



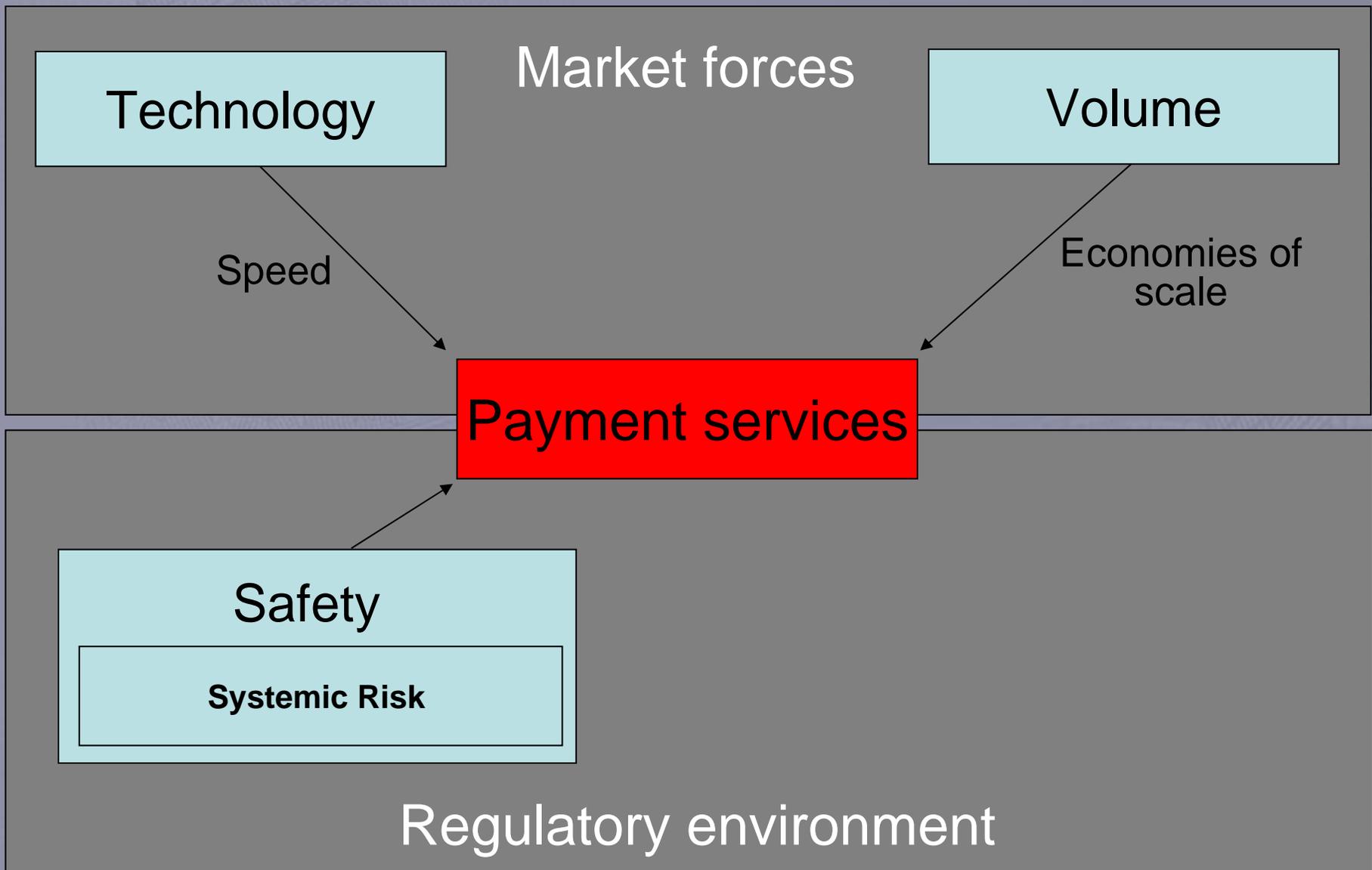
EUROPEAN CENTRAL BANK

The need for regulatory involvement in the evolution