

Mr. Brissaud

Introduction: Corporates and in particular the ones with international presence are expected to be among the biggest winners of SEPA. SEPA will allow them to perform all of their financial transactions centrally from one bank account, using SEPA payment instruments. Euro transfers can be made fast, and as of end 2009 SEPA direct debits will also be in place allowing corporates to make direct debits across Europe. Yet, corporate sector seems to be rather hesitant in taking up the challenge for harvesting the SEPA benefits.

Question: Some corporates are worried about the costs of running duplicate payment instruments during migration, i.e. existing arrangements as well as the new SEPA payment instruments. How do you think this problem should be tackled? Could an end date help?

Answer: The migration plans which exist in the various European countries are mostly opaque to non banking stakeholders, and we are afraid there is a genuine risk of diverging implementation of SEPA throughout Europe. Migration plans should be monitored very closely to make sure that this does not happen. A firm migration deadline would definitely help stakeholders to plan the required changes in their organisations, and should be accompanied by the appropriate communication policy. But we think that some more clarity ought to be created in the Direct Debit area before setting a formal deadline.

However, looking at the more positive side there is some good news. We do see some really significant benefits for corporates from SEPA's role of enabler for future full straight through processing across the financial value chain, from the purchase order down to payments reconciliation. To achieve this, we urgently need a common definition of an electronic invoice, compatible certified digital signature systems, and interoperable reconciliation tools. Last year, the European Associations of Corporate Treasurers launched a cooperative initiative in this direction called CAST, Corporate Action on Standards. CAST has informed corporates on ongoing activities in the standards area, expressed their views in a number of occasions and venues, not last the EC Informal task force on e-invoicing. CAST will wrap up its works and present the results of its analysis latest by the end of March.

To summarize, Mr Chairman I would say that SEPA is extremely important to corporates because it makes a future straight-through -processing of the financial value chain possible. But good objectives and good implementation do not always go hand in hand. Corporates want to have a say in its implementation.