

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 (Text with EEA relevance)

*Article 1*

**Subject matter and scope**

1 This Regulation lays down rules for credit transfer and direct debit transactions denominated in euro within the Union where both the payer's payment service provider and the payee's payment service provider are located in the Union, or where the sole payment service provider (PSP) involved in the payment transaction is located in the Union.

2 This Regulation does not apply to the following:

- a payment transactions carried out between and within PSPs, including their agents or branches, for their own account;
- b payment transactions processed and settled through large-value payment systems, excluding direct debit payment transactions which the payer has not explicitly requested be routed via a large-value payment system;
- c payment transactions through a payment card or similar device, including cash withdrawals, unless the payment card or similar device is used only to generate the information required to directly make a credit transfer or direct debit to and from a payment account identified by BBAN or IBAN;
- d payment transactions by means of any telecommunication, digital or IT device, if such payment transactions do not result in a credit transfer or direct debit to and from a payment account identified by BBAN or IBAN;
- e transactions of money remittance as defined in point (13) of Article 4 of Directive 2007/64/EC;
- f payment transactions transferring electronic money as defined in point (2) of Article 2 of 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<sup>(1)</sup>, unless such transactions result in a credit transfer or direct debit to and from a payment account identified by BBAN or IBAN.

3 Where payment schemes are based on payment transactions by credit transfers or direct debits but have additional optional features or services, this Regulation applies only to the underlying credit transfers or direct debits.

*Article 2*

**Definitions**

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

- (1) 'credit transfer' means a national or cross-border payment service for crediting a payee's payment account with a payment transaction or a series of payment transactions from a payer's payment account by the PSP which holds the payer's payment account, based on an instruction given by the payer;

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- (2) 'direct debit' means a national or cross-border 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;
- (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 payer's payment account, a natural or legal person who makes a payment order to a payee's payment account;
- (4) 'payee' means a natural or legal person who holds a payment account and who is the intended recipient of funds which have been the subject of a payment transaction;
- (5) 'payment account' means an account held in the name of one or more payment service users which is used for the execution of payment transactions;
- (6) 'payment system' means a funds transfer system with formal and standardised arrangements and common rules for the processing, clearing or settlement of payment transactions;
- (7) 'payment scheme' means a single set of rules, practices, standards and/or implementation guidelines agreed between PSPs for the execution of payment transactions across the Union and within Member States, and which is separated from any infrastructure or payment system that supports its operation;
- (8) 'PSP' means a payment service provider falling under any of the categories referred to in Article 1(1) of Directive 2007/64/EC and the legal and natural persons referred to in Article 26 of Directive 2007/64/EC, but excludes the bodies listed in Article 2 of Directive 2006/48/EC of the European Parliament and of the Council of 14 June 2006 relating to the taking up and pursuit of the business of credit institutions<sup>(2)</sup> benefiting from a waiver under Article 2(3) of Directive 2007/64/EC;
- (9) 'PSU' means a natural or legal person making use of a payment service in the capacity of payer or payee;
- (10) 'payment transaction' means an act, initiated by the payer or by the payee of transferring funds between payment accounts in the Union, irrespective of any underlying obligations between the payer and the payee;
- (11) 'payment order' means an instruction by a payer or payee to his PSP requesting the execution of a payment transaction;
- (12) 'interchange fee' means a fee paid between the payer's PSP and the payee's PSP for direct debit transactions;
- (13) 'MIF' means a multilateral interchange fee which is subject to an arrangement between more than two PSPs;
- (14) 'BBAN' means a payment account number identifier, which unambiguously identifies an individual payment account with a PSP in a Member State and which can only be used for national payment transactions while the same payment account is identified by IBAN for cross-border payment transactions;
- (15) 'IBAN' means 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);

