

Retail looks forward to basic electronic payments for all EU citizens

The commerce sector is greatly encouraged by the proposal for a directive on citizens' payment accounts which was published by the Commission today. We strongly support the political principle of access to a basic electronic payment method for all citizens free of charge or at a reasonable price, contained in the proposal.

"We see this as the first step towards the universal provision of a low-cost electronic payment system available to all EU citizens," said EuroCommerce Director-General, Christian Verschueren. *"Expensive credit card payment methods still dominate in the online payments sector. We need to open up the payments market to provide all payment users with choice and transparent fee models in their payment services."*

Commerce urges the Commission to take the same political line in its upcoming proposals on the revision of the Payment Services Directive (PSD) and on a regulation on interchange fees. Strong legislative measures are needed to allow market participants to create competitive and innovative payment models.

Europe needs to establish a strong e-commerce and e-payments market, both domestic and cross-border, which is easily accessible by Europe's consumers and businesses, especially SMEs. One of the pre-requisites for this is the availability of secure, simple and low-cost electronic payment methods, using harmonised standards under the framework of SEPA. To achieve this, the forthcoming legislation must tackle two issues:

- The PSD must be revised to allow new providers to enter the market and offer payment services. The competition thus created would open up the market to innovative payment models and result in price reductions. The retail sector also believes that a switch from card-based electronic payments to those which use simple credit transfer models would be more secure and would, therefore, go a long way to tackling the problems of fraud associated with card payments over the internet.
- The interchange fee: the single greatest barrier to new payment models and to the growth of retail and e-commerce is the current interchange fee system. We call on the Commission to issue a strong regulation to remedy this problem. Removing the interchange barrier is a fundamental step towards establishing a modern Europe-wide electronic payments market, which provides real financial inclusion and makes full use of the new technologies and payment options.

[Read our full position on basic electronic payment.](#)

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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.