


Basic information	
<b>2020/0145(COD)</b> COD - Ordinary legislative procedure (ex-codecision procedure) Regulation	Procedure completed
Cross-border payments in the Union. Codification  Repealing Regulation 2009/924 <a href="#">2008/0194(COD)</a> Amended by <a href="#">2022/0341(COD)</a>  <b>Subject</b>  2.50.04.02 Electronic money and payments, cross-border credit transfers	

Key players				
European Parliament	Committee responsible		Rapporteur	Appointed
	<div>JURI</div> Legal Affairs		MELCHIOR Karen (Renew)	11/01/2021
Council of the European Union				
European Commission	Commission DG	Commissioner		
	Legal Service	VON DER LEYEN Ursula		

Key events			
Date	Event	Reference	Summary
17/07/2020	Legislative proposal published	<a href="#">COM(2020)0323</a> 	<a href="#">Summary</a>
23/07/2020	Committee referral announced in Parliament, 1st reading		
14/06/2021	Vote in committee, 1st reading		
16/06/2021	Committee report tabled for plenary, 1st reading	<a href="#">A9-0202/2021</a>	
23/06/2021	Decision by Parliament, 1st reading	<a href="#">T9-0302/2021</a>	<a href="#">Summary</a>
13/07/2021	Act adopted by Council after Parliament's 1st reading		
14/07/2021	Final act signed		
14/07/2021	End of procedure in Parliament		
30/07/2021	Final act published in Official Journal		

Technical information	

Procedure reference	2020/0145(COD)
Procedure type	COD - Ordinary legislative procedure (ex-codecision procedure)
Procedure subtype	Codification
Legislative instrument	Regulation
Amendments and repeals	Repealing Regulation 2009/924 <a href="#">2008/0194(COD)</a> Amended by <a href="#">2022/0341(COD)</a>
Legal basis	Treaty on the Functioning of the EU TFEU 114-p1
Other legal basis	Rules of Procedure EP 165
Stage reached in procedure	Procedure completed
Committee dossier	JURI/9/03554

#### Documentation gateway


##### European Parliament

Document type	Committee	Reference	Date	Summary
Committee draft report		<a href="#">PE693.563</a>	26/05/2021	
Committee report tabled for plenary, 1st reading/single reading		<a href="#">A9-0202/2021</a>	16/06/2021	
Text adopted by Parliament, 1st reading/single reading		<a href="#">T9-0302/2021</a>	23/06/2021	<a href="#">Summary</a>

##### Council of the EU

Document type	Reference	Date	Summary
Draft final act	00034/2021/LEX	14/07/2021	

##### European Commission

Document type	Reference	Date	Summary
Legislative proposal	<a href="#">COM(2020)0323</a> 	17/07/2020	<a href="#">Summary</a>

##### Other institutions and bodies

Institution/body	Document type	Reference	Date	Summary
EESC	Economic and Social Committee: opinion, report	<a href="#">CES4216/2020</a>	02/12/2020	
ECB	European Central Bank: opinion, guideline, report	<a href="#">CON/2021/0003</a> <a href="#">OJ C 065 25.02.2021, p. 0004</a>	25/01/2021	

#### Final act

[Regulation 2021/1230](#)  
[OJ L 274 30.07.2021, p. 0020](#)

# Cross-border payments in the Union. Codification

2020/0145(COD) - 23/06/2021 - Text adopted by Parliament, 1st reading/single reading

The European Parliament adopted by 670 votes to 1, with 22 abstentions, a legislative resolution on the proposal for a regulation of the European Parliament and of the Council on cross-border payments in the Union (codification).

Parliament adopted its position at first reading **taking over the Commission proposal** as adapted to the recommendations of the Consultative Working Party of the Legal Services of the European Parliament, the Council and the Commission.

The proposal is a straightforward codification of Regulation (EC) No 924/2009 of the European Parliament and of the Council, without any change in its substance.

## ***Subject matter and scope***

The Regulation lays down rules on cross-border payments and the transparency of currency conversion charges within the EU. It applies to cross-border payments which are denominated in euro or in the national currencies of those Member States which have notified their decision to extend the application of the Regulation to their national currency.

