



NATIONAL IMPLEMENTATION AND MIGRATION PLAN

ROMANIA

Reference	SEPA-RO-08
Version	V3.0
Edition	October 2009
Drawn up by	SEPA Task Force
Approved by / Date	NATIONAL SEPA COMMITTEE / 29.10.2009

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1 Introduction

The objective of setting up a *Single Euro Payments Area* (SEPA) is to create a more competitive and transparent European economy and achieve a stronger European integration by putting in place a competitive market for retail euro payments, which would bring higher quality services, more efficient products and cheaper alternatives to make payments.

The origins of SEPA are to be found in the objectives established by the Lisbon Agenda in March 2000, namely that the European Union must become by 2010 “the most competitive and dynamic knowledge-based economy in the world”, as well as in the need to prepare the transition to a computerised economy.

The grounds for SEPA are the launching of the euro in 1999, the putting into circulation of the single currency in the euro area countries in 2002, as well as the launch of the large value euro payment system TARGET on 1 January 1999, followed by the launch of TARGET2 on 19 November 2007.

SEPA will be the euro area where the current differentiation between domestic and cross-border euro payments is eliminated, where customers are able to initiate and receive euro payments within the European area as safely, rapidly and efficiently as in their national context, by using a single account and a set of standardized instruments for credit transfer, direct debit, payment cards and other instruments whereby customers can make euro payments from their accounts to any other destination in SEPA.

SEPA is a major harmonisation, standardization and streamlining project, with an impact on national payment markets, which will be an ongoing process, in order to merge into a single domestic market the currently fragmented retail euro payments markets. The next phase will be the development of additional optional services in order to meet customers’ future specific requirements and to foster creation of a paper-free electronic payments area, with the automated integrated end-to-end straight-through processing (E2E STP) of all SEPA-compliant payment instructions.

The SEPA Project documents are published on the website of the European Payments Council - EPC, www.europeanpaymentscouncil.eu.

The aim of this document is to define and draw up the national strategy for the implementation and migration to SEPA payment instruments for credit institutions, payment systems and users of payment services in Romania.

Chapter 2 describes the euro payments business in Romania, including the dynamics of euro payments, an overview of the current payment instruments, the legal framework of the payment business, features of the euro payments business in Romania, as well as the conclusions of a survey among local banks conducted by the Romanian Banking Association (RBA) on the SEPA implementation.

Chapter 3 gives a description of the current project for the SEPA implementation in Romania.

Subchapter 3.1 is dedicated to the organisation of the SEPA project at national level, containing the description of the organisational structure, the representation of the banking community in the European Payments Council, the institutions participating in the project, their roles and responsibilities, the working procedure and the decision-making process at national level as regards SEPA.

The next subchapters present the options of the banking community regarding the migration to the SEPA standards. The plan has been elaborated based on the decisions expressed by the credit

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institutions in Romania and on their individual strategies and roadmaps concerning the implementation of SEPA.

Subchapter 3.2 includes information regarding the migration to SEPA Credit Transfer (SCT), from the point of view of both sending and receiving messages in the SEPA format, starting 28 January 2008, as well as some clarifications on the credit institutions which intend to subsequently implement the SCT by indicating the tentative end-dates for finalising the implementation.

Subchapter 3.3 presents the options of the credit institutions for implementing the SEPA Direct Debit (SDD) scheme.

Subchapter 3.4 describes the national clearing and settlement infrastructures.

Subchapter 3.5 highlights the efforts of the national community for the migration to EMV standards and the planning of these activities.

Subchapter 3.6 describes the activities concerning cash operations, while Subchapter 3.7 presents the additional optional services in SEPA.

Subchapter 3.8 is dedicated to the SEPA legal framework and Subchapter 3.9 describes the communication strategy for the SEPA implementation in Romania.

The Annexes include the structure of the Project Task Force for the elaboration of the SEPA Implementation and Migration Plan, the structure of the SEPA working groups, the decisions of the banking community on the SEPA project, the SEPA promotional events organised in 2007 - 2008, the events scheduled for 2009-2010, as well as a list of abbreviations frequently used in the project.

