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What is the EBA Fraud Taxonomy?

The EBA Fraud Taxonomy equips fraud fighters with a harmonised pan-European vocabulary and categorisation approach for naming and organising fraud types for payments.

THE EBA FRAUD TAXONOMY IN A NUTSHELL

Why implement the EBA Fraud Taxonomy?

Ξ Breaking down complex fraud scenarios with an effective categorisation approach generates more granular data on fraud.

Ξ Using the same approach and vocabulary makes fraud trends/data comparable.

This helps PSPs to align internal reporting and improve their fraud-fighting actions.

But it also allows PSPs to join forces against fraud, because it:

Ξ enables sharing and comparing fraud intelligence and data across institutions, in Europe and worldwide

Ξ helps to detect and prevent fraud across borders

How can PSPs use the EBA Fraud Taxonomy?

1 Easier and faster data point collection

2 Accelerated transaction tracking and advanced model training

3 Better fraud analytics, prevention and detection

4 Identifying, sharing and comparing fraud trends and data

5 Improved internal and external fraud reporting

6 Optimised fraud response (customer support, investigation, case handling)

7 Effective customer and employee education

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What are the key benefits?

Ξ Standardised categorisation of fraud types

Ξ Common pan-European vocabulary for fraud

Ξ Relies on definitions from authoritative and publicly available sources

Ξ Applies to both payment fraud and card fraud

Ξ Aligned with PSD2 Fraud Reporting Guidelines

Ξ More in-depth information per fraud case

Ξ Developed by fraud experts

Ξ Annual review process

How does the EBA Fraud Taxonomy work in practice?

The EBA Fraud Taxonomy provides a straightforward framework, which identifies:

Ξ *how* the fraudster first contacted the victim

Ξ *what* trick the fraudster used to get hold of the victim's money

Ξ *who* initiated the payment transaction affected by the fraud (i.e. the victim or the fraudster)

➕

Fraud experts can distinguish between fraudsters' contact methods ('how') and the tricks fraudsters apply ('what'). The taxonomy provides PSPs with separate data points regarding (1) the point of contact between fraudster and victim and (2) the action taken by the fraudster, enabling them to collect better and more granular data.

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Fraud experts can use labels/tags to add further details on a fraudulent event, as they deem fit (e.g. to align with internal reporting requirements). This ensures ease of use, maximum flexibility and backwards compatibility.

The EBA Fraud Taxonomy is available to any interested party. Request your free copy via the EBA website.

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