



Discussion note on further work of the ERPB on broader accessibility issues for retail payment users

For presentation and discussion at the ERPB meeting on
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Final

AGE Platform Europe and De Nederlandsche Bank

INTRODUCTION

1. One of the items in the ERPB workplan 2014-2016 is “**Accessibility, simplicity and choice for payment service users**”¹. The fast pace of innovation in retail payment services may give rise to issues for payment service users who are not necessarily able to use these services or understand the inherent complexities. The Payment Accounts Directive (PAD) is a major step in protecting such customers. In the fifth ERPB meeting it was suggested to postpone looking into remaining issues after the Directive has been implemented. However AGE Platform Europe and De Nederlandsche Bank (DNB) were of the opinion that this item should not be postponed.
2. AGE Platform Europe and DNB were invited to prepare a discussion note for the ERPB meeting of November 2016 to consider whether to engage in further work on broader accessibility for payment users.

DISCUSSION POINTS

3. AGE Platform Europe and DNB are of the opinion that the item “Accessibility, simplicity and choice for payment service users” should remain on the ERPB agenda for the following reasons.
4. The objective of the ERPB is to contribute and to facilitate the further development of an **integrated**, innovative and competitive market for euro retail payments in the EU by:
 - Identifying and studying technical, behavioral and legal obstacles in several kinds of payments.
 - Identifying and pursuing ways to address these obstacles.
 - Identifying and pursuing ways to foster innovation, competition and integration in retail payments in euro in the EU.

¹ See also point 11 of the draft ERPB Annual Report 2015-2016: Not all members of the population can profit equally from retail payment products due to their complexity. This may result in the de facto exclusion from these services of the most vulnerable members of the population.

5. Access to euro retail payments is crucial to participation in economic prosperity and growth and development. However with the rapid digitalization of many euro retail payments, a growing group of consumers face barriers that prevent them from accessing these payments. This concerns mainly persons aged 50+ and persons with disabilities², but also other vulnerable groups. Together they represent a large part of the European population and their numbers are expected to grow rapidly over the next years.
6. Financial inclusion in the EU is key - a lot of work has to be done, before vulnerable groups, have access to euro retail payments on an equal basis with others. The ERPB could play an important role in this work in the context of its mandate.
7. Given the current debate at EU level on the need to ensure equal access to banking services for elderly persons and persons with disabilities, the ERPB could do the same for users of euro retail payments.
8. AGE Platform Europe and DNB are of the opinion that the in 2014 adopted PAD is indeed a major step in improving simplicity and consumers' choice in accessing basic payment accounts. The PAD had to be implemented in national law of the EU Member States by September 18th, 2016. The objective mentioned in the draft ERPB Annual Report 2015-2016, based on the first ERPB work programme, states: Report to the ERPB analyzing the practical issues faced by the most vulnerable groups of society in the euro retail payments market and on best practices.
9. However while the PAD seeks to improve the transparency and comparability of fee information about payment accounts (including current accounts), to facilitate switching between payment accounts and to ensure that every EU resident has access to a basic bank account, it does not address accessibility issues of retail payment services. There are other initiatives that aim to improve accessibility of the euro retail payment market which the ERPB could take into account in possible further analysis (see background information).

² According to Eurostat's population statistics some 14% of citizens aged 16-64 have a basic activity limitation.

POSSIBLE FOLLOW UP

10. The ERPB Members are invited to share their views on conducting further analysis on the practical issues faced by vulnerable groups of society in the euro retail payments market, and on existing best practices. AGE Platform Europe and DNB propose that this work could be taken up by interested ERPB Members.