of payment systems

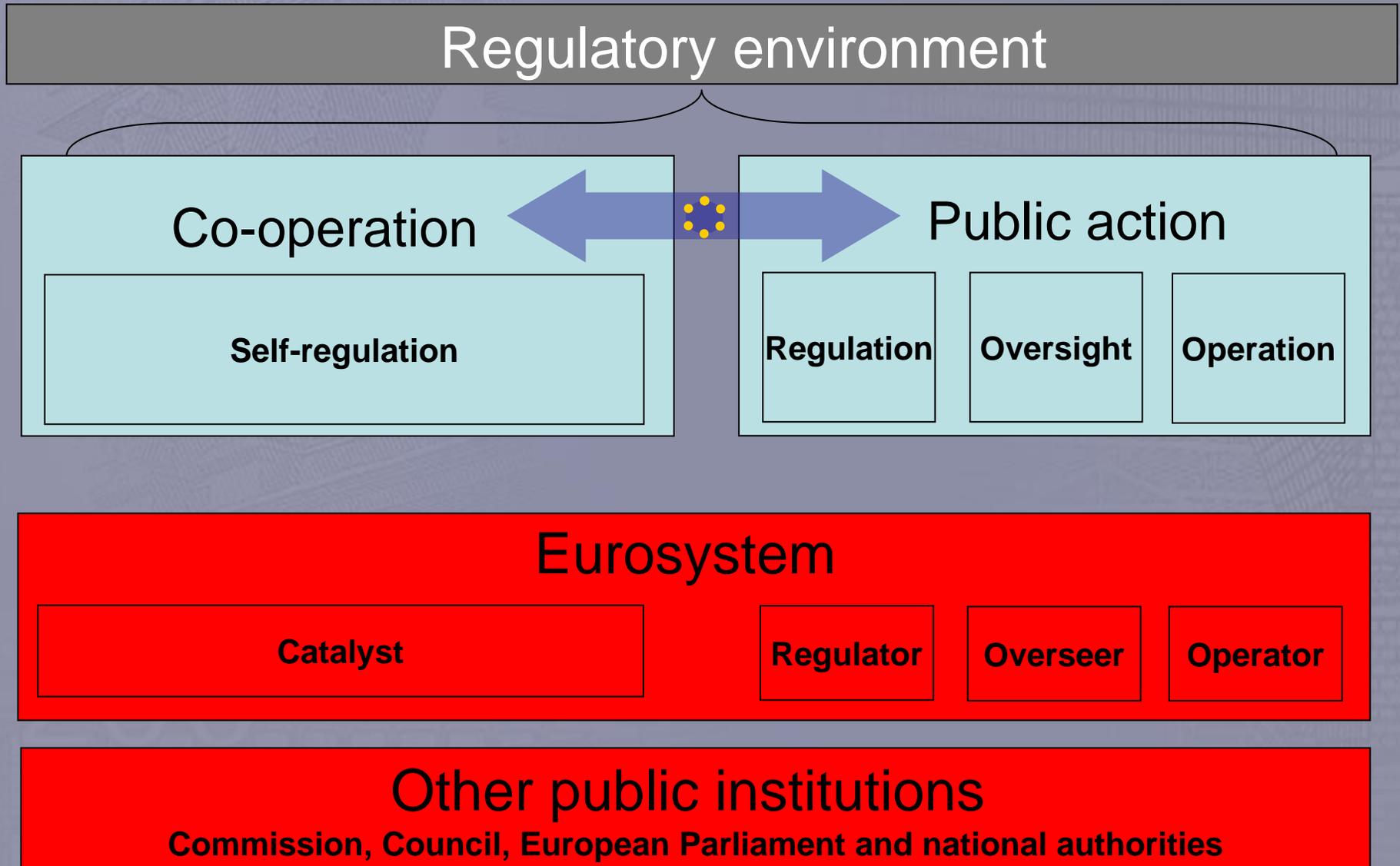
Gertrude Tumpel-Gugerell
Member of the Executive Board

