



Brussels, 22 December 2016

THE EACB ANSWER TO THE EBA CONSULTATION PAPER

EBA Draft Regulatory Technical Standards
setting out the Union standardised terminology for the most
common services linked to a payment account, under Article 3(4)
of Directive 2014/92/EU [Payment Accounts Directive]

and

EBA Draft Implementing Technical Standards
on the standardised presentation format of the fee information
document and its common symbol, under Article 4(6) of Directive
2014/92/EU [Payment Accounts Directive]

and

EBA Draft Implementing Technical Standards
on the standardised presentation format of the statement of fees
and its common symbol, under Article 5(4) of Directive 2014/92/EU
[Payment Accounts Directive]



Question 1: Do you agree with the EBA's decision to take a broad approach to defining 'service'? Please explain your reasoning.

Co-operative banks acknowledge the difficulties/challenges encountered by the EBA in assessing and identifying the most common services among 28 national lists, which differ significantly in both the number and type of services. This is compounded by the fact that the Payment Account Directive (PAD) does not clarify which activities specifically constitute a 'service' in the context of the Directive. We believe that the chosen option A ('the broad approach') by the EBA serves the aim of the PAD to allow consumers to better understand and compare payment account fees and offers provided at EU level.

We welcome the recognition by the EBA that the integration phase is an essential part of the process to standardise the terminology for commonly used services and that the approach followed to select the services of which terminology has to be standardised has a direct impact on the way in which Member States will subsequently integrate these terms into their national lists. Even if the way in which national authorities choose to integrate the Union standardised terminology into their provisional lists is not part of the EBA mandate, it is particularly appreciated that the EBA has set out the different approaches and their respective pros and cons with the aim to ensure that all Member States understand the difficulties and benefits of various approaches.

Question 2: Do you consider the services that the EBA has selected for standardised terms and definitions to be suitable to achieve the aims of the Directive? Please explain your reasoning.

The EACB agrees with the approach taken by the EBA to identify the eight standardised terms and definitions based on the frequency of services included by national authorities.

As mentioned under question 1, the selection of the services of which the terminology should be standardised is only a first step and the subsequent integration of these terms in national practices is also an essential part of the standardisation process. The EBA recognises that the approach followed to select the services of which terminology should be standardised has a direct impact on the way in which Member States will subsequently integrate these terms into their national lists. It also recognises that the option to take a broad approach might pose a challenge when transposed into national practices.

This being the case it seems too early to say if the proposed selection of services will achieve the Directive's objectives of enhancing transparency and comparability as it highly depends on the approach that Member States will choose for the integration in the national lists.

Having said this and turning to the list of proposed services in detail, EACB members have reported a number of concerns on some of the terms and definitions proposed. Some of them are closely linked to the specificities of the markets in different countries. The EACB will not comment on these as they are better addressed by our individual members in those countries. There was however also one concern that have received broader support across our membership which we would like to list below.

It concerns the term and definition of 'providing a credit card', which corresponds to a service and practice available in certain Member States but not in all 28 Member States. In many countries, the provision of a credit card is formalised through a contractual agreement separate to that for the payment account with different rules and usually with different parties (e.g. issuer and acquirer). Including the provision of a credit card in the list of services of which terminology should be standardised is, from the perspective of the EACB, problematic for the following reasons:



Firstly, it should be noted that credit cards are not subject to the PAD. Article 1 of the PAD provides only that '6. This Directive applies to payment accounts through which consumers are able at least to: (a) place funds in a payment account; (b) withdraw cash from a payment account; (c) execute and receive payment transactions, including credit transfers, to and from a third party.' In addition, it is worth noting that the reference to 'credit cards' in the wording of Article 17 of the PAD defining the 'characteristics of a payment account with Basic features' was purposely avoided.

Secondly, if the term and definition of 'providing a credit card' were to be included in the EBA's final list of terms and definitions, not only would it not meet the aim of the Directive of facilitating consumers' understanding and comparing of services, as this term and definition corresponds to a service and practice available only in certain Member States, but it would also imply the inclusion of the cost of the credit card in the FID, which will falsify the comprehensive cost indicator in the FID to the detriment of consumers' ability to compare the fees charged to them.

Question 3: Do you consider the drafting decisions taken by the EBA for the standardised terms and definitions, and the resultant provisions in Recitals of the draft RTS, to be suitable for achieving the aims of the Directive of enhancing transparency and comparability? Please explain your reasoning.

Co-operative banks agree with the EBA's approach regarding the drafting decisions taken for the standardised terms and definitions, which should be accessible to consumers and, as far as possible, drafted in a clear and simple way so as to help them easily compare services at EU level. We believe that this approach is suitable to reach the aim of enhancing transparency and comparability as requested by the PAD. However, as pointed out in the EBA consultation, this approach should be understood as a guiding principle as there might be situations in which the Union standardised terminology will have to depart from this principle.

