

**Position taken by the Polish Organisation of Commerce and Distribution (Polska
Organizacja Handlu i Dystrybucji POHiD)
regarding the decision by the President of the Polish Antimonopoly Office in the matter of
determining the interchange fee in Visa and MasterCard systems**

In 2001, the Polish Organisation of Commerce and Distribution POHiD submitted to the Office of Competition and Consumer Protection (*pol. Urząd Ochrony Konkurencji I Konsumentów - UOKiK*) a motion for instating proceedings in the matter of principles governing the determination of the amount of interchange fees. When submitting the complaint, POHiD was guided mainly by the fact that excessive interchange fees are one of the main factors inhibiting the development of the card payments market. It is also the cause behind a number of phenomena which are disadvantageous to consumers such as limiting the card payments. Charging the interchange fees is also conducive to unjustified growth of costs incurred by points-of-sale which accept card payments thus having a negative impact upon the overall price levels within the commerce and service sector.

In the anti-monopoly motion, POHiD noted the fact that by jointly agreeing upon the interchange fees, the banks violate the protection rights of competition and consumers, and that the banks have established an illegal agreement on minimum price, commonly referred to as a cartel.

POHiD hereby expresses its satisfaction with the fact that the President of UOKiK ordered an immediate cessation of the illegal agreement established by the banks to determine the interchange fees within the Visa and MasterCard systems. POHiD would also like to take this opportunity to express its hopes that card issuing banks will promptly cease their practice of illegally charging the interchange fees and violating the basic legal principle according to which payment must be made in a nominal amount without charging the interchange fee.

POHiD considers the decision issued by the President of UOKiK to be a fact of extremely positive significance for the development of the payment cards market. In the opinion of POHiD, the settlement of transaction without interchange fees will contribute to fast growth in the number of points-of-sale accepting cards, thus accelerating the development of non-cash trading and e-commerce. The reduction of transaction costs will also become an important factor conducive to the reduction of consumer prices and accelerating economic growth.