

| Basic information | |
|--|---------------------|
| 2008/0194(COD) COD - Ordinary legislative procedure (ex-codecision procedure) Regulation | Procedure completed |
| Cross-border payments in the Community Repealing Regulation (EC) No 2560/2001 2001/0174(COD) Repealed by 2020/0145(COD) Amended by 2010/0373(COD) Amended by 2018/0076(COD) Subject 2.50.04.02 Electronic money and payments, cross-border credit transfers | |

| Key players | | | | |
|-------------------------------|---|--|---|------------------|
| European Parliament | Committee responsible | | Rapporteur | Appointed |
| | ECON Economic and Monetary Affairs | | STARKEVIČIŪTĒ Margarita (ALDE) | 24/09/2008 |
| | Committee for opinion | | Rapporteur for opinion | Appointed |
| | IMCO Internal Market and Consumer Protection | | The committee decided not to give an opinion. | |
| | JURI Legal Affairs | | SAKALAS Aloyzas (PSE) | 03/11/2008 |
| | | | | |
| Council of the European Union | Council configuration | | Meetings | Date |
| | General Affairs | | 2957 | 2009-07-27 |
| | Economic and Financial Affairs ECOFIN | | 2940 | 2009-05-05 |
| European Commission | Commission DG | | Commissioner | |
| | Financial Stability, Financial Services and Capital Markets Union | | MCCREEVY Charlie | |

| Key events | | | |
|------------|--------------------------------|--|---------|
| Date | Event | Reference | Summary |
| 13/10/2008 | Legislative proposal published | COM(2008)0640  | Summary |
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|------------|---|---|-------------------------|
| 21/10/2008 | Committee referral announced in Parliament, 1st reading | | |
| 11/02/2009 | Vote in committee, 1st reading | | Summary |
| 16/02/2009 | Committee report tabled for plenary, 1st reading | A6-0053/2009 | |
| 24/04/2009 | Decision by Parliament, 1st reading | T6-0321/2009 | Summary |
| 24/04/2009 | Results of vote in Parliament |  | |
| 24/04/2009 | Debate in Parliament |  | |
| 27/07/2009 | Act adopted by Council after Parliament's 1st reading | | |
| 16/09/2009 | Final act signed | | |
| 16/09/2009 | End of procedure in Parliament | | |
| 09/10/2009 | Final act published in Official Journal | | |

| Technical information | |
|-----------------------------------|---|
| Procedure reference | 2008/0194(COD) |
| Procedure type | COD - Ordinary legislative procedure (ex-codecision procedure) |
| Procedure subtype | Legislation |
| Legislative instrument | Regulation |
| Amendments and repeals | Repealing Regulation (EC) No 2560/2001 2001/0174(COD) Repealed by 2020/0145(COD) Amended by 2010/0373(COD) Amended by 2018/0076(COD) |
| Legal basis | Treaty on the Functioning of the European Union TFEU 114-p1 |
| Stage reached in procedure | Procedure completed |
| Committee dossier | ECON/6/68355 |

| Documentation gateway | | | | |
|---|--|------------------------------|------------|-------------------------|
| European Parliament | | | | |
| Document type | Committee | Reference | Date | Summary |
| Committee draft report | | PE415.203 | 18/11/2008 | |
| Amendments tabled in committee | | PE418.041 | 17/12/2008 | |
| Committee opinion | JURI | PE416.693 | 21/01/2009 | |
| Committee report tabled for plenary, 1st reading/single reading | | A6-0053/2009 | 16/02/2009 | |
| Text adopted by Parliament, 1st reading/single reading | | T6-0321/2009 | 24/04/2009 | Summary |
| Council of the EU | | | | |
| Document type | | Reference | Date | Summary |
| Draft final act | | 03665/2009 | 16/09/2009 | |

European Commission

| Document type | Reference | Date | Summary |
|--|--|------------|-------------------------|
| Legislative proposal | COM(2008)0640  | 13/10/2008 | Summary |
| Document attached to the procedure | SEC(2008)2598  | 13/10/2008 | |
| Document attached to the procedure | SEC(2008)2599  | 13/10/2008 | |
| Commission response to text adopted in plenary | SP(2009)3507 | 25/06/2009 | |
| Follow-up document | COM(2013)0549  | 24/07/2013 | Summary |

Other institutions and bodies

| Institution/body | Document type | Reference | Date | Summary |
|------------------|---|---|------------|-------------------------|
| ECB | European Central Bank: opinion, guideline, report | CON/2009/0001 OJ C 021 28.01.2009, p. 0001 | 06/01/2009 | Summary |
| EESC | Economic and Social Committee: opinion, report | CES0616/2009 | 24/03/2009 | |

Additional information

| Source | Document | Date |
|----------------------|----------|------|
| National parliaments | IPEX | |
| European Commission | EUR-Lex | |

Final act

[Regulation 2009/0924](#)
[OJ L 266 09.10.2009, p. 0011](#)

[Summary](#)

Cross-border payments in the Community

2008/0194(COD) - 06/01/2009 - European Central Bank: opinion, guideline, report

OPINION OF THE EUROPEAN CENTRAL BANK on a proposal for a Regulation of the European Parliament and of the Council on cross-border payments in the Community.