Moreover, as said in answer 2, EACB members have a number of concerns on some of the terms and definitions chosen as these do not reflect national approaches to using terms and definitions. We refer to the individual responses of our members or their respective national community for more information.

Question 4: Do you consider the terms and definitions proposed by the EBA in the Annexes to the draft RTS, and the resultant provisions in the Recitals of the draft RTS, to be adequate for achieving the aims of the Directive of enhancing transparency and comparability? If not, please provide alternative terms and definitions and their underlying rationale.

Co-operative banks support the EBA's proposal to work out a short list of terms and definitions as such list would make it easier for banks to use such terms in the FID and SoF as well as in general marketing information for the customer, e.g. in promotional flyers.

As already mentioned in our previous responses, EACB members however do have a number of concerns on some of the terms and definitions chosen as these do not reflect national approaches to using terms and definitions. We refer to the individual responses of our members or their respective national community for more information.

Question 5: Do you consider the FID template that is being proposed in the draft ITS and its Annex to be suitable to achieve the aims of the Directive? Please explain your reasoning.

The EACB would like to make the following comments with regard to the FID:



- EACB members would like to suggest the EBA to consider the possibility for the FID to be dated (date of issuance) like all the other pre-contractual, commercial and marketing documents issued by payment service providers, because fees are regularly modified and in order to avoid any problem on this issue.
- EACB members have concerns with the level of detail at which the provisions concerning the FID have been developed as follows:

Article 4 of the PAD asks the EBA to develop a format for the draft Implementing Technical Standards of the FID that should be short and presented in a clear and easy-to-read layout, using characters of a readable size. The EBA has considered that, in order to do this, it needs to set the type of portrait format (Article 1(a) of the draft ITS of the FID); the font type and font sizes for titles and subtitles (Article 1(c) of the draft ITS of the FID); the specific shade of grey for headings and sub-headings (Article 1(e) of the draft ITS of the FID); the location of the page number (Article 1 (f) of the draft ITS of the FID); and the line spacing for the text of the Introductory Statement in the FID (Article 6 of the draft ITS of the FID).

Co-operative banks believe that the EBA's proposals go too far and are interpreting the mandate given by the PAD too broadly. We are not at all convinced that this level of detail and prescription is needed to achieve the objective of the Directive to reach clarity/readability and comparability of fees charged to consumers on their payment accounts held within the Union, and find that the proposal loses sight of the principle of proportionality in this context.

Moreover, for the sake of clarity, transparency and comparability of fees charged to consumers on their payment accounts – as requested by PAD – one should keep in mind that the FID is not the only information document that customers have to be provided with under EU and national law. The search for clarity and comparability at the European level on these documents must not be at the expense of the clarity and comparability of all documents submitted to the client. EACB members believe that the more detailed and prescriptive the ITS is, the less the information provided under the PAD will be able to be fitted into other documentation to be provided.

In addition, this approach by the EBA seems not in line with Recital 20 of the PAD, which states that *'when developing those formats, EBA should also take into account the fact that Member States may choose to provide the fee information document and the statement of fees together with information required pursuant to other Union or national legislative acts on payment accounts and related services.'* And finally, it is worth noting that other pre-contractual documents, such as ESIS for mortgage credit (Directive 2014/17), SECCI for consumer credit (Directive 2008/48) or even the KID under PRIIPs, leave more freedom on the format without affecting comparability and readability.

EACB members would like to ask the EBA for more flexibility with regard to its approach to harmonise every detail/aspect. The ITS should provide a sufficiently flexible format, including in terms of font, column size, line spacing, etc., in order to remain readable vis-à-vis the richness of certain contents and whatever the medium, in particular digital. In this perspective, the provision of a document in an A4 format appears neither to be adapted to the diversity of the media nor necessary to guarantee full information on the part of the consumer. In this context, the EACB would like to suggest that the EBA adopts the flexible approach used by the ESAs for the pre-contractual document PRIIPs for the FID template. Indeed, the ESAs in the draft RTS provide a template to be used by the PRIIPs manufacturer and specifically mentions that the provisions of the template shall be completed in accordance with the



requirements set out in the PRIIPs regulation, giving a certain flexibility to the PRIIPs manufacturers. The template only imposes that *'the PRIIP manufacturers shall comply with the section order and titles set out in the template, which however does not fix parameters regarding the length of individual sections and the placing of page breaks, and is subject to an overall maximum of three sides of A4-sized paper when printed'*.

- EACB members are not comfortable with the approach taken for packaged products.

Article 7 covers cases where one or more services are offered as part of a package linked to a payment account.

While the PAD doesn't have any requirements on the presentation of several packages (Article 4(3)), the EBA in its draft ITS clearly establishes that *'the information shall be provided for each package in a separate table'* (Article 7(5)).

