in the thesis. The first chapter is devoted to the general definition of the online payment services, which should provide the reader with a basic overview of payment services provided online. The second chapter in the context of know your customer principle deals mainly with customer due diligence, including the possibility of online identification of the customer and expected development in this area. The third chapter focuses on the issue of strong customer authentication and solutions of the payment services providers in this area. The final fourth chapter gives an overview of selected cybersecurity risks that providers and users of payment services may face in the Internet, as well as measures adopted to prevent and mitigate potential security risks.

Keywords: payment services, customer due diligence, strong customer authentication, cybersecurity