Towards a coherent EU regulatory framework for fleet cards

A joint FCE & UPEI call for clarity and harmonisation under PSR and PSD3

October 2025

Executive Summary

FCE and UPEI representing the European sector of fleet card suppliers, express in this position paper their views on the ongoing revision of the Payment Services Directive (PSD2) currently examined by the European Parliament and the EU Council in trilogue negotiations. We insist on the following aspects:

- Fleet cards are not payment instruments but rather **unique identification tools** that support European transport companies and fleet operators by enabling seamless refuelling and recharging across the continent.
- Regulatory clarity is needed. Fleet card operators face an increasingly uncertain business environment due to an inconsistent implementation of PSD2 across Member States. Both associations require the **recognition of the reseller model**: fleet card issuers purchase fuel from the point of acceptance under a defined contractual relationship and subsequently resell it to the cardholder, issuing separate invoices that include the applicable VAT. This structure clearly reflects a reseller model - not a payment service.
- Challenges posed by lacking harmonisation: **fleet card companies continue to operate in a fragmented and uncertain regulatory environment,** due to inconsistent interpretations of the notification requirements under the Limited Network Exemption (LNE). To address these challenges, FCE and UPEI call on co-legislators to allow Member States to make changes to the notification procedures to help reduce unnecessary complexity and support innovation and competition within the sector.
- **A harmonised treatment under PSD3 is necessary**: in the light of these persistent inconsistencies, FCE and UPEI strongly urge co-legislators to ensure legal certainty, simplification, and consistent treatment of fleet card providers under the LNE regime in the PSD3.

Introductory remarks

FCE and UPEI are joining forces during the trilogue negotiations on the revision of the Payment System Directive (PSD 2) to reiterate to EU decision-makers their **shared views on the specificities of the fleet card sector**.

UPEI, the voice of Europe's of independent energy and mobility suppliers, and FCE, representing independent fleet card companies, wish to emphasise that the fleet card sector - historically excluded from the scope of the PSD and the PSD2 - requires continued recognition of its unique characteristics.

In this position paper, both organisations call on decision-makers to ensure that, at the end of the trilogue negotiations, the sector remains **excluded from the scope of the Payment Services Regulation (PSR)** and continues to **benefit from Limited Network Exemption (LNE)** provisions under PSD3. They also advocate for a **more consistent application of notification requirements across Member States.**

Fleet cards are not payment instruments

Fleet cards are not payment instruments but rather **unique identification tools** that support European transport companies and fleet operators by enabling seamless refuelling and recharging across the continent. Unlike payment instruments, fleet cards **do not initiate fund transfers**; instead, they facilitate purchase transactions through a distinct **"buy/sell" business model**. The authentication process for fleet card users is separate from the payment process, reinforcing their role as identification instruments.

The business model behind fleet cards typically involves independent contractual agreements between at least three parties in a B2B context. Fleet card issuers handle the supply of fuel and mobility-related services, bear the financial risk of purchasing and reselling fuel, and do not manage client funds. Customers are invoiced after receiving goods or services, and payment is made accordingly.

Fleet cards have historically been excluded from the scope of PSD2 - and rightly so. As stated in recital 14 of the current Directive, they are not the type of services primarily targeted by these regulations. Unlike payment card issuers, fleet card issuers bear pricing risk, as the price negotiated with fuel suppliers may differ from the price charged to customers. This means the refuelling price is not simply passed through, and the margin can be either positive or negative. The retail station operator has no visibility into the cardholder relationship or the agreed pricing.

Moreover, fleet card issuers are fully responsible for the quality of the fuel and any related warranty or damage claims, which exist solely between the issuer and the customer. They also bear currency risk, as the payment to the fuel supplier may be in a different currency than the settlement with the customer.

