

**Press release**

**HOW TO MAKE THE “SINGLE EURO PAYMENTS AREA” A REALITY**

**EPC RESPONSE TO THE EC CONSULTATIVE PAPER ON SEPA INCENTIVES**

**The European Payments Council (EPC) has responded to the European Commission’s Consultative Paper on SEPA Incentives. EPC encourages public authorities to create the right environment for success and to support the industry in the implementation programme now fully underway.**

In 2002, the European banking industry committed itself to develop the Single Euro Payments Area. With the full support of the ECB and further encouraged by the European Commission, it created the European Payments Council (EPC) to act as the decision-making body of the European banking industry designated to manage the SEPA programme. In 2004 EPC endorsed and made publicly available the EPC Roadmap 2004 – 2010. The EPC Roadmap defines the key deliverables to be met by the banking industry to make SEPA a reality as of January 2008.

In accordance with the timeline set out in the EPC Roadmap, EPC finalised at its March 2006 Plenary the Schemes and Frameworks which will enable banks to offer, as from 1 January 2008, the SEPA payment instruments (credit transfers, direct debits and card services) to and from any account in Europe. This followed a process of extensive consultation. These decisions have triggered the implementation process and represent major achievements on the road to SEPA; they form the basis upon which both banks and users will be able to prepare the change-over towards the use of the new payment services.

The scale of the SEPA programme is as significant if different in nature to that of the original introduction of the euro. The realization of SEPA involves an adjustment by all stakeholders to a new landscape for payment services as well as substantial re-engineering of payment processes and related information technology. Stakeholders need to prepare now if the politically inspired deadline of 1 January 2008 is to be met.

Whilst welcoming the concept of positive incentives, EPC is concerned that the process launched through the consultative paper might create an environment of uncertainty at a critical moment in the SEPA programme. EPC also believes that public authorities have the responsibility to create the right environment to make SEPA a success. EPC therefore calls upon public authorities to provide positive measures to promote SEPA implementation based on the principles of a competitive market economy. Public authorities should for instance lead by example and become early adopters of the SEPA payment instruments so as to create critical mass.



EUROPEAN BANKING FEDERATION



EUROPEAN SAVINGS BANKS GROUP



EUROPEAN ASSOCIATION OF  
CO-OPERATIVE BANKS

Note to the Editor:

The European Payments Council (EPC) is the decision-making and coordination body of the European banking industry in relation to payments. Its purpose is to support and promote the creation of the Single Euro Payments Area (SEPA). The vision for the SEPA was formulated in 2002 at the time of the launch of EPC, when some 42 banks, the three European Credit Sector Associations (ECSAs) and the Euro Banking Association (EBA) came together and released the White Paper in which the following declaration was made and subsequently incorporated into the EPC Charter:

*We, the European banks and European Credit Sector Associations:*

- *share the common vision that Euroland payments are domestic payments,*
- *join forces to implement this vision for the benefit of European customers, industry and banks and accordingly,*
- *launch our Single Payments Area.*

The EPC's intention is to create a Single Euro Payments Area, working as a single domestic payments market in which citizens and economic actors will be able to make payments as easily and inexpensively as in their hometown. EPC's focus is core payment services, both retail and commercial, in euro, throughout Europe. Today, EPC consists of 65 Members from 27 European countries. It is composed of banks or banking associations representing all sizes and sectors of credit institutions across the market.

SEPA will be the area where citizens, companies and other economic actors will be able to make and receive payments in euro, within Europe, whether between or within national boundaries under the same basic conditions, rights and obligations, regardless of their location. SEPA will be delivered as a priority within the eurozone. Within Europe, outside the eurozone there will be opportunities to participate in euro payment systems, and communities will be able to adopt SEPA standards and practices to contribute to the Single Market for payment services. For SEPA, Europe is currently defined to consist of the EU 25 Member States, together with Iceland, Norway, Liechtenstein and Switzerland.

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For more information, see <http://www.europeanpaymentscouncil.org>

#### Attachment

Document: "How to make the "Single Euro Payments Area" a reality"