

**ABI response to EBA
consultation paper on "*Draft
Guidelines on national
provisional lists of the most
representative services linked
to a payment account and
subject to a fee*"**

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Associazione Bancaria Italiana (ABI) welcomes the public consultation launched by the EBA on 5th November 2014 on the "*Draft Guidelines on national provisional lists of the most representative services linked to a payment account and subject to a fee*" (hereafter simply Guidelines) and wishes to provide the views of its member banks on the proposed Guidelines and the answers to the consultation questions.

Question 1: Do you agree with the proposed guidelines?

ABI considers that the document is in line with the mandate - foreseen in Article 3(2) of the Payment Accounts Directive (hereafter "PAD") - for the EBA to issue Guidelines to ensure the sound application of the criteria for National Competent Authorities to establish the list (of at least 10 and no more than 20) of the most representative services which are common to a majority of Member States.

ABI believes the draft Guidelines developed by EBA respond to the needs of setting down clearly and in a simple way:

- how competent authorities should apply the criteria set out in Article 3(2) of the PAD;
- what factors they should take into consideration;
- how they should report their list of the most representative services to the EBA and to the Commission;
- what supportive data should be obtained.

In particular, ABI agrees on the contents of *Title II – Guidelines for the application of the criteria*. These contents appear to be consistent with the requirements of Article 3(2) of the PAD, according to which Member States, while providing the provisional list of most representative services, shall have regard to the services that a) are most commonly used by consumers in relation to their payment account and b) generate the highest cost for consumers, both overall as well as per unit.

Specifically, ABI welcomes the idea expressed in points 7 and 8 of paragraph "*Exercising judgment when establishing the provisional list*", about the priority that competent authorities should give to those services that satisfy both the above mentioned criteria, considering only in a second step – since the criteria are not strictly cumulative – those services that only satisfy one of the criteria.

Moreover, consistently with the PAD provisions, the proposed Guidelines seem to present a certain degree of flexibility, in order to allow Member States to compile a provisional list that reflects their national markets. ABI believes that, given the differences in services and related pricing structures

that exist between payment services providers (PSPs) and between Member States, it is appropriate that competent authorities apply the criteria in a way that is relevant to the "specificities of local markets".

Question 2: Are there any additional requirements that you would suggest adding?

ABI believes the draft Guidelines developed by EBA respond to the needs of enabling competent authorities to provide the provisional list of the most representative services linked to a payment account and subject to a fee at national level.

As mentioned in the answer to question no. 1, the proposed Guidelines appear to leave a certain degree of flexibility, in order to allow Member States to compile a provisional list that reflects their national market.

However, ABI believes that some clarifications should be made with regard to the following points:

- Difficulty of defining the services "linked to a payment account": ABI believes that clarity is needed on how EBA will be able to define a service "linked to a payment account" or not "linked to payment account".
- Differentiation of costs by channel of usage is unclear: At point 10 it is mentioned that "*The service should be considered as a single service, irrespective of the potential for providers to differentiate costs by channels of usage (...)*". According to ABI it is unclear how price differentiation due to different channels would be duly considered and represented in the Fee Information Document (FID) and the Statement of Fees. ABI believes that differences in pricing according to the different channels should be taken into account.
- The templates/table to be filled in by the competent authorities might be difficult to use. Each national or European PSP have a different service model with a different fee differentiation policy for each channel. And this heterogeneous behavior is more and more evident as the innovation process in PSPs multichannel distribution is growing faster. ABI suggests that EBA presents, as an example, some filled in templates for some popular EU wide services. These examples would make it easier to understand what information should be provided in each column.

Question 3: Do you agree with the analysis of the cost and benefit impact of the guidelines?

ABI agrees with the result of the lite cost benefit analysis included in the Guidelines concerning three steps to reach a sound definition of the provisional list of the most representative services linked to a payment account and subject to a fee.

ABI also agrees with the conclusion of the analysis and the selected options:

- 1) (Option A1) Dealing primarily with the application of the criteria by competent authorities in order to derive the services that are most commonly used by consumers and/or generate the highest cost for consumers, and only exceptionally considering other criteria when market specificities justify it, in order to maximize the comparability among fees information in different countries.
- 2) (Option B2) Using available evidences and data from existing credible sources, avoiding collecting new data from firms.
- 3) (Option C2) Relying on the standardised template proposed in Annex 6.2, in order to achieve homogeneity of the kind of collected features and information in different countries.

Question 4: Please provide any evidence or data that would further inform the analysis of the likely cost and benefit impacts of the proposals.

No further information is available.