

<p style="text-align: center;">SEPA Council Statement of 6 February 2012 meeting¹</p>
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SEPA governance

The SEPA Council members agree on the need to strengthen the current SEPA governance. There is indeed a will to increase transparency, accountability, participation and co-ordination of all relevant stakeholders, including EU institutions, in the design, communication and implementation of the SEPA project. The SEPA Council members plan to contribute to the governance review that the European Commission and ECB intend to make before end 2012. For this purpose, a SEPA Council technical workshop will work out possible options which will be discussed at the next SEPA Council meeting planned for June 2012.

SEPA migration end-date Regulation

The Regulation which will formally be agreed soon sets the end date for migration to SEPA Credit Transfer and SEPA Direct Debit at 1 February 2014, in euro area countries. The SEPA Council members welcome the clarity provided to the market and reiterate their commitment to support SEPA migration, also by timely and appropriate communication activities within their national and European constituencies.

SEPA for cards

SEPA for Cards requires the elimination of technical and non-technical barriers which prevent the establishment of an efficient and competitive European cards market. The SEPA Council welcomes the possibility for market participants to comment on the issues raised by the European Commission in its Green Paper on Card, Internet and Mobile Payments². The SEPA Council agrees that the Green Paper

¹ This statement has been adopted by the members present at the 6 February 2012 meeting.

² Towards an integrated European market for card, internet and mobile payments,
<http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=CELEX:52011DC0941:EN:NOT>

touches upon issues which need to be examined in order to realize SEPA for cards. The SEPA Council members intend to prepare their respective formal responses to this document by 11 April 2012 at the latest.

Innovation in retail payments

The SEPA Council has identified a number of key challenges to be examined in order to ensure EU-wide online e-payment offerings (often referred to as “internet payments”) as one of the pre-conditions for a single market for e-commerce. These key challenges are: i) sufficient choice of online e-payment services in order to meet customers’/retailers’ needs, ii) design of integrated European service offerings to avoid market fragmentation; iii) provision of user-friendly, privacy-compliant and highly secure online e-payment services; iv) fair and open market access and market entry by new players, with a level playing field for incumbent payment service providers and new players; v) transparent and fair pricing for online e-payment services. Consequently, it needs to be ensured that the legal framework copes with the requirements for a competitive, efficient and secure online e-payments market. At its next meeting, the SEPA Council will discuss how to address these key challenges.

Security of retail payments

On payment cards: The SEPA Council takes note of the positive impact on limiting fraud of the migration of cards and terminals to EMV-chip technology and PIN. It encourages the market to migrate to EMV-chip technology and abandon the magnetic stripe. The SEPA Council understands that, as long as global migration to EMV-chip technology remains incomplete, card issuers may issue cards with magnetic stripe. It urges, however, card issuers and card schemes, in co-operation with payment service providers and merchants, to develop solutions to minimise the fraud related to the use of magnetic stripe as well as adequate communication strategies.

On internet payments: The SEPA Council supports the current initiative of SecuRe Pay on preparing recommendations on the security of internet payments using payment cards, credit transfers and direct debits. The SEPA Council shares the view that the safety of payment schemes and instruments over the internet depends on the responsible behaviour of all relevant actors and on common minimum security requirements, which are expected to enhance a level playing field and public trust in innovative payment methods.

4th SEPA Council 6 February 2012 in Frankfurt - List of participants

ECB Co-chair	Mr Benoît Coeuré Member of the Executive Board
EC	Mr Jean-Yves Muylle <i>(Representing Mr Jonathan Faull, Director General DG Internal Market and Services)</i>
SECTOR	MEMBER
Consumers (European Consumers Organisation – BEUC)	Ms Monique Goyens (BE) <i>(Replacing Mr Paolo Martinello President BEUC)</i>
Retailers (Eurocommerce & ERRT)	Mr Erik Oester Pedersen (DK) CFO IKEA
Corporates (EACT & Business Europe)	Mr Richard Raeburn (UK) Chairman, European Association of Corporate Treasurers
SMEs (European Association of Small and Mid-sized Enterprises – UEAPME)	UEAPME unable to participate on this occasion
National public administrations	Mr Michael Ellam (UK) FSC chair, Director General, International Affairs, HM Treasury
European Payments Council – EPC	Mr Gerard Hartsink (NL) Chair EPC
Co-operative banks (European Association of Co-operative Banks - EACB)	Mr Christian Brauckmann (DE) <i>(Replacing Mr Piet Moerland, Chairman Executive Board Rabobank Nederland)</i>
Saving banks (European Savings Bank Group – ESBG)	ESBG unable to participate on this occasion
Commercial banks (European Banking Federation - EBF)	Mr Maurizio Sella (IT) <i>Replacing Mr Christian Clausen, CEO Nordea</i>
Deutsche Bundesbank*	Mr Carl-Ludwig Thiele (DE) Member of the Executive Board
Banque de France*	Mr Denis Beau (FR) Director General Operations
Banco de España*	Mr Javier Alonso (ES) Director General Operations, Markets and Payment Systems
Banque Nationale de Belgique - Nationale Bank van België*	Mr Jean Hilgers (BE) Director-Treasurer

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