



European Parliament vote on payment card fees is good news for competition and transparency on the card market

Brussels, 24 February 2014 – HOTREC, the business association representing the European hospitality industry, welcomes the vote of the ECON Committee of the European Parliament on interchange fees for payment cards as a decisive move in favour of competition and transparency in the card market. *“The report voted in Committee clearly shows the right way forward at EU level: lower interchange fees and more transparency will benefit both hospitality businesses and consumers through increased competition on the card market”* commented Mr. Kent Nyström, President of HOTREC.

The ECON Committee of the European Parliament took last Thursday a key decision to lower excessive interchange fees for card-based payments. Accordingly, the interchange fees would be capped at 0,3% of the transaction value for credit cards and at 0,2% for debit cards.

Should the plenary of the European Parliament follow the Committee vote, this would lead to a clear decrease of the fees paid by hospitality businesses and consumers in most of the EU Member States for the use of both MasterCard and Visa cards, especially as Member States can decide to further reduce these caps via national regulations.

The caps for credit and debit cards voted by the ECON Committee also include commercial cards and so called third party schemes, like the one of American Express. *“Such inclusion would prevent a possible circumvention of the Regulation, while ensuring a level-playing field and fair competition between all players on the card market. This is in everyone’s interest”* further added Mr. Nyström.

As the plenary session of the European Parliament is now expected to soon adopt its final position, HOTREC calls on the Members of the European Parliament to endorse the report voted by the ECON Committee without jeopardising the current results.

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.

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