

Visa concessions on card fees: a step in the right direction

The commerce sector welcomes the commitments offered today by Visa Europe on its interchange fees and associated rules. The card scheme has offered to cut its interchange fees on credit cards to 0.3%. It will also remove restrictions on cross-border acquiring.

"We welcome this news as a further step in the right direction: it shows that the wind is finally changing on interchange fees. But, we need even stronger measures in the upcoming regulation," said Christian Verschueren, Director-General of EuroCommerce. *"More remains to be done: we need the Commission to go further and to tackle all excessive fees on national payment card transactions."*

If these commitments are accepted, both Visa and MasterCard's cross-border interchange fees will stand at 0.2% for debit and 0.3% for credit. The Visa commitments would also apply to domestic fees in 10 Member States. This is an improvement, but it is only a start. Interchange fee rates, in general, remain disproportionately high in many Member States and this is where the real economic damage is being done. A similar case is on-going in France with preliminary commitments from both Visa and MasterCard to reduce their fees. However, these proposals do not go far enough. The commerce sector looks to the Commission's forthcoming regulation on interchange fees to take an even stronger line to fully resolve the issues at domestic level in all Member States.

On cross-border acquiring, Mr Verschueren commented, *"We very much welcome this long-awaited reform. We have long argued that the card schemes' rules on cross-border acquiring were wholly contrary to single market principles. Merchants should be able to fully benefit from centralising their acquiring in one place, which will bring economies of scale to the European economy as a whole. We look forward to similar rule changes from MasterCard."*

The commerce sector calls on the Commission to come up with even more robust rules in the payments legislation expected before the summer. EuroCommerce will continue to campaign for a regulation which removes excessive interchange fees, not only cross-border but also on all domestic markets. It is also crucial that the revision of the Payment Service Directive is robust in allowing new payment providers and innovative business models to enter the market.

For further information see [EuroCommerce position paper](#)

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EuroCommerce and the commerce sector

EuroCommerce represents the retail, wholesale and international trade sectors in Europe. Its membership includes commerce federations and companies in 31 European countries.

Commerce plays a unique role in the European economy, acting as the link between manufacturers and the nearly 500 million consumers across Europe over a billion times a day. It is a dynamic and labour-intensive sector, generating 11% of the EU's GDP. One company out of three in Europe is active in the commerce sector. Over 99% of the 6 million companies in commerce are small and medium-sized enterprises. It also includes some of Europe's most successful companies. The sector is a major source of employment creation: 33 million Europeans work in commerce, which is one of the few remaining job-creating activities in Europe. It also supports millions of dependent jobs throughout the supply chain from small local suppliers to international businesses.