

Cross-border bank transfers

1994/0242(COD) - 27/01/1997 - Final act

OBJECTIVE: to improve the cross-border credit transfer services and, therefore, to assist the European Monetary Institute (EMI) in its task of promoting the efficiency of cross-border payments with a view to the preparation of the third stage of monetary union. **COMMUNITY MEASURE:** Directive 97/5/EC of the European Parliament and of the Council on cross-border credit transfers. **SUBSTANCE:** the directive will apply to cross-border transfers in the currencies of the Member States and in ecus up to ECU 50 000. Its main provisions are: - prior information to customers on conditions for cross-border credit transfers and information subsequently on the execution and receipt of a transfer; - the time limits within which the originator's institution and the beneficiary's institution are required to complete the transfer (five and one banking business day respectively), subject to payment of compensation; - the obligation to execute the transfer in accordance with the instructions appearing on the order, in particular as regards the allocation of costs; - in the event of non-execution of a cross-border transfer the obligation to reimburse up to ECU 12 500 the total sum together with interest and the charges, in principle within 14 banking business days. The institutions participating in the execution of a cross-border credit transfer will be released from their obligations in the event of force majeure. Lastly, the Member States must ensure that there are adequate and effective complaints and redress procedures for the settlement of any disputes. Two years after its implementation the Commission shall submit to the Council a report on its application. **ENTRY INTO FORCE:** 14/02/1997 **DEADLINE FOR TRANSPOSITION:** 14/08/1999