This text is meant purely as a documentation tool and has no legal effect. The Union's institutions do not assume any liability for its contents. The authentic versions of the relevant acts, including their preambles, are those published in the Official Journal of the European Union and available in EUR-Lex. Those official texts are directly accessible through the links embedded in this document

►B REGULATION (EU) 2021/1230 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL

of 14 July 2021

on cross-border payments in the Union

(codification)

(Text with EEA relevance)

(OJ L 274, 30.7.2021, p. 20)

Amended by:

		Official Journal		
		No	page	date
►M1	Regulation (EU) 2024/886 of the European Parliament and of the Council of 13 March 2024	L 886	1	19.3.2024

▼B

REGULATION (EU) 2021/1230 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL

of 14 July 2021

on cross-border payments in the Union

(codification)

(Text with EEA relevance)

Article 1

Subject matter and scope

1. This Regulation lays down rules on cross-border payments and on the transparency of currency conversion charges within the Union.

2. This Regulation applies to cross-border payments, in accordance with the provisions of Directive (EU) 2015/2366, which are denominated in euro or in the national currencies of the Member States which have notified their decision to extend the application of this Regulation to their national currency, in accordance with Article 13 of this Regulation.

Notwithstanding the first subparagraph of this paragraph, Articles 4 and 5 apply to national and cross-border payments that are denominated in euro or in a national currency of a Member State other than the euro and that involve a currency conversion service.

3. This Regulation does not apply to payments made by payment service providers on their own account or on behalf of other payment service providers.

Article 2

Definitions

For the purposes of this Regulation, the following definitions apply:

(1) ‘cross-border payment’ means an electronically processed payment transaction initiated by a payer, or by or through a payee, where the payer’s payment service provider and the payee’s payment service provider are located in different Member States;

(2) ‘national payment’ means an electronically processed payment transaction initiated by a payer, or by or through a payee, where the payer’s payment service provider and the payee’s payment service provider are located in the same Member State;

(3) ‘payer’ means a natural or legal person who holds a payment account and allows a payment order from that payment account, or, where there is no payment account, a natural or legal person who gives a payment order;

(4) ‘payee’ means a natural or legal person who is the intended recipient of funds which have been the subject of a payment transaction;

▼B

(5) ‘payment service provider’ means any of the categories of legal persons referred to in Article 1(1) of Directive (EU) 2015/2366 and the natural or legal persons referred to in Article 32 of that Directive, but excludes those institutions listed in points (2) to (23) of Article 2(5) of Directive 2013/36/EU of the European Parliament and of the Council ([1]) benefiting from a Member State waiver exercised under Article 2(5) of Directive (EU) 2015/2366;

(6) ‘payment service user’ means a natural or legal person making use of a payment service in the capacity of either payer or payee, or both;

(7) ‘payment transaction’ means an act, initiated by a payer or by or through a payee, consisting of placing, transferring or withdrawing funds, irrespective of any underlying obligations between the payer and the payee;

(8) ‘payment order’ means an instruction by a payer or payee to its payment service provider requesting the execution of a payment transaction;

(9) ‘charge’ means any amount levied on a payment service user by a payment service provider that is directly or indirectly linked to a payment transaction, any amount levied on a payment service user by a payment service provider or a party providing currency conversion services in accordance with Article 59(2) of Directive (EU) 2015/2366 for a currency conversion service, or a combination thereof;

(10) ‘funds’ means banknotes and coins, scriptural money and electronic money as defined in Article 2, point (2), of Directive 2009/110/EC of the European Parliament and of the Council ([2]);

(11) ‘consumer’ means a natural person acting for purposes other than his or her trade, business or profession;

(12) ‘micro-enterprise’ means an enterprise, which, at the time of conclusion of the payment service contract, is an enterprise as defined in Article 1 and Article 2(1) and (3) of the Annex to Commission Recommendation 2003/361/EC ([3]);

(13) ‘interchange fee’ means a fee paid between the payment service providers of the payer and of the payee for each direct debit transaction;

([1]) Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013 on access to the activity of credit institutions and the prudential supervision of credit institutions, amending Directive 2002/87/EC and repealing Directives 2006/48/EC and 2006/49/EC (OJ L 176, 27.6.2013, p. 338).