BACKGROUND INFORMATION: OTHER RELEVANT INITIATIVES

11. **The UN Convention on the Rights of Persons with Disabilities (UN CRPD)** has paved the way in promoting accessibility in all public services including euro retail payment services. The EU and most of its Member States have ratified the UN CRPD and have a duty to fully adhere to its articles. This means that the EU and its Member States are required to take the necessary measures, including legislation, to ensure accessibility for persons with disabilities. According to article 9 of the UN CRPD persons with disabilities should be able to live independently and to participate fully in all aspects of life on an equal basis with others. Access to banking and financial services (including euro retail payment services) is a significant step in achieving full socioeconomic participation and exercising independence.
12. A result of the UN CRPD is the long awaited **European Accessibility Act (EAA)**³ proposed by the European Commission in December 2015. The EAA is an opportunity to make the EU a more accessible place for millions of people living with disabilities, benefiting also other vulnerable groups. It is also a crucial step in helping the Member States to fulfill their commitments and obligations under the UN CRPD. The EAA will make it easier for producers and service providers to export products and services that comply with the EU requirements, since they will not need to adjust to divergent national rules. The EAA covers specific financial products and services, such as ATMs, banking services and e-commerce.
13. Additionally, the accessibility of European Point-of-Sale (PoS) terminals leave much to be desired. Many consumers, especially older persons and persons with disabilities, encounter difficulties when using these PoS terminals. The Eye Association Netherlands, as part of the

³ EU Procedure 2015/0278(COD).

Working Group on Accessibility of the Dutch National Forum on the Payment System, therefore created the cross-sectoral, single-issue **European platform Pay-Able**⁴. The platform has one goal: barrier free access to PoS terminals for everyone in Europe. The platform believes that PoS terminals should be designed following the principle of Design for All. The platform also strives to bring this message to the attention of the legislator(s) and (international) manufacturers of PoS terminals. The platform has the support of AGE Platform Europe, the European Disability Forum, the European Blind Union, ANEC, the BEUC and several other interest groups organized at national level.

14. In January 2016 the revised **Directive on Payment Services 2 (PSD2)**⁵ entered into force. The new rules will better protect consumers when they make payments, promote the development and use of innovative online and mobile payments and make European payment services safer. The PSD2 aims to better protect consumers against fraud and other abuses and payment incidents. This is especially important for vulnerable groups.

15. Also the European Commission (EC) launched their **Green Paper on Retail Financial Services**⁶ in 2015 for public dialogue. The EC is of the opinion that retail financial services markets (including those for euro retail payment services) are not yet as integrated as they could be in the EU. The EC has asked consumers and providers several questions about barriers they encounter in this field. Depending on the outcome the EC will look into potential actions they could take at EU level to overcome those barriers. The ERPB mentioned in their reaction to the Green Paper that they endorse the objective of a harmonized e-invoice/bill presentment and payment service with pan-European reach for all consumers and businesses in the SEPA. Increased use of e-invoicing, however, should not lead to the exclusion of certain groups of consumers – e.g. those who face accessibility barriers and/or lack the technology, knowledge or confidence required to use the internet in this way, among whom many older persons and persons with disabilities. Furthermore, the summary of contributions to the Green Paper mentions that consumers and suppliers listed a number of challenges in relation to new developments in digitalization. The risk of financial exclusion was cited as a possible area of concern. All agreed that, in particular, the

⁴ www.pay-able.eu.

⁵ Directive 2015/2366/EU.

⁶ EU Procedure 2016/2056(INI).

older people and those living in rural areas were less likely to make use of on-line services. Both industry and consumer organisations pointed to public authorities' responsibility for ensuring that basic (and essential) services remain available to above groups even off-line.

16. In December 2015 the (then future) Netherlands, Slovak and Maltese Presidencies of the EU published their **Strategic EU Agenda** – an 18 month programme of the Council (1 January 2016 – 30 June 2017). The three Presidencies strive, among others, towards a Union that empowers and protects all its citizens. They will pursue equal treatment and economic independence – a priority area that includes improved access to goods and services by people with disabilities.
17. And last but not least, the Committee on Payments and Market Infrastructures (CPMI) and the World Bank Group issued in April 2016 their final **report on Payment Aspects of Financial Inclusion**⁷. The report outlines seven guiding principles and suggests key actions countries could take to advance access to transaction accounts, which then can serve as a gateway to broader financial inclusion.

⁷ <http://www.bis.org/cpmi/publ/d144.htm>.