



NFU's response to the European Commission's consultation on the report of the Expert Group on Customer Mobility in relation to Bank Accounts

About NFU

The Confederation of the Nordic Bank, Finance and Insurance Unions (NFU) is an organisation for co-operation between trade unions that organise employees in the banking, finance and insurance sectors in the five Nordic countries. At present, eight trade unions are affiliated to the NFU, two in Denmark, two in Finland, two in Sweden, and one in each Iceland and Norway. Through these trade unions, the NFU represents 160 000 employees on the Nordic financial market.

General remarks

Our response to the report will be twofold. We will address the points and findings in the report that are of relevance to us as representatives of the employees in the finance industry. Secondly, we will point to a number of issues and principles that we believe should be addressed at European level; issues that we are convinced will enable access to the market as well as foster efficiency, competitiveness and good governance of companies.

NFU's opinion on the report

To NFU the alliance between consumers and finance sector employees is clear. The employees make a company work and, as a part of this, consumers get good advice. Consumer objectives can only be achieved in close cooperation with and when employees and their organisations are on board. Empowered and well-informed consumers are of great advantage as seen from an employee perspective. Sufficient numbers of staff and well-qualified staff are imperative. Training is paramount. It is necessary to see the interests of employees, consumers and the industry as integrated, not separated. Consultations with consumers should be available to sector employees and representatives from the industry as well, since all parties involved has input and insights that would be fruitful in conjunction with each other.

According to the report, the main task for the Expert group is identifying obstacles to customer mobility in relation to bank accounts and to provide recommendations to the Commission on how the obstacles identified should be addressed. NFU agrees that the field financial products should be as easily accessible as possible for everyone. It must be pointed out, however, that consumer access cannot be the sole, over-arching imperative in terms of reinventing the market for bank accounts. NFU supports the idea of a level playing field in terms of financial access, but it cannot lead to a situation where increased costs for companies are balanced with reduced personnel costs.

NFU has previously stated that we question the view that customer mobility should be seen as a goal in itself. Our opinion is that a multitude of choices should be available, but

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customers should not be pressurized in any way. Many customers seek a long-term relationship based on continuous good advice and confidence and want a bank that put the interest of the consumers first. When confidence and trust is in place, mobility will follow. A European labour market depends on easy access to basic financial services for mobile customers.

In the report, there are many references to SEPA and the impact it will have on the future market for payment services. NFU wants to point out, once again, that there are already examples of how the new initiatives in the payments area might lead to outsourcing and centralisation. We would like to draw the Commission's attention to new developments and point out that certain vulnerability might follow from this. Centralisation of services is often known to have negative effects on consumers, inter alia as regards pricing of services and the range of services available. We would also like the Commission – in its communication with the industry – to launch a discussion on employment effects and on how these can be tackled. There is no doubt that information is needed – both targeted at employees and consumers. EU level information initiatives are one aspect of this. It is also our opinion that the Commission generally should promote research on adult education on financial services, in order to improve the understanding of different measures taken by the market, such as SEPA for example.

NFU also agrees with the consumer experts that argue that it is impossible nowadays to participate in social and economic life without a bank account, and that consumers without a bank account have severe difficulties to find work and are threatened by social exclusion. The finance industry has a particular importance for economic stability, for employment and decent working conditions at national, regional and global level. Universal access and high quality of affordable financial services for everyone must be guaranteed. It is unacceptable that entire areas or people of lower or no income are excluded from financial services. In particular, banking services are a prerequisite for participating in the economy and society – banks must be obliged to offer a basic current account for everyone.

NFU has on several occasions stated that it is our opinion that everybody should have easy access to basic financial services – no matter where they live/move to. This must not mean, however, that an introduction of basic and easy-to-understand products leads to a creation of layers, where consumers interested in simplified products are left to conduct their own business, while the industry focuses on customers from whom it may reap benefits.

In the long term, European policies cannot succeed unless the citizens of Europe – the consumers and the workers, support them. That means that all policymaking and business sectors must take the social dimension of their actions into account. Particularly the financial services sector, given its important societal role, bears a central responsibility.

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Finansförbundet, Danmark
Fackförbundet SUORA, Finland
Försäkringsmannaförbundet FMF rf, Finland

Samband Islenskra Bankamanna, Island
Finansförbundet, Norge
Finansförbundet, Sverige
FTF, Sverige