The information to be provided to a client (the fee for the entire package, the services included in the package and their quantity and the additional fee for any service that exceeds the quantity covered by the package fee) with the aim to increase the comparability and transparency of the fees and the services on offer, combined with the huge constraint on the format, will actually make the fee information document significantly heavier, except in cases where only one package is offered. This would be in contradiction with the mandate given in the PAD to have a short document. We consider that a document of more than 2 pages would not reach the two objectives of a brief and clear document.

The EBA should be aware that the organisation of the product offering to client is very different from bank to bank and country to country. In some countries PSPs do not provide packages, in other countries they only provide basic ones, while in other numerous packages – and often tailor-made ones – are provided to meet the needs of very different profiles. Co-operative banks do not propose a single package of services to their customers but many, adapted to each very different profile. The integration of all packages of services in the FID document would lead to a multiplication in the number of pages, which is in contradiction with the mandate given in the PAD to have a short document.

For example, the French packages market has been monitored since 2011, each year in a specific chapter of the annual report of the Observatory of Banking Fees published by the Advisory Committee of the Financial Sector (CCSF). The following points emerge: banks offer on average 5.5 packages (with a maximum of 14 for the same institution). In addition, 81% of banks offer one or more customisable package or semi-customisable package of services. The degree of personalisation varies greatly from one bank to another, with a package base containing an average of 7.5 services, on which it is possible to add up to 18 options.

We therefore believe that the instructions for the completion of the FID template contained in Article 7 of the draft ITS regarding package of services are not suitable to achieve the aims of the Directive. Instead, if we want to meet the goal to have a short document and to respect the Directive requirement of readability, we suggest that payment service providers provide information on a single example of the package *'most commonly used'* by their consumers. This will be both in line with the spirit of the Directive to give information on the *'most commonly used services'* (Art. 3(2)(a)) and in line with its goal to deliver a short document. Co-operative banks believe this will deliver more relevant information to consumers.



Given the number of different options, notably with tailor-made packages, it is difficult to imagine that the information to be delivered on packages could allow comparability between packages at national level and even less so at European level. It would be, therefore, more appropriate (as well as in the interest of keeping the relevant documentation short) to provide the consumer with a single example of the package that is the 'most commonly used'. In this way, the customer is given the opportunity to compare the global fee charged for a (typical) package with the sum of fees charged for the same services if performed separately and can decide based on this if packages would be interesting for her/him at first glance as requested by Recital 24 of the PAD: *'[...] information on whether it is possible to purchase the payment account separately and if so, provide separate information regarding the applicable costs and fees associated with each of the other products or services included in the package that can be purchased separately'*.

Moreover, requiring to provide the information for each package in a separate table would also likely prompt banks to abandon package customisation, which nevertheless corresponds to a real need expressed by our customers and responds to one of the concerns expressed in Recital 24 of the PAD on non-customisable packages: *'[...] payment service providers may offer payment accounts packaged with products not requested by consumers which are not essential for payment accounts [...]'*.

- Finally, it must be noted that some co-operative banks provide their customers with the ability to earn bonuses (value-for-money benefits) which can be used as a means of payment, for instance, for banking services. Bonuses are automatically used if they exist and commonly reach the amount of hundreds of euros per year. It can be argued that bonus information falls under Article 15 (Additional information) of the SoF. In contrast, no such provision exists in the FID. It is not clear where and how the PSPs can display information regarding (possible) monetary benefits linked to the payment account. Therefore, EACB members suggest not including them in the FID.

Another option for the PSPs who want to include monetary benefits in the FID could be to rename the section 'Other services' in the FID by 'Other services and monetary benefits' to include there monetary benefits that the account may provide to the customer. As a consequence, Recital 7 of the draft ITS for the FID should be amended and new Article 8(7) should be included, as follows:

New Recital 7: 'In many EU countries customers are offered payment accounts that include a number of monetary benefits payable depending on certain circumstances, for example: fee exemptions policies, interest bearing on the balance in the account and cashbacks. Payment Service Providers may provide information on monetary benefits under the section 'Other services and monetary benefits'.

*Recital 7 bis: 'The content of each fee information document provided to consumers will depend on the individual payment service provider's offer of services and on each Member State's final list of the most representative services linked to a payment account. Against this background and given the purpose of comparability of payment account offered in the single market, the template for the fee information document should provide certain headings under which the different services shall be grouped. Those headings should be "General Account Service", in relation to any service such as maintaining or operating of the account, "Payments (excluding cards)", "Cards and cash", "Overdrafts and related services" and "Other services and **monetary benefits**" at the discretion of the **Payment Services Provider**'.*

New Article 8(7): 'Where the payment account offers monetary benefits, payment services providers may provide monetary benefits under the section 'Other services and monetary benefits'.



The EACB urges the EBA to better clarify how information regarding bonuses can be displayed in the FID so as to provide customers with correct and consistent information about the fees payable.

