

Press release

Europe's banks show serious concern over proposal for EU bank account Directive

The European Banking Federation (EBF) expresses serious concerns over European Commission proposal to introduce new rules relating to access to basic payment accounts, transparency and comparability of bank account fees and bank account switching.

The EBF believes that the evidence and added value - to justify the proposed package is questionable. Moreover, it appears that some proposals are totally disproportionate to the actual needs.

“On access to basic payment account, the EBF is broadly supportive of granting, at a domestic level, financially excluded citizens access to a basic bank account at a reasonable cost but not free of charge as costs should be borne by someone. It is, however, unclear to us why customers who are not to be considered as financially excluded should be given the right to hold such an account when they could access a regular payment account or rely on the Single Euro Payments Area (SEPA)”, declared Guido Ravoet, EBF Chief Executive.

Another aim of the Directive would be to ensure that customers are able to switch bank account from one country to another. The Banking Industry has already put in place a code that allows bank account switching at domestic level but questions any compelling evidence which shows that there is a need for cross-border account switching mechanisms. Such a costly imposition would, therefore, be totally unjustified.

With regard to transparency and comparability of bank account fees, the EBF believes that existing EU legislation such as the Payment Services Directive, coupled with national and self-regulatory measures, already provides solid grounds for these requirements.

Internal Market and Services, Commissioner, Michel Barnier, was among a handful of Commissioners to whom EBF Chief Executive, Guido Ravoet wrote a letter, urging them to first “determine the effectiveness of the instruments already in place before considering any further legislative interventions and in any case to remain within the boundaries of a what is actually needed by customers.”