([2]) Directive 2009/110/EC of the European Parliament and of the Council of 16 September 2009 on the taking up, pursuit and prudential supervision of the business of electronic money institutions amending Directives 2005/60/EC and 2006/48/EC and repealing Directive 2000/46/EC (OJ L 267, 10.10.2009, p. 7).

([3]) Commission Recommendation 2003/361/EC of 6 May 2003 concerning the definition of micro, small and medium-sized enterprises (OJ L 124, 20.5.2003, p. 36).

▼B

(14) ‘direct debit’ means a payment service for debiting a payer’s payment account, where a payment transaction is initiated by the payee on the basis of the payer’s consent given to the payee, to the payee’s payment service provider or to the payer’s own payment service provider;

(15) ‘direct debit scheme’ means a common set of rules, practices and standards agreed between payment service providers for the execution of direct debit transactions.

Article 3

Charges for cross-border payments and corresponding national payments

1. Charges levied by a payment service provider on a payment service user in respect of cross-border payments in euro shall be the same as the charges levied by that payment service provider for corresponding national payments of the same value in the national currency of the Member State in which the payment service provider of the payment service user is located.

2. Charges levied by a payment service provider on a payment service user in respect of cross-border payments in the national currency of a Member State that has notified its decision to extend the application of this Regulation to its national currency in accordance with Article 13 shall be the same as the charges levied by that payment service provider on payment service users for corresponding national payments of the same value and in the same currency.

3. When assessing, for the purpose of complying with paragraph 1, the level of charges for a cross-border payment, a payment service provider shall identify the corresponding national payment. The competent authorities shall issue guidelines to identify corresponding national payments where they consider it necessary to do so. The competent authorities shall actively cooperate within the Payments Committee established by Article 85(1) of Directive 2007/64/EC, to ensure the consistency of guidelines for corresponding national payments.

4. Paragraphs 1 and 2 shall not apply to currency conversion charges.

▼M1

5. Paragraph 1 of this Article shall not apply where Article 5b(1) of Regulation (EU) No 260/2012 of the European Parliament and of the Council ([4]) would require a payment service provider located in a Member State that does not have the euro as its currency, with respect to an instant credit transfer, to levy a charge which would be lower than the charge which would be levied, with respect to the same instant credit transfer, if paragraph 1 of this Article were to be applied.

([4]) Regulation (EU) No 260/2012 of the European Parliament and of the Council of 14 March 2012 establishing technical and business requirements for credit transfers and direct debits in euro and amending Regulation (EC) No 924/2009 (OJ L 94, 30.3.2012, p. 22).

▼M1

For the purposes of the first subparagraph of this paragraph, the term ‘instant credit transfer’ means an instant credit transfer as defined in Article 2, point (1a), of Regulation (EU) No 260/2012, that is in euro and cross-border.

▼B

Article 4

Currency conversion charges related to card-based transactions

1. With regard to the information requirements on currency conversion charges and the applicable exchange rate, as set out in Article 45(1), Article 52, point (3), and Article 59(2) of Directive (EU) 2015/2366, payment service providers and parties providing currency conversion services at an automated teller machine (ATM) or at the point of sale, as referred to in Article 59(2) of that Directive, shall express the total currency conversion charges as a percentage mark-up over the latest available euro foreign exchange reference rates issued by the European Central Bank (ECB). That mark-up shall be disclosed to the payer prior to the initiation of the payment transaction.

2. Payment service providers shall also make the mark-up referred to in paragraph 1 public in a comprehensible and easily accessible manner on a broadly available and easily accessible electronic platform.