Question 6: Do you consider the common symbol in the FID template that is being proposed in the draft ITS and its Annex suitable to achieve the aims of the Directive? Please explain your reasoning.

With regard to the common symbol in the FID template, EACB members would like to make two observations.

The first relates to the symbols used to represent the FID (i.e. stack of coins under a magnifying glass). Although it is true that 50% of all consumers tested agreed that the symbol makes the document distinguishable from other documentation, it is also worth noting that the other half of the respondents disagreed or did not know. From the EACB perspective this means that there was no clear indication that consumers that felt the proposed symbol added value. Moreover, as clearly pointed out in the EBA consultation paper, the consumer testing has demonstrated that consumers were of the view that they would benefit from a descriptor or a clearer imagery (paragraph 68 of the consultation document). Co-operative banks believe that this feedback should be taken into better consideration and would therefore like to suggest having the symbol constituted of:

- the acronyms of the Fee Information Document with EU acronyms to facilitate the distinction between the EU and national one (e.g. EU-FID).

Indeed, many consumers will not be aware of the symbol and may not understand why besides the bank's normal price list they also receive the FID.

In addition, the outcome of the consumer testing, reflecting a measured potential benefit for consumers, has to be balanced against the potential important industrial costs to meet the requirements of the ITS.

The issue we have is that EACB members make printers available to their customers in branches to allow them to print all kinds of account related or information documents going well beyond the PAD FID and SoF (or national equivalent) only. These printers have very basic printing functionalities and are not able to print in colour. If the documents that come out of these printers do contain a bank logo in colour this is because the printers are fed with letter headed and not blank paper. Printing logos in colour, whether the bank's or the FID's/SoF's is however not possible. Considering that it cannot be the intention of the PAD to replace all printers in all branches (EACB members have roughly 60.000 branches across the EU), the members of the EACB would therefore suggest softening the requirements set out in Article 3(2) of the draft ITS for the FID/SoF in such a way that all colour/black and white combinations between the logo of the PSP and the common symbol should be allowed, as follows:

Article 3(2): 'The logo and/or the common symbol may be displayed in colour and shall be clearly readable when printed in black and white'.

We believe that with this suggestion, the document's identification and readability will be ensured even if, for example, the document is printed with a common symbol displayed in black and white should the logo of the PSP be printed in colour.

The obligation to respect the same format (a square no larger than 2.5 cm x 2.5 cm) for the symbol and for the logo of the PSP is too strong a constraint. If a precise printing surface can be considered for the common



symbol, the visual identity of certain PSPs, defined in their graphic charter, would hardly fit into a square of this size. We would therefore suggest here also softening the requirements.

Question 7: Do you consider the proposed instructions for the completion of the FID template contained in Articles 2 to 11 of the draft ITS, to be suitable to achieve the aims of the Directive? Please explain your reasoning.

Before going into the details of some instructions for the completion of the FID template, EACB members would like to suggest the EBA to consider the possibility for the FID to be dated (date of issuance) like all our other pre-contractual, commercial and marketing documents issued by payment service providers, because fees are regularly modified and in order to avoid any problem on this issue.

One of the aims of the PAD is to lay down rules concerning the transparency and comparability of fees charged to consumers on their payment accounts held within the Union. The FID goes in the direction of providing transparency and comparability of fees charged to consumers. EACB members believe that some instructions on how to complete the FID template go beyond Art. 4(2) of the PAD and have concerns with the following:

- Article 3 'Logo of the payment service provider'

We suggest having the symbol constituted of the acronyms of the FID with EU acronyms to facilitate the distinction between the EU and national one (e.g. EU-FID). Should our proposal be rejected, we suggest softening the requirements set out in Article 3(2) in such a way that all colour/black and white combinations between the logo of the PSP and the common symbol should be allowed (please look at Question 6 for the reasoning behind this suggestion).

- Article 6 'Introductory statement'

Article 4(2)(g) of the PAD requires the FID to include a statement that contains fees for the most representative services related to the payment account and that complete pre-contractual and contractual information on all the services is provided in other documents.

The introductory statement proposed in Article 6 of the draft ITS goes way beyond this. The PAD does not require naming the documents. Similarly, it does not require the payment service provider to inform the consumer in the FID that a glossary is available free of charge (as per the Annex to the draft ITS for the FID). These additional information requirements might be desirable from the consumer viewpoint. Nevertheless, the EBA should act within the clear legal framework set by the PAD and draft the FID template within its remit, rather than create and implement new information obligations. The requirements laid down in Article 4(2) concerning what information has to be included in the FID are concluding and therefore also binding for the EBA.

- Article 7 'Table on package of services'

We suggest that payment service providers provide information on a single example of the package '*most commonly used*' by their consumers. This will be both in the spirit of the Directive to give information on the most commonly used services and in line with its goal to deliver a short document. Co-operative banks believe this will deliver more relevant information to consumers (please look at Question 5 for the reasoning behind this suggestion).

