Article 53: User duties for instruments and credentials

Council first-reading position 8543/1/26 REV 1, 4 November 2026. Verified 19 November 2026. Final wording and numbering may change.

Application
The Council position provides for general application 21 months after eventual entry into force under Article 124. Final Official Journal text and calendar dates remain to be checked.

Provision
Article 53, first paragraph (a), (b), and second paragraph

Requirement
An entitled user must use the instrument according to objective, non-discriminatory and proportionate issue-and-use terms. On receipt, the user must take all reasonable steps to keep personalised security credentials safe. On awareness of loss, theft, misappropriation or unauthorised use of the instrument or relevant credentials, the user must notify the provider or its designated entity without undue delay.

Responsible
The entitled payment service user performs these duties. Provider investigation of breach and its legal consequences must also follow Articles 56 and 63.

Timing
Take reasonable credential-protection steps as soon as the instrument is received. Notify without undue delay once the specified event becomes known.

Conditions and exceptions
Contractual terms must themselves satisfy the objective, non-discriminatory and proportionate standard. A failure and the level of fault require evidence; this article alone does not decide the loss allocation.

PSD2 comparison
PSD2 Article 69. The Council correlation is an article-level starting point, not equivalence of every duty.

Source: Council of the European Union, 8543/1/26 REV 1. Updated article card.

What it means for the fraud function

- Ask when the customer became aware and which notification route was available.

- Capture the actual agreed terms and credential-protection facts rather than relying on a generic warning.

- Use the customer’s account and supporting evidence to assess any alleged intentional or grossly negligent breach.

Common misreadings

- Any customer error is not automatically gross negligence.

- A contractual security term alone does not displace the statutory burden of proof.

Episodes: Coverage follows the curriculum. Links on the updated HTML card.