International Payments 2005
London, 25 April 2005

I. Drivers of developments



2. Sources of regulation



3. Modes of Eurosystem intervention

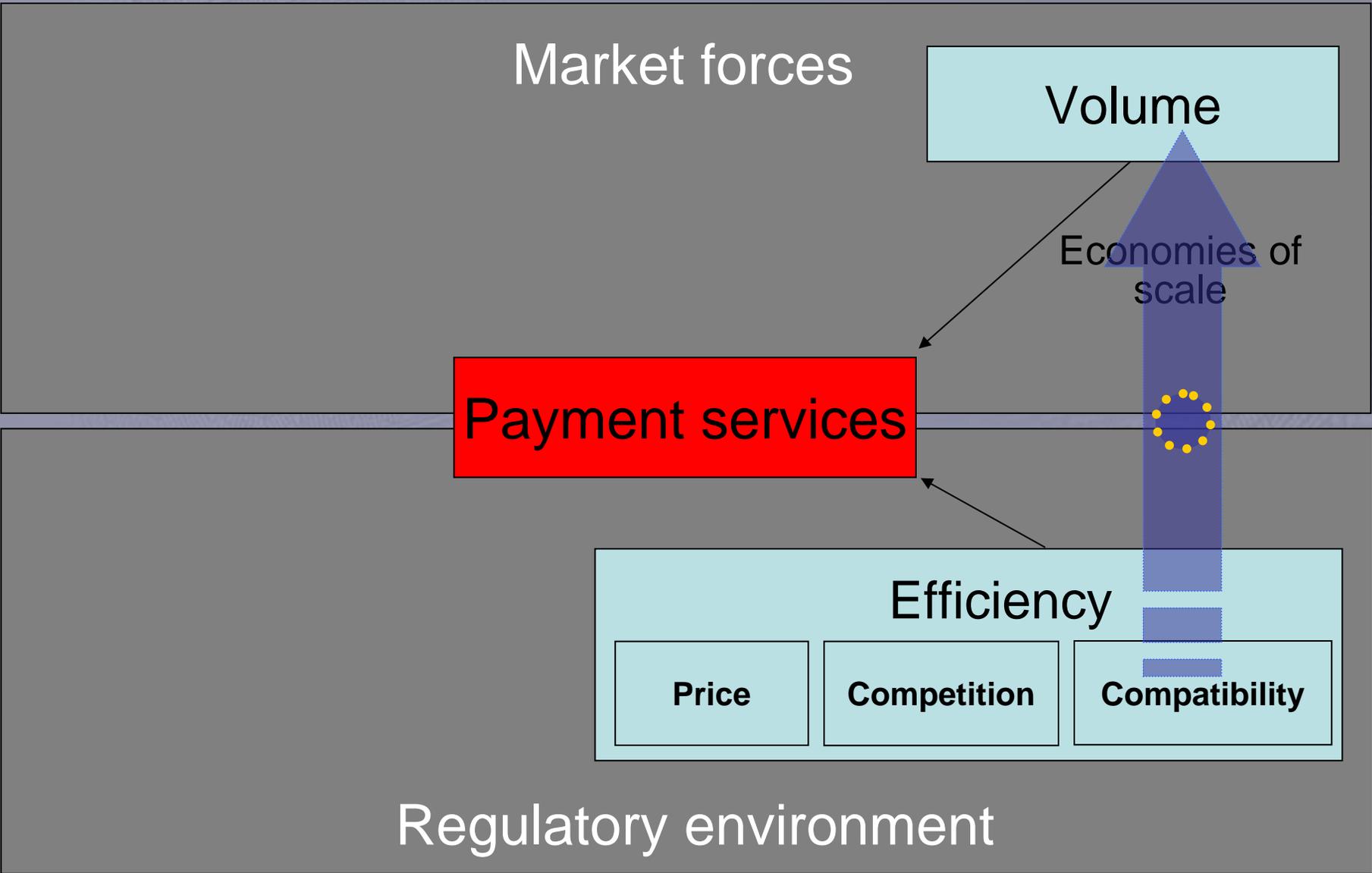
- **Operator**
 - TARGET
- **Overseer**
 - Standards for euro payment systems
- **Catalyst**
 - SEPA

