



EUROPEAN ASSOCIATION OF CO-OPERATIVE BANKS



**Raiffeisen Bank
International**

**Public Hearing
towards full SEPA Migration
17 November 2010**

**« Should a SEPA Regulation mandate technical
requirements on existing EPC schemes? »**

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The voice of 4,200 local and retail Banks- 50 million Members – 160 million Customers



- EACB member banks serve all types of customers, from large corporates to small retail clients
- Majority of our customer base is within SMEs and retail customer sector
- Although our customer base had no natural economic interest in SEPA, EACB members have now close to 50% of the total number of banks that have adhered to the SEPA Credit Transfer and Direct Debit schemes

EACB members have decided to commit to SEPA in order to support the political objective of the integrated internal market



- EACB welcomes the EC's willingness to legislate on end-dates in order to speed up and finalize the migration of SEPA
- In particular our corporate customers asked repeatedly for legal certainty and stability in this migration process
- We have explained to and reached an understanding with our customer base that harmonisation and standardisation of payment processes are beneficial for everyone
- But next to technical requirements, a commonly accepted set of rules has to be either self- or externally regulated

EPC SEPA Rulebooks guarantee both technical standardisation and rules harmonisation



- Recent discussions around the ‘Essential Requirements’ raise several concerns
- The description of the essential requirements opens the door to the creation of multiple parallel schemes for the same payment instrument, but:
 - Competing schemes do not secure the SEPA vision to become reality
 - Possibly 27+1 payment schemes would create new diversity
 - Maintenance of multiple payment schemes would raise cost for all stakeholders and foster fragmentations
 - Essential requirements only target technical harmonisation, common rules are missing

Mini-SEPA's as the final result of ten years of work?



Summary:

- A multitude of payment experts have been working on the development of basic schemes for the foundation of a Single Euro Payments Area over the last 10 years
- Interaction with customers happened on national, regional and European level
- EPC's SEPA Credit Transfer and SEPA Direct Debit are in live use already - without problems
- Last gap of migration should now be closed by all involved stakeholders

SEPA Migration needs willingness for compromises

Let's do it!