EUROPEAN CENTRAL BANK

EUROSYSTEM

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OPINION OF THE EUROPEAN CENTRAL BANK

of 19 august 2025

on the portability of IBAN numbers for bank accounts

(CON/2025/24)

Introduction and legal basis

On 25 June 2025 the European Central Bank (ECB) received a request from the Chairman of the Committee on the Economy, Consumer Protection and Digitalisation of the Belgian Chamber of Representatives for an opinion on a draft law amending the Belgian Code of Economic Law to introduce a system for the portability of IBAN numbers for bank accounts (hereinafter the 'draft law').

The ECB's competence to deliver an opinion is based on Articles 127(4) and 282(5) of the Treaty on the Functioning of the European Union and Article 2(1), second indent, of Council Decision 98/415/EC[1], as the draft law relates to means of payment. In accordance with Article 17.5, first sentence, of the Rules of Procedure of the European Central Bank, the Governing Council has adopted this opinion.

1. Purpose of the draft law

1.1 By way of background, Directive 2014/92/EU of the European Parliament and of the Council (hereinafter the 'Payment Accounts Directive')[2], which includes, inter alia, rules on the switching of payment accounts, has been transposed into Belgian law[3]. The account switching service allows consumers to switch from one payment service provider (PSP) to another in the same Member State at no direct cost.

1.2 According to the explanatory memorandum accompanying the draft law, Belgian consumers are fairly conservative when it comes to changing banks. This conservatism can largely be explained by the administrative obstacles involved in switching banks. To ensure optimal competition, it is essential that payment service users (PSUs) are able to choose, and therefore also change, their PSP easily, quickly and free of charge, according to their needs. The draft law aims at facilitating account switching.

1.3 In particular, the draft law (1) extends the account switching rules currently only applicable to payment accounts to regulated savings accounts, (2) introduces the principle of account number

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1 Council Decision 98/415/EC of 29 June 1998 on the consultation of the European Central Bank by national authorities regarding draft legislative provisions (OJ L 189, 3.7.1998, p. 42, ELI: http://data.europa.eu/eli/dec/1998/415/oj).

2 Directive 2014/92/EU of the European Parliament and of the Council of 23 July 2014 on the comparability of fees related to payment accounts, payment account switching and access to payment accounts with basic features (OJ L 257, 28.8.2014, p. 214, ELI: http://data.europa.eu/eli/dir/2014/92/oj).

3 This transposition was achieved by amending Book VII of the Belgian Code of Economic Law, which deals with payment and credit services. See Code de droit économique du 28 février 2013/Wetboek van economisch recht van 28 februari 2013, tel que modifié/zoals nader gewijzigd, *Moniteur belge/Belgisch Staatsblad*, 29.03.2013, p. 19975.

portability (via the IBAN identifier) and (3) provides that the complete transaction history of the relevant account for the last 10 years must be transferred to the receiving PSP.

1.4 The explanatory memorandum justifies the account number portability, stating that it enables consumers who keep their account number to avoid having to inform their creditors and debtors of the existence of a new account number.

1.5 The draft law provides that PSPs must offer the facility of portability of IBAN numbers and provides that the King is required to set out by decree adopted by the Council of Ministers (1) the arrangements for the portability of IBAN numbers for payment accounts, including the allocation of tasks between the parties involved in the transfer, (2) the obligations of PSPs regarding the provision of information to consumers on the portability of IBAN numbers of payment accounts, (3) the methodology for determining the costs of implementing this facility and the allocation of these costs between the parties concerned; the methods and rules for allocating costs may not result in any charges to consumers for the portability of IBAN numbers of payment accounts that would distort competition or discourage switching, and no direct charges are to be levied on consumers; and (4) the compensation to be paid to consumers in the event of delays in the execution of the transfer.

2. General observations

2.1 *IBAN*

2.1.1 The International Bank Account Number (IBAN) was introduced as a mandatory requirement for equal charging under Regulation (EC) No 2560/2001 of the European Parliament and of the Council[4]. The IBAN has proven to be a cornerstone for the standardisation of payments in the context of the Single Euro Payments Area (SEPA) as it enhances straight through processing and facilitates the verification of account numbers[5].