- Article 8 'Services and Fees'



We would like to suggest that the FID should give banks the possibility to list in the information document fees for each service comprised between a minimum and a maximum amount. In pre-contractual information provided to the consumer, the cost of a single service related to the customer's account is often not known and depends on a number of parameters (for example, based on the amount of operations done for that service or on the frequency of the physical use of the service). In such cases, the fee information document should provide only the range of the amount that the consumer will have to pay, with the exact fee for each service (within the range advertised in the fee information document) provided to the consumer in the contractual phase as well as reflected in the annual statement of fees.

Question 8: Do you consider the proposed instructions for the completion of the FID template contained in Articles 2 to 11 of the draft ITS, to be clear and easy to follow? Please explain your reasoning.

Keeping in mind that the level of detail on the draft ITS of the FID goes too far compared with the mandate given by the PAD, co-operative banks believe that the proposed instructions for the completion of the FID template contained in Articles 2 to 11 of the draft ITS are clear and easy to follow.

EACB members would nevertheless like to propose some changes to Articles 3, 4, 6, 7, 8, 9 and relating 'Annex - FID Template'.

With regard to Article 3 and relating Annex, we suggest having the symbol constituted of the acronyms of the FID with EU acronyms to facilitate the distinction between the EU and national one (e.g. EU-FID). Should our proposal be rejected, we would suggest softening the requirements set out in Article 3(2) in such a way that all colour/black and white combinations between the logo of the PSP and the common symbol should be allowed (please look at Question 6 for the reasoning behind this suggestion).

With regard to Article 4 and relating Annex, co-operative banks believe that for consistency the wording 'Name of the Account provider' should be changed to 'Name of the payment service provider'. Indeed, article 1(3) of the PAD states that: '*Chapters II and III apply to payment service providers*'.

With regard to Article 6 and relating Annex, the introductory statement proposed in Article 6 goes way beyond the requirements laid down in Article 4(2) of the PAD (please look at Question 7 for the reasoning behind this comment).

With regard to Article 7 and relating Annex, we suggest that payment service providers provide information on a single example of the package most commonly used by their consumers. This will be both in the spirit of the Directive to give information on the most commonly used services and in line with its goal to deliver a short document. Co-operative banks believe this will deliver more relevant information to consumers (please look at Question 5 for the reasoning behind this suggestion).

With regard to Article 8 and relating Annex, we would like to suggest that the FID should give banks the possibility to list in the information document fees for each service comprised between a minimum and a maximum amount (please look at Question 7 for the reasoning behind this suggestion).

With regard to Article 9 and relating Annex, co-operative banks believe that it should be clarified in the draft ITS that the 'Additional Information' table in the FID template may be deleted without replacement if the account-based payment service provider does not provide services and fees in this field. For this reason, we



would like to suggest an additional indent in Article 9 as per the following 9(4) (new) *'Payment service providers shall delete this table should they not provide information of the kind specified in paragraphs 1 and 2 of this Article'*.

Moreover, it must be noted that some co-operative banks provide their customers with the ability to earn bonuses (value-for-money benefits) which can be used as a means of payment, for instance, for banking services. Bonuses are automatically used if they exist and commonly reach the amount of hundreds of euros per year. It can be argued that bonus information falls under Article 15 (Additional information) of the SoF. In contrast, no such provision exists in the FID. It is not clear where and how the PSPs can display information regarding (possible) monetary benefits linked to the payment account. Therefore, EACB members suggest not including them in the FID.

Another option for the PSPs who want to include monetary benefits in the FID could be to rename the section 'Other services' in the FID by 'Other services and monetary benefits' to include there monetary benefits that the account may provide to the customer. As a consequence, Recital 7 of the draft ITS for the FID should be amended and new Article 8(7) should be included, as follows:

New recital 7: 'In many EU countries customers are offered payment accounts that include a number of monetary benefits payable depending on certain circumstances, for example: fee exemptions policies, interest bearing on the balance in the account and cashbacks. Payment Service Providers may provide information on monetary benefits under the section 'Other services and monetary benefits'.

*Recital 7 bis: 'The content of each fee information document provided to consumers will depend on the individual payment service provider's offer of services and on each Member State's final list of the most representative services linked to a payment account. Against this background and given the purpose of comparability of payment account offered in the single market, the template for the fee information document should provide certain headings under which the different services shall be grouped. Those headings should be "General Account Service", in relation to any service such as maintaining or operating of the account, "Payments (excluding cards)", "Cards and cash", "Overdrafts and related services" and "Other services and **monetary benefits**" at the discretion of the Payment Services Provider'.*

New Article 8(7): 'Where the payment account offers monetary benefits, payment services providers may provide monetary benefits under the section 'Other services and monetary benefits'.