## ***Charges for cross-border payments and corresponding national payments***

With a view to ensuring the smooth functioning of the internal market and facilitating cross-border trade within the EU, the codified Regulation stipulates that **charges** for a cross-border payment transaction in euro within the EU should be the same as those for a transaction in the national currency of a Member State.

## ***Transparency obligations***

The Regulation lays down transparency requirements for currency conversion practices. It therefore provides for additional measures to **protect consumers** from the risk of excessive charges for currency conversion services and to ensure that consumers are fully aware of the amount of any exchange charges before making a cross-border payment (e.g. when using their card abroad, whether to withdraw cash from an ATM or to pay by card at the point of sale).

**To achieve comparability**, currency conversion charges for all card payments will have to be expressed in the same way, i.e. as percentage mark-ups on the latest available euro reference exchange rates issued by the European Central Bank (ECB). These mark-ups will have to be communicated to the payer before the initiation of the payment transaction.

## ***Measures to facilitate the automation of payments***

In order to facilitate the automation of payments, banks should, where appropriate: (i) provide the user with the user's International Bank Account Number (IBAN) and the bank's Business Identifier Code (BIC); (ii) indicate the user's IBAN and the bank's BIC on the account statements, or in an annex to the statements.

The payment service provider may charge the payment service user additional fees if the payment service user requests the payment service provider to execute a cross-border payment without providing the IBAN and, where applicable, the BIC of the payment account in the other Member State. Such charges shall be appropriate and proportionate to the costs.

## ***Complaint procedures***

The Regulation obliges Member States to provide for complaints procedures in the event of infringements of the Regulation, as well as effective out-of-court redress procedures for the settlement of disputes. Penalties may be imposed for infringements.

# Cross-border payments in the Union. Codification

2020/0145(COD) - 17/07/2020 - Legislative proposal

**PURPOSE:** to establish rules on cross-border payments and the transparency of currency conversion charges within the Union (codification of Regulation (EC) No 924/2009 of the European Parliament and of the Council).

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

**ROLE OF THE EUROPEAN PARLIAMENT:** the European Parliament decides in accordance with the ordinary legislative procedure and on an equal footing with the Council.

**BACKGROUND:** in the interests of clarity and transparency of the law, the purpose of this proposal is to undertake a codification of Regulation (EC) No 924/2009 of the European Parliament and of the Council on cross-border payments in the Community, which has been amended several times and quite substantially. The new Regulation shall supersede the various acts incorporated in it; it fully preserves the content of the acts being codified and hence does no more than bringing them together with only such formal amendments as are required by the codification exercise itself.

CONTENT: the proposal provides for the following:

### ***Charges for cross-border payments in euro***

According to the proposal, charges levied by a payment service provider on a payment service user in respect of cross-border payments in euro shall be the same as the charges levied by that payment service provider for corresponding national payments of the same value in the national currency of the Member State in which the payment service provider of the payment service user is located.

In order to facilitate the functioning of the Internal Market, the proposal lays down the principle that payment service providers shall align the charges they levy for cross-border payments in euro with the charges they levy for comparable national payments made in the national currency of the Member State in which they are established, including where the euro is not the national currency of that Member State.

### ***Transparency obligations***

The proposal sets out transparency requirements relating to currency conversion practices. It therefore provides that consumers shall be fully informed of the amount of exchange charges before making a cross-border payment (for example, when using their card abroad, be it a cash withdrawal from an ATM or to pay by card at the point of sale).

To allow comparability, currency conversion charges for all card payments shall be expressed in the same way, namely as percentage mark-ups over the latest available euro foreign exchange reference rates issued by the European Central Bank (ECB). These mark-ups shall be communicated to the payer prior to the initiation of the payment transaction.

In order to facilitate the automation of payments, banks shall, where appropriate: (i) communicate to the user the user's International Payment Account Number Identifier (IBAN) and the bank's Business Identifier Code (BIC); (ii) indicate on the statement of accounts or in an annex to the statements, the user's IBAN and the bank's BIC.

### ***Compliance with obligations***

The proposal obliges Member States to provide for complaint procedures for alleged infringements of this Regulation, as well as effective out-of-court redress procedures for the settlement of disputes. Penalties may be imposed for infringements.