

PRESS RELEASE

Banks: ABI, the guide to European payment services for families and businesses has been published

Three months from the entry into force of the PSD in Italy and with a view to the encounter with "European" debits and collections, two guidebooks drawn up in collaboration with business and consumer associations were presented at SPIN 201 and will be available at bank branches in a few days time.

"More European" direct debits and collections with the PSD. The 5 July marks the date for the arrival of new procedures for direct debits and collections, as envisaged by the calendar established by the Italian legislator for the progressive entry into force of the European payment services directive. For customers, businesses and households, this means even more safeguards and guarantees: in actual fact, the PSD envisages extended terms for the notification of any unauthorised transactions and to request the reimbursement of any *irregular* debits. With a view to the same, and to make the lives of customers that use electronic payment instruments on a daily basis easier, ABI has drawn up two guides – one for households and the other for businesses – in collaboration with 16 consumer associations and 5 business associations. The guides, presented today in Rome during the *SPIN 2010* conference, contain a wealth of information on the changes introduced by the PSD, and in the next few days, it will be available in branches.

"The PSD – said ABI's general manager, Giovanni Sabatini, opening the SPIN conference – has a profound impact on the rights and duties, business practices and conduct of operators. Now that the great legislative leap has been made, we need to rapidly progress towards the full establishment of the single payments area, to benefit from the advantages to the European economy, envisaged by the Commission as € 123 billion in six years. In this regard - Sabatini added – it is essential, on one hand, to set the so-called end date, i.e. the date on which national instruments and procedures become invalid and, on the other hand, that the Public Administration plays a driving role in the process of migration to SEPA". The changes introduced by the PSD and illustrated in the ABI guides are discussed below.

✓ **WHAT IS THE PSD?**

The PSD is the European directive on payment services in force in Italy since 1 March of this year, which aims to eliminate the legislative differences between Member States and to increase competition between operators, guaranteeing equal conditions, more transparency and more protection for customers. The Directive encompasses the whole topic of payments in a single legislative framework, with the objective of supporting, as regards electronic payments, the creation of an integrated market at European level, reducing the costs and inefficiencies of paper instruments and cash.



**Banks transfers, Cards, Pre-
authorised payment instructions**

**7 CHANGES
to know about
to better manage them**

✓ **IBAN: A SINGLE ID NUMBER FOR CURRENT ACCOUNTS**

The old bank details, ABI and CAB will officially be retired, and the use of the IBAN code will become mandatory to make a bank transfer.

✓ **FASTER TRANSACTIONS AND GUARANTEED TIMES**

The time required for transactions becomes shorter: from the moment the bank receives the payment order, the amount is credited to the account of the beneficiary by the end of the next working day. Therefore, in the case of a bank transfer, one working day is all that is needed to transfer a certain sum from the account of the transferor to that of the beneficiary. Up until 2012, the Directive allows banks, with the consent of its customers, to extend the time needed for said transaction up to a maximum of 3 working days (4 in the case of paper transfers).

✓ **IMMEDIATE AVAILABILITY OF THE SUMS OF BANK TRANSFERS**

Once the transfer has been received, the bank immediately makes the sum available to the customer, who may use the amount credited: the value date (the day from which interest starts to accrue) coincides with the same.

✓ **NO "ANTEDATING OF THE VALUE DATE"**

It is no longer permitted to credit the amount to the account of a beneficiary with a value date prior to or equal to the date on which the order is placed (so-called "antedated value date").

✓ **MORE PROTECTION WITH CARDS AND PAGOBANCOMAT (DEBIT CARDS)**

Those using payment cards have more time to dispute any erroneous debits and to obtain reimbursement of the same. New cards may be sent only if expressly requested by the customer (an exception is made for the replacement of expired cards etc.). The same purchase conditions, in terms of price and discounts are valid whether the customer pays in cash or with a card; shops may not refuse payment with a card if they display the logo of the circuit of the same.

✓ **MORE TIME FOR REIMBURSEMENTS AND MORE SECURITY**

The procedures and the time required to claim a reimbursement have improved. In the case of a debit for an unauthorised transaction, customers have up to 13 months from the date of the debit to notify their banks of the same and request rectification and immediate reimbursement of the same.

If irregularities are found in an authorised debit transaction – for example a RID (preauthorised debit instruction) to pay a telephone or electricity bill - customers have 8 weeks to request reimbursement. The bank is bound to return the amount within 10 days of the request or to justify any refusal. If, instead an irregularity is found before the sum has been debited, the order can be revoked up until the day prior to that on which the RID falls due.

✓ **CLEARER AND MORE COMPLETE INFORMATION**

The PSD envisages that the customer receives, before the signature of a contract and in the event of any subsequent periodic communications, a set of information on services and instruments written in simple and comprehensive language.

Rome, Palazzo Altieri, 17 June 2010