London, 25 April 2005

4. Future Eurosystem policy stance

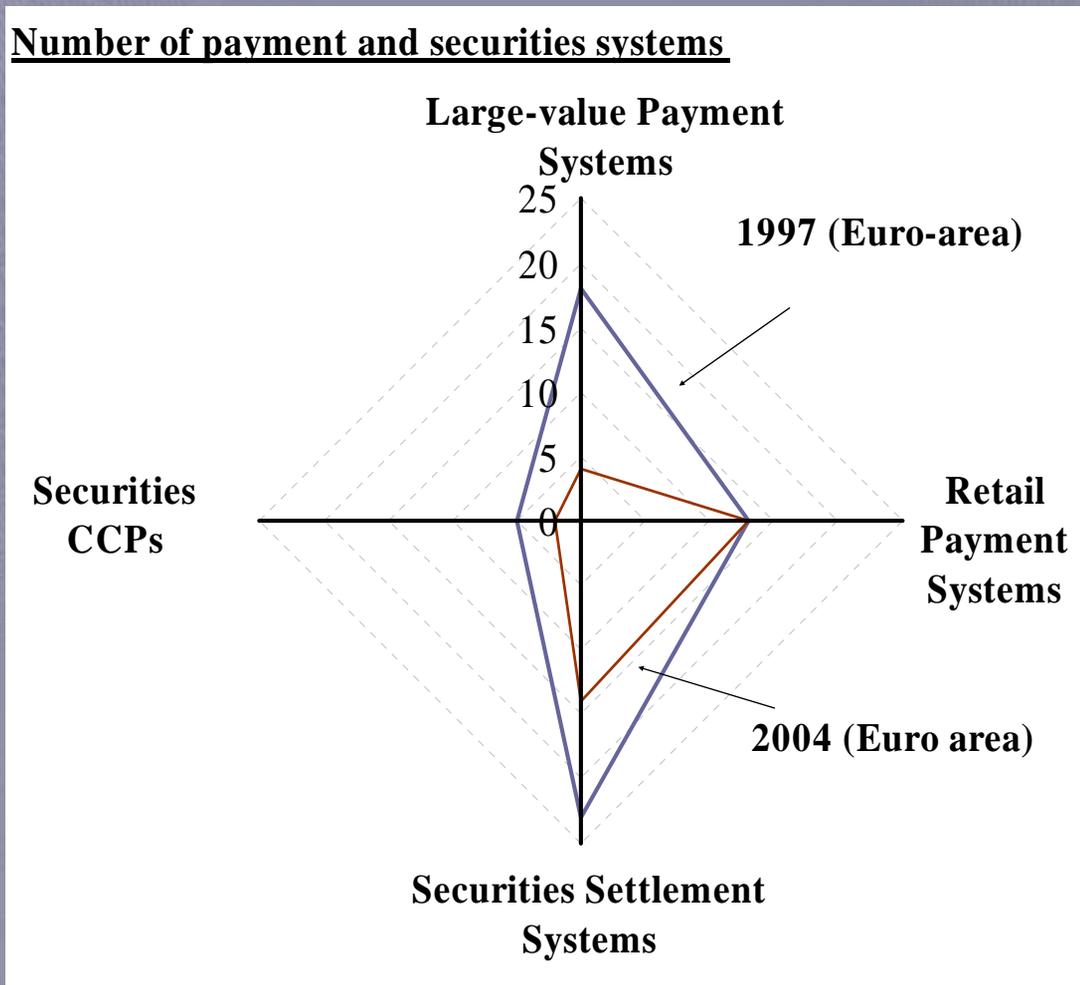
- **Operator**
 - **Close involvement of market participants in TARGET 2**
- **Overseer**
 - **Assessment of euro large-value systems and euro retail systems that are of systemic or prominent importance was positive overall**