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- (16) 'BIC' means a business identifier code that unambiguously identifies a PSP, the elements of which are specified by the ISO;
- (17) 'ISO 20022 XML standard' means a standard for the development of electronic financial messages as defined by the ISO, encompassing the physical representation of the payment transactions in XML syntax, in accordance with business rules and implementation guidelines of Union-wide schemes for payment transactions falling within the scope of this Regulation;
- (18) 'large-value payment system' means a payment system the main purpose of which is to process, clear or settle single payment transactions of high priority and urgency, and primarily of large amount;
- (19) 'settlement date' means a date on which obligations with respect to the transfer of funds are discharged between the payer's PSP and the payee's PSP;
- (20) 'collection' means a part of a direct debit transaction starting from its initiation by the payee until its end through the normal debiting of the payer's payment account;
- (21) 'mandate' means the expression of consent and authorisation given by the payer to the payee and (directly or indirectly via the payee) to the payer's PSP to allow the payee to initiate a collection for debiting the payer's specified payment account and to allow the payer's PSP to comply with such instructions;
- (22) 'retail payment system' means a payment system the main purpose of which is to process, clear or settle credit transfers or direct debits, which are generally bundled together for transmission and are primarily of small amount and low priority, and that is not a large-value payment system;
- (23) 'microenterprise' 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<sup>(3)</sup>;
- (24) 'consumer' means a natural person acting for purposes other than trade, business or profession in payment service contracts;
- (25) 'R-transaction' means a payment transaction which cannot be properly executed by a PSP or which results in exception processing, inter alia, because of a lack of funds, revocation, a wrong amount or a wrong date, a lack of mandate or wrong or closed account;
- (26) 'cross-border payment transaction' means a payment transaction initiated by a payer or by a payee where the payer's PSP and the payee's PSP are located in different Member States;
- (27) 'national payment transaction' means a payment transaction initiated by a payer or by a payee, where the payer's PSP and the payee's PSP are located in the same Member State;
- (28) 'reference party' means a natural or legal person on behalf of whom a payer makes a payment or a payee receives a payment.

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### Article 3

#### Reachability

1 A payee's PSP which is reachable for a national credit transfer under a payment scheme shall be reachable, in accordance with the rules of a Union-wide payment scheme, for credit transfers initiated by a payer through a PSP located in any Member State.

2 A payer's PSP which is reachable for a national direct debit under a payment scheme shall be reachable, in accordance with the rules of a Union-wide payment scheme, for direct debits initiated by a payee through a PSP located in any Member State.

3 Paragraph 2 shall apply only to direct debits which are available to consumers as payers under the payment scheme.

### Article 4

#### Interoperability

1 Payment schemes to be used by PSPs for the purposes of carrying out credit transfers and direct debits shall comply with the following conditions:

- a their rules are the same for national and cross-border credit transfer transactions within the Union and similarly for national and cross-border direct debit transactions within the Union; and
- b the participants in the payment scheme represent a majority of PSPs within a majority of Member States, and constitute a majority of PSPs within the Union, taking into account only PSPs that provide credit transfers or direct debits respectively.

For the purposes of point (b) of the first subparagraph, where neither the payer nor the payee is a consumer, only Member States where such services are made available by PSPs and only PSPs providing such services shall be taken into account.

2 The operator or, in the absence of a formal operator, the participants of a retail payment system within the Union shall ensure that their payment system is technically interoperable with other retail payment systems within the Union through the use of standards developed by international or European standardisation bodies. In addition, they shall not adopt business rules that restrict interoperability with other retail payment systems within the Union. Payment systems designated under Directive 98/26/EC of the European Parliament and of the Council of 19 May 1998 on settlement finality in payment and securities settlement systems<sup>(4)</sup> shall only be obliged to ensure technical interoperability with other payment systems designated under the same Directive.

3 The processing of credit transfers and direct debits shall not be hindered by technical obstacles.

4 The payment scheme owner or, where there is no formal payment scheme owner, the leading participant of a new entrant retail payment scheme which has participants in at least eight Member States, may apply to the competent authorities in the Member State where the payment scheme owner or leading participant is located for a temporary exemption from the conditions set out in point (b) of the first subparagraph of paragraph 1. Those competent authorities may grant, after consulting the competent authorities in the other Member States where the new entrant payment scheme has a participant, the Commission and the ECB, such an exemption for

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a maximum of 3 years. Those competent authorities shall base their decision on the potential of the new entrant payment scheme to develop into a fully fledged pan-European payment scheme and its contribution to improving competition or promoting innovation.

5 With the exception of payment services benefiting from a waiver under Article 16(4), this Article shall be effective by 1 February 2014.

