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Europe's hidden bank fees scandal: Consumers and businesses in the eurozone lost over €12 billion

We've all seen the 'Free', '0% Commission' or 'No fees' signs in airports, banks or high street brokers, making us believe that we won't be out of pocket when we change currency.

However, new research by Consumer Intelligence reveals the massive scale of the hidden bank fee scandal: in one year alone, EU consumers and businesses lose **€24.91 billion** to international bank fees, **€18.85 billion** of which were hidden in a dodgy exchange rate.

I'm not worried, I can use the euro everywhere?

While the euro has solved a lot of currency exchange headaches in Europe, it's not a magic cure. Despite the single currency, the eurozone is actually hit the hardest, with the hidden losses for foreign currency exchange amounting to a whopping €12.17 billion.

	Countries in the eurozone	Countries outside the eurozone	EU total
Total fees charged	€16.51 billion	€8.40 billion	€24.91 billion
Upfront fees	€4.32 billion	€1.72 billion	€6.04 billion
Hidden fees	€12.17 billion	€6.68 billion	€18.85 billion

Fees for consumers and businesses in the EU, June 2018 (Consumer Intelligence)

For instance, tourists from the eurozone carry the bulk of the cost and no other group is hit harder than them. In a single year, a eurozone holidaymaker has lost €110 when exchanging currency or spending money on holiday. With the numbers of people travelling outside the eurozone ever increasing, their combined losses in hidden fees now add up to €5.05 billion.

What's the problem and what can we do about it

These hidden fees are a problem of huge scale, but it's a problem that tends to go unnoticed. Banks, bureaux de change and other brokers have been able to use misleading pricing to hide fees from their customers. While they may be advertising that a transfer will cost you €5 or there is 'no commission', they will then make most of their profit by adding the bulk of their fee to a poor exchange rate - a hidden fee. If you're sending money abroad with your bank, there may also be hidden receiving fees that aren't advertised. We think that's unfair.

The European Commission have recently put forward a legislative proposal that could outlaw these dishonest practices. By mandating full transparency for cross-border payments, you won't be left in the dark about what you're paying. But we're not quite there yet. Some players in the industry are lobbying hard to water down the proposal. We can't let this happen again. Join us at [Nothing to Hide](#) and get your voice heard. We will keep you informed on the developments of these proposals and explain how you can help. By [joining the fight](#), we may encourage you to write to your European representative to ensure they understand the scale of the problem they could help to solve. We need you to help stop the currency rip-off.

ABOUT WISE

Wise is a global technology company, building the best way to move money around the world. With the Wise account people and businesses can hold over 50 currencies, move money between countries and spend money abroad. Large companies and banks use Wise technology too; an entirely new cross-border payments network that will one day power money without borders for everyone, everywhere. However you use the platform, Wise is on a mission to make your life easier and save you money.

Co-founded by Kristo Käärmann and Taavet Hinrikus, Wise launched in 2011 under its original name TransferWise. It is one of the world's fastest growing, profitable technology companies and is listed on the London Stock Exchange under the ticker, WISE.

13 million people and businesses use Wise, which processes over £6 billion in cross-border transactions every month, saving customers over £1 billion a year.



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