

# ACCEPT MY IBAN

European Forum for Innovation in Payments

Accept my IBAN



**Report it, so we  
can stop it!**

# Agenda

1. Introduction
2. Overview of results
3. Issues & examples
4. Policy recommendations

Broad coalition. Find our partners [here](#)

**7WISE**

**Klarna. Revolut**



**N26**



**raisin.**

**bunq**



**FINOM**



**Payoneer**



**YuroPay**



**monneo**  
One platform. Multiple banks.

**ConnectPay**

**ra1sr**

**Modulr**

**RationalFX**

**fire**

**moneemint**

**[ ] safenetpay**



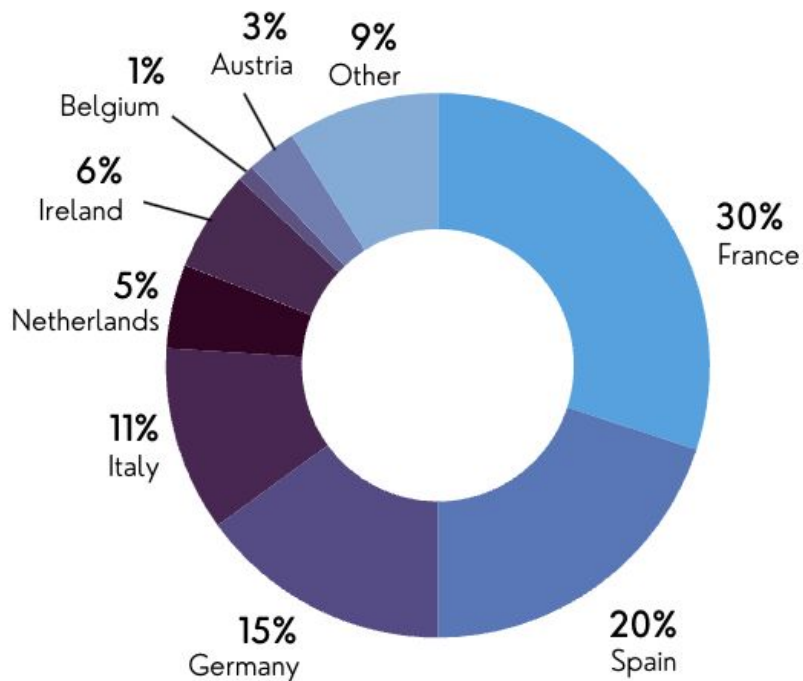
**contis**  
Payments Unleashed



# IBAN discrimination per country

Insights from Accept My IBAN show that out of the **3800 consumer complaints** we've received, **France accounts for a third** of all reports of IBAN discrimination.

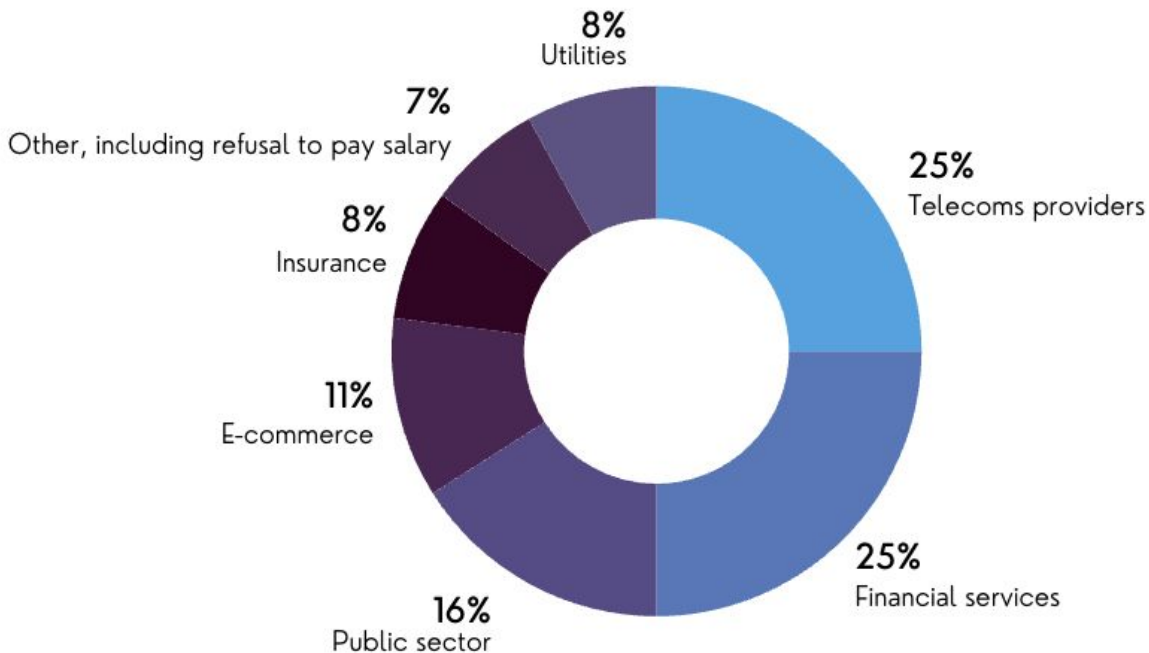
## Accept My IBAN: Discrimination by country