## Article 5

### Requirements for credit transfer and direct debit transactions

1 PSPs shall carry out credit transfer and direct debit transactions in accordance with the following requirements:

- a they must use the payment account identifier specified in point (1)(a) of the Annex for the identification of payment accounts regardless of the location of the PSPs concerned;
- b they must use the message formats specified in point (1)(b) of the Annex, when transmitting payment transactions to another PSP or via a retail payment system;
- c they must ensure that PSUs use the payment account identifier specified in point (1)(a) of the Annex for the identification of payment accounts, whether the payer's PSP and the payee's PSP or the sole PSP in the payment transaction are located in the same Member State or in different Member States;
- d they must ensure that where a PSU that is not a consumer or a microenterprise, initiates or receives individual credit transfers or individual direct debits which are not transmitted individually, but are bundled together for transmission, the message formats specified in point (1)(b) of the Annex are used.

Without prejudice to point (b) of the first subparagraph, PSPs shall, upon the specific request of a PSU, use the message formats specified in point (1)(b) of the Annex in relation to that PSU.

2 PSPs shall carry out credit transfers in accordance with the following requirements, subject to any obligation laid down in the national law implementing Directive 95/46/EC:

- a the payer's PSP must ensure that the payer provides the data elements specified in point (2)(a) of the Annex;
- b the payer's PSP must provide the data elements specified in point (2)(b) of the Annex to the payee's PSP;
- c the payee's PSP must provide or make available to the payee the data elements specified in point (2)(d) of the Annex.

3 PSPs shall carry out direct debits in accordance with the following requirements, subject to any obligation laid down in national law implementing Directive 95/46/EC:

- a the payee's PSP must ensure that:
  - (i) the payee provides the data elements specified in point (3)(a) of the Annex with the first direct debit and one-off direct debit and with each subsequent payment transaction,
  - (ii) the payer gives consent both to the payee and to the payer's PSP (directly or indirectly via the payee), the mandates, together with later modifications or cancellation, are stored by the payee or by a third party on behalf of the payee and the payee is informed of this obligation by the PSP in accordance with Articles 41 and 42 of Directive 2007/64/EC;

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- b the payee's PSP must provide the payer's PSP with the data elements specified in point (3)(b) of the Annex;
- c the payer's PSP must provide or make available to the payer the data elements specified in point (3)(c) of the Annex;
- d the payer must have the right to instruct its PSP:
  - (i) to limit a direct debit collection to a certain amount or periodicity or both,
  - (ii) where a mandate under a payment scheme does not provide for the right to a refund, to verify each direct debit transaction, and to check whether the amount and periodicity of the submitted direct debit transaction is equal to the amount and periodicity agreed in the mandate, before debiting their payment account, based on the mandate-related information,
  - (iii) to block any direct debits to the payer's payment account or to block any direct debits initiated by one or more specified payees or to authorise direct debits only initiated by one or more specified payees;

Where neither the payer nor the payee is a consumer, PSPs shall not be required to comply with point (d)(i), (ii) or (iii).

The payer's PSP shall inform the payer of the rights referred to in point (d) in accordance with Articles 41 and 42 of Directive 2007/64/EC.

Upon the first direct debit transaction or a one-off direct debit transaction and upon each subsequent direct debit transaction, the payee shall send the mandate-related information to his or her PSP and the payee's PSP shall transmit that mandate-related information to the payer's PSP with each direct debit transaction.

4 In addition to the requirements referred to in paragraph 1, the payee accepting credit transfers shall communicate its payment account identifier specified in point (1)(a) of the Annex and, until 1 February 2014 for national payment transactions and until 1 February 2016 for cross-border payment transactions, but only where necessary, its PSP's BIC to its payers, when a credit transfer is requested.

5 Before the first direct debit transaction, a payer shall communicate its payment account identifier specified in point (1)(a) of the Annex. The BIC of a payer's PSP shall be communicated until 1 February 2014 for national payment transactions and until 1 February 2016 for cross-border payment transactions by the payer but only where necessary.

6 Where the framework agreement between the payer and the payer's PSP does not provide for the right to a refund, the payer's PSP shall, without prejudice to paragraph (3)(a) (ii), verify each direct debit transaction to check whether the amount of the submitted direct debit transaction is equal to the amount and periodicity agreed in the mandate before debiting the payer's payment account, based on the mandate-related information.

7 After 1 February 2014 for national payment transactions and after 1 February 2016 for cross-border payment transactions PSPs shall not require PSUs to indicate the BIC of the PSP of a payer or of the PSP of a payee.

