

Changes to the Digital Authentication Framework and Visa Delegated Authentication Program in Europe

Europe | Acquirers, Issuers, Processors, Agents

Visa Network; V PAY; Europe Processing



Overview: Visa will introduce new implementation requirements for Digital Authentication Framework participation in Europe. Visa is also announcing the closure of the Visa Delegated Authentication Program to new entrants.

As announced in [AI11384](#) in the 16 September 2021 edition of the *Visa Business News* (not available to agents), Visa introduced the Digital Authentication Framework (DAF) in Europe, which was effective from 23 April 2022. The DAF established a set of clear criteria and requirements through which transactions may qualify as fully authenticated. Fully authenticated transactions under the DAF benefit from lower fraud and higher approval rates, as well as merchant fraud liability protection under the Visa Rules.

Effective as of **1 October 2023**, the DAF has been expanded in Europe to include advanced authentication data provided according to Visa's requirements of the Fast Identity Online (FIDO™) standard. **Effective 1 April 2024**, use of FIDO™ data will become required for DAF participation in Europe.

The introduction of the FIDO™ standard significantly enhances issuers' capability to accurately authenticate their cardholders, and the expansion of DAF-qualified transactions to include FIDO™ data is aimed at helping to satisfy current and future issuer regulatory requirements. **Note:** The responsibility for regulatory compliance under the [Payment Services Directive](#) rests with the issuer.

In conjunction with the inclusion of FIDO™ data in the DAF, Visa will close the Visa Delegated Authentication Program (VDAP) to new entrants **effective immediately**.

Effective Immediately: VDAP Closed to New Entrants

VDAP allows payment service providers to delegate authentication to eligible third parties. (Program details are available in the Visa Delegated Authentication section of the [Payment Services Directive 2 Solutions](#) page at Visa Online.)

Effective immediately, VDAP is closed to new entrants. There is no current impact to existing users; existing VDAP users will be able to continue participating in the program, but they should be aware that VDAP will be

Mark Your Calendar:

1 April 2024

- FIDO™ data required for DAF transactions in Europe
- Europe issuers automatically activated for free trial of FIDO™ on-behalf-of (OBO) service

1 October 2024

- Europe issuers will begin being charged for FIDO™ on-behalf-of (OBO) service unless they opt out before the end of the free trial

sunset over time. Details about the eventual retirement of VDAP will be communicated in future editions of the *Visa Business News*.

Organizations that were considering VDAP are encouraged to refer to the information and guidelines for DAF participation in Europe. Details are available on the [Digital Authentication Framework](#) page at Visa Online.

Effective 1 October 2023: FIDO™ Data Included in DAF

Effective as of **1 October 2023**, Visa has expanded the DAF in Europe to include FIDO™ data. With this expansion, Visa will strongly encourage the use of FIDO™ data for Europe DAF-participating transactions made with Visa Secure and Visa Token Service (VTS) / the Cloud Token Framework (CTF).

Effective 1 April 2024: FIDO™ Data Required for DAF Participation

Effective 1 April 2024, merchants, acquirers and token requestors (TRs) in Europe wishing to benefit from the fraud liability protection of DAF-qualified transactions must utilize the FIDO™ standard as an authentication technology and send resulting FIDO™ data to issuers on each DAF-qualifying transaction. While FIDO™ data will be required for DAF qualification of e-commerce / credential-on-file (COF) token transactions, FIDO™ data will be optional for DAF qualification of device token transactions (made with secure element [SE] / host card emulation [HCE] / embedded secure element [eSE] tokens). **Note:** This requirement includes transactions using Strong Customer Authentication (SCA) exemption indicators.

The existing DAF performance program requirements for Europe and certain Visa Supplemental Requirements documentation (*Visa Secure Program Guide*, *PSD2 Strong Customer Authentication for Remote Electronic Commerce Transactions—European Economic Area and United Kingdom* and *Visa Digital Solutions API Reference Guide*)¹ will be updated to include Visa FIDO™ requirements.

¹ The *Visa Digital Solutions API Reference Guide* will be updated in **April 2024**. The updated *Visa Secure Program Guide* and *PSD2 Strong Customer Authentication for Remote Electronic Commerce Transactions—European Economic Area and United Kingdom* will be updated in **October 2023** and will be available on the [Visa Supplemental Requirements](#) page at Visa Online.

Processing Requirements for Merchants, Acquirers and TRs

Merchants, acquirers and TRs can utilize either Visa Secure or VTS / CTF to achieve the fraud liability protection benefits of DAF qualification with FIDO™ data.

Effective as of **1 October 2023**, merchants, acquirers and TRs participating in the DAF in Europe are able, and highly encouraged, to utilize the FIDO™ standard as an authentication technology and send resulting FIDO™ data to issuers for each DAF-qualifying transaction.