These characteristics clearly distinguish fleet cards from payment instruments and justify their continued exclusion from the scope of the Payment Services Regulation (PSR). For this reason, **UPEI and FCE jointly call on co-legislators to unequivocally safeguard this exclusion in the forthcoming PSR/PSD3 framework**. The distinct nature of fleet cards warrants their continued recognition as identification instruments—not as payment services.

Regulatory clarity is needed: recognising the reseller model

Fleet card operators face an increasingly uncertain business environment due to inconsistent implementation of PSD2 across Member States. The unique characteristics of fleet cards have already led thirteen national competent authorities (NCAs)[1] to confirm that these instruments fall outside the scope of PSD2. Yet, **divergent interpretations persist—both across and within individual Member States**.

Some NCAs have adopted a broader interpretation, classifying fleet cards as payment instruments under the Limited Network Exclusion (LNE) provision, currently set out in Article 3(k)(ii) of PSD2. This contradicts the European Banking Authority's (EBA) position, which clearly states that when fleet card companies act as resellers—legally and effectively serving as merchants responsible for the goods and/or services provided to cardholders and bearing the associated risks—they should not fall under PSD2, as no intermediation services are involved[2].

Furthermore, despite operating under similar "buy & sell" business models, some fleet card companies within the same country have been informed that they fall outside the scope of PSD2 and do not need to submit notifications, while others have been told they fall within the scope of PSD2 but qualify for the LNE. This **inconsistency causes confusion and hinders long-term planning.**

Therefore, FCE and UPEI therefore strongly urge co-legislators to recognise that fleet cards are fundamentally distinct from traditional payment instruments. Rather than facilitating simple payment transactions, they initiate a chain of reselling transactions—a critical distinction that must be reflected in regulatory interpretation.

The classification of an instrument as a payment service must be based on a thorough assessment of the specific contractual arrangements. Fleet card issuers purchase fuel

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1 Austria, Belgium, Denmark, Germany, Greece, Luxembourg, Hungary, Poland, Romania, Slovenia, Slovakia, Spain and Sweden.

2 See EBAs response to the Commission's request for comments on the review of the Payment Services Directive (EBA/REP/2022/14) of 23 June 2022, Section 1, Question 3, No. 3.3, page 25 et seq. (recitals 92 and 93).

from the point of acceptance under a defined contractual relationship and subsequently resell it to the cardholder, issuing separate invoices that include the applicable VAT. This structure clearly reflects a reseller model—not a payment service.

Challenges posed by lacking harmonisation

Fleet card companies continue to operate in a fragmented and uncertain regulatory environment due to inconsistent interpretations of the notification requirements under the Limited Network Exemption (LNE). While the European Banking Authority (EBA) attempted to address this issue through its 2022 Guidelines on the LNE, **the intended convergence of supervisory practices has not materialised**. Instead, companies face a patchwork of national approaches that vary significantly in terms of notification procedures, documentation requirements, timelines, and feedback mechanisms.

Across Member States, FCE members report a wide range of experiences. Some national competent authorities (NCAs) require detailed, country-specific forms—often in local languages—and supporting documents such as commercial register extracts. Submission formats also differ, with some NCAs using online portals (e.g., Estonia, Finland, Germany, Ireland), while others still rely on original paper submissions (e.g., Greece, Hungary, Lithuania, Portugal). In contrast, countries like Belgium, Cyprus, Estonia, and Lithuania lack formal notification processes altogether, forcing companies to submit ad hoc letters with unpredictable follow-up requests. These may include inquiries into transaction volumes, product portfolios, or the mechanics of the buy/sell business model.

Timelines and feedback are equally inconsistent. Many NCAs do not acknowledge receipt of notifications or provide any indication of when assessments will be completed. This lack of transparency creates further uncertainty, especially for companies operating across borders. The result is a fragmented landscape that **imposes disproportionate administrative and financial burdens on fuel card providers**, particularly SMEs, and undermines the principles of regulatory coherence and market integration that underpin the EU single market.