2 Euro payments in Romania

2.1 Dynamics of euro payments in Romania

According to the data published by the National Bank of Romania¹, the Romanian banking sector comprises 43 credit institutions (30 June 2009), having the following structure:

- 2 credit institutions with state-owned share capital;
- 3 credit institutions with majority Romanian private share capital;
- 26 credit institutions with majority foreign share capital;
- 11 branches of foreign credit institutions; and
- 1 head office of credit cooperatives.

The accelerated pace of economic growth in Romania in the last years has generated an increase in the volume of commercial transactions on the domestic market, as well as in international trade. This phenomenon has slow down during 2009, in the context of the economic crisis.

It is worth mentioning that, to date, a high volume of cash payments between individuals has been recorded as a result of the still low financial intermediation in Romania and the slow development of alternative euro settlement instruments. As for corporate customers, because of the restrictions enforced by foreign exchange regulations, the volume of euro payments between residents is still relatively low. Furthermore, the settlements performed outside the formal banking circuit, such as barter, used by some state-owned companies, persisted.

Being increasingly connected to the European and international commercial structures and trading systems, Romania has witnessed a permanent growth in both volume and value of euro transfers. Therefore, once the country joined the European Union, the weight of euro payments volume in Romania's international payments volume increased significantly.

According to the data provided by the credit institutions on 30 June 2009, the euro payments' average monthly volume, both sent and received, stood – across the banking system – at 225,000 instruments, down by almost 40,000 instruments over the same year-earlier period.

2.2 Payment instruments, standards and infrastructures for euro payments in Romania

In Romania, euro payments are mainly initiated via credit transfer or bank card.

The rights and obligations of the parties involved in cross-border euro credit transfers in relation to any of the countries participating in the European Economic Area, as well as the legal requirements for making payments are regulated by *Government Ordinance No. 6/2004 on cross-border transfers*², approved by *Law No. 119/2004*³, which transposes into the national legislation the provisions of *Directive 97/5/EC on cross-border credit transfers* and, implicitly, those of *UNCITRAL Model Law on international credit transfers*.

It is noteworthy that Directive 97/5/EC and all the transposition pieces of legislation are repealed as from 1 November 2009, when Government Emergency Ordinance no. 13 /2009 – which transposes Directive EC/64/2007 on the payments services in the internal market into the Romanian legislation – came into force.

As regards the performance conditions and the rights and obligations of the parties involved in cross-border euro credit transfers in relation to the countries outside the European Economic Area

¹ NBR publications – Monthly Bulletin, July 2008; information provided by the NBR Supervision Division.

² Published in Romania's Official Gazette, Part I, No. 82 of 30 January 2004.

³ Published in Romania's Official Gazette, Part I, No. 357 of 23 April 2004.

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or in domestic euro credit transfers, currently they are not regulated at national level. Nevertheless, as a particularity of the national legal framework, euro payments between residents and non-residents, with values of more than 12,500 euro⁴, irrespective of the payment instrument used, can only be initiated upon filling in a form called "*Foreign currency payment order/declaration*". This form, whose legal regime is regulated by NBR *Norm No. 26/2006 on the on the statistical reporting of data for preparing the balance of payments*⁵, in practice, has a dual function:

- payment instrument, as it functions similarly to the classic payment order, i.e. it contains all the information required by the credit institution to execute the foreign currency payment ordered by the customer; it must be filled in by the ordering customer and sent to his credit institution;
- foreign currency payment declaration, as it contains statistical information required by the central bank to prepare the balance of payments.

In regard to the interbank settlement of euro credit transfers, this is generally made via correspondent or intra-group accounts for both cross-border payments and domestic payments; at national level, there is no clearing and settlement infrastructure for euro payments. A small number of credit institutions registered in Romania participate indirectly in pan-European clearing and settlement infrastructures such as the STEP2 system of the Euro Banking Association (EBA).

The rights and obligations of the parties involved in euro credit transfer transactions and the requirements to perform these operations (initiation, acceptance, execution, irrevocability, repayment, etc.) are regulated on a bilateral basis, via current account agreements between the credit institutions and their customers or via arrangements between correspondent credit institutions.

