


Procedure file

Basic information	
COS - Procedure on a strategy paper (historic) 2000/2018(COS)	Procedure completed
Internal market: small value or retail cross-border payments	
Subject 2.50.04.02 Electronic money and payments, cross-border credit transfers 5.20.02 Single currency, euro, euro area	

Key players			
European Parliament	Committee responsible	Rapporteur	Appointed
	ECON Economic and Monetary Affairs		13/12/1999
		PPE-DE PEIJS Karla M.H.	
	Committee for opinion	Rapporteur for opinion	Appointed
	JURI Legal Affairs and Internal Market		01/02/2000
		PPE-DE WIELAND Rainer	
Council of the European Union			

Key events			
31/01/2000	Non-legislative basic document published	COM(2000)0036	Summary
02/02/2000	Committee referral announced in Parliament		
11/10/2000	Vote in committee		Summary
11/10/2000	Committee report tabled for plenary	A5-0283/2000	
26/10/2000	Debate in Parliament		
26/10/2000	Decision by Parliament	T5-0488/2000	Summary
26/10/2000	End of procedure in Parliament		
12/07/2001	Final act published in Official Journal		

Technical information	
Procedure reference	2000/2018(COS)
Procedure type	COS - Procedure on a strategy paper (historic)
Procedure subtype	Commission strategy paper
Legal basis	Rules of Procedure EP 142

Stage reached in procedure	Procedure completed
Committee dossier	ECON/5/12482

Documentation gateway					
Non-legislative basic document		COM(2000)0036	31/01/2000	EC	Summary
Committee report tabled for plenary, single reading		A5-0283/2000 OJ C 197 12.07.2001, p. 0007	11/10/2000	EP	
Text adopted by Parliament, single reading		T5-0488/2000 OJ C 197 12.07.2001, p. 0227-0424	26/10/2000	EP	Summary

Internal market: small value or retail cross-border payments

PURPOSE : to urge the need for efficient, secure and inexpensive retail payment services in the internal market accompanied by the introduction of the Euro. **CONTENT** : this Communication urges the need for efficient, secure and inexpensive retail payment services in the internal market accompanied by the introduction of the Euro. The Commission acknowledges that retail payment services and the conditions governing them are important in assuring consumer confidence in e-commerce. Some issues addressed in this Communication are relevant in that context. However, the role of payment services for the development of e-commerce is not yet covered by this Communication but will be dealt with separately. The main focus needs to be on small value credit transfers. The implementation of the Cross-Border Credit Transfers Directive is a major step. Common technical standards will also help and banks should commit themselves fully to implement the existing standards on international account numbering and payment instructions by 01/01/2002. The Commission will also propose the introduction of a common minimum exemption threshold for balance of payment statistics, below which cross-border payments need not be reported, to take effect no later than 01/01/2002. However, an improvement in the efficiency of cross-border retail credit transfers ultimately depends on establishing efficient cross-border transfer linkages. Banks or groups of banks are invited to put forward proposals by the end of September 2000. The Commission will examine them, in cooperation with the ESCB, and will hold an annual Round Table in the autumn of 2000 to consider the various options. The Commission may also reconsider further reducing the maximum execution time for cross-border transfers to bring them more into line with domestic transfers. The difference between the charges for the cross-border and domestic use of payments cards is much less marked than for credit transfers. Nevertheless, banks are strongly encouraged to phase out the differences that remain. Banks also need to improve the information that they give out to customers on general conditions, fees, charges and (non euro) exchange rates. The Commission intends to issue a competition notice outlining the scope for, and limits to, cooperation among banks on payment cards. Banks are also strongly encouraged to ensure interoperability for electronic means of payment, and in particular that electronic purses can be used across borders by 01/01/2002. The difference between the charges for the cross-border use of cheques as opposed to domestic transactions is more marked than those for any other payment instrument. Banks are urged to consider how to meet the needs of the public for the type of cross-border distance payment facility currently met by the eurocheque system. The Commission continues to be concerned about the level of charges levied on the exchange of the euro area national banknotes across borders, and has asked banks and bureaux de change to publicly display information about the level of their charges. The Commission repeats its call to banks to re-examine their charges, particularly for small value transactions. In addition, a new Communication on fraud prevention is under preparation. The Commission will monitor the payment of industry's effort to achieve a secure environment, and the Communication will also focus on other preventative actions, notably the exchange of information, training programmes and educational material.?

Internal market: small value or retail cross-border payments

The committee adopted the report by Karla PEIJS (EPP-ED, NL) on the Commission communication on retail payments in the single market. The committee considered it unacceptable that transfers between Member States should take far longer than national transactions and accordingly called on the Commission to amend the cross-border credit transfer directive so that the maximum period for retail transfers among Member States would become three working days and the money-back guarantee would be increased to EUR 50 000. The report also said that for eurozone transfers or credit card payments, the commissions charged should not be calculated as a percentage of the sum transferred, given that there was no exchange risk involved. The committee believed that the high level of charges for cross-border credit transfers was damaging the confidence of consumers in the euro and therefore stressed the need to investigate any price fixing in relation to bank charges.?

Internal market: small value or retail cross-border payments

The European Parliament has adopted, 177 for, 1 against and 15 abstentions, the resolution by Mrs Karla M.H. PEIJS (EPP/ED, NI) which calls on the Commission to amend the cross-border credit transfer directive so that a maximum period for retail transfers among Member States becomes three day working days and the money back guarantee is increased to EUR 50 000. (Refer to the decisions of the Committee responsible).?