The EACB urges the EBA to better clarify how information regarding bonuses can be displayed in the FID so as to provide customers with correct and consistent information about the fees payable.

Question 9: Do you consider the SoF template that is being proposed in draft ITS and its Annex to be suitable to achieve the aims of the Directive? Please explain your reasoning.

- EACB members have concerns with the level of detail at which the provisions concerning the SoF have been developed as follows:

Articles 5 of the PAD asks the EBA to develop a format for the draft Implementing Technical Standards of the Statement of Fees that should be short and presented in a clear and easy-to-read layout, using characters of a readable size. The EBA has considered that, in order to do this, it needs to set the type of portrait format (Article 1(a) of the draft ITS of the SoF); the font type and font sizes for titles and subtitles (Article 1(c) of the draft ITS of the SoF); the specific shade of grey for headings and sub-



headings (Article 1(e) of the draft ITS of the SoF); the location of the page number (Article 1(f) of the draft ITS of the SoF); and the line spacing for the text of the Introductory Statement in the SoF (Article 9 of the draft ITS of the SoF).

Co-operative banks believe that the proposals of the EBA go too far and are interpreting the mandate given by the PAD too broadly. We are not at all convinced that this level of detail and prescription is needed to achieve the objective of the Directive to reach clarity/readability and comparability of fees charged to consumers on their payment accounts held within the Union, and find that the proposal loses sight of the principle of proportionality in this context.

Moreover, for the sake of clarity, transparency and comparability of fees charged to consumers on their payment accounts – as requested by the PAD – one should keep in mind that the Statement of Fees is not the only information document that customers have to be provided with under EU and national law. The search for clarity and comparability at the European level on these documents must not be at the expense of the clarity and comparability of all documents submitted to the client. EACB members believe that the more detailed and prescriptive the ITS is, the less the information provided under the PAD will be able to be fitted into other documentation to be provided.

In addition, this approach by the EBA seems not in line with Recital 20 of the PAD which states that *'when developing those formats, EBA should also take into account the fact that Member States may choose to provide the fee information document and the statement of fees together with information required pursuant to other Union or national legislative acts on payment accounts and related services.'*

EACB members would like to ask the EBA for more flexibility with regard to its approach to harmonise every detail/aspect.

The ITS should provide a sufficiently flexible format, including in terms of font, column size, line spacing, etc., in order to remain readable vis-à-vis the richness of certain contents and whatever the medium, in particular digital. In this perspective, the provision of a document in an A4 format appears neither to be adapted to the diversity of the media nor necessary to guarantee full information on the part of the consumer.

It is useful to note here that in the PAD a great freedom has been left in the choice of the communication channel used to provide the statement of fees, as it is stated in Article 5 that *'The communication channel used to provide the statement of fees shall be agreed with the consumer'*.

In this context, the EACB would like to suggest that the EBA adopts the flexible approach used by the ESAs for the pre-contractual document PRIIPs for the SoF template. Indeed, the ESAs in the draft RTS provide a template to be used by the PRIIPs manufacturer and specifically mentions that the provisions of the template shall be completed in accordance with the requirements set out in the PRIIPs regulation, giving a certain flexibility to the PRIIPs manufacturers. The template only imposes that *'the PRIIP manufacturers shall comply with the section order and titles set out in the template, which however does not fix parameters regarding the length of individual sections and the placing of page breaks, and is subject to an overall maximum of three sides of A4-sized paper when printed'*.

- Article 11 *'Fees included in the package of services linked to a payment account'*

Pursuant to Article 11(1)(a) of the draft ITS PSPs are required to list the content of the package, while the same is not requested in the PAD. We would suggest the EBA to not retain this request as this



information is not only unnecessary at this stage, since the consumer knows the content of the package she/he has subscribed to (details in the contractual documents), but also contributes to increasing the length of the SoF and as a consequence reducing its readability. The objective at this stage is to allow the consumer to estimate the cost of her/his annual consumption of the banking services that she/he has already chosen and subscribed to and not to give her/him commercial information on the content of the offers. The FID pre-contractual document allows her/him to compare offers before subscribing and the contractual documents to know exactly the content of what she/he has chosen to subscribe to. Indeed, in the interest of the consumer it is better for each document (pre contractual, contractual, post contractual) to stick to its main objective in terms of customer information.

- Article 11 and Article 12: distinction between services used and services charged

The draft ITS require for the statement of fees included in the package of services subscribed by the consumer (Art. 11) and for the statement of fees of each service linked to the payment account (Art. 12) to display the number of time that these different fees have been charged. For the sake of consistency as well as practicality (using the wording 'charge' might be ineffective when standard or capped fees are applicable), EACB members like to ask the EBA to adjust the wording in the draft ITS for the SoF and relating Annex as per Article 5(2)(a) of the PAD, which states that the consumer must be informed on 'the number of times the service was used' during the period and not the number of time the service was charged.