# IBAN discrimination per sector

Insights from Accept My IBAN show that across the EU, financial institutions and telecoms providers are the biggest culprits. Worryingly, the public sector is responsible for 1 in 6 complaints.

## Accept my IBAN: Discrimination per sector (EU)



# Why do NCAs see so few complaints

1. Lack of awareness
2. Hard to know who to complain to
3. National law vs EU law



# Single Market Enforcement Taskforce (DG GROW)

&

## Accept My IBAN

### Member State survey

Have you seen IBAN  
discrimination in any of these 5  
areas?

1. Tax
2. Social services
3. Pensions
4. Insurance
5. Telecoms services

# Focus on tax discrimination.



## TGSS + Agencia Tributaria: “Collaborating Entity” requirement

Both the social security entity (TGSS, pensions & benefits) and the tax entity (Agencia Tributaria) need to approve a financial institution as a “collaborating entity” before being able to send/receive payments.

## EU infringement procedure

In May 2020, the European Commission started infringement proceedings against Spain for making it difficult for foreign payment service providers to get authorised and therefore violating SEPA rules.

## Local presence required

In order to be accepted as a “Collaborating Entity”, firms need a local presence (Spanish office address) and need to be registered with the BdE (specific to the social security TGSS).



# Focus on tax discrimination.



Google AdSense Help



Describe your issue

Can I receive payments by bank transfer if my bank is located in a different country from the address in my payments settings? ^

No. Your bank (or branch) must be located in the same country as the address in your payments settings. If it's not located in the same country, your SWIFT code won't be accepted when entering your new form of payment details.

**EEA Based Merchants:** You may nominate an SEPA (Single Euro Payments Area) reachable account located in any EEA country. To complete a nomination, please [contact support](#) ↗.

# Non-euro examples.

## Bulgaria

I'm a small business that sold goods on the Spanish site Wallapop. I sold almost 1000 euros. They don't want to pay me because I have a Mypos account that was in Bulgaria. My wallet is blocked and they absolutely don't want a foreign account even if it's in the European Community.

## Poland

The Polish finance authority of Warsaw does not accept to refund taxes to a German IBAN. They request a Polish IBAN.

## Sweden

On 27.06.2022, my train journey with the Swedish rail operator SJ AB was severely delayed, entitling me to monetary compensation. I submitted a request for compensation. Several weeks later SJ replied and confirmed my eligibility for compensation, and requested details of a Swedish bank account as the only available method of payment.



## Erreur

Vous n'êtes pas autorisé à saisir un  
bénéficiaire européen

Example

# IBAN friction

"I tried to sign up for a sim only, yearly contract with **T-Mobile** in the Netherlands. As an expat I have an N26 bank account, which has a German IBAN.

When I tried to complete the application online T-Mobile's website informed that if I had a foreign IBAN I would have to go to a physical store. I went to two different stores but they declined to help me."

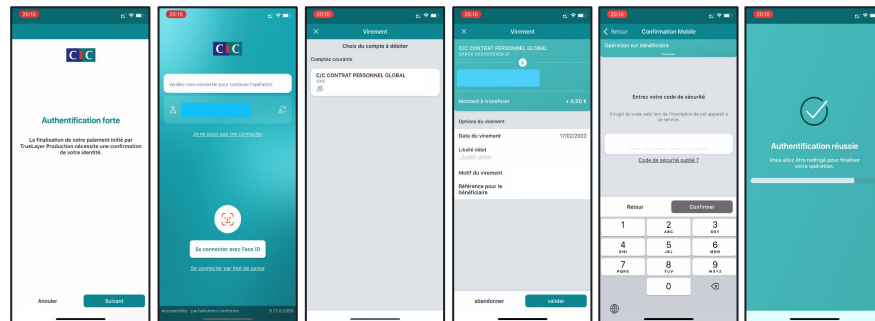
"Due to KBC's closure, I went to update my **Vodafone** account to accept Direct Debit via my new N26 account. However, I received a message "To use an IBAN starting with another country code than IE or GB, please visit one of our stores." I contacted customer support and they directed me to [their page](#) which says:

