

Payment services in the internal market

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The Council agreed on a general approach on a draft directive establishing a legal framework for payment services, aimed at facilitating and reducing the cost of payments throughout the European Union.

The Council's agreement is based on a proposal by the presidency involving a compromise on the following main issues.

- capital requirements for payment institutions;
- activities that payment institutions may undertake, in particular the granting of credit;
- the possibility of waiving application of certain provisions for smaller payment institutions;
- the possibility of waiving application of certain provisions for certain instruments used primarily for the payment of small amounts (low-value payments).

The Council's general approach will be used as the basis for adopting the directive in first reading, under the Parliament-Council codecision procedure. The Parliament's committee on economic and monetary affairs adopted its report on the proposal on 12 September 2006 and has indicated its wish for the Parliament to vote during its plenary session from 23 to 26 April.