3. In addition to the information referred to in paragraph 1, a party providing a currency conversion service at an ATM or at the point of sale shall provide the payer with the following information prior to the initiation of the payment transaction:

(a) the amount to be paid to the payee in the currency used by the payee;

(b) the amount to be paid by the payer in the currency of the payer’s account.

4. A party providing currency conversion services at an ATM or at the point of sale shall clearly display the information referred to in paragraph 1 at the ATM or at the point of sale. Prior to the initiation of the payment transaction, that party shall also inform the payer of the possibility of paying in the currency used by the payee and having the currency conversion subsequently performed by the payer’s payment service provider. The information referred to in paragraphs 1 and 3 shall also be made available to the payer on a durable medium following the initiation of the payment transaction.

5. The payer’s payment service provider shall, for each payment card that was issued to the payer by the payer’s payment service provider and that is linked to the same account, send to the payer an electronic message with the information referred to in paragraph 1, without undue delay after the payer’s payment service provider receives a payment order for a cash withdrawal at an ATM or a payment at the point of sale that is denominated in any Union currency that is different from the currency of the payer’s account.

Notwithstanding the first subparagraph, such a message shall be sent once every month in which the payer’s payment service provider receives from the payer a payment order denominated in the same currency.

▼B

6. The payment service provider shall agree with the payment service user on the broadly available and easily accessible electronic communication channel or channels through which the payment service provider will send the message referred to in paragraph 5.

The payment service provider shall offer payment service users the possibility of opting out of receiving the electronic messages referred to in paragraph 5.

The payment service provider and the payment service user may agree that paragraph 5 and this paragraph do not apply in whole or in part where the payment service user is not a consumer.

7. The information referred to in this Article shall be provided free of charge and in a neutral and comprehensible manner.

Article 5

Currency conversion charges related to credit transfers

1. When a currency conversion service is offered by the payer's payment service provider in relation to a credit transfer, as defined in point (24) of Article 4 of Directive (EU) 2015/2366, that is initiated online directly, using the website or the mobile banking application of the payment service provider, the payment service provider, with regard to Article 45(1) and Article 52, point (3), of that Directive, shall inform the payer prior to the initiation of the payment transaction, in a clear, neutral and comprehensible manner, of the estimated charges for currency conversion services applicable to the credit transfer.

2. Prior to the initiation of a payment transaction, the payment service provider shall communicate to the payer, in a clear, neutral and comprehensible manner, the estimated total amount of the credit transfer in the currency of the payer's account, including any transaction fee and any currency conversion charges. The payment service provider shall also communicate the estimated amount to be transferred to the payee in the currency used by the payee.

Article 6

Measures for facilitating the automation of payments

1. The payment service provider shall, where applicable, communicate to the payment service user the payment service user's international payment account number identifier (IBAN) and the payment service provider's business identifier code (BIC).

In addition, where applicable, the payment service provider shall indicate the payment service user's IBAN and the payment service provider's BIC on statements of account or in an annex thereto.

The payment service provider shall provide the information required under this paragraph to the payment service user free of charge.

▼M1

2. The payment service provider may levy charges additional to those levied in accordance with Article 3(1) of this Regulation on the payment service user where that user instructs the payment service provider to execute a cross-border payment without communicating the IBAN and, where appropriate and in accordance with Regulation (EU) No 260/2012, the related BIC for the payment account in the other Member State. Those charges shall be appropriate and in line with the costs. They shall be agreed between the payment service provider and the payment service user. The payment service provider shall inform the payment service user of the amount of the additional charges in good time before the payment service user is bound by such an agreement.

▼B

3. Where appropriate, with regard to the nature of the payment transaction concerned, for all invoicing of goods and services in the Union, a supplier of goods and services that accepts payments covered by this Regulation shall communicate its IBAN and the BIC of its payment service provider to its customers.