8 The payer's PSP and the payee's PSP shall not levy additional charges or other fees on the read-out process to automatically generate a mandate for those payment transactions initiated through or by means of a payment card at the point of sale, which result in direct debit.

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## Article 6

### End-dates

1 By 1 February 2014, credit transfers shall be carried out in accordance with the technical requirements set out in Article 5(1), (2) and (4) and points 1 and 2 of the Annex.

2 By 1 February 2014, direct debits shall be carried out in accordance with Article 8(2) and (3) and with the requirements set out in Article 5(1), (3), (5), (6) and (8) and points 1 and 3 of the Annex.

3 Without prejudice to Article 3, direct debits shall be carried out in accordance with the requirements set out in Article 8(1) by 1 February 2017 for national payments and by 1 November 2012 for cross-border payments.

4 For national payment transactions a Member State or, with the approval of the Member State concerned, the PSPs of a Member State may, after taking into account and evaluating the state of preparedness and readiness of their citizens, set earlier dates than those referred to in paragraphs 1 and 2.

## Article 7

### Validity of mandates and right to a refund

1 A valid payee authorisation to collect recurring direct debits in a legacy scheme prior to 1 February 2014 shall continue to remain valid after that date and shall be considered as representing the consent to the payer's PSP to execute the recurring direct debits collected by that payee in compliance with this Regulation in the absence of national law or customer agreements continuing the validity of direct debit mandates.

2 Mandates as referred to in paragraph 1 shall allow for unconditional refunds and refunds backdated to the date of the refunded payment where such refunds have been provided for within the framework of the existing mandate.

## Article 8

### Interchange fees for direct debit transactions

1 Without prejudice to paragraph 2, no MIF per direct debit transaction or other agreed remuneration with an equivalent object or effect shall apply to direct debit transactions.

2 For R-transactions a MIF may be applied provided that the following conditions are complied with:

- a the arrangement aims at efficiently allocating costs to the PSP which, or the PSU of which, has caused the R-transaction, as appropriate, while taking into account the existence of transaction costs and ensures that the payer is not automatically charged and the PSP is prohibited from charging PSUs in respect of a given type of R-transaction fees that exceed the cost borne by the PSP for such transactions;
- b the fees are strictly cost based;

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- c the level of the fees does not exceed the actual costs of handling an R-transaction by the most cost-efficient comparable PSP that is a representative party to the arrangement in terms of volume of transactions and nature of services;
- d the application of the fees in accordance with points (a), (b) and (c) prevent the PSP from charging additional fees relating to the costs covered by those interchange fees to their respective PSUs;
- e there is no practical and economically viable alternative to the arrangement which would lead to an equally or more efficient handling of R-transactions at equal or lower cost to consumers.

For the purposes of the first subparagraph, only cost categories directly and unequivocally relevant to the handling of the R-transaction shall be considered in the calculation of the R-transaction fees. Those costs shall be precisely determined. The breakdown of the amount of the costs, including separate identification of each of its components, shall be part of the arrangement to allow for easy verification and monitoring.

3 Paragraphs 1 and 2 shall apply *mutatis mutandis* to unilateral arrangements by a PSP and to bilateral arrangements between PSPs that have an object or effect equivalent to that of a multilateral arrangement.

#### Article 9

##### Payment accessibility

1 A payer making a credit transfer to a payee holding a payment account located within the Union shall not specify the Member State in which that payment account is to be located, provided that the payment account is reachable in accordance with Article 3.

2 A payee accepting a credit transfer or using a direct debit to collect funds from a payer holding a payment account located within the Union shall not specify the Member State in which that payment account is to be located, provided that the payment account is reachable in accordance with Article 3.

#### Article 10

##### Competent authorities

1 Member States shall designate as the competent authorities responsible for ensuring compliance with this Regulation public authorities, bodies recognised by national law or public authorities expressly empowered for that purpose by national law, including national central banks. Member States may designate existing bodies to act as competent authorities.

2 Member States shall notify the Commission of the competent authorities designated under paragraph 1 by 1 February 2013. They shall notify the Commission and the European Supervisory Authority (European Banking Authority) (EBA) without delay of any subsequent change concerning those authorities.