On 31 October 2008, the European Central Bank (ECB) received a request from the Council of the European Union for an opinion on a proposal for a Regulation on cross-border payments in the Community, replacing and repealing Regulation (EC) No 2560/2001.

The ECB notes that the scope of the proposed regulation covers not only cross-border electronic payment transactions and credit transfers but also cross-border direct debits. This is in line with efforts to achieve the Internal Market for payment services and with the launch of the Single Euro Payment Area (SEPA).

However, the proposed regulation also raises some issues which require careful consideration, namely:

Provisions on the balance of payments (b.o.p.) reporting: a solution must be found that puts at risk neither the essential user needs for euro area and national b.o.p. statistics nor the timely emergence of SEPA. It should also be ensured that b.o.p. statistics can continue to be compiled with the **high reliability, frequency and timeliness** that are required for ECB monetary policy-making. Moreover, the ECB welcomes the proposal to increase the **exemption threshold** for b.o.p. reporting to EUR 50 000, as well as the introduction of an article clarifying that statistical requirements which have no impact on the straight through processing of SEPA payments by payment service providers, should not be subject to any exemption threshold. In addition, in order to further **alleviate the reporting burden** of both financial and non-financial agents, the ECB supports all initiatives that facilitate the exchange of information between b.o.p. compilers, for statistical purposes only. Lastly, the ECB highlights the need for an interim solution for Member States still relying on **settlement-based reporting** until a fully harmonised pan-European solution has emerged, and has presented a proposal in this regard.

Review clause - use of the Bank Identifier Code (BIC): the ECB would support the possible abolition of the need for retail customers to use the BIC if the use of IBAN only is technically possible, as this would ease the burden of providing two different identifiers.

Charges for cross-border payments and corresponding national payments: the proposed regulation provides for the principle of equality of charges in respect of cross-border payments and corresponding domestic payments 'of the same value'. The only criterion for identifying the corresponding domestic payment is the reference to the value of such equivalent payments. The ECB is concerned that this provision might not provide payment service providers with adequate interpretation guidelines with regard to the notion of the corresponding domestic payments.

Scope of application: the proposed regulation would apply to cross-border payments up to EUR 50 000 made by the ECB or NCBs when they are acting outside the scope of their capacity as monetary authorities and when such transactions are not made for their own account. The ECB welcomes the extended scope of the proposed regulation in this respect.

The ECB also makes a number of **legal comments**.

Cross-border payments in the Community

2008/0194(COD) - 16/09/2009 - Final act

PURPOSE: to ensure the proper functioning of the internal market for payments in euros, with no distinction between cross-border and national payments.

LEGISLATIVE ACT: Regulation (EC) No 924/2009 of the European Parliament and of the Council on cross-border payments in the Community and repealing Regulation (EC) No 2560/2001.

CONTENT: the Council adopted this Regulation having reached agreement with the European Parliament at first reading. The Regulation updates and replaces Regulation (EC) No 2560/2001 on cross-border payments, which applies to credit transfers, cash withdrawals and electronic payments, including card payments, made in euros up to a maximum value of EUR 50 000. Regulation (EC) No 2560/2001 has succeeded in bringing down the charges for cross-border payments to the level of national charges, and has encouraged the payments industry to build an EU-wide payments infrastructure for the "single euro payments area" (SEPA) (see [COM \(2009\)0471](#)). The new Regulation extends the principle of the equality of charges to direct debits and addresses a number of enforcement problems that were identified in a report from the Commission on the application of Regulation 2560/2001/EC. It also aligns the definitions and wording of the text with those of [Directive 2007/64/EC](#) on payment services.

Its main provisions are as follows:

Subject matter and scope: the Regulation lays down rules on cross-border payments within the Community, ensuring that charges for cross-border payments within the Community are the same as those for payments in the same currency within a Member State. It applies to cross-border payments, in accordance with the provisions of Directive 2007/64/EC, which are denominated in euro or in the national currencies of the Member States which have notified their decision to extend the application of this Regulation to their national currency. It does not apply to payments made by payment service providers for their own account or on behalf of other payment service providers. It does not apply to currency conversion charges.