Furthermore, the euro credit transfers are made by observing *Regulation (EC) 2560/2001 on cross-border payments in euro* – which will be replaced starting with 1 November 2009 by *Regulation (EC) no. 924/2009* – and *Regulation (EC) 1781 on information on the payer accompanying transfers of funds*.

The exchange of messages underlying euro payments via credit transfer is made via the SWIFT electronic messaging system. The credit institutions in Romania have already completed the migration to the SWIFTNet platform, which allows sending and receiving messages in both FIN and XML formats required by the SEPA standards.

Currently, there are no technical standards defined at national level on the exchange of information between the customer and the credit institution regarding euro payments and collections or standards regarding sending the information underlying the payments between credit institutions in a structured manner.

The use of IBAN codes of bank accounts is mandatory in Romania ever since 2004, being regulated by the National Bank of Romania in *Regulation No. 2/2004 on the use of IBAN codes in Romania*⁶, as subsequently amended and supplemented.

Euro payments via bank cards issued in Romania are usually cross-border payments in relation to other SEPA countries, as defined in the EPC documents. These interbank payments are settled in euro, irrespective of the currency of the account to which the card is assigned.

⁴ This level will be raised to 50,000 euro starting with 1 January 2010, in the context of replacing Regulation (EC) no. 2560/2001 regarding the cross-border payments in euro by Regulation (EC) no. 924/2009.

⁵ Published in Romania's Official Gazette, Part I, No. 1031 of 27 December 2006.

⁶ Published in Romania's Official Gazette, Part I, No. 165 of 25 February 2004.

2.3 Overview on the euro payments landscape in Romania

A particularity of the Romanian legal framework applicable to euro payments, irrespective of the instrument or the means of payment used, consists in some restrictions concerning euro payments between certain categories of residents (between legal persons and, respectively, between legal and natural persons). These restrictions are provided in *NBR Regulation No. 4/2005 on the foreign exchange regime*, republished⁷.

Most credit institutions in Romania with significant volumes of euro payments are part of European banking groups, and, in terms of payments, they comply with the group policies or use domestic settlement systems at the level of their respective group. In some cases, these settlement channels contain specific technological supports, centralised platforms aiming at optimizing liquidity management at group level, efficient control of their resources and operational cost cutting. In this context, the use of the SWIFT channels becomes optional within the group and, as regards the implementation of SEPA rules, their putting into operation is much easier.

Certain payment services providers from outside the system are currently operating on the euro payments settlement market and their activity facilitates low-cost money transfers between individuals and the use of bank structures as intermediaries for their own payment processes. The significant migration of Romanian labour force to European countries is a factor boosting the volume of transactions for non-bank payment operators.

2.4 Conclusions of the market survey conducted by the Romanian Banking Association

In order to draw up and update the National SEPA Implementation and Migration Plan, the Romanian Banking Association (RBA) and TransFonD, the operator of the national retail payment infrastructure, have elaborated a questionnaire which is regularly sent to the credit institutions to be filled in, regarding: their plans to implement the SEPA standards, the settlement channels which will be employed in order to send/receive SEPA instruments, the plans for migrating to the SEPA Credit Transfer scheme, the plans for implementing SEPA Direct Debit, the phase of the EMV standard adoption process for card systems, data regarding the volume of euro payments, the critical mass, as well as information on communication strategy with their customers. The filling-in and sending of the questionnaires stood for the official commitment of the respective credit institutions as regards the implementation of SEPA schemes in accordance with their own strategies.

From the data provided by the credit institutions, members of the RBA, which were operating in Romania on 30 June 2009, the following worth mentioning:

- 19 credit institutions – processing about 98% of the total monthly volume of euro payments – have signed the adherence agreements for the SEPA Credit Transfer scheme (SCT) for euro retail payments;
- 4 credit institutions have stated that they are in the phase of drawing up their own plans for the SEPA implementation and migration;
- 5 credit institutions could not specify at this point the adherence schedule,
- 1 credit institution has not expressed its option concerning the SEPA implementation;
- 3 credit institutions have stated that currently they do not make nor do they plan to make euro payments before the euro adoption by Romania (given the particularity of their business, such activities are not currently required);
- the branches of EU credit institutions have adhered or intend to adhere through their parent banks.

⁷ Romania's Official Gazette, Part I, No. 616 of 6 September 2007.