Effective 1 April 2024, FIDO™ data will become mandatory for the DAF in Europe. At that time, in order to participate in the DAF in Europe using Visa Secure or VTS / CTF, merchants, acquirers and TRs must support the generation and processing of data based on the *Visa FIDO™ Implementation Guide*. This guide will be available at Visa Online by **November 2023**; details will be communicated in a future edition of the *Visa Business News*.

Processing Requirements for Issuers

Regardless of the processing option used by merchants / acquirers / TRs, issuers will be able to receive FIDO™ authentication data through Visa Secure.

Effective immediately, issuers are strongly encouraged to utilize the FIDO™ data being provided in DAF transactions. Specifically, issuers are advised to:

- Register FIDO™ public keys received within the FIDO™ data
- Introduce processes to validate the signed data received from merchants, acquirers and TRs on each DAF-qualifying transaction
- Adjust their processing and authentication methods to make full use of new FIDO™ data provided, and update their authorization decision and risk management practices to account for it

Further information is available in the DAF-related implementation guides, available in the Additional Resources section below, and the *Visa FIDO™ Implementation Guide*, the availability of which will be announced in a future edition of the *Visa Business News*.

FIDO™ Issuer Services for Europe DAF Transactions

Issuers have the following two options for validating FIDO™ data before it arrives to them through the Visa Secure Directory Server (DS). All FIDO™ data passes through the Visa Secure DS, regardless of whether it is sent via VTS or Visa Secure, so these options are available to issuers for all Europe DAF transactions.

- **Pass-Through:** The default service where the Visa Secure DS will perform standard field-level validation checks, but no further verification / validation of FIDO™ data is performed by Visa. The transaction is then passed to the issuer for final decisioning. All issuers are enrolled in this service and there is no need for issuers to perform any further actions in order to receive FIDO™ data. There are no additional fees associated with this service.
- **On-Behalf-Of (OBO):** An enhanced, optional service where the Visa Secure DS performs comprehensive validation and data enrichments, which are then passed to the issuer via an EMV® 3-D Secure (3DS) extension to make the final decision. This service has been developed to support issuers and access control servers that want to utilize the FIDO™ data with minimal development impact (i.e., without needing to register public keys or validate signed data). The OBO service will be chargeable beginning **1 October 2024**.

Effective 1 April 2024, Visa will activate all Europe issuers for a six-month free introductory trial of the FIDO™ OBO service. On **1 October 2024**, issuers will begin being charged unless they opt out before the end of the trial period and revert to the default pass-through service. Details about how to opt out of the OBO service will be provided in a future edition of the *Visa Business News*.

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Additional Resources

Documents & Publications

AI13104 - "[Visa Click to Pay with FIDO Authentication Will Be Introduced in Europe](#)," *Visa Business News*, 22 June 2023 (available to clients only)

AI11384 - "[Launch of Digital Authentication Framework in Europe](#)," *Visa Business News*, 16 September 2021 (available to clients and processors only)

AI11315 - "[E-Commerce Transactions Authenticated With a Device-Based Secure Element Token Will Be](#)

[Classified as ECI 05 in Europe](#)," *Visa Business News*, 5 August 2021 (available to clients and processors only)

AI10779 - "[Visa Token Service Cloud Token Framework Functionality Enhancements for Issuers](#)," *Visa Business News*, 25 February 2021 (available to clients and processors only)

AI10361 - "[Visa Secure Rules Will Be Updated to Support Authentication for Non-Payment Transactions](#)," *Visa Business News*, 10 September 2020

AI08801 - "[Leading the Next Generation of Innovations for Strong Customer Authentication](#)," *Visa Business News*, 3 April 2019 (available to clients and processors only)

Online Resources

Refer to the following documents in the Visa Secure for EMV® 3DS Documents section of the [Visa Secure Documentation](#) page at Visa Online:

- *Visa Secure – Issuer Implementation Guide for EMV 3-D Secure*
- *Visa Secure – Merchant / Acquirer Implementation for EMV 3-D Secure*

Refer to the following documents in the Tokenization Implementation Guides section of the [Visa Token Service Resources](#) page at Visa Online:

- *Visa Token Service Implementation Guide for Issuer / I-TSP Participation in VDEP Solutions*
- *Visa Token Service Implementation Guide for Acquirers*

The following documents are available on the [Visa Supplemental Requirements](#) page at Visa Online:

- *Visa Secure Program Guide* (under 3-D Secure and Visa Secure; will be updated in October 2023)
- *PSD2 Strong Customer Authentication for Remote Electronic Commerce Transactions—European Economic Area and United Kingdom* (under Products and Services; will be updated in October 2023)
- *Visa Digital Solutions API Reference Guide* (under Products and Services; will be updated in April 2024)

Note: For Visa Online resources, you will be prompted to log in.

For More Information

Contact Visa customer support on your country-specific number, or email CustomerSupport@visa.com.

Merchants and third party agents: Contact your acquirer, issuer, processor or Visa representative.

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