Charges for cross-border payments and corresponding national payments: charges levied by a payment service provider on a payment service user in respect of cross-border payments of up to EUR 50 000 shall be the same as the charges levied by that payment service provider on payment service users for corresponding national payments of the same value and in the same currency.

Measures for facilitating the automation of payments: a payment service provider shall, where applicable, communicate to the payment service user the payment service user's international bank account number (IBAN) and the payment service provider's bank identifier code (BIC). In addition, where applicable, a payment service provider shall indicate the payment service user's IBAN and the payment service provider's BIC on statements of account, or in an annex thereto. A payment service provider shall provide the information to the payment service user free of charge.

Interchange fee for cross-border direct debit transactions: in the absence of any bilateral agreement between the payment service providers of the payee and of the payer, a multilateral interchange fee of EUR 0,088, payable by the payment service provider of the payee to the payment service provider of the payer, shall apply for each cross-border direct debit transaction executed before 1 November 2012, unless a lower multilateral interchange fee has been agreed upon between the payment service providers concerned.

Interchange fee for national direct debit transactions: where a multilateral interchange fee or other agreed remuneration for a national direct debit transaction executed before 1 November 2009 applies between the payment service providers of the payee and of the payer, such a multilateral interchange fee or other agreed remuneration shall apply for any national direct debit transaction executed before 1 November 2012. Where such a multilateral interchange fee or other agreed remuneration is reduced or abolished before 1 November 2012, such reduction or abolition shall apply to any national direct debit transactions executed before that date.

Reachability for direct debit transactions: a payment service provider of a payer reachable for a national direct debit transaction denominated in euro on the payment account of that payer shall be reachable, in accordance with the direct debit scheme, for direct debit transactions denominated in euro initiated by a payee through a payment service provider located in any Member State. This provision shall apply only to direct debit transactions which are available to consumers under the direct debit scheme. Payment service providers shall comply with these requirements by 1 November 2010.

Payment service providers located in a Member State which does not have the euro as its currency shall comply with the above-mentioned requirements for direct debit transactions denominated in euro by 1 November 2014. If, however, the euro is introduced as the currency of any such Member State before 1 November 2013, the payment service provider located in that Member State shall comply with the requirements within 1 year of the date on which the Member State concerned joined the euro area.

Complaint and out-of-court redress procedures: Member States shall establish adequate and effective claims and out-of-court redress procedures which allow payment service users and other interested parties to submit complaints with regard to alleged infringements by payment service providers. For those purposes, Member States shall designate existing bodies, where appropriate, or establish new bodies. Member States may provide that these provisions apply only to payment service users which are consumers or micro-enterprises. In this event, Member States shall inform the Commission accordingly.

Application to currencies other than the euro: a notification procedure is foreseen in the event that a Member State that does not have the euro as its currency decides to extend the application of this Regulation to its national currency.

Penalties: Member States shall, by 1 June 2010, lay down rules on the penalties applicable to infringements to this Regulation and shall take all measures necessary to ensure that they are implemented. Such penalties shall be effective, proportionate and dissuasive.

Review: the Commission must present by 31 October 2011, a report on the appropriateness of removing settlement-based national reporting obligations. If appropriate, this report will be accompanied by a proposal.

By 31 October 2012 at the latest, the Commission shall present a report on the application of the Regulation which must cover, in particular a) the use of the IBAN and the BIC in relation to the automation of payments; b) the appropriateness of the EUR 50 000 ceiling; and c) market developments in relation to the application of certain provisions on direct debit transactions.

It should be noted that the Council also adopted:

- a Regulation establishing a legal framework for [credit rating agencies](#) and a directive updating [banks' capital requirements](#) which constitute an important part of the work programme which it undertook last autumn to deal with the financial crisis;
- a Directive on [electronic money](#), on the basis of evaluations of the application of existing rules, as well as a [decision](#) to establish a Community programme to support specific activities in the field of financial services, financial reporting and auditing.

ENTRY INTO FORCE: 29/10/2009.

APPLICATION: from 01/11/2009.

Cross-border payments in the Community

2008/0194(COD) - 24/04/2009 - Text adopted by Parliament, 1st reading/single reading

The European Parliament adopted by 396 votes to 2 with 8 abstentions a legislative resolution amending, under the first reading of the codecision procedure, the proposal for a regulation of the European Parliament and of the Council on cross-border payments in the Community.

