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EU paves way for the bank accounts consumers actually need

Today's European Parliament vote will enable all European consumers to open a bank account, make account fees more transparent and comparable and help those who want to switch to another bank.

Measures include a basic bank account consisting of the most necessary functions such as depositing and withdrawing money, transferring funds online or making card payments. Also new will be a glossary to decode the jargon banks use and a mandatory switching procedure. A useful system to redirect payments from a former to a new account has been put on hold.

Monique Goyens, Director General of BEUC, commented:

"Housing, working and other essential areas of life depend on people being able to open an account. This right is finally a reality for 500 million consumers. 58 million Europeans not having an account¹ is an unconscionable situation and will finally be corrected.

"These are very concrete measures to better protect bank customers. When it is easier to switch, consumers can reward those banks who offer better service and price. An independent price comparison tool in each EU Member State is the proper tool to offer and switch to a better deal.

"It is a disappointment that in each Member State the terminology of only 10 bank account services² has to be standardised. Opaque wording hampers comparison and leaves consumers in the dark as to what they are paying for. The smallest shop keeper has to display product information and prices for their entire offer. It is unjustifiable the same rules do not apply to banks.

"EU consumers should be able to open basic bank accounts everywhere in the EU. It is inexplicably against the spirit of a Single Market that MEPs want to erect new borders where there are none.

"Five months before the European Parliament elections EU governments should follow suit so that consumers quickly feel the impact in their daily lives."

ENDS

¹ World Bank Report/European Commission, COM(2013) 266 final.

² Such services include withdrawing money from a cash machine, making a funds transfer at the counter or an account overdraft facility.