Article 7

Balance of payments reporting obligations

1. Member States shall not provide for settlement-based national reporting obligations on payment service providers for balance of payments statistics relating to payment transactions of their customers.

2. Without prejudice to paragraph 1, Member States may collect aggregated data or other relevant readily available information, provided that such collection has no impact on the straight-through processing of the payments and can be fully automated by payment service providers.

Article 8

Competent authorities

Member States shall designate the competent authorities responsible for ensuring compliance with this Regulation.

Member States shall notify the Commission without delay of any change concerning the competent authorities of which it was notified in accordance with the second paragraph of Article 9 of Regulation (EC) No 924/2009.

Member States shall require the competent authorities to monitor compliance with this Regulation effectively and take all necessary measures to ensure such compliance.

Article 9

Complaint procedures for alleged infringements of this Regulation

1. Member States shall provide for procedures which allow payment service users and other interested parties to submit complaints to the competent authorities with regard to alleged infringements of this Regulation by payment service providers.

▼B

2. Where appropriate, and without prejudice to the right to bring proceedings before a court in accordance with national procedural law, the competent authorities shall inform any party that has submitted a complaint of the existence of the out-of-court complaint and redress procedures provided for in accordance with Article 10.

Article 10

Out-of-court complaint and redress procedures

1. Member States shall provide for adequate and effective out-of-court complaint and redress procedures for the settlement of disputes concerning rights and obligations arising under this Regulation between payment service users and their payment service providers. For those purposes, Member States shall designate the responsible bodies.

2. Member States shall notify the Commission without delay of any change concerning the bodies of which it was notified in accordance with Article 11(2) of Regulation (EC) No 924/2009.

3. Member States may provide that this Article applies only to payment service users which are consumers or micro-enterprises. In that event, Member States shall inform the Commission accordingly.

Article 11

Cross-border cooperation

The competent authorities and the bodies responsible for the out-of-court complaint and redress procedures of the different Member States, referred to in Articles 8 and 10, shall actively and expeditiously cooperate in solving cross-border disputes. Member States shall ensure that such cooperation takes place.

Article 12

Penalties

Member States shall lay down the rules on penalties applicable to infringements of this Regulation and shall take all measures necessary to ensure that they are implemented. The penalties provided for shall be effective, proportionate and dissuasive. Member States shall, without delay, notify the Commission of any amendment affecting the rules and measures of which it was notified in accordance with Article 13 of Regulation (EC) No 924/2009.

Article 13

Application to currencies other than the euro

A Member State that does not have the euro as its currency and that decides to extend the application of this Regulation to its national currency shall notify the Commission accordingly.

That notification shall be published in the *Official Journal of the European Union*. The extended application of this Regulation to the national currency of the Member State concerned shall take effect 14 days after such publication.

▼B

Article 14

Review

1. By 19 April 2022, the Commission shall present to the European Parliament, the Council, the ECB and the European Economic and Social Committee a report on the application and impact of this Regulation, which shall contain, in particular:

(a) an evaluation of the way payment service providers apply Article 3 of this Regulation;

(b) an evaluation of the development of volumes and charges for national and cross-border payments in national currencies of Member States and in euro since the date of adoption of Regulation (EU) 2019/518 of the European Parliament and of the Council ([5]), namely, 19 March 2019;

(c) an evaluation of the impact of Article 3 of this Regulation on the development of currency conversion charges and other charges related to payment services, both to payers and payees;

(d) an evaluation of the estimated impact of amending Article 3(1) of this Regulation to cover currencies of all Member States;

(e) an evaluation of how providers of currency conversion services apply the information requirements laid down in Articles 4 and 5 of this Regulation and the national laws implementing Article 45 (1), Article 52, point (3), and Article 59(2) of Directive (EU) 2015/2366 and whether those rules have enhanced the transparency of currency conversion charges;

