

EN

E-001381/2020

Answer given by Executive Vice-President Dombrovskis  
on behalf of the Commission  
(18.6.2020)

The Commission acknowledges the importance of well-functioning cross-border payments in euro throughout the European Union for the proper functioning of the single market.

It is well aware of the fact that a number of entities refuse Single European Payment Area (SEPA) direct debits from accounts in other Member States. This is a clear breach of the SEPA Regulation<sup>1</sup>.

Art. 10 of the SEPA Regulation mandates Member States to designate a competent authority for ensuring compliance with the Regulation. It is therefore the responsibility of these competent authorities to address the practice known as ‘IBAN<sup>2</sup> discrimination’.

The Commission therefore refers systematically all complaints to the relevant competent authorities. When these are not appropriately dealt with and breaches are not removed, the Commission reminds the national authorities of their legal obligations and, if necessary, launches infringement procedures. Currently, infringement procedures are already ongoing for three Member States. In addition, three further Member States have been asked to provide explanation on unsolved cases.

The Communication “Long term action plan for better implementation and enforcement of single market rules” adopted by the Commission on 10 March 2020<sup>3</sup> puts forward initiatives that will help resolve existing barriers more effectively, such as making better use of the EU pilot system (dialogue with Member States at the pre-infringement stage) and clear and more consistent handling of complaints (cf. Actions 20-21).

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<sup>1</sup> Regulation (EU) No 260/2012 - *OJ L 94, 30.3.2012, p. 22–37*

<sup>2</sup> International Bank Account Number

<sup>3</sup> COM(2020) 94 final