- Articles 13 and 14 'Detail of interest paid on the account' and 'Detail of interest earned on the account'

For Articles 13 and 14 of the draft ITS relating to interest paid or earned on the account, we would suggest that the possibility of deleting the table should be given when no interest is paid or earned by the consumer (in line with Article 11 (4) and Article 12(12) of the same ITS). Such possibility, suggested by Article 5(1) of the PAD ('[...]as well as, where applicable, information regarding the interest rates [...]'), would allow to substantially lighten the SoF.

- Finally, it must be noted that some co-operative banks provide their customers with the ability to earn bonuses (value-for-money benefits) which can be used as a means of payment, for instance, for banking services. Bonuses are automatically used if they exist and commonly reach the amount of hundreds of euros per year. It can be argued that bonus information falls under Article 15 (Additional information) of the SoF. In addition, we believe information about bonuses should be shown in the chart 'Summary of fees and interests' (total bonuses used for fees and total fees used after using bonuses). It is also possible to separately show the use of bonuses in the chart 'Detailed statement of fees paid on the account'. The EACB urges the EBA to better clarify how information regarding bonuses can be displayed in the SoF so as to provide customers with correct and consistent information about the actual fees they pay.

As discounts/reductions as well as retrocessions will be difficult to indicate on the SoF (except at the bottom of the document under the heading 'Additional information'), we also suggest that discounts or retrocessions could be displayed with more visibility in the SoF by, at the choice of the PSP, an additional column or by a fee line in credit complementing any insertion of fee charged.



Question 10: Do you consider the common symbol that is being proposed in the draft ITS and its Annex to be suitable to achieve the aims of the Directive? Please explain your reasoning.

With regard to the common symbol in the SoF template, EACB members would like to make two observations.

The first relates to the symbols used to represent the SoF (i.e. a page with lines and stack of coins under a magnifying glass). Although it is true that 52% of all consumers tested agreed that the symbol makes the document distinguishable from other documentation, it is also worth noting that the other 48% of the respondents disagreed or did not know. From the EACB perspective this means that there was no clear indication that consumers that felt the proposed symbol added value. Moreover, as clearly pointed out in the EBA consultation paper, the consumer testing has demonstrated that consumers were of the view that they would benefit from a descriptor or a clearer imagery (paragraph 68 of the consultation document). Co-operative banks believe that this feedback should be taken into better consideration and would therefore like to suggest having the symbol constituted of:

- the acronyms of the Statement of Fees with EU acronyms to facilitate the distinction between the EU and national one (e.g. EU-SoF).

Indeed, many consumers will not be aware of the symbol and may not understand why besides the bank's normal price list they also receive the SoF.

In addition, the outcome of the consumer testing, reflecting a measured potential benefit for consumers, has to be balanced against the potential important industrial costs to meet the requirements of the ITS.

In addition, the outcome of the consumer testing, reflecting a measured potential benefit for consumers, has to be balanced against the potential important industrial costs to meet the requirements of the ITS.

The issue we have is that EACB members make printers available to their customers in branches to allow them to print all kinds of account related or information documents going well beyond the PAD FID and SoF (or national equivalent) only. These printers have very basic printing functionalities and are not able to print in colour. If the documents that come out of these printers do contain a bank logo in colour this is because the printers are fed with letter headed and not blank paper. Printing logos in colour, whether the bank's or the FID's/SoF's is however not possible and would impose costly change in printing lines. Considering that it cannot be the intention of the PAD to replace all printers in all branches (EACB members have roughly 60.000 branches across the EU), the members of the EACB would therefore suggest softening the requirements set out in Article 3(2) of the draft ITS for the FID/SoF in such a way that all colour/black and white combinations between the logo of the PSP and the common symbol should be allowed, as follows:

Article 3(2): 'The logo and/or the common symbol may be displayed in colour and shall be clearly readable when printed in black and white'.

We believe that with this suggestion, the document's identification and readability will be ensured even if, for example, the document is printed with a common symbol displayed in black and white should the logo of the PSP be printed in colour.

The obligation to respect the same format (a square no larger than 2.5 cm x 2.5 cm) for the symbol and for the logo of the PSP is too strong a constraint. If a precise printing surface can be considered for the common



symbol, the visual identity of certain PSPs, defined in their graphic charter, would hardly fit into a square of this size. We would therefore suggest here also softening the requirements.

Question 11: Do you consider the proposed instructions for payment services providers on how to complete the SoF template contained in Articles 2 to 16 of the draft ITS, to be suitable to achieve the aims of the Directive? Please explain your reasoning.

One of the aims of the PAD is to lay down rules concerning the transparency and comparability of fees charged to consumers on their payment accounts held within the Union. The SoF goes in the direction of providing transparency and comparability of fees charged to consumers.