2.1.2 The IBAN as defined in Regulation (EU) No 260/2012 of the European Parliament and of the Council[6] (hereinafter the 'SEPA Regulation') is an international payment account number identifier, which unambiguously identifies an individual payment account in a Member State, the elements of which are specified by the International Organisation for Standardisation (ISO). In accordance with the standards adopted by ISO[7], the IBAN includes alphanumeric characters that identify in which country and with which PSP the account is located. Through its ledger, the PSP can identify the account holder.

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4 Regulation (EC) No 2560/2001 of the European Parliament and of the Council of 19 December 2001 on cross-border payments in euro (OJ L 344, 28.12.2001, p.13, ELI: http://data.europa.eu/eli/reg/2001/2560/oj); no longer in force·

5 See paragraph 2.2 of Opinion CON/2009/1 of the European Central Bank of 6 January 2009 on a proposal for a Regulation of the European Parliament and of the Council on cross-border payments in the Community (OJ C 21, 28.1.2009, p. 1).

6 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, ELI: http://data.europa.eu/eli/reg/2012/260/oj); see Article 2, point (15).

7 ISO 13616-1 :2020, available on the ISO website at www.iso.org.

2.1.3 At least two Union legal acts, namely the SEPA Regulation[8] and Regulation (EU) 2021/1230 of the European Parliament and of the Council[9], refer to the IBAN as an account identifier, requiring PSPs to (1) use the IBAN when carrying out credit transfer and direct debit transactions, (2) ensure that PSUs use the IBAN for identification of payment accounts and (3) offer payers the service of ensuring verification of the payee by comparing the IBAN and the name of the payee. The ECB understands that the IBAN is also used for payment activities, such as the routing or reporting of payments, balance of payments, or AML/CFT screening, and also for reporting purposes to support the fight against VAT fraud[10].

2.2 *Portability of IBAN*

2.2.1 The issue of account number portability has been the subject of numerous studies and discussions in recent years at Union level[11] and in some Member States[12].

2.2.2 The study which gave rise to the Commission's April 2021 Report assessed different types of options for implementing a Union-wide account number portability but concluded that none of these options would be viable from an efficiency standpoint. Although the tools for account number portability would greatly facilitate switching in the Union, they come with high implementation and running costs compared to their expected benefits[13]. In the Commission's second May 2023 Report, the Commission, after having described the different options available to organise payment account number portability, states that sectoral organisations do not see account number portability as a major game-changer for account switching and that consumer organisations have mixed views. The report concludes on this point that, while it is clear that possible additional measures could make it even easier to switch payment accounts within the Union, based on estimated switching rates and

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8 See in particular (1) Article 5(1), point (a) of the SEPA Regulation (in conjunction with point (1)(a) of the Annex); (2) Article 5(1), point (c) of the SEPA Regulation (in conjunction with point (1)(a) of the Annex); and (3) Article 5c of the SEPA Regulation (in conjunction with point (1)(a) of the Annex).

9 Regulation (EU) 2021/1230 of the European Parliament and of the Council of 14 July 2021 on cross-border payments in the Union (OJ L 274, 30.7.2021, p. 20, ELI: http://data.europa.eu/eli/reg/2021/1230/oj); see Article 6.

10 European Commission: Directorate-General for Financial Stability, Financial Services and Capital Markets Union and Deloitte, *Study on tools designed to facilitate switching and cross-border opening of payment accounts on the EU payment accounts market – Final report*, Publications Office, 2021, https://data.europa.eu/doi/10.2874/906198 (hereinafter the 'Commission's April 2021 Report'); see page 42.

11 See (1) European Commission: Directorate-General for Financial Stability, Financial Services and Capital Markets Union (European Commission), Grimaldi, ICF, Andruszkiewicz, O., Herrera, F. et al., *Study on switching of financial services and products – Final report*, Publications Office, 2019, https://data.europa.eu/doi/10.2874/090150 (hereinafter the 'Commission's November 2019 Report); (2) European Commission: Directorate-General for Financial Stability, Financial Services and Capital Markets Union and Deloitte, *Study on EU payment accounts market – Final report*, Publications Office, 2021, https://data.europa.eu/doi/10.2874/45634 (hereinafter the 'Commission's April 2020 Report'); (3) the Commission's April 2021 Report; (4) Answer given by Ms McGuinness on behalf of the European Commission to Parliamentary question – E-003259/2022(ASW), https://www.europarl.europa.eu/doceo/document/E-9-2022-003259-ASW_EN.html; (5) Report from the Commission assembling specific payment account related data from Member States as required by Article 27 of the Directive 2014/92/EU of the European Parliament and of the Council on the comparability of fees related to payment accounts, payment account switching and access to payment accounts with basic features, COM(2023) 248 final, https://op.europa.eu/en/publication-detail/-/publication/9b630c98-f0c0-11ed-a05c-01aa75ed71a1/language-en (hereinafter the 'Commission's first May 2023 Report'); and (6) Report from the Commission to the European Parliament and the Council on the application of Directive 2014/92/EU of the European Parliament and of the Council on the comparability of fees related to payment accounts, payment account switching and access to payment accounts with basic features, COM(2023) 249 final, https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=COM:2023:249:FIN (the 'Commission's second May 2023 Report').