3 The SEPA Project in Romania

The Romanian Banking Association became a member of the European Payments Council in March 2007, and has been representing the Romanian banking community in this body. The representatives of the Romanian Banking Association participate in the working groups of the European Payments Council for payments, cash, cards and legal schemes, as well as in the *Programme Management Forum (PMF)* and the *Scheme Management Committee (SMC)*.

The measures for putting in place the organisational framework for the SEPA migration process have been initiated. Thus, at the banking sector level, a SEPA technical committee has been set up, together with working groups and a project task force for the roll-out coordination of the SEPA project. The implementation and migration processes are coordinated by the National SEPA Committee, comprising the representatives of the Romanian Banking Association, the Ministry of Public Finance and TransFonD. The National Bank of Romania participates as an observer in this Committee.

The Romanian Banking Association supports the adherence process of credit institutions which intend to provide compliance with the SEPA standards and undertake the adherence process coordinated by the European Payments Council, playing the role of a NASO, i.e. a National Adherence Support Organization for the SEPA payment schemes.

The SEPA National Implementation and Migration Plan covers the adoption process of the SEPA payment instruments, as defined in the documents approved and in force of the European Payments Council.

The SEPA National Implementation and Migration Plan relies on the options expressed by the credit institutions on the implementation of SEPA. The Plan will be updated on a regular basis, as the credit institutions will update their individual plans for the SEPA implementation.

The credit institutions in Romania will apply the SEPA standards for national and cross-border euro payments before the adoption of euro.

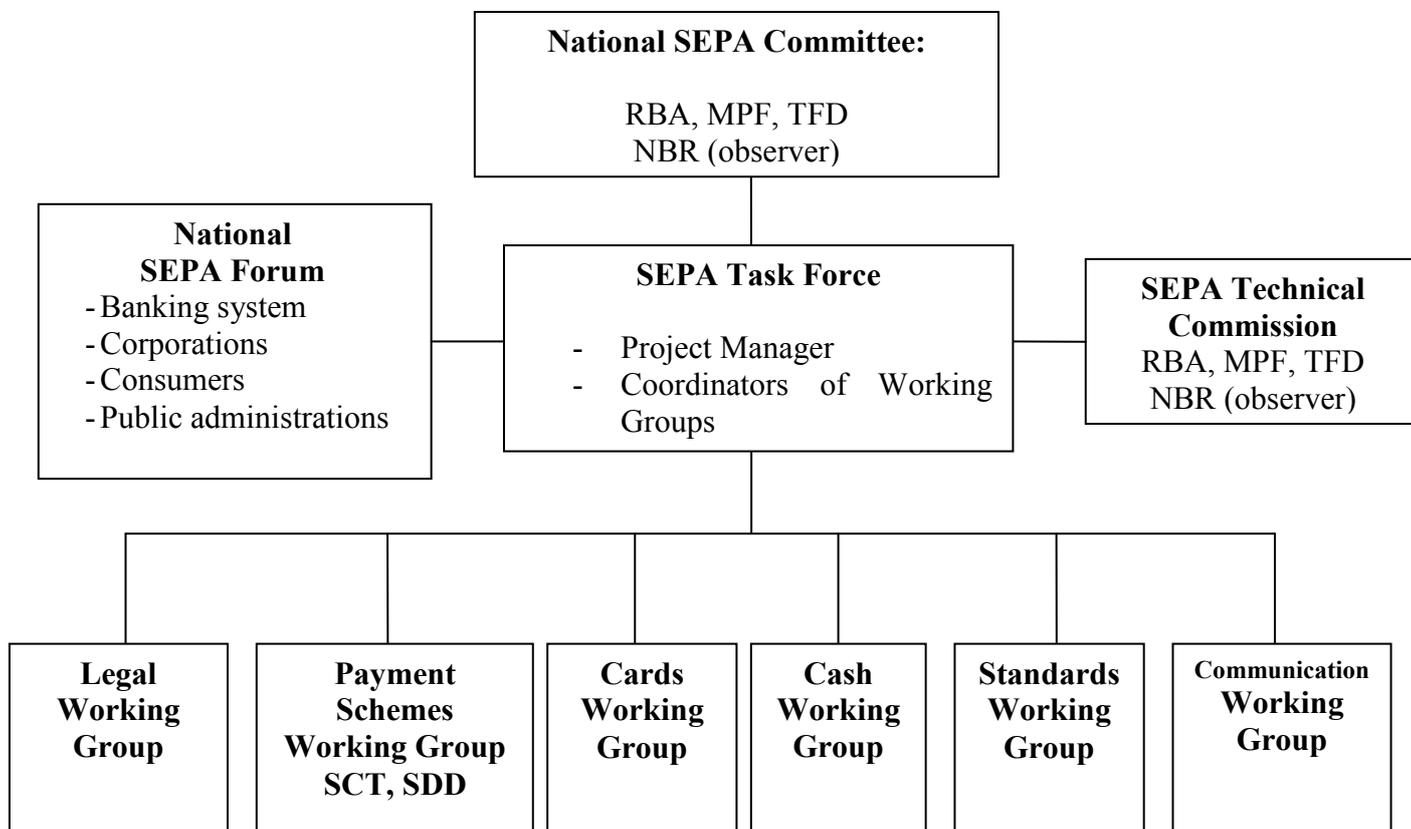
The SEPA instruments will replace the current euro payment instruments and processes after a transition period during which the new transfer schemes will coexist with the ones currently used by the credit institutions. The transition period will include a number of processes, depending on the SEPA payment instrument to be implemented. The starting date and the duration of these processes are conditional upon certain aspects, as follows:

- The implementation cost of the new payment services differs for each credit institution and, depending on the current volume of payments, the technology in place in each credit institution, the level of integration in the European financial group (where applicable), the size of the credit institution and its capacity to process them directly;
- Preserving the quality of the current payment services and preventing the negative impact of the implementation process on customers;
- Competition among credit institutions in the field of payments – the implementation of the SEPA services generates an obvious competitive advantage for credit institutions;
- The depth and complexity of national legal and regulatory harmonization, depending, in their turn, on the final regulatory documents approved by the European Payments Council.

3.1 Project organisation

3.1.1 Organisational structure of the project

The national banking community adopted the following organisational structure for the SEPA implementation:



The National SEPA Committee is a body set up at national level to coordinate the SEPA implementation at national level, by observing the commitments undertaken by the national banking community towards the European Payments Council on the SEPA implementation in Romania.

The tasks of the National SEPA Committee are to approve the *SEPA National Implementation and Migration Plan* and to monitor its putting into operation by the national community (i.e., the banking sector, the clearing and settlement services providers, the public administration, corporations, consumers, etc.).

The National SEPA Committee comprises representatives of the Romanian Banking Association (RBA), the Ministry of Public Finance (MPF) and TransFonD (TFD). The meetings of the National SEPA Committee are also attended by executives of the Payments Department of the National Bank of Romania (NBR), as observers. The National SEPA Committee is chaired by the RBA president, who is also the representative of the Romanian banking community in the European Payments Council (EPC) Plenary Meeting.

The structure of the National SEPA Committee is presented in **Chapter 4 - Annexes, Table 4.1**.

The SEPA Task Force is composed of a SEPA project manager, who is the representative of the Romanian Banking Association, coordinators of SEPA working groups established at RBA level, as well as experts from TransFonD and the Ministry of Public Finance. The SEPA Task Force is responsible for:

- Communicating the information and the documentation required for the SEPA implementation to all the parties involved in the project;
- Elaborating the national plan for the SEPA implementation and migration, as well as its updating during the project implementation;
- Coordinating all the aspects related to the SEPA implementation and the periodic provision of information to the National SEPA Committee.

The structure of the SEPA project is presented in **Chapter 4 - Annexes, Table 4.2**.

The SEPA Project Working Groups were set up for the implementation of the SEPA components – the SCT and SDD payment schemes, cards, cash – as well as for the aspects which refer to all the SEPA components: legal framework, standards and communication. The SEPA Working Groups are composed of experts in the respective fields delegated by the credit institutions, the Romanian Banking Association, the Ministry of Public Finance and TransFonD. The Working Groups are chaired by the representatives of the Romanian banking community in the EPC working groups.

