

Notification of intention to grant permission under paragraph 2.6.2 of the PSA Code of Practice to merchant providers operating services through an intermediary provider app store¹, enabling them to provide those services without the need to register with the PSA

Background

Paragraph 2.6.2 of the PSA Code of Practice (15th edition) (“the Code”) allows providers to apply for written permission from the PSA (which may be given subject to conditions) for their service to be provided by means other than strict adherence to the Code provisions. Such permission can be withdrawn or varied by the PSA subject to the giving of reasonable notice.

This notice sets out the details of the permission scheme in relation to merchant providers who operate, or are in control of, or responsible for, services operating through an intermediary provider app store.

Details of the exemption

Intermediary provider app stores will be able to obtain permission for their merchant provider clients – i.e., app developers and/or merchants who offer products for sale via that app store whether or not exclusively – to operate without the need to register where the PSA is satisfied that the app store:

- holds a valid registration with the PSA
- operates its own registration and screening process for app developers (as part of its due diligence obligations)
- incorporates the PSA’s list of banned individuals into its registration and fraud screening processes
- requires app developers to publish a website or email address within the store for consumer contact purposes
- has a direct relationship with the consumer, who are required to pre-register before initiating a purchase
- requires their app developers to provide the user with an email receipt for purchase including a contact email address for the app developer
- cooperates fully in responding to all requests from the PSA that are made in accordance with the PSA Code of Practice, for example in providing information on app developers
- commits to providing an escalation path for PRS consumers with unresolved complaints, either through the app store or by clear and explicit agreement with each contracted UK mobile network operator.

This permission applies to the requirement to register only. Merchant providers who provide apps via an intermediary provider app store with permission to not register, will continue to be

¹ App stores are defined as an online marketplace where consumers (having registered and created an account with the provider of the online marketplace) can browse, purchase, and download applications on to their smartphone or other connected device.

responsible for compliance with all other provisions set out in the Code (unless permission has been granted in respect of those other provisions).

In accordance with paragraph 2.6.3 of the Code, details of any permission granted (e.g. details of the applicant, relevant Code provision and conditions but excluding any confidential information) will be published on the PSA website prior to the permission taking effect.

The PSA reserves the right following reasonable notice to withdraw or vary the operation of this permission, including in relation to any specific value chain or service. Prior to any withdrawal or variation, the PSA will engage with the network operator and, where appropriate, others in the value chain. Where a formal investigation is opened into any party that forms part of a value chain operating under the permission, this will automatically trigger consideration of whether the permission as relates to the service(s) affected or as a whole should be withdrawn or varied.

How to apply for this exemption

Intermediary provider app stores who are involved, or intend to be involved, in the provision of services that include a premium rate payment option are able to apply for this exemption by setting out their request in writing, to: compliance@psauthority.org.uk

Applicants may be asked for further evidence which demonstrates how they will comply with the conditions set out in the exemption.

The PSA will consider any applications received and will endeavour to provide a written decision within 6 weeks. For each successful applicant the permission will commence once they have received notification from the PSA accordingly.