12 See for instance the numerous references to the discussions that took place in the Netherlands included in the Commission's November 2019 Report.

13 Conclusions of the Executive Summary of the Commission's April 2021 Report.

given that the expected costs (including both one-off costs and recurring costs) would largely outweigh their expected benefits, such measures did not seem justifiable at that stage[14].

2.2.3 The IBAN as it stands today is not portable since in the current legal and technical framework the IBAN identifies the PSP holding the payment account.

2.2.4 Introducing account number portability based on the IBAN may be complex, as it requires technical and operational changes to infrastructure across the whole chain of payments and entails large investments in time and money by banks to change their infrastructure.

2.2.5 While introducing account number portability on a national level is technically possible, though rather complex, it would most probably be too costly and economically not feasible if only a small percentage of PSUs is inclined to switch bank accounts. Although the Payment Accounts Directive lays down rules on switching accounts domestically, by obliging PSPs to facilitate account switching at customers' requests[15], there is a still low mobility of PSPs' customers in the Union. Despite the fact that these rules make switching easier for consumers, the percentage of consumers not satisfied with their PSPs is still much higher than the percentage of consumers who have considered switching accounts. The Commission's April 2021 Report[16] estimates that only 0.7% of the Union banked population over 15 years old is using the domestic switching service provided by the Payment Accounts Directive. Room for improvement therefore seems to exist when comparing account switching with switching services in other sectors. In the telecommunications sector, for example, the Eurobarometer on E-communications[17] in the Union estimated in 2021 that around 60 % of European consumers have changed telecommunications service providers at least once. The portability of a phone number is a key element in this process.

2.2.6 As mentioned, the Commission's second May 2023 Report concludes that the expected costs of switching accounts would largely outweigh the expected benefits. While this conclusion is recent, in the future it could be challenged by trends like the growth of neobanks offering online services across Member States without physical branches, the growing percentage of Union citizens moving to live in another Member State, and developments in information technology. These elements could increase demand for switching services, making them more economically sustainable. In a time when digitalisation makes services faster and even instant, it may become difficult for consumers to accept that they must wait for days to transfer payment services from one account to another. Should initiatives be taken in that direction, it is essential that they facilitate faster, easier and efficient account switches on a Union-wide basis, both within and across Member States.

3. Specific observations

3.1 The draft law merely lays down the principle of IBAN portability, and provides that the arrangements for the portability, including the allocation of tasks between the parties involved in the transfer, the

14 See paragraph 5.3 of the Commission's Second May 2023 Report, page 14.

15 Chapter III of the Payment Accounts Directive.

16 The Commission's April 2021 Report, page 13.

17 See the Special Eurobarometer Report on E-Communications in the Single Market, June 2021, page 27.The proportion of those who have never changed provider has decreased by 9 percentage points from April 2017 to November 2020, https://europa.eu/eurobarometer/surveys/detail/2232·

obligations of PSPs regarding the provision of information to consumers, the methodology for determining the costs of implementing this facility and the allocation of these costs between the parties concerned and the compensation to be paid to consumers in the event of delays in the execution of the transfer, are to be determined by a royal decree adopted by the Council of Ministers. The ECB should be consulted on any royal decree implementing the draft law.

3.2 The national portability solution retained should remain consistent with the Union legal framework. In particular, considering the articulation between Union law and the ISO standards defining the current format of the IBAN, the portable payment account number should continue to be compliant with the format defined in accordance with the ISO standards in order to be recognized as an IBAN.

This opinion will be published on EUR-Lex.

Done at Frankfurt am Main, 19 August 2025.

[signed]

The President of the ECB

Christine LAGARDE