*In order to set up a foreign bank account, you must visit one of our Retail Stores. Please bring photo ID and a Euro currency bank statement, dated within the last 3 months, from a Euro Zone bank account that accepts direct debits.*

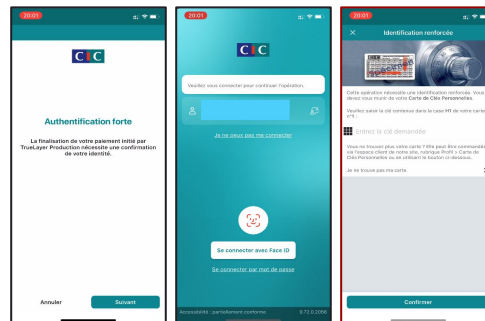
*Please note this cannot be done via Chat or contact centre channels."*

# Open banking examples

**2x SCA for PIS to a non-FR IBAN**



**Single SCA for PIS to a FR IBAN**



The majority of European banks impose more screens and friction for cross-border open banking payments (within SEPA) than for domestic payments.

This ranges from additional SCAs to manual input like card reader validation, which leads to high rates of abandonment and cancellation.

# Open banking examples

The majority of European banks impose more screens and friction for cross-border open banking payments (within SEPA) compared to domestic payments.

This ranges from additional SCAs to manual input like card reader validation, which leads to high rates of abandonment and cancellation.

In some cases, making transfers to other EU IBANs is blocked altogether.

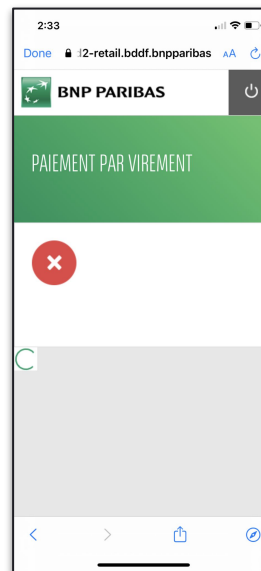
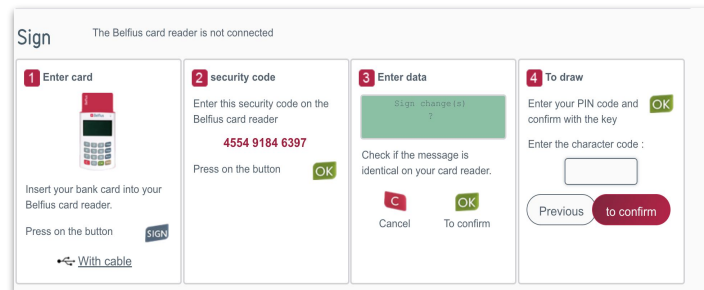
To make a transfer to a non-BE SEPA IBAN, the user has to add the country to the trusted countries list and confirm the addition with a card reader.

The discrimination goes against the SEPA Regulation.

The user is required to contact the bank prior to initiating a payment, if it is a payment to a non-FR SEPA IBAN.

The discrimination goes against the SEPA Regulation.

The user is also not advised of this requirement during the authentication of the payment or provided with any information that may help them to take appropriate action.



# Local IBANs make a difference to success rates.

After receiving local IBANs our members see impact on:

1. total balances
2. direct debits
3. salaried users
4. Open Banking conversion rates.

Markets where local IBANs are offered generally outperform the markets where no local IBANs are available.



## Policy recommendations

### Cooperation

- Establishing a regular & formal forum for NCAs
- Shared enforcement practices
- Escalation path for lack of national action
- Creating of a single EU channel to report IBAN discrimination that redirects complaints to the relevant NCA

### **Clear rules & enforcement**

- Impose clear sanctions for discriminating merchants, PSPs or public authorities
- EU-wide minimum level sanctions
- Bring IBAN friction under IBAN discrimination
- Ensure national law does not contradict EU law



### **Extension to all EU currencies**

- Natural extension of the Single Market
- The ban on IBAN discrimination should be currency agnostic
- *Longer term option: Single European IBAN format (EU country code)*