

The European Commission
Rue de la Loi 200
B-I040 Bruxelles

E-mail: 'Jean.Allix@cec.eu.int'; 'Ludovica.De-Smet@cec.eu.int'

06 January 2006

Ref. CKA

J.no.

Danish comments to the Commission Services' "Consultative Document to contribute to the Preparation of a Report on the Application of Regulation (EC) No 2560/2001 on Cross-border Payments in euro"

The Danish Government has consulted the stakeholders, represented by the Danish Bankers' Association, regarding the Commission Services' "Consultative Document to contribute to the Preparation of a Report on the Application of Regulation (EC) No 2560/2001 on Cross-border Payments in euro" dated 19th of October 2005.

Since the Danish Government provided its contribution to the Commission Services' "Questionnaire version 3 (11/05/2005) on Regulation on cross-border payments in euro 2560/2001", Denmark has had only limited further experience with Regulation 2560/2001 and its impact on the payment industry and payment patterns. Therefore, it is difficult to conclude whether Regulation 2560/2001 has acted as a driver for the financial services industry to make the necessary changes in existing cross-border payment infrastructures (a principle objective), has equalized the price of cross-border payments under EUR 12.500 and in euro (article 3) or has ensured that consumers are better informed about charges levied on cross-border payments (article 4).

Denmark does not form part of the euro area in that Denmark has a special "opt-out" status. The Danish currency is Danish kroner (DKK) and, consequently, only a limited part of the cross-border payments are transacted in euro. Moreover, since only a very limited part of all payments are transacted cross-border, that is approximately one percent, Regulation 2560/2001 has only had limited effect on the payment systems in Denmark.

**DANISH FINANCIAL
SUPERVISORY AUTHORITY**

Gl. Kongevej 74 A
DK-1850 Frederiksberg C

Tel +45 33 55 82 82
Fax +45 33 55 82 00
finansstilsynet@ftnet.dk
www.dfsa.dk

**MINISTRY OF ECONOMIC AND
BUSINESS AFFAIRS**

Denmark agrees with the objectives of Regulation 2560/2001. It is important to ensure the proper functioning of the internal market, to ensure the easy as well as cheap transaction of payments, to ensure the transparency of charges in the interest of consumers, and to ensure that the burdens of the industry are lightened when cross-border payments are carried out.

As a matter of principle, Denmark finds that the regulation of payments in the European Union must be focussed on the removal of barriers to the realisation of the internal market.

Thus, the Danish Government must emphasise that many of the issues raised in the Consultative Document are presently being considered in the light of the Commission's draft proposal for a directive on payment services in the internal market, dated 1st of December 2005, both on the governmental level and among stakeholders. These issues will be dealt with and addressed in that context pending the conclusions of the stakeholders.

With regard to the "Consultative Document", chapter 8.3.4, where the Member States are asked to provide information on whether they have competent authorities or not, the following information is provided:

The authority in charge of the application of the Regulation is the Danish Minister of Economic and Business Affairs while the police prosecutes violations of the Regulation according to section 5 in law no. 365 dated 19th of May 2004. Moreover, "Pengeinstitutankenævnet" deals with the out-of-court complaints and redress scheme for credit institutions and is competent in payment service disputes.