Drivers for developments in payment systems



Market developments

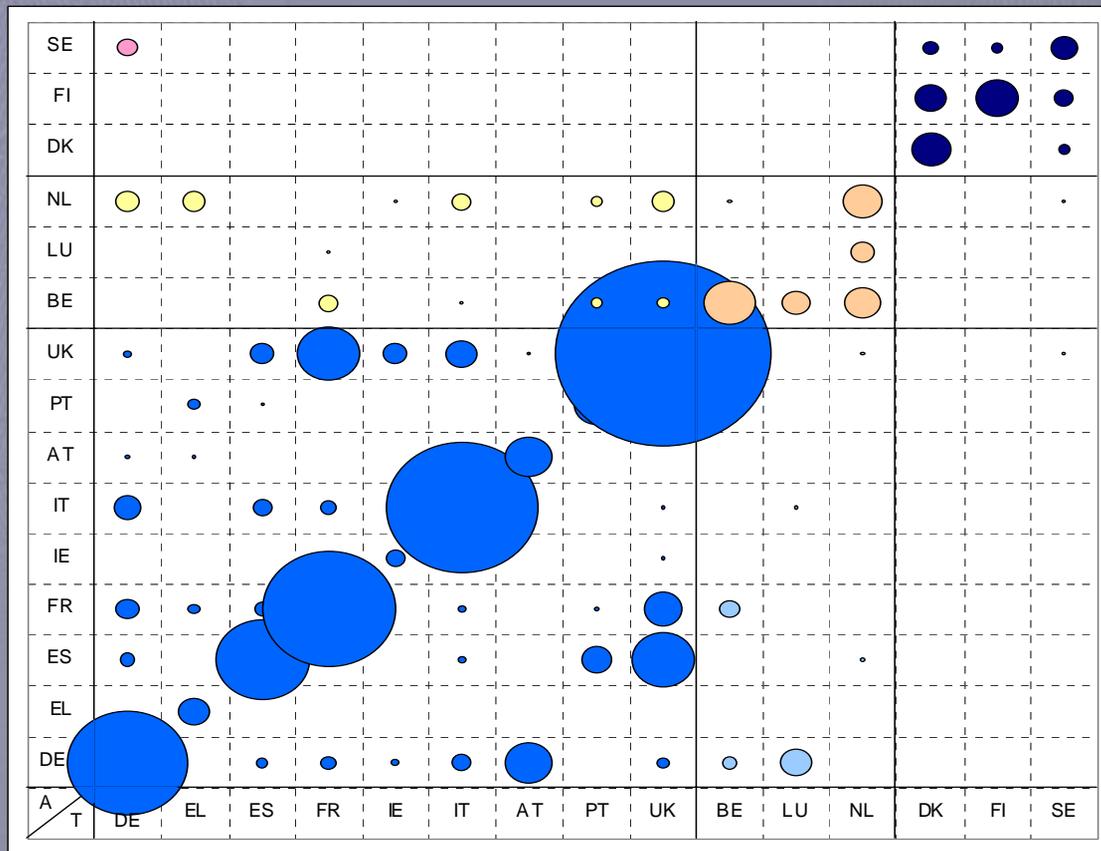
Uneven payment system integration in the euro area



London, 25 April 2005

Market developments

Most of emerging clusters are national



Geographical view of total value of intra-EU deals (in bn€)

London, 25 April 2005

Payment habits

relatively high



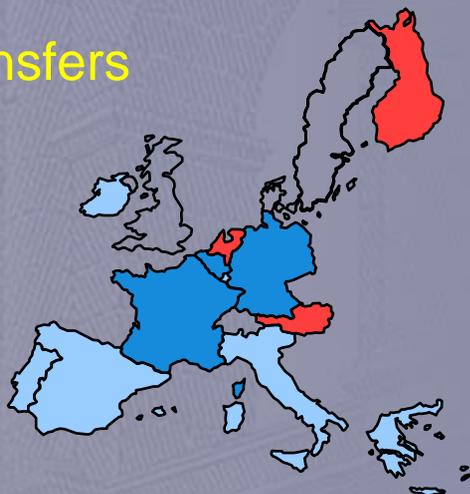
in between



relatively low



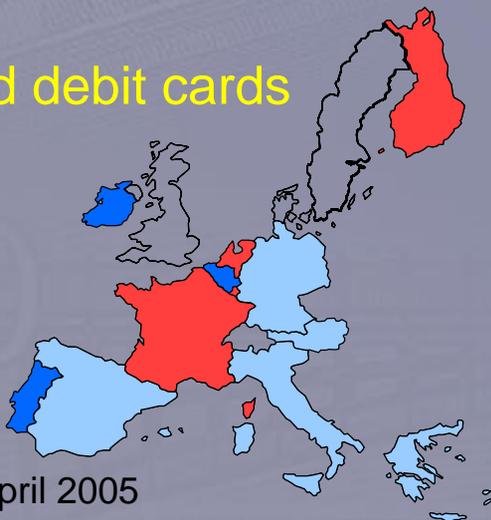
Credit transfers



Direct debits



Credit and debit cards



Cheques



London, 25 April 2005

4. Future Eurosystem policy stance

- **Catalyst**
 - ECB prefers banks' self-regulation
 - Regulation has so far only been considered necessary to create a legal framework
 - Reliable SEPA progress is needed if banks want the ECB to further rely on banks' self-regulation