The working groups' structure is presented in **Chapter 4 - Annexes, Table 4.3**.

The SEPA Technical Commission is a consultative body set up under the auspices of RBA, composed of the SEPA project experts delegated by the credit institutions, representatives of the Ministry of Public Finance and TransFonD. The representatives of the Payments Department from the National Bank of Romania also attend the meetings of this Commission, as observers.

Since the beginning of 2008, actions have been taken with regard to communication with the representatives of corporations, consumers' associations and the public administrations, aiming at raising their awareness and stimulating their involvement in the SEPA project and establishing a continuous and stable relationship in order to discuss and analyse the aspects related to the SEPA implementation in Romania, within an organised framework, by setting up a National SEPA Forum. **The National SEPA Forum** is a consultative body composed of representatives of the banking system, corporations and consumers associations, public administrations, whose main function is to discuss and clarify the aspects related to the SEPA implementation or the documentation elaborated by the banking community on this topic, and which will be subject to debate in the forum.

3.1.2 Working procedure and decision-making process at national level

The Romanian Banking Association notifies the credit institutions about the progress of the SEPA project on an ongoing basis, in order to provide guidance to the banking sector and foster the generalised adoption of the standardised payment instruments.

The aspects related to the SEPA implementation are discussed and analysed at the level of the banking community in the SEPA Technical Commission, which is composed of experts responsible for the SEPA project in the credit institutions, the representatives of the Ministry of Public Finance and TransFonD. The National Bank of Romania participates as an observer in the SEPA Technical Commission debates, through the representatives of the Payments Department.

The working groups established at the level of the banking community analyse the specific aspects related to the implementation of the SEPA components, provide periodic reports requested by the

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European Payments Council via its similar working groups and provide information to the National SEPA Committee and submits proposals for approval.

The SEPA Task Force elaborates and updates the *SEPA National Implementation and Migration Plan*, by consulting the working groups and the SEPA Technical Commission as regards all the technical and operational aspects.

The National SEPA Committee has the role to approve the *SEPA National Implementation and Migration Plan* and to monitor its putting into action by the banking community, by fulfilling the following responsibilities:

- Analysis and approval of the reports drafted and the decisions taken by the SEPA Task Force, as well as of any other SEPA-related issues;
- Monitoring the status of the *SEPA National Implementation and Migration Plan* elaboration by the SEPA Task Force;
- Approval of the final version of the *SEPA National Implementation and Migration Plan* and of any subsequent amendments;
- Monitoring of the status of implementation of the *SEPA National Implementation and Migration Plan* by the banking sector, the clearing and settlement services sector and the public administration; it may also formulate recommendations in this respect;
- Putting in place of a framework appropriate for debates and the provision of information regarding the SEPA-related issues for the national banking community, the National Bank of Romania, the Ministry of Public Finance and TransFonD.

The decisions taken so far on the SEPA project are presented in **Chapter 4 - Annexes, Table 4.4.**

3.1.3 Representation of the banking community in the European Payments Council

In March 2007, the Romanian Banking Association became a member of the European Payments Council, having representatives at the level of its management bodies – the Plenary Meeting of the European Payments Council, at the level of Working Groups for scheme payments, cards and cash, the Groups for legal support and standards, as well as at the level of the *Scheme Management Committee* and *Programme Management Forum*.

The representatives of the Romanian Banking Association in the European Payments Council are listed in **Chapter 4 - Annexes, Table 4.5.**

3.1.4 SEPA stakeholders and their role in implementing the project

The success of the SEPA implementation depends on the proactive participation of all the parties involved in the project. The participants to the SEPA implementation are the credit institutions together with the Romanian Banking Association, the National Bank of Romania, TransFonD, corporations, consumers, as well as the public authorities.

i. The credit institutions and the Romanian Banking Association

The key role in the SEPA project implementation at national level is played by the credit institutions that have the following main responsibilities in the SEPA implementation process:

- Planning and organising, at national level, the implementation of the SEPA payment instruments, in correlation with the *SEPA National Implementation and Migration Plan* and the deadlines set by the European Payments Council;
- Providing information and preparing customers for using SEPA payment instruments;
- Designing additional optional services (AOS) based on the SEPA payment instruments.