3 Member States shall ensure that the competent authorities referred to in paragraph 1 have all the powers necessary for the performance of their duties. Where there is more than one competent authority for matters covered by this Regulation on its territory, Member States shall ensure that those authorities cooperate closely so that they can discharge their respective duties effectively.



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4 The competent authorities shall monitor compliance by PSPs with this Regulation effectively and take all necessary measures to ensure such compliance. They shall cooperate with each other in accordance with Article 24 of Directive 2007/64/EC and with Article 31 of Regulation (EU) No 1093/2010.

#### *Article 11*

##### **Penalties**

1 Member States shall, by 1 February 2013, lay down rules on the penalties applicable to infringements of this Regulation and shall take all measures necessary to ensure that they are implemented. Such penalties shall be effective, proportionate and dissuasive. Member States shall notify the Commission of those rules and measures by 1 August 2013 and shall notify it without delay of any subsequent amendment affecting them.

2 The penalties referred to in paragraph 1 shall not be applied to consumers.

#### *Article 12*

##### **Out-of-court complaint and redress procedures**

1 Member States shall establish adequate and effective out-of-court complaint and redress procedures for the settlement of disputes concerning rights and obligations arising from this Regulation between PSUs and their PSPs. For those purposes, Member States shall designate existing bodies or where appropriate, set up new bodies.

2 Member States shall notify the Commission of the bodies referred to in paragraph 1 by 1 February 2013. They shall notify the Commission without delay of any subsequent change concerning those bodies.

3 Member States may provide for this Article to apply only to PSUs that are consumers or only to those that are consumers and microenterprises. Member States shall inform the Commission of any such provision by 1 August 2013.

#### *Article 13*

##### **Delegation of power**

The Commission shall be empowered to adopt delegated acts in accordance with Article 14 to amend the Annex, in order to take account of technical progress and market developments.

#### *Article 14*

##### **Exercise of the delegation**

1 The power to adopt delegated acts is conferred on the Commission subject to the conditions laid down in this Article.

2 The power to adopt delegated acts referred to in Article 13 shall be conferred on the Commission for a period of 5 years from 31 March 2012. The Commission shall draw up a report in respect of the delegation of power not later than 9 months before the end of the five-year

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period. The delegation of power shall be tacitly extended for periods of an identical duration, unless the European Parliament or the Council opposes such extension not later than 3 months before the end of each period.

3 The delegation of power referred to in Article 13 may be revoked at any time by the European Parliament or by the Council. A decision to revoke shall put an end to the delegation of the power specified in that decision. It shall take effect on the day following the publication of the decision in the *Official Journal of the European Union* or on a later date specified therein. It shall not affect the validity of any delegated acts already in force.

4 As soon as it adopts a delegated act, the Commission shall notify it simultaneously to the European Parliament and to the Council.

5 A delegated act adopted pursuant to Article 13 shall enter into force only if no objection has been expressed either by the European Parliament or the Council within a period of 3 months of notification of that act to the European Parliament and the Council or if, before the expiry of that period, the European Parliament and the Council have both informed the Commission that they will not object. That period shall be extended by 3 months at the initiative of the European Parliament or the Council.

## Article 15

### Review

By 1 February 2017, the Commission shall present to the European Parliament, the Council, the European Economic and Social Committee, ECB and EBA a report on the application of this Regulation accompanied, if appropriate, by a proposal.

## Article 16

### Transitional provisions

[<sup>F1</sup> By way of derogation from Article 6(1) and (2), PSPs may continue, until 1 August 2014, to process payment transactions in euro in formats that are different from those required for credit transfers and direct debits pursuant to this Regulation.

Member States shall apply the rules on the penalties applicable to infringements of Article 6(1) and (2), laid down in accordance with Article 11, from 2 August 2014.

By way of derogation from Article 6(1) and (2), Member States may allow PSPs to provide PSUs, until 1 February 2016, with conversion services for national payment transactions enabling PSUs that are consumers to continue using BBAN instead of the payment account identifier specified in point (1)(a) of the Annex on condition that interoperability is ensured by converting the payer's and the payee's BBAN technically and securely into the respective payment account identifier specified in point (1)(a) of the Annex. That payment account identifier shall be delivered to the initiating PSU, where appropriate before the payment is executed. In such a case PSPs shall not levy any charges or other fees on the PSU directly or indirectly linked to those conversion services.]

