

# IBAN Discrimination

EFIP Secretariat



Directorate-General for  
Financial Stability,  
Financial Services and  
Capital Markets Union



**EUROPEAN CENTRAL BANK**

EUROSYSTEM

EFIP 9/02/2022

# Introduction

- Article 9 of SEPA Regulation (EU) No 260/2012 states that a payer or payee cannot specify the Member State in which the account to be debited or credited is located
- In spite of this directly applicable rule, some companies and even public administrations still refuse to make or receive payments (direct debits or credit transfers) to/from non-domestic accounts. This practice of “IBAN discrimination” is a clear breach of the SEPA Regulation
- It is not only a problem for the individuals affected, who may not be able to receive their salary or pay a utility bill, but also for many companies, including FinTechs

# Extent of the problem

- The Commission services are still receiving a large number of citizens' complaints either directly or through our recently launched reporting tool
- The Commission has been informed by a group of payment service providers that between March and mid-November 2021 they received ~1.365 complaints about IBAN discrimination via the Accept My IBAN internet platform from their users across the EU
- IBAN discrimination does not exist in all Member States to the same extent

# Recent measures taken

- The issue of IBAN discrimination was discussed on 1 July 2021 in the EU Forum of National Payment Committees. Representatives confirmed their willingness to address barriers to the acceptance of non-domestic IBANs
- DG FISMA sent follow-up letters to five Member States. Two MS subsequently announced, inter alia, changes to their respective national laws
- The Commission is firmly committed to ending this illegal practice of IBAN discrimination and will continue to take robust enforcement action such as infringement procedures, EU pilots and complaint handling, while engaging in constructive dialogue with relevant national authorities
- The Commission has taken action to raise awareness and ensure citizens are directed to the right authorities

# National enforcement measures

*Members are invited to share information on recent measures taken at national level to combat IBAN discrimination, such as reinforcing sanctions regimes, increasing the capacity of competent authorities, strengthening supervision, or revising communication strategies*

Thank you