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Press release

EPC welcomes publication of payments directive

The European Payments Council (EPC), which is the industry body responsible for the creation of the Single Euro Payments Area (SEPA), welcomes the publication by the European Commission of the Proposal for a Directive of the European Parliament and Council on payment services in the internal market, commonly referred to as the New Legal Framework for payments.

The provision of a harmonized legal environment for payments is an essential building block for the creation of the Single Euro Payments Area (SEPA). Indeed, the EPC deliverables such as the new SEPA schemes for Credit Transfer and Direct Debit and the Cards Framework partly depend on it. The EPC has expressed its requirements to the Commission for legal harmonization and the removal of legal hurdles so as to support the deployment of the future SEPA payment instruments.

In a first reaction to the text, Gerard Hartsink, EPC Chair, said: “We will closely review the detailed provisions of the Proposal to assess whether the new draft directive will meet industry’s expectations”.

EPC looks forward to the opportunity to discuss the Proposal in detail with the European Institutions and the European Central Bank and the Eurosystem.

Following EPC approval in September 2005 of the Draft Rulebooks for Credit Transfer and Direct Debit as ready for national consultation, extensive discussions have since taken place within national banking communities and with other stakeholders. On the basis of the feedback received the Draft Rulebooks will be reviewed at an EPC meeting in December and further developed for final approval at the March 2006 EPC Plenary.

In the meantime the EPC approved SEPA Cards Framework is resulting in the development of implementation plans and other deliverables such as standards development, as well as the continuing anti-fraud measures.

EPC is fully committed to the roll-out of attractive and efficient SEPA payment instruments by 2008.



EUROPEAN BANKING FEDERATION



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Note to Editors:

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 64 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.

The EPC Roadmap was approved in December 2004 and lays out concrete milestones and deliverables for the transformation of the European payments landscape. Building on already achieved steps in the area of wholesale and retail cross-border payments in euro, and the introduction of euro notes and coins, the banking community will create a range of SEPA payment solutions, which will find widespread adoption in the eurozone and beyond.

Following discussion on the implementation aspects at national level, the Roadmap was further endorsed at the EPC Plenary meeting in March 2005. Please see the EPC Web-site for the press release dated 5 April 2005 and accompanying declaration and the press release dated 21 September 2005 concerning the SEPA deliverables then completed.



EUROPEAN PAYMENTS COUNCIL
Towards our Single Payment Area

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