2 PSPs that offer payment services denominated in euro and that are located in a Member State which does not have the euro as its currency shall comply with Article 3 when offering payment services denominated in euro by 31 October 2016. If, however, the euro is introduced as the currency of any such Member State before 31 October 2015, the PSP located in that

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Member State shall comply with Article 3 within 1 year of the date on which the Member State concerned joined the euro area.

3 Member States may allow their competent authorities to waive all or some of the requirements referred to in Article 6(1) and (2) for those credit transfer or direct debit transactions with a cumulative market share, based on the official payment statistics published annually by the ECB, of less than 10 % of the total number of credit transfers or direct debit transactions respectively, in that Member State until 1 February 2016.

4 Member States may allow their competent authorities to waive all or some of the requirements referred to in Article 6(1) and (2) for those payment transactions generated using a payment card at the point of sale which result in direct debit to and from a payment account identified by BBAN or IBAN until 1 February 2016.

5 By way of derogation from Article 6(1) and (2), Member States may allow their competent authorities, until 1 February 2016, to waive the specific requirement to use the message formats specified in point (1)(b) of the Annex set out in Article 5(1)(d) for PSUs which initiate or receive individual credit transfers or direct debits that are bundled together for transmission. Notwithstanding a possible waiver, PSPs shall fulfil the requirements set out in Article 5(1)(d) where a PSU requests such a service.

6 By way of derogation from Article 6(1) and (2), Member States may defer the requirements relating to provision of BIC for national payment transactions in Article 5(4), (5) and (7) until 1 February 2016.

7 Where a Member State intends to make use of a derogation as provided for in paragraph 1, 3, 4, 5 or 6, that Member State shall notify the Commission accordingly by 1 February 2013, and shall subsequently allow its competent authority to waive, as relevant, some or all of the requirements set out in Article 5, Article 6(1) or (2) and the Annex, for the relevant payment transactions as referred to in the respective paragraphs or subparagraphs and for a period not exceeding that of the derogation. Member States shall notify the Commission of the payment transactions subject to the derogation and of any subsequent change.

8 PSPs located in, and PSUs making use of a payment service in a Member State which does not have the euro as its currency shall comply with the requirements of Articles 4 and 5 by 31 October 2016. Operators of retail payment systems for a Member State which does not have the euro as its currency shall comply with the requirements of Article 4(2) by 31 October 2016.

If, however, the euro is introduced as the currency of any such Member State before 31 October 2015, the PSPs or where relevant operators of retail payment systems located and PSUs making use of a payment service, in that Member State shall comply with the respective provisions within 1 year of the date on which the Member State concerned joined the euro area, but not earlier than the respective dates specified for the Member States having the euro as their own currency on 31 March 2012.

#### Textual Amendments

- F1** Substituted by [Regulation \(EU\) No 248/2014 of the European Parliament and of the Council of 26 February 2014 amending Regulation \(EU\) No 260/2012 as regards the migration to Union-wide credit transfers and direct debits \(Text with EEA relevance\)](#).

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## Article 17

### Amendments to Regulation (EC) No 924/2009

Regulation (EC) No 924/2009 is hereby amended as follows:

- (1) in Article 2, point (10) is replaced by the following:
  10. “funds” means banknotes and coins, scriptural money and electronic money as defined in Article 2(2) of 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<sup>(5)</sup>;
- (2) in Article 3, paragraph 1 is replaced by the following:
  1. Charges levied by a payment service provider on a payment service user in respect of cross-border payments 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) Article 4 is amended as follows:
  - (a) paragraph 2 is deleted;
  - (b) paragraph 3 is replaced by the following:
    3. The payment service provider may levy charges additional to those levied in accordance with Article 3(1) on the payment service user where that user instructs the payment service provider to execute the cross-border payment without communicating IBAN and, where appropriate and in accordance with 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<sup>(6)</sup>, 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.;
- (4) in Article 5, paragraph 1 is replaced by the following:
  1. With effect from 1 February 2016, Member States shall remove settlement-based national reporting obligations on payment service providers for balance of payments statistics relating to payment transactions of their customers.;
- (5) Article 7 is amended as follows:
  - (a) in paragraph 1, the date ‘1 November 2012’ is replaced by ‘1 February 2017’;
  - (b) in paragraph 2, the date ‘1 November 2012’ is replaced by ‘1 February 2017’;
  - (c) in paragraph 3, the date ‘1 November 2012’ is replaced by ‘1 February 2017’;
- (6) Article 8 is deleted.