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A major role is played by the Romanian Banking Association that manages the process of SEPA implementation and migration at the level of the banking community, having the following main responsibilities:

- Initiating and coordinating the SEPA implementation project at the banking community level;
- Providing the organisational structure of the project and the coordinating of the *SEPA National Implementation and Migration Plan* elaboration process;
- Adopting a common policy for the SEPA implementation, by consulting with the stakeholders,
- Providing the useful information and the documentation required for the SEPA implementation to the parties involved;
- Cooperating with the National Bank of Romania, TransFonD, the Ministry of Public Finance, customers' and merchants' associations and the public authorities, in the implementation of SEPA payment instruments;
- Providing basic assistance regarding the process of adherence to the SEPA schemes and the adherence applications of credit institutions to the payment schemes, via an information centre, coordinating the stakeholders at national level and the European Payments Council (*National Adherence Support Organization - NASO*),
- Cooperating with credit institutions to define and implement additional optional services (AOS) based on the SEPA schemes;
- Coordinating the project as a member of the National SEPA Committee, monitoring the development of the national SEPA programme and reporting to the European Payments Council on the progress made or the associated risks.

ii. The National Bank of Romania

In the SEPA project, the National Bank of Romania has the following responsibilities:

- Providing assistance and fostering stakeholders' expectations with regard to SEPA, by participating in the National SEPA Committee and in the banking sector activities concerning the SEPA implementation;
- Cooperating with the public administration so that it becomes one of the early adopters of SEPA instruments in Romania;
- Cooperating with the beneficiaries so that their expectations are brought to the attention of the National SEPA Committee;
- Contributing to the coordination of the communication efforts, both at European and national levels;
- Participating in the elaboration of the legal framework, including the transposition of the Payment Services Directive into the national legislation and of the eventual amendments of regulations within its area of competence;
- Monitoring the activities and the development of the implementation and migration to SEPA.

iii. The Ministry of Public Finance

The Ministry of Public Finance is actively involved in the project, by:

- Promoting and adopting the SEPA schemes;

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- Cooperating and collaborating intensively with the banking sector, by participating in the activities of the working groups and of the SEPA stakeholders;
- Coordinating the project as a member of the National SEPA Committee.

iv. TransFonD

TransFonD S.A, the operator of the national retail payments infrastructure, has the following responsibilities in the SEPA implementation and migration process:

- Cooperating with the credit institutions, by participating in the activities of the working groups and of the project stakeholders;
- Tailoring the national retail payments infrastructure to process euro payments, in compliance with the decisions to be taken at the level of the banking community;
- Working together with the credit institutions to define the additional optional services (AOS) based on the SEPA schemes;
- Coordinating the project as a member of the National SEPA Committee.

v. Credit institutions' customers

The national banking community must put in place a very good communication strategy with the customers, so that they become partners in promoting and adopting SEPA instruments. The customers' role in the implementation process is related to:

- Collaborating and cooperating with the credit institutions in the process of implementing and testing SEPA instruments;
- Consistent usage of the information required for the automated processing of payments (IBAN code, BIC code, etc.)
- Cooperating with credit institutions in order to adopt any new standard for electronic transactions between customers and credit institutions.

3.2 SEPA Credit Transfer (SCT) Scheme Migration Plan

The roadmaps and deadlines concerning the migration to the SEPA schemes represent initial estimates, given that the complexity of interdependencies and interactions between the parties involved in the process makes their commitment to final deadlines difficult.

Currently, clear-cut deadlines for the total elimination of the current euro payment instruments cannot be established; however, the complete roll-out of the existing national instruments for credit transfers will not go beyond the date of the euro adoption in Romania.

Upon adoption of euro, all the euro payment instruments will comply with the SEPA standards.

As credit institutions in Romania update their individual plans on the SEPA implementation, the *SEPA National Implementation and Migration Plan* will be updated accordingly, by indicating clear-cut, final deadlines.

3.2.1 Roadmap for the SCT migration

For *credit transfer instruments*, the migration started on 28 January 2008 and will end on the date of euro adoption by Romania at the latest.

According to the options concerning the adherence to the SEPA credit transfer scheme expressed by the credit institutions operating in Romania on 30 June 2009:

