

# Quicker transfers right across Europe from 1 November 2009

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02.09.2009

- No more account closure fees
- Credit notes in Euros are entered with same-day value

**On 1 November 2009, Austria's new payment services act will take effect, which will see a change for the better for bank customers: Transfers across Europe will be made overnight, account closure fees are being dropped, and objection periods will be extended.**

The payment services act, called the ZaDIG in legalese, essentially brings five innovations:



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## **1. in future, Euro transfers will take 1 working day across Europe.**

From 1 November 2009, electronic payment orders in Euros within the EU will be credited to the recipient's account the next day. This previously took five days. For paper transfers, the period is one day longer. Transfers which are not in Euros but rather in one of the currencies of an EU member state are made in maximum four bank days. Another innovation is the fact that a credit note for a Euro amount is entered into the recipient's account with same-day value (except for currency conversions). As the right technical conditions do not yet always exist, a transfer period of three days is still to be expected in some cases until 1/1/2012. However, even now, the savings bank group generally makes the transfer within 24 hours.

## **2. No more account closure fees.**

The new act sees the abolition of account closure fees for current accounts in Austria. Erste Bank already bears account closure fees for new customers.

## **3. Debit entry: Objection period extended from 42 to 56 days.**

There has also been a change to the objection period. In the event of unauthorised debit entries, customers can have them reversed within 56 days (eight weeks) from the time of debit without stating any reasons. This period was previously 42 days. "We advise our customers to regularly check their bank statements so they can pick up any unauthorised payments as quickly as possible. This allows us to retrieve the unauthorised transfers more quickly from the external bank," explains Klaus Mattes, an Erste Bank payment transfer expert. The incorrect amount is refunded to the account, and valued at the day of debit.

## **4. Refunding of unauthorised entries**

The new act will, in future, stipulate a 13 month objection period for complaints regarding unauthorised debit entries, which often occur in relation to gambling. In this respect, Erste Bank particularly warns against calls from unknown companies, who advertising gambling on the telephone, and in doing so ask for account details. Payment transfer expert Mattes says: "In reality, unauthorised entries can still be traced even after a long time, which is why we advise customers to definitely speak with the bank even after the objection period has expired."

## **5. Fees are shown**

The payment services act also sets clear rules regarding how fees are shown. For transfers, the amount is credited to the recipient in full. Any charges incurred must be shown separately. "We have already been doing this at our institute for a long time. Information and transparency are very important to us," Mattes says.

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