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**Changes to legislation:** There are outstanding changes not yet made to Regulation (EU) No 260/2012 of the European Parliament and of the Council. Any changes that have already been made to the legislation appear in the content and are referenced with annotations. (See end of Document for details) [View outstanding changes](#)

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## *Article 18*

### **Entry into force**

This Regulation shall enter into force on the 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.

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**Changes to legislation:** There are outstanding changes not yet made to Regulation (EU) No 260/2012 of the European Parliament and of the Council. Any changes that have already been made to the legislation appear in the content and are referenced with annotations. (See end of Document for details) [View outstanding changes](#)

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- (1) [OJ L 267, 10.10.2009, p. 7.](#)
- (2) [OJ L 177, 30.6.2006, p. 1.](#)
- (3) [OJ L 124, 20.5.2003, p. 36.](#)
- (4) [OJ L 166, 11.6.1998, p. 45.](#)
- (5) [OJ L 267, 10.10.2009, p. 7.](#)’;
- (6) [OJ L 94, 30.3.2012 p. 22.](#)’;

### Changes to legislation:

There are outstanding changes not yet made to Regulation (EU) No 260/2012 of the European Parliament and of the Council. Any changes that have already been made to the legislation appear in the content and are referenced with annotations.

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### Changes and effects yet to be applied to :

- Regulation amendment to earlier affecting provision S.I. 2018/1199, reg. 15 by [S.I. 2020/1301 reg. 3Sch. para. 5\(b\)](#)
- Regulation power to modify conferred by [2023 c. 29 s. 3Sch. 1 Pt. 1](#)
- Regulation power to revoke conferred by [S.I. 2018/1199 reg. 15](#)
- Regulation revoked by [2023 c. 29 Sch. 1 Pt. 1](#)
- Art. 1(1) words substituted by [S.I. 2018/1199 reg. 5](#)
- Art. 3(1) word substituted by [S.I. 2018/1199 reg. 7\(2\)\(b\)](#)
- Art. 3(1) word substituted by [S.I. 2018/1199 reg. 7\(2\)\(d\)](#)
- Art. 3(1) words substituted by [S.I. 2018/1199 reg. 7\(2\)\(a\)](#)
- Art. 3(1) words substituted by [S.I. 2018/1199 reg. 7\(2\)\(c\)](#)
- Art. 3(2) word substituted by [S.I. 2018/1199 reg. 7\(3\)\(b\)](#)
- Art. 3(2) word substituted by [S.I. 2018/1199 reg. 7\(3\)\(d\)](#)
- Art. 3(2) words substituted by [S.I. 2018/1199 reg. 7\(3\)\(a\)](#)
- Art. 3(2) words substituted by [S.I. 2018/1199 reg. 7\(3\)\(c\)](#)
- Art. 4(1) word substituted by [S.I. 2018/1199 reg. 8\(2\)\(d\)](#)
- Art. 4(1) words substituted by [S.I. 2018/1199 reg. 8\(2\)\(a\)](#)
- Art. 4(2) words substituted by [S.I. 2018/1199 reg. 8\(3\)\(a\)](#)
- Art. 4(2) words substituted by [S.I. 2018/1199 reg. 8\(3\)\(b\)](#)
- Art. 4(2) words substituted by [S.I. 2018/1199 reg. 8\(3\)\(c\)](#)
- Art. 4(4)(5) omitted by [S.I. 2018/1199 reg. 8\(4\)](#)
- Art. 5(1) words substituted by [S.I. 2018/1199 reg. 9\(2\)\(a\)](#)
- Art. 5(1) words substituted by [S.I. 2018/1199 reg. 9\(2\)\(c\)](#)
- Art. 5(2) words substituted by [S.I. 2018/1199 reg. 9\(3\)\(a\)](#)
- Art. 5(2) words substituted by [S.I. 2018/1199 reg. 9\(3\)\(b\)](#)
- Art. 5(3) words substituted by [S.I. 2018/1199 reg. 9\(4\)\(a\)\(i\)](#)
- Art. 5(3) words substituted by [S.I. 2018/1199 reg. 9\(4\)\(a\)\(ii\)](#)
- Art. 5(3) words substituted by [S.I. 2018/1199 reg. 9\(4\)\(b\)](#)
- Art. 5(4) words omitted by [S.I. 2018/1199 reg. 9\(6\)](#)
- Art. 5(5) words omitted by [S.I. 2018/1199 reg. 9\(7\)](#)
- Art. 6 omitted by [S.I. 2018/1199 reg. 10](#)
- Art. 9(1) words substituted by [S.I. 2018/1199 reg. 11\(a\)](#)
- Art. 9(1) words substituted by [S.I. 2018/1199 reg. 11\(b\)](#)
- Art. 9(2) words substituted by [S.I. 2018/1199 reg. 11\(a\)](#)
- Art. 9(2) words substituted by [S.I. 2018/1199 reg. 11\(b\)](#)
- Art. 10 omitted by [S.I. 2018/1199 reg. 12\(a\)](#)
- Art. 11 omitted by [S.I. 2018/1199 reg. 12\(b\)](#)
- Art. 12 omitted by [S.I. 2018/1199 reg. 12\(c\)](#)
- Art. 13 substituted by [S.I. 2018/1199 reg. 13\(1\)](#)
- Art. 14 omitted by [S.I. 2018/1199 reg. 13\(2\)](#)
- Art. 15 omitted by [S.I. 2018/1199 reg. 14\(a\)](#)
- Art. 16 omitted by [S.I. 2018/1199 reg. 14\(b\)](#)
- Art. 17 omitted by [S.I. 2018/1199 reg. 14\(c\)](#)
- Art. 18 words omitted by [S.I. 2018/1199 reg. 14\(d\)](#)

