

# EUROPEAN ECONOMIC AREA

## STANDING COMMITTEE OF THE EFTA STATES

Ref. 1126198

11 October 2013

### EFTA WORKING GROUP ON CONSUMER AFFAIRS

#### EEA EFTA Comment

**on the proposal for a Directive of the European Parliament and of the Council**

**On the comparability of fees related to payment accounts,  
payment account switching  
and access to payment accounts with basic features  
COM(2013)266**

*Note by the Secretariat*

#### 1. INTRODUCTION

The EEA EFTA States have studied with interest the Commission's proposal for a Directive on the comparability of fees related to payment accounts, payment account switching and access to payment accounts with basic feature. The EEA EFTA States welcome the initiative taken by the Commission and would like to take this opportunity to provide their comments on the proposal.

#### 2. COMMENTS

1. The EEA EFTA States believe that the measures set out in the proposal could bring much needed benefits for consumers and businesses, increase national and cross-border competition in the banking and payment industries, and thus strengthen the potential for economic growth in the European Economic Area, especially within e-commerce.
2. The EEA EFTA States note that the Commission's proposal seems to be based on a minimum harmonisation approach. The EEA EFTA States support this approach but recommend that it be expressed in a more explicit manner. In that regard, they point out that a future EU framework in this area should not weaken the existing access consumers have to payment accounts in the EEA States.

3. Article 3 of the proposal requires Member States to ensure that competent authorities determine a provisional list of at least 20 payment services subject to EU standardised terminology. The EEA EFTA States believe that standardised terminology may help in providing consumers with more transparent and comparable information on fees. However, the financial industries are concerned that this approach may lead to the creation of standardised financial products and thus hamper product development and competition in the market. The EEA EFTA States invite the EU legislator to examine further this potential impact of Article 3.
4. The EEA EFTA States believe that comparison websites, as proposed in Article 7, can be helpful for the purpose of comparing fees on financial products. In this regard, the Commission's attention is drawn to a website for financial services opened in Norway in 2008, called "the financial portal" ([www.finansportalen.no](http://www.finansportalen.no)). The website is managed by the Norwegian Consumer Council, and gives consumers the opportunity to compare bank account fees, interest rates, insurance products and other financial products.
5. In general, the EEA EFTA States support the aim of Chapter 3 of the proposal. However, they note that facilitating cross-border mobility of bank accounts can in some cases be more costly than facilitating mobility within a country. In order to strengthen the potential for economic growth in the European Economic Area, costs and benefits should be carefully examined.
6. The EEA EFTA States note that the procedure laid down in Article 10 of the proposal may cause practical challenges. Firstly, experience shows that it is difficult to identify a suitable point of intersection for transferring all or part of the recurring payments, as well as the remaining balance, between the transferring and receiving payment service providers. Secondly, return of payment instruments such as payment cards and electronic identification equipment to the transferring payment service provider seems difficult when dialogue with the customer goes through the receiving payment service provider. It would appear that this issue is not addressed in the Commission's proposal.
7. The EEA EFTA States urge the Commission to consider the possibility of consumers being able to keep their payment account numbers when switching payment service providers. This would reduce administrative burdens and facilitate switching in the same manner as number portability in the telecom sector has enhanced competition in that sector.
8. Under Article 10 paragraph 3 of the proposal, the transferring payment service provider is required to carry out certain tasks with regard to the transfer of information to the receiving payment service provider. The EEA EFTA States point out that payment service providers have different business models regarding the scope of the customer assistance they offer. While some payment service providers offer extensive information to their customers, other payment service providers base their business model on self-service. The EEA EFTA States are concerned that a standardised, mandatory procedure as set out in Article 10 paragraph 3 could have a negative impact on product development and competition in the financial market. The EEA EFTA

States therefore encourage the EU legislator to take into consideration the diversity of services offered by payment service providers.

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