



Trilogue agreement on Payment card fees is great news for competition and transparency on the EU card market

Brussels, 18 December 2014 – HOTREC, the umbrella association representing the European hospitality industry, strongly welcomes the trilogue agreement reached between the EU Presidency and the European Parliament on the Regulation on interchange fees as a decisive move in favour of competition and transparency in the payment card market.

The deal reached between the EU Presidency and the European Parliament negotiators concretely means that interchange fees (i.e. fees which are charged by banks belonging to card schemes such as Visa and MasterCard for payment card transactions) would be lowered for consumer debit and credit card transactions and more transparency would be provided on the calculation of the fees.

“Lower interchange fees and more transparency will bring more competition on the card market, therefore lowering business costs and enabling for lower prices. This is a win-win result for both consumers and businesses” commented Mr. Christian de Barrin, CEO of HOTREC.

According to the agreement, payment card transactions would be capped at 0.3% of the transaction value for consumer credit card transactions and at either 0.2% of the transaction value or a fixed fee of at most five cents per transaction for debit card transactions. However, for domestic debit card transactions, a transitional period of 5 years will be implemented during which the cap would be of 0.2% to the annual weighted average transaction value of all domestic transactions within the card scheme. However, the agreement excludes from the scope of the cap the fees for commercial cards and three-party schemes.

The trilogue agreement now needs to be endorsed by the ECON Committee and the plenary session of the European Parliament, before a final approval by the Council.

What is HOTREC?

HOTREC represents the hotel, restaurant and café industry at European level. This industry includes around 1,8 million businesses, of which 99% are small and medium sized enterprises (91% of them micro enterprises, i.e. employing fewer than 10 people). These businesses make up some 59% of industry value added. The hospitality industry provides some 10.2 million jobs in the EU alone. Together with the other tourism industries, the sector is one of the largest industries in Europe. HOTREC brings together 42 national associations representing the sector in 27 different European countries.

For further information: www.hotrec.eu

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