



**Position Paper in response to the
Consultation on access to a
basic payment account**

November 2010



About ACCIS

Established in Dublin in 1990, the Association of Consumer Credit Information Suppliers (ACCIS) is an international non-profit association under Belgian law which brings together 37 consumer credit reference agencies in 27 European countries, as well as associate members from all other continents.

ACCIS' main role consists in representing, promoting, protecting and preserving the common interests of its members. This includes in particular the representation and advocacy of members' interests vis-à-vis government agencies, the public and all other third parties and to inform its members about matters of concern to them. It also tries to coordinate their mutual interests and to represent them in the world committee. ACCIS aims to create a legal climate in which its members can continue to offer and further develop their services both at home and in Europe.

The Association works in cooperation with other European trade organizations active in the sector at EU level, US-based sister organization CDIA and the engaged Global Consumer Credit Reporting Network.

Since its creation, ACCIS has actively supported, as one of its main - and statutory - aims, the development of the common European market by promoting cross-border exchange of credit information between European credit reference agencies. In 1996, ACCIS developed a model contract on the basis of which credit agencies operating in the EU are able to collaborate to the benefit of creditors functioning at a trans-national level.

Association's answers

ACCIS shares the Commission's objective to guarantee adequate access to basic bank accounts and welcomes this consultation to express its opinion on this initiative.

ACCIS believes that the access to a basic bank account should be offered to all citizens to help them to be financially included and make their payments, transfers and transactions more transparent. Accessing a bank account that enables individuals to accumulate funds in a secure place over time can strengthen their productive assets by enabling them to invest in microenterprises, in new tools, in house, education or health, all of which can play an important role in improving their incomes and wealth.

However, the main challenge to meet the Commission's objective will be to find a solution applicable to the different banking realities in Europe and make available the basic account to whom really needs this tool - and not to whom takes advantages of this new tool for money laundering purposes, for instance.

In relation to the paragraph of the consultation paper called "*Accessibility*" (pag. 8), ACCIS believes that **lenders that offer banking accounts should be allowed to fulfil their obligations on anti-money laundering, to check ID and to prevent identity fraud by being encouraged and/or required to verify the information they are given with the credit bureaux and register the existence of the account when and if it is opened.**

Criminals use false identities or the identities of innocent people to take out financial products, such as bank accounts. They use these to launder money – using false names makes difficult to trace money back to them. But if they use their own names and there is an investigation, identity-check records will help law enforcement.

Taking evidence of identity at the account opening stage is important for a number of reasons:

- It deters use of the financial system for financial crime.
- It makes the use of the financial system for those purposes more risky.
- It contributes valuable information to law enforcement for the investigation and prosecution of crime and terrorism, whether the original information is true or false.
- It can help protect consumers against the growing risks of identity theft and fraud.
- It is used by financial institutions for reasons other than anti-money laundering, such as fraud prevention.

Most of the time lenders use the credit bureaux for this verification because they are able to provide this information in an aggregate manner.



In addition to the above, we would like to suggest to make possible for lenders to access public identity card or passport register, in order to have a greater certainty and double check the subject's identity.

Feedback coming from more than one databases can guarantee and strengthen the consistency of the control.

Furthermore, considering that this EU initiative aims to make people more financially included and these people are very often already in a vulnerable position in the society – living on low incomes, unemployed, single parents, recipients of social assistance, retirees or immigrants, we believe that the access to the public register of residence permit can enhance the anti-money laundering controls.

In conclusion, ACCIS believes that checks of the customer credit histories would be important too. Through credit report, the bank can verify if the consumer already holds other credit lines opened and ask further specific questions to understand why the applicant wants to open a basic banking account and, as already stated, to prevent fraud.

A second reason why it is relevant to check the credit report when somebody is opening an account it is because the bank should be aware of the customer outstanding credit debts in case she or he goes overdrawn in the account or she or he has already gone overdrawn with other basic bank accounts. This is in line with the principal of “responsible banking” as well as with risk management regulations and rules.

The German law (German civil process order "(ZPO)", § 850k VII and VIII ZPO) allows banks to access the credit bureau to check whether the person asking for a basic bank account already holds other active accounts,

For these reasons, we recommend the European Commission to encourage and/or require banks to use not only all type of information for checking the individual identity, but also the credit report.

For any queries please contact

Piero Crivellaro

ACCIS Public Affairs Manager

Boulevard Louis Schmidt, 87

1040 Brussels

Tel. +32 2 4016866/67

Fax : +32 2 4016868

Email: pam@accis.eu