



© 27 February 2022, 20:50 (GMT)

# Payment services regulations: How consumers and businesses could benefit

*It's a matter of weeks until the Payment Services Regulations could finally end the currency exchange rip off for the 21 million adults who exchanged money in the last year, as well as the 3 million SMEs that sent and received money overseas.*

## What's the problem?

Right now, banks and brokers are hiding the true cost of foreign currency. They quote an attractive price to consumers- all the while hiding the full cost in a poor exchange rate, charging on average an extra 29% on a typical GBP to EUR transaction.

The second Payment Services Directive (PSD2) states that the use of “non-transparent pricing methods should not be allowed”, as it prevents consumers from establishing the real cost of a service. Indeed, 71% of ‘savvy’ UK consumers who regularly transfer money abroad miscalculated the amount they are being charged when shown a typical bank’s pricing structure.

In the 2015 General Election, the Conservative Party [pledged to bring an end to non-transparent](#) pricing structures that disproportionately affect SMEs and consumers. However, the [draft Payment Services Regulations](#), which will transpose the PSD2 into UK law, fail to uphold the transparency mandated in the original legislation.

We only have a few weeks to use the PSRs to make foreign currency transactions as transparent as same currency payments, so consumers and businesses alike know how much it costs to use their own money.

## What can you do?

1. [Tweet HM Treasury](#) asking them to take action
2. Respond directly to the consultation: You can respond to the Government by sending an email to [PSD2consultation@HMTreasury.gsi.gov.uk](mailto:PSD2consultation@HMTreasury.gsi.gov.uk)
3. Write to your MP. You can find out who your local MP is [here](#)

If you are a Councillor, MP or work in politics and would like to know how you can support the campaign please get in touch with us.

---

#### 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.

---

 pr.co



Wise