EACB members believe that some instructions on how to complete the SoF template go beyond Art. 5(2)(3) of the PAD as follows:

- Article 3 ‘Logo of the payment service provider’: we suggest having the symbol constituted of the acronyms of the SoF with EU acronyms to facilitate the distinction between the EU and national one (e.g. EU-SoF). Should our proposal regarding the symbol be rejected, we suggest softening the requirements set out in Article 3(2) in such a way that all colour/black and white combinations between the logo of the PSP and the common symbol should be allowed (please look at Question 10 for the reasoning behind this suggestion).
- Article 11 ‘Fees included in the package of services linked to a payment account’: pursuant to Article 11(1)(a) of the draft ITS PSPs are required to list the content of the package, while the same is not requested in the PAD. We suggest the EBA to not retain this request as this information is not only unnecessary at this stage, since the consumer knows the content of the package she/he has subscribed to (details in the contractual documents), but also contributes to increasing the length of the SoF and as a consequence reducing its readability (please look at Question 9 for the reasoning behind this suggestion).
- Article 11 and Article 12, distinction between services used and services charged: EACB members would like to ask the EBA to adjust the wording in the draft ITS for the SoF and relating Annex as per Article 5(2)(a) of the PAD (please look at Question 9 for the reasoning behind this suggestion).
- Articles 13 and 14 ‘Detail of interest paid on the account’ and ‘Detail of interest earned on the account’: we suggest that the possibility of deleting the table should be given when no interest is paid or earned by the consumer (in line with Article 11(4) and Article 12(12) of the same ITS) (please look at Question 9 for the reasoning behind this suggestion).

Question 12: Do you consider the proposed instructions for payment service providers on how to complete the SoF template, contained in Articles 2 to 16 of the draft ITS, to be clear and easy to follow? Please explain your reasoning.

Keeping in mind that the level of detail in the draft ITS of the SoF goes too far compared with the mandate given by the PAD, co-operative banks believe that the proposed instructions for the completion of the SoF template contained in Articles 2 to 16 of the draft ITS are clear and easy to follow.



EACB members would like to propose some changes to Articles 3, 4, 11, 12, 13 and 14 and relating 'Annex – SoF Template'.

- Article 3 and relating Annex: we suggest having the symbol constituted of the acronyms of the SoF with EU acronyms to facilitate the distinction between the EU and national one (e.g. EU-SoF). Should our proposal regarding the symbol be rejected, we suggest softening the requirements set out in Article 3(2) in such a way that all colour/black and white combinations between the logo of the PSP and the common symbol should be allowed (please look at Question 10 for the reasoning behind this suggestion).
- Article 4 and relating Annex: co-operative banks believe that for consistency the wording 'Name and contact details of the Account provider' should be changed to 'Name and contact details of the payment service provider'. Indeed, article 1(3) of the PAD states that: 'Chapters II and III apply to payment service providers'.
- Article 11 and relating Annex: pursuant to Article 11(1)(a) of the draft ITS PSPs are required to list the content of the package, while the same is not requested in the PAD. We suggest the EBA to not retain this request as this information is not only unnecessary at this stage, since the consumer knows the content of the package she/he has subscribed to (details in the contractual documents), but also contributes to increasing the length of the SoF and as a consequence to reducing its readability (please look at Question 9 for the reasoning behind this suggestion).
- Article 11 and Article 12, distinction between services used and services charged: EACB members would like to ask the EBA to adjust the wording in the draft ITS for the SoF and relating Annex as per Article 5(2)(a) of the PAD (please look at Question 9 for the reasoning behind this suggestion).
- Articles 13 and 14 'Detail of interest paid on the account' and 'Detail of interest earned on the account': we suggest that the possibility of deleting the table should be given when no interest is paid or earned by the consumer (in line with Article 11 (4) and Article 12(12) of the same ITS) (please look at Question 9 for the reasoning behind this suggestion).
- Moreover, it must be noted that some co-operative banks provide their customers with the ability to earn bonuses (value-for-money benefits) which can be used as a means of payment, for instance, for banking services. Bonuses are automatically used if they exist and commonly reach the amount of hundreds of euros per year. It can be argued that bonus information falls under Article 15 (Additional information) of the SoF. In addition, we believe information about bonuses should be shown in the chart 'Summary of fees and interests' (total bonuses used for fees and total fees used after using bonuses). It is also possible to separately show the use of bonuses in the chart 'Detailed statement of fees paid on the account'. The EACB urges the EBA to better clarify how information regarding bonuses can be displayed in the SoF so as to provide customers with correct and consistent information about the actual fees they pay.

As discounts/reductions as well retrocessions will be difficult to indicate on the SoF (except at the bottom of the document under the heading 'Additional information'), we also suggest that discounts or retrocessions could be displayed with more visibility in the SoF by, at the choice of the PSP, an additional column or by a fee line in credit complementing any insertion of fee charged.