



Payment Accounts Directive 2014/92/EU

These slides accompany the explanation of the acquis to Albania and North Macedonia and can only be used for that purpose. Their content is subject to further development of the acquis and interpretation by the Court of Justice of the European Union

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Payment Accounts Directive

It aims to

- gives consumers legally resident in the EU the right to a basic payment account for a reasonable fee and regardless of a person's place of residence.*
- improve the transparency of payment account fees and makes it easier to compare and switch payment accounts.*

Overview

The Directive tackles 3 main areas:

- **Transparency and comparability of fees**
- **Payment account switching**
- **Access to payment accounts**

Scope of the Directive

- Payment accounts which allow at least:
 - placing funds
 - withdrawing cash
 - payment transactions to and from a third party, including credit transfers
- Minimum harmonisation (flexibility for MS)

Transparency and comparability (Articles 3 to 8)

PAD aims to improve the information on fees that is given to consumers, by different means:

- **Union standardised terminology**
- **Targeted fee information for consumers presented in common formats**
- **Comparison website(s) in each MS meeting quality criteria in PAD**

➔ Easier comparison and informed decisions for consumers

Fee information for consumers (Articles 4 – 5)

- New information requirements (before opening an account and after)
 - **Fee Information Document (FID):** gives an overview of applicable fees for most representative services linked to a given bank account
 - **Statement of Fees (SOF):** gives overview of all fees incurred and, where applicable, of interest
 - **Glossary:** at least for the standardised terms
- Common title, format and symbol

Comparison websites (Article 7)

- Obligation for MS to ensure that consumers have access to at least one comparison website in each Member State
 - **Operated by a public authority or**
 - **Privately operated**
- Websites must meet quality criteria



Payment account switching (Articles 9 to 14)

- PAD defines the procedure for national switching service (same currency)
 - **PSPs transfer recurring payments (payment orders, direct debits) directly:**
 - Consumer contacts receiving PSP to initiate the procedure
 - Transferring PSPs communicate, transfer documents necessary for switching, receiving PSP establishes payments on new account
 - Optional: closing the old account, transfer of balance
 - **Deadlines specified for each task with a 14 business days maximum overall duration**
 - **MS flexibility → but same overall timeframe**

Access

(Articles 15 to 20)

- *Non-discrimination clause (Article 15)*
 - **No discrimination on grounds of residency/citizenship**
- *Right of access to a basic payment account (Article 16)*
 - **Offered by all or a sufficient number of banks in each MS (to be defined at national level)**
 - **Available to all EU legally resident consumers provided they comply with AML requirements**
 - **Can be refused only in limited circumstances (to be defined at national level)**

Payment accounts with basic features - key elements

- Offered by all or a sufficient number of banks in each MS
- Available to all EU legally resident consumers
- Can be refused only in limited circumstances
- Allow a set of basic services at a reasonable price

Services offered and fees

A. Essential services:

1. Opening, closing account
 2. Placing, withdrawing funds
 3. Transfers and payment orders to and from third parties
 4. Debit card
 5. Online payment facilities
- Unlimited number of operations at reasonable fee for 1,2,3 / Limited number of operations at reasonable fee for 4 and 5

B. Additional services (optional at national level):

Services essential at national level

Overdraft facility

- Consumer must be allowed to refuse it

Credit card

- Limited number of operations at reasonable fee



Thank You!