

Cross-border bank transfers

1994/0242(COD) - 06/06/1995 - Modified legislative proposal

The amended proposal took over in full or in part most of the European Parliament's amendments (19 of 21). The main amendments related to the following points: - the term "cross-border transfer" was replaced by the term "EU credit transfer"; - the directive should apply to all credit transfers in the currencies of the Member States and in ecus (the proposal thus continued to apply to all transfers, irrespective of the amount involved); - the establishment of an independent complaints and redress procedure to afford the consumer better protection; such procedures should exist at Member State level with respect to EU credit transfers; - the introduction of a new definition of "interest", based on the rate which the institution would apply to its customer's account if the account was overdrawn; - clarification of the fact that an intermediary institution could only be an institution that participated in the execution of EU credit transfers; - more precise and transparent methods of presenting information to customers (electronic means, details of the costs involved, reference to the applicable exchange rate, information on redress procedures); - clarification with regard to the default arrangements to be implemented, that is, in the absence of an agreement between the institution and its customer; - establishment of a mechanism between institutions whereby an institution that had compensated its customer for late payment was authorised to claim the interest paid out from the institution that caused the delay; - clarification of the principle whereby the beneficiary was compensated by its institution by the payment of interest, where a delay in the availability of funds was attributable to that institution; - authorisation to make deductions when authorised by the originator; - the procedure for the repayment of unauthorised deductions was reversed; - a shorter time limit for payment: 15 days after the request was made by the originator; - in cases where an institution recovered the funds and refunded the originator, the institution was not obliged to refund the charges and interest accruing; - institutions were not bound by their obligations where they could invoke reasons of force majeure. The Commission did not take over the amendments concerning: - the limitation of the scope of the directive to transfers not exceeding ECU 50 000; - the definition of the "completion" of a transfer: this should mean the "acceptance" of the payment by the beneficiary's institution, rather than its "receipt", as proposed by the EP.