

Brussels, 20 December 2011

Commissioner Michel Barnier welcomes agreement by Council and Parliament establishing SEPA migration end-dates

"Today's agreement by the European Parliament and the Council represents a significant step towards a truly integrated market for electronic retail payments in euro.

By February 2014 SEPA credit transfers and direct debits across the euro area will be as easy as domestic payments within one country are now. The reasonable transition periods applied will allow customers and banks to get used to the adjustments in domestic payment transactions, provide legal certainty, avoid the cost of operating dual payments systems and bring forward the substantial future benefits of SEPA.

For a successful SEPA migration, banks, merchants, national public authorities and national central banks should commit to stressing and marketing actively the importance of SEPA products and services by facilitating IBAN migration and by considering the launch of appropriate publicity campaigns.

The advantages of the changeover are manifold and will benefit all actors involved. European citizens including workers, students, holiday owners, tourists and retirees living abroad will be able to rely on one bank account to make credit transfers and direct debits throughout the 32 SEPA countries.

This Regulation also strengthens the position of consumers when making payments. Users of SEPA direct debits now explicitly have the right to limit direct debit collections to a specific amount or to a certain periodicity and to block direct debit transactions in relation to specified people. Moreover, a verification of each direct debit transaction by the payment services provider is foreseen in cases where no refund right is provided for in a mandate.

SEPA brings also a cost-cutting potential mainly for companies operating throughout Europe as well as authorities as there will be a wider choice of payment service provider, faster and more efficient processes as well as greater transparency. Similarly businesses will enjoy common standards; faster settlement and simplified processing that will improve cash flow, reduce costs and facilitate access to new markets.

By agreeing with the Commission proposal to fix a deadline for the migration to pan-European payment instruments just over a year after it was proposed, the European Parliament and the Council have risen to the ambitious challenge to increase the efficiency of our payment systems so that high-quality and competitively priced electronic payment products exist throughout the whole of the EU."

See [MEMO/11/936](#) for more details on agreement reached.