The amendments are the result of a compromise agreement between Parliament and Council.

The main amendments are as follows:

Scope: the text states that the Regulation applies to cross-border payments, in accordance with the provisions of Directive 2007/64/EC, which are denominated in euro or in the national currencies of the Member States which have notified their intention to extend the application of the Regulation to their national currency,

Furthermore, interbank services will not fall within the scope of this Regulation, which deals solely with the payment service providers' policies as regards the charges they impose on their customers. The Regulation does not apply to currency conversion charges.

Definitions: the definition of 'cross-border payments' simplified and further aligned with the Payment Services Directive, so that the decisive factor is where a payment service provider is located. The definition of "charges" is amended and the committee inserted a definition for funds'

Charges for cross-border payments and corresponding national payments: charges levied by a payment service provider on a payment service user in respect of cross-border payments up to **EUR 50 000** shall be the same as the charges levied by that payment service provider on payment service users for corresponding national payments of the same value and in the same currency .

The competent authorities shall issue guidelines to identify corresponding national payments where they consider it necessary. They shall actively cooperate within the Payments Committee to ensure the compatibility of guidelines for corresponding national payments. Where a Member State has notified the extension of the application of this Regulation to its national currency in accordance with the text (see below), a national payment that is denominated in the currency of that Member State may be considered as corresponding to a cross-border payment that is denominated in euro.

Measures for facilitating the automation of payments: with regard to the provision of details on IBAN and BIC, the text states that a payment service provider shall not charge the payment service user for providing the information required.

The payment service provider may levy charges additional charges on the payment service user where that user instructs the payment service provider to execute the payment transaction without communicating the IBAN and BIC. Those charges shall be appropriate and in line with costs, and must be agreed between the payment service provider and the payment service user. The payment service provider shall inform the payment service user of the amount of the additional charges in good time before the payment service user is bound by such an agreement.

Interchange fee for cross-border direct debit transactions : a new clause states that in the absence of any bilateral agreement between the payment service providers of the payee and of the payer, a multilateral interchange fee of EUR 0,088, payable by the payment service provider of the payee to the payment service provider of the payer, shall apply for each cross-border direct debit transaction executed before 1 November 2012 unless a lower multilateral interchange fee has been agreed upon between the payment service providers concerned.

Reachability for direct debit transactions: these provisions apply only to direct debit transactions which are available to consumers under the direct debit scheme. Payment service providers shall comply with the requirements by 1 November 2010. However, payment service providers located in a Member State which does not have the euro as its national currency shall comply with the requirements for direct debit transactions denominated in euro by 1 November 2014. If, however, the euro is introduced as the national currency of any such Member State before 1 November 2013, the payment service provider located in that Member State shall comply with the requirements within one year of the date on which the Member State concerned joined the euro area.

Out-of-court redress procedures: Member States may provide that this Article applies only to payment service users which are consumers or micro-enterprises.

Application to national currencies other than the euro: with the exception of the articles on direct debit transactions, a Member State that does not have the euro as its national currency and that decides to extend the application of this Regulation to its national currency shall notify the Commission accordingly. A Member State that does not have the euro as its national currency and that decides to extend the application of any or any combination of the articles on direct debit transactions o its national currency shall notify the Commission.

Review: by 31 October 2011, the Commission shall present a report on the appropriateness of removing settlement-based national reporting obligations, accompanied, where appropriate, by a proposal.

Cross-border payments in the Community

2008/0194(COD) - 05/05/2009

The Council took note of **progress** on the following financial services dossiers:

- Cross-border payments in the EU (draft regulation);
- [Credit rating agencies](#) (draft regulation);
- Solvency requirements for insurance companies (draft "[Solvency II](#)" directive);
- [Electronic money](#) (draft directive).

On all four dossiers, the presidency has reached agreement with the European Parliament in first reading, enabling adoption by the Council at a forthcoming meeting, once the texts have been finalised.

Cross-border payments in the Community

2008/0194(COD) - 13/10/2008 - Legislative proposal

PURPOSE: to replace Regulation (EC) No 2560/2001 on cross-border payments in euro in order to adapt it to market developments (emergence of the Single Euro Payments Area), to enhance the protection of consumer rights and to provide an adequate legal framework for the development of a modern and efficient payment system within the EU.

PROPOSED ACT: Regulation of the European Parliament and of the Council.

