

Contact: Andrew Canning: press@beuc.eu | Tel: +32 (0)2 743 15 90
Date: 14/02/2024
Reference: BEUC-PR-2024-004

Consumers could be fully reimbursed for payment fraud according to European Parliament vote

Consumers could be fully reimbursed if they become a victim of an impersonation scam according to a [vote](#) in the European Parliament's ECON Committee today.

According to the Parliament committee, consumers could be reimbursed directly by their payment service provider ('PSP' i.e. their bank) for all types of payment fraud. The PSP would then be able to claim this money back from 'electronic communication providers' (e.g., social media platforms, search engines or telecoms companies) if they fail to remove fraudulent websites or prevent spoofing of telephone numbers.

Fraud is an enormous issue for consumers. While it has become more difficult to use stolen cards, [payment fraud](#) is rapidly increasing. Some of the main methods include impersonating a bank employee (e.g., on the phone) or an institution itself (e.g., a tax office, police or streaming services provider) to trick consumers into transferring money. The impact is huge: consumers lose €4,191 on average for this type of fraud.

Fair treatment of consumers in case of payment fraud would increase trust in digital payments and provide clear incentives for banks to invest in fraud prevention.

BEUC Director General Monique Goyens said: "How many times have you received an email or SMS supposedly from your bank, tax office or favorite streaming service provider asking you to update your payment data? Fraud has become so sophisticated that for consumers it is almost impossible to distinguish what is legitimate and what is not.

"Consumers are losing too much money to fraudsters, and this is unacceptable. We applaud the European Parliament for doing the right thing: potentially enabling consumers to get their money back as soon as possible from banks. This sends a strong signal in favour of consumer protection that national governments in the Council should heed."

Next steps

The European Parliament will now need to vote on this in Plenary in April and then reach an agreement on it with national governments in the Council.

Factsheet: [A payment fraud epidemic: what's the remedy for consumers?](#)