To address these challenges, FCE and UPEI call on co-legislators to allow Member States to make changes to the notification procedures to help reduce unnecessary complexity and support innovation and competition within the sector.

A call for harmonised treatment under PSD3

In the light of these persistent inconsistencies, **FCE and UPEI strongly urge co-legislators to ensure legal certainty, simplification, and consistent treatment of fleet card providers under the LNE regime in PSD3**. While the Council's recent amendments to Article 39[3] aim to clarify notification requirements, the revised wording risks unintentionally increasing regulatory divergence—particularly in how the buy/sell model is treated. If left unaddressed, this could result in an even more fragmented and unpredictable regulatory landscape, with some Member States maintaining notification obligations and others opting out entirely.

To prevent further fragmentation, FCE and UPEI propose three concrete options for improving Article 39:

1. **Delete Article 39 entirely**, thereby eliminating notification requirements and removing ambiguity around the treatment of LNE activities.
2. **Introduce a "negative passporting" regime**, under which no separate assessment would be required in host Member States if a company has already received a notification assessment from its home Member State for the same business model.
3. **If neither of the above is feasible**, FCE and UPEI would reluctantly support a third, less preferred option: the establishment of a **minimum level of harmonisation** for notification requirements, potentially via **Regulatory Technical Standards (RTS)** developed by the EBA. These RTS should define a clear assessment methodology for NCAs, including criteria and indicators for LNE eligibility, and set out a standardised notification process. However, this option carries the risk of adding further administrative complexity unless implemented with great care.

Without decisive action, the current patchwork of 30 different national approaches will persist—entrenching legal uncertainty and creating barriers to cross-border operations. A clear, simplified, and harmonised solution is not only preferable, it is essential to uphold the integrity of the single market and ensure fair treatment of fleet card providers across the EU.

[3] See Council of the European Union, Payment Services Directive (PSD) - Mandate for negotiations with the European Parliament, 13 June 2025, https://data.consilium.europa.eu/doc/document/ST-10176-2025-INIT/en/pdf

About FCE

Fleet Cards Europe (FCE) represents the independent fleet card sector in Europe, which facilitates the access and supply of fuel and other related on-the-road goods and services for millions of commercial users across Europe. Whether physical or digital (e.g., via a mobile app), fleet cards are identification instruments that provide access to a wide range of vehicle-related goods and services—including conventional and alternative fuels, roadside assistance, toll payments, ferry fees, and more. Unlike payment instruments such as credit or debit cards, fleet cards have purpose-built features tailored for business-to-business (B2B) use. They do not initiate fund transfers but instead enable businesses to efficiently manage, monitor, and optimise their mobility-related expenses and operations.

Fleet card providers play a vital role in the road transport and mobility ecosystem, contributing to a cleaner and more efficient industry through a broad suite of services. These include settlement solutions (e.g., fuelling, charging, tolls), vehicle-related services (e.g., parking, washing, maintenance, and repair), telematics, fleet and transport management tools, and digital platforms that promote e-mobility, sustainability, and cost optimisation.

FCE members represent a significant share of this market, comprising leading independent providers headquartered across Europe and serving the transport sector every day.

About UPEI

UPEI, the voice of Europe's independent energy and mobility suppliers, represents nearly 2,000 European importers and wholesale/retail distributors of energy for the transport and heating sectors, supplying Europe's customers independently of the major energy producers. They are the interface between producers and consumers, using their own infrastructure and flexibility to supply existing demand for conventional and renewable liquid fuels, as well as non-liquid alternatives as part of the energy transition. They cover more than a third of Europe's current demand. The organisation brings together national associations and suppliers across Europe. Independent fuel suppliers bring competition to Europe's energy market and are able to respond rapidly to changes affecting supply, contributing to security on a local, national, and regional level. They have developed and maintain a comprehensive infrastructure for the sourcing, storage and distribution of transport and heating fuels, with a commitment to delivering a high-quality service to all consumers, including those in remote areas.