CONTENT: Regulation (EC) No 2560/2001 entered into force on 31 December 2001. It currently applies to credit transfers, ATM cash withdrawals and electronic payments (including card payments) made in euro up to an amount of EUR 50 000. It guarantees that when a consumer makes a cross-border payment in euro, the cost is the same as that of a corresponding payment in euro made within his own Member State.

The report of the Commission to the European Parliament and to the Council on the application of Regulation (EC) No 2560/2001 on cross-border payments in euro, adopted on 11 February 2008, confirmed that the application of Regulation (EC) No 2560/2001 has effectively brought down the charges for cross-border payment transactions in euro to the level of national charges and encouraged the European payments industry to build an EU-wide payments infrastructure that is necessary in order to create the Single Euro Payments Area (SEPA).

The report concluded that a number of amendments to the Regulation should be proposed to address the following weaknesses identified during the review process in 2005:

- the need to extend the principle of equality of charges to direct debits in order to establish a level playing field between different payment instruments and avoid undermining the objectives of this Regulation by not making all electronic payment instruments operating cross-border subject to the principle of equality of charges;
- enforcement problems due to the absence of identified national competent authorities and of out-of-court redress bodies for disputes related to the Regulation;
- disruption of the internal market in payments caused by divergent balance-of-payments (BoP) statistical reporting obligations and unclear scope of the article on BoP reporting.

In concrete terms, the proposal amends the wording of all existing provisions of Regulation 2560/2001. In addition, it proposes to:

- extend the principle of equality of charges for cross-border and corresponding domestic payments to cover direct debits;
- phase out, by 1 January 2012, the balance-of-payments statistical reporting obligations imposed on payment service providers;
- request Member States to appoint competent authorities and out-of-court redress bodies to deal effectively with complaints and disputes regarding this proposal. It also provides for the co-operation between the competent authorities and out-of-court redress bodies in solving cross-border disputes;
- the possible application of the Regulation to currencies other than euro.

Cross-border payments in the Community

2008/0194(COD) - 24/07/2013 - Follow-up document

This report reviews how [Directive 2007/64/EC](#) on payment services in the internal market (hereinafter: "the PSD") has been applied as required by its Article 87. It covers the period 2009 – 2012. It also covers Regulation (EC) No 924/2009 on cross-border payments in the Community.

Regulation (EC) No. 924/2009 eliminates the differences in charges for cross-border and national payments in euro. It applies to payments in euro in all EU Member States. Its basic principle is that the charges for payment transactions offered by any payment service provider in the EU have to be the same, for the payment of the same value, whether the payment is national or cross-border. It applies to all electronically processed payments, including credit transfers, direct debits, cash withdrawals, payments by means of debit and credit cards and money remittance.

Regulation (EC) 924/2009 and its precursor, Regulation 2560/2001, brought about a significant reduction of charges paid by consumers (and other payment service users) for regulated payment services. By way of example, charges for a EUR 100 credit transfer fell from an EU average of EUR 23.60 in 2001 to EUR 2.46 in 2005. Similarly, charges for cross-border ATM withdrawals in euro fell to the levels experienced by cardholders in their own country. Thus, the Regulation brought important savings for millions of EU citizens.

Article 15 of the Regulation requests two reports. The first report should aim to discuss the appropriateness of removing settlement-based national reporting obligations for statistical purposes and is linked to Article 5 of the Regulation.

The second should aim to assess the general application of the Regulation and review in more detail three specific issues:

- the use of the IBAN and the BIC in relation to the automation of payments;
- the appropriateness of the ceiling of EUR 50.000 up to which the Regulation applies;
- market developments in relation to interchange fees for direct debit transactions and on reachability for direct debits.

The issues identified by the co-legislators as requiring the reports were addressed in the meantime with the adoption of [Regulation \(EU\) 2012/260](#) establishing technical and business requirements for credit transfers and direct debits in euro (SEPA Migration Regulation) which amends Regulation (EC) No 924/2009.

The adoption of the SEPA Migration Regulation was accompanied by a **complete revision** of the issues indicated in the Article 15 of the cross-border payments Regulation. Consequently, there is no need to revise the Regulation on these points. It should be underlined that the removal of the EUR 50.000 represents a major and welcome progress for the European integration of the retail payments market.

Whilst a number of questions on the application of the Regulation have been raised in the context of the economic study, the results of this exercise broadly confirmed that the Regulation appears to be functioning well. For example, charges for EUR 100 transfers followed a further downward trend to EUR 0.50 euro-area average for transfers initiated online and remained low, at EUR 3.10 for transfers initiated at the bank counter. As a result, the Commission came to the conclusion that **no changes to the text of Regulation (EC) 924/2009 are necessary or recommended at this time.**