

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

Key players				
European Parliament	Committee responsible	Rapporteur	Appointed	
	JURI 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	COM(2020)0323 	Summary	
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	A9-0202/2021		
23/06/2021	Decision by Parliament, 1st reading	T9-0302/2021	Summary	
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 2008/0194(COD) Amended by 2022/0341(COD)
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		PE693.563	26/05/2021	
Committee report tabled for plenary, 1st reading/single reading		A9-0202/2021	16/06/2021	
Text adopted by Parliament, 1st reading/single reading		T9-0302/2021	23/06/2021	Summary
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	COM(2020)0323 	17/07/2020		Summary
Other institutions and bodies				
Institution/body	Document type	Reference	Date	Summary
EESC	Economic and Social Committee: opinion, report	CES4216/2020	02/12/2020	
ECB	European Central Bank: opinion, guideline, report	CON/2021/0003 OJ C 065 25.02.2021, p. 0004	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.