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EU electronic payments law reviewed

On Friday 5 December, Member State governments agreed on new EU-wide rules to beef up the security and convenience of electronic payments.

The new rules will enter into force after Member States and the European Parliament will settle on a compromise updating what is called the Payment Services Directive.

Monique Goyens, Director General of The European Consumer Organisation commented:

"Surcharges when paying for a flight or concert ticket have annoyed consumers for years. This practice will now be banned for card payments, credit transfers and direct debits.

"Considering fraudsters' creativity, it is good news that consumers should profit from the reduced 'own liability' of €50 instead of today's €150 if their money is lost due to an unauthorised transaction. Member States can even eliminate it altogether. On the flipside, consumers will still be liable for loss of monies in cases of 'gross negligence', a legal catch-all term which demands clarification.

"The payment market is still dominated by high street banks so more competition is needed there. Because competition should not be at the expense of security of deposits a level-playing field has been established. These new rules guarantee that new market entrants such as companies using your banking interface when buying online make sure the money on our account is safe."

ENDS

¹ 3-party cards like American Express and Diners Club have been excluded from the surcharge ban.