### Changes and effects yet to be applied to the whole legislation item and associated provisions

- Art. 2(A1)(A2) inserted by [S.I. 2018/1199 reg. 6\(2\)](#)

- Art. 2(A2)(a) word omitted in earlier amending provision S.I. 2018/1199, reg. 6(2) by [S.I. 2019/680 reg. 6\(a\)](#)
- Art. 2(A2)(c) and word inserted in earlier amending provision S.I. 2018/1199, reg. 6(2) by [S.I. 2019/680 reg. 6\(b\)](#)
- Art. 2(7) words substituted by [S.I. 2018/1199 reg. 6\(3\)](#)
- Art. 2(8) omitted by [S.I. 2018/1199 reg. 6\(4\)](#)
- Art. 2(8A)(8B) inserted by [S.I. 2018/1199 reg. 6\(5\)](#)
- Art. 2(8B) words substituted in earlier amending provision S.I. 2018/1199, reg. 6(5) by [S.I. 2020/1301 reg. 3Sch. para. 5\(a\)](#)
- Art. 2(10) words substituted by [S.I. 2018/1199 reg. 6\(6\)](#)
- Art. 2(14) word substituted by [S.I. 2018/1199 reg. 6\(7\)\(b\)](#)
- Art. 2(14) words substituted by [S.I. 2018/1199 reg. 6\(7\)\(a\)](#)
- Art. 2(15) word substituted by [S.I. 2018/1199 reg. 6\(8\)](#)
- Art. 2(17) words substituted by [S.I. 2018/1199 reg. 6\(9\)](#)
- Art. 2(23) substituted by [S.I. 2018/1199 reg. 6\(10\)](#)
- Art. 2(26) word substituted by [S.I. 2018/1199 reg. 6\(11\)](#)
- Art. 2(27) substituted by [S.I. 2018/1199 reg. 6\(12\)](#)
- Art. 4(1)(a) substituted by [S.I. 2018/1199 reg. 8\(2\)\(b\)](#)
- Art. 4(1)(b) word substituted by [S.I. 2018/1199 reg. 8\(2\)\(c\)\(i\)](#)
- Art. 4(1)(b) words substituted by [S.I. 2018/1199 reg. 8\(2\)\(c\)\(ii\)](#)
- Art. 4(6) inserted by [S.I. 2018/1199 reg. 8\(5\)](#)
- Art. 5(1)(c) words substituted by [S.I. 2018/1199 reg. 9\(2\)\(b\)](#)
- Art. 5(3)(a)(ii) words substituted by [S.I. 2018/1199 reg. 9\(4\)\(a\)\(iii\)](#)
- Art. 5(3A) inserted by [S.I. 2018/1199 reg. 9\(5\)](#)