

STATEMENT: EBF concerns remain following European Parliament plenary vote on Payment Accounts

The European Banking Federation (EBF) supports the broad principles of transparency and access to basic payment accounts in the Payments Account Directive, but Europe's banks remain concerned about the practical implementation of the proposed measures.

"Cross-border switching of payment accounts is far from being a priority for European consumers. The European Commission's own assessment and the Special Eurobarometer both show this." said Guido Ravoet, EBF Chief Executive.

"Additionally, we need to assess the impact of the introduction of the Single Euro Payment Area (SEPA)" he said. This EU-wide initiative will ensure simple and efficient cross-border payments for all EU consumers in 2014 (euro countries) and in 2016 (non-euro countries).

The Federation very much supports any initiative aimed at tackling financial exclusion, but stresses the clear need for a genuine link with the Member State in which consumers wish to open up a payment account. This element is crucial to help to protect consumers from fraud and help in the detection of money laundering. The EBF therefore welcomes the proposed amendment stipulating that "Member States~~shall~~ require consumers to have a genuine link to the Member State where they wish to open and use a payment account with basic features"; it is important that this remains in the final text.

The EBF also supports competition and encourages consumers always to shop around for the best deals, but the idea of an account described as a payment account with basic features when it is barely distinguishable from any other ordinary payment account, may lead to confusion between basic payment accounts and existing regular payment accounts, denying consumers the opportunity to find an account that's best suited to their needs.

The EBF urges the Council of the EU to take these key issues into account as it considers the proposal, to ensure that the final text is pragmatic and reflects the reality of retail banking, notably with regards to the true needs of consumers in their relationships with their banks.

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