



# Digitalisation - Pan-European digital identity framework

## ■ Why does it matter to intermediaries?

The “eIDAS Regulation” is applicable since 2016 and creates a European internal market for the so-called “eTrust Services” by ensuring that these services will work across borders and have the same legal status as traditional paper-based processes. These eTrust services include services that intermediaries can make use of: **e-signatures**, **electronic seals** (i.e. the electronic equivalent of a seal or stamp which is applied on a document to guarantee its origin and integrity), **electronic time stamps** (i.e. date and time on an electronic document which proves that the document existed at a point-in-time and that it has not changed since then), **electronic registered delivery service** (i.e. the equivalent in the digital world for registered mail) and **website authentication certificates** (i.e. a trust mark for websites).

The eIDAS Regulation ensured that people and businesses can use their own national electronic identification schemes (**eIDs**) to access **public services** in other EU countries where eIDs are available (this happens on the basis of mutual recognition; for the **private sector** the currently applicable legislation only encourages Member States to open the use of eID to the private sector).

In 2018, the European Commission undertook various initiatives to promote eIDAS, amongst others, focusing on SMEs in the financial services sector and BIPAR participated in several events in this respect. The material remains accessible on the Commission's website.

## ■ State of play

After evaluating the framework, the Commission published a **review proposal** on 3 June 2021. In parallel, it adopted a **recommendation to design a toolbox** supporting the framework so as to avoid fragmentation and barriers due to diverging standards.

After the European Parliament and the Council of the EU approved their negotiating positions on the proposal in March 2023 and December 2022 respectively, they reached a provisional agreement on 8 November 2023.

On 11 April 2024 the text was officially signed by the President of the EP and by the President of the Council. It was published in the Official Journal of the EU on 30 April 2024 and entered into force on 20 May 2024. **Margrethe Vestager**, Executive Vice-President for a Europe Fit for the Digital Age said: *“Today marks an important step in the development of the EU Digital Identity Wallet. About two years from now, every European will be able to safely manage personal digital documents and access public and private online services with full control of personal data from a personal mobile app offered on a voluntary basis to all European citizens and residents.”* **Thierry Breton**, Commissioner for Internal Market, said: *“The entry into force of the European digital identity rules is a major step towards the EU's 2030 goal of giving European citizens the possibility to use a secure and privacy-preserving digital identity. It will give citizens control over their personal data in the digital world and strengthen Europe's technological sovereignty.”*

The Regulation is binding in its entirety and directly applicable in all Member States.

## Some key elements of the digital identity wallet

The eIDAS Regulation had already laid the foundations for safely accessing public services and carrying out transactions online and across borders in the EU.

The new text:

- Requires Member States to issue digital wallets in the form of **apps** that can be downloaded, installed and used on mobile phones or devices, allowing citizens to **digitally identify** themselves, **store and manage** identity **data** and **official documents** in **digital form**. Wallets should have the function of a **common dashboard** embedded into the design, in order to ensure a higher degree of transparency, privacy and control of the users over their personal data.
- **All EU citizens** will be offered the possibility to have an EU Digital Identity Wallet to access **public and private** online services in full security and protection of personal data all over Europe (and this will be **accepted all over Europe**).
- In addition to public services, **Very Large Online Platforms** designated under the Digital Services Act and **private** relying parties that provide services, **with the exception of micro- and small enterprises**, that are required by the Union or national law to use strong user authentication for online identification or where strong user authentication for online identification is required by contractual obligation (including in the areas of transport, energy, **banking, financial services**, social security, health, drinking water, postal services, digital infrastructure, education or telecommunications), **shall**, no later than 36 months from the date of entry into force



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of the implementing acts and **only upon the voluntary request of the user, also accept European Digital Identity Wallets** that are provided in accordance with the Regulation (see article 5f “Cross-border reliance on European Digital Identity Wallets”).

- Regarding **financial services**, the new text also states:  
**Recital 62)** *“Secure electronic identification and the provision of attestation of attributes should offer additional flexibility and solutions for the financial services sector to allow the identification of customers and the exchange of specific attributes necessary to comply with, for example, customer due diligence requirements under a future Regulation establishing the Anti Money Laundering Authority, with suitability requirements stemming from investor protection law, or to support the fulfilment of strong customer authentication requirements for online identification for the purposes of account login and of initiation of transactions in the field of payment services.”*  
**Recital 69)** *“The role of trust service providers for electronic ledgers should be to ascertain the sequential recording of data into the ledger. This Regulation is without prejudice to any legal obligations of users of electronic ledgers under Union or national law. For instance, use cases that involve the processing of personal data should comply with Regulation (EU) 2016/679 and use cases that relate to financial services should comply with the relevant Union financial services law.”*
- The use of the wallet, including electronic signatures for **non-professional use**, will be **free** for natural persons. Member States may provide for measures to ensure that the free-of-charge use is limited to non-professional purposes and **businesses may**, therefore, be subject to **fees** to use the wallet services, depending on Member States’ choice for the business model of the wallet.
- The EU wallet will be used on a **voluntary** basis (avoiding discrimination against those opting not to use the digital wallet).
- Relevant parts of its code will be published **open source** to exclude any possibility of misuse, illegal tracking, tracing or government interception. Indeed, the co-legislators have decided that the wallet will be **open-source licensed**. Security weaknesses, bugs or malfunctions can be better identified and corrected in this way. Member States may provide that, for duly justified reasons, the source code of specific components other than those installed on user devices shall not be disclosed.
- The Wallet will fully respect the user’s choice whether or not to share **personal data**. It will contain a dashboard of all transactions accessible to its holder, ensuring that users are able to have full control of their data, report alleged violations of data protection and request that their data be deleted, as provided for under the General

Data Protection Regulation (**GDPR**). Additionally, the right to use a **pseudonym** is enshrined in the legislation.

- Citizens will be able to onboard the wallet with **existing national eID schemes**. The EU Digital Identity Wallets will build on existing national systems and will not replace but complement existing national solutions.
- In cooperation with Member States, the Commission shall facilitate the development of **codes of conduct** in close collaboration with all relevant stakeholders in order to contribute to the wide availability and usability of European Digital Identity Wallets and to encourage service providers to complete the development of codes of conduct.

### ■ Next steps

Member States will have to provide at least one European Digital Identity Wallet within 24 months of the date of entry into force of the implementing acts. These implementing acts – to be adopted 6 and 12 months after adoption of the Regulation – will draw on the specifications developed as part of the EU Digital Identity Toolbox, setting harmonised conditions for implementing the wallets all across Europe.

There are transitional measures for existing systems (for instance secure signature creation devices of which the conformity has been determined in accordance with Directive 1999/93/EC shall continue to be considered to be qualified electronic signature creation devices until 21 May 2027).

The Commission is in the process of developing a wallet prototype based on the technical specifications. The software will be available for voluntary use by Member States.

### ■ Links

- [Commission’s website page on eIDAS](#)
- [Regulation on the European Digital Identity Framework](#)
- [EU Digital Identity Wallet Home](#)
- [What are the Large-Scale Pilot Projects](#)