

<b>Statement of the SEPA Council<sup>1</sup></b>
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**SEPA Credit Transfer (SCT) and SEPA Direct Debit (SDD)**

The SEPA Council calls for the urgent adoption of a Regulation setting migration end-dates for SCT and SDD, as a result of which SCT and SDD schemes will be used for national and cross border euro payments within the European Union. They will replace domestic legacy euro credit transfer and direct debit schemes which will then cease to exist. The SEPA Council members commit to support their constituencies to set up communication strategies in each Member State, facilitating a swift, effective and cost efficient SEPA implementation. Furthermore, the SEPA Council members will inform their constituencies about the upcoming changes resulting from the SEPA migration end-date Regulation. In particular, on behalf of their constituencies, the SEPA Council members representing banks commit to continue to market actively SEPA products and services and facilitate IBAN (International Bank Account Number) migration, e.g. by offering IBAN-only solutions. Similarly, on behalf of their constituencies, the SEPA Council members representing merchants, corporates and SMEs commit to stressing the importance of communicating IBAN and BIC details when invoicing customers. Furthermore, national public authorities and national central banks will support SEPA migration by considering the launch of appropriate publicity campaigns.

The SEPA Council reiterates its declaration on SEPA migration end date of 7 June 2010.

**Innovative payment solutions**

The SEPA Council recognises the importance of innovative payment solutions. When the modalities for SCT and SDD are finalised by the adoption of the end-date Regulation, the SEPA Council sees a need for the emergence of SEPA-wide, secure online e-payment solutions (complementing secure 'card-not-present' services in e-commerce) and secure m-payment solutions meeting consumers as well as merchants' requirements (including data protection). The SEPA Council members commit themselves to raise the awareness of their constituencies with respect to innovative payments particularly for online payments. They also pledge to further examine within their constituencies possible ways of contributing to the market-driven

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<sup>1</sup> This statement has been adopted by the members present at the 11 May 2011 meeting.

emergence of efficient, low-cost, secure and readily available online payment instruments, e.g. based on online banking and secure card payments in Europe.

### **Security of retail payments**

The SEPA Council emphasises that the retail payment solutions offered throughout SEPA need to be secure, easy to use and efficient. Security of retail payments is a public good and Public Authorities have a specific responsibility in order to maintain it. Furthermore it is a responsibility shared with payment service providers, (online) merchants and consumers, modulated according to that part of the transaction falling under their respective control.

The SEPA Council encourages all market participants to continue implementing measures improving information security and preventing payment fraud, especially for card-not-present transactions. Furthermore, the members of the SEPA Council have taken note of the recommendation of the ECB and Europol to issue 'chip only' cards on a default basis, as one of the key measures to contain fraud. The SEPA Council members emphasise the importance of having publicly available data on fraud related to the different means of payment, as a way to enhance transparency and facilitate fraud prevention.

The SEPA Council welcomes the constitution by the ESCB of the SecuRe Pay Forum with the aim of facilitating common knowledge and understanding, in particular between overseers and supervisors of payment service providers, of the issues at stake in the field of the security of retail payments and developing harmonised recommendations with regard to remote card transactions and other online payment services.

### **SEPA governance**

The SEPA Council exchanged views on the current SEPA governance arrangements and discussed possible future improvements. Members agreed to hold a deeper and constructive exchange of views on the subject at their next meeting, on the basis of a thorough analysis prepared by the Commission and the ECB.

**Annex:** List of participants attending the meeting of 11 May 2011

**Co-chairs:**

Ms Gertrude Tumpel-Gugerell, Member of the Executive Board of the European Central Bank (ECB)

Mr Jonathan Faull, Director General of the Internal Market and Services Directorate General of the European Commission

**3<sup>rd</sup> SEPA Council meeting  
11.5.2011**

**Room: JREY Berlaymont**

<b>SECTOR</b>	<b>MEMBER</b>
Consumers (European Consumers Organisation – BEUC)	<b>Mr Paolo Martinello (IT)</b> President BEUC
Retailers (Eurocommerce & ERRT)	<b>Mr Pierre Bouchut (FR)</b> CFO Carrefour
Corporates (EACT & BusinessEurope)	<b>Mr Richard Raeburn (UK)</b> Chair EACT
SMEs (European Association of Small and Mid-sized Enterprises – UEAPME)	<b>Mr Andrea Benassi (IT)</b> Secretary General UEAPME <i>(Representing Mr Loek Hermans, President UEAPME)</i>
National public administrations	<b>Mr Michael Ellam (UK)</b> FSC chair, Director General, International Affairs, HM Treasury
Saving banks (European Savings Bank Group – ESBG)	<b>Mr Carl Eric Stålberg (SE)</b> Chair ESBG
Commercial banks (European Banking Federation – EBF)	<b>Mr Maurizio Sella (IT)</b> Chair Banca Sella Holding
Deutsche Bundesbank*	<b>Mr Carl-Ludwig Thiele (DE)</b> Member of the Executive Board
Banque de France*	<b>Mr Robert Ophèle (FR)</b> Director General Operations
Banca d' Italia*	<b>Mr Giovanni Carosio (IT)</b> Member of the Governing Board
Banka Slovenije*	<b>Mr Darko Bohnc (SI)</b> Vice Governor

\* The participation of National Central Banks is on a rotating basis.