(f) an evaluation of whether and to what extent providers of currency conversion services have faced difficulties with the practical application of Articles 4 and 5 of this Regulation and the national laws implementing Article 45(1), Article 52, point (3), and Article 59(2) of Directive (EU) 2015/2366;

(g) a cost-benefit analysis of communication channels and technologies that are used by, or are available to, providers of currency conversion services and that can further improve the transparency of currency conversion charges, including an evaluation of whether there are certain channels which payment service providers should be required to offer for the sending of the information referred to in Article 4; that analysis shall also include an assessment of the technical feasibility of disclosing simultaneously the information referred to in Article 4(1) and (3) of this Regulation, prior to the initiation of each transaction, for all currency conversion options available at an ATM or at the point of sale;

([5]) Regulation (EU) 2019/518 of the European Parliament and of the Council of 19 March 2019 amending Regulation (EC) No 924/2009 as regards certain charges on cross-border payments in the Union and currency conversion charges (OJ L 91, 29.3.2019, p. 36).

▼B

(h) a cost-benefit analysis of introducing the possibility for payers to block the option of currency conversion offered by a party other than the payer's payment service provider at an ATM or at the point of sale and to change their preferences in that regard;

(i) a cost-benefit analysis of introducing a requirement for the payer's payment service provider, to apply, when providing currency conversion services in relation to an individual payment transaction, the currency conversion rate applicable at the moment of initiation of the transaction when clearing and settling the transaction.

2. The report referred to in paragraph 1 shall cover at least the period from 15 December 2019 until 19 October 2021. When preparing the report, the Commission may use data collected by Member States in relation to paragraph 1 and shall take account of the specificities of various payment transactions, distinguishing in particular between transactions initiated at an ATM and at the point of sale.

Article 15

Repeal

Regulation (EC) No 924/2009 is repealed.

References to the repealed Regulation shall be construed as references to this Regulation and shall be read in accordance with the correlation table in Annex II.

Article 16

Entry into force

This Regulation shall enter into force on the twentieth day following that of its publication in the *Official Journal of the European Union.*

This Regulation shall be binding in its entirety and directly applicable in all Member States.

▼B

ANNEX I

Repealed Regulation with list of the successive amendments thereto

Regulation (EC) No 924/2009 of the European Parliament and of the Council (OJ L 266, 9.10.2009, p. 11)	
Regulation (EU) No 260/2012 of the European Parliament and of the Council (OJ L 94, 30.3.2012, p. 22)	(Only the references made by Article 17 to Articles 2, 3, 4, 5, 7 and 8)
Regulation (EU) 2019/518 of the European Parliament and of the Council (OJ L 91, 29.3.2019, p. 36)	

▼B

ANNEX II

Correlation table

Regulation (EC) No 924/2009	This Regulation
Article 1(1), (2) and (3)	Article 1(1), (2) and (3)
Article 1(4)	–
Article 2	Article 2
Article 3(1)	Article 3(1)
Article 3(1a)	Article 3(2)
Article 3(2)	Article 3(3)
Article 3(4)	Article 3(4)
Article 3a	Article 4
Article 3b	Article 5
Article 4(1)	Article 6(1)
Article 4(3)	Article 6(2)
Article 4(4)	Article 6(3)
Article 5	Article 7
Article 6	–
Article 7	–
Article 9, first paragraph	Article 8, first paragraph
Article 9, second paragraph	Article 8, second paragraph
Article 9, third paragraph	–
Article 9, fourth paragraph	Article 8, third paragraph
Article 10(1), first subparagraph	Article 9(1)
Article 10(1), second subparagraph	–
Article 10(2)	Article 9(2)
Article 11	Article 10
Article 12	Article 11
Article 13	Article 12
Article 14(1)	Article 13
Article 14(2)	–
Article 14(3)	–
Article 15	Article 14
Article 16	Article 15
Article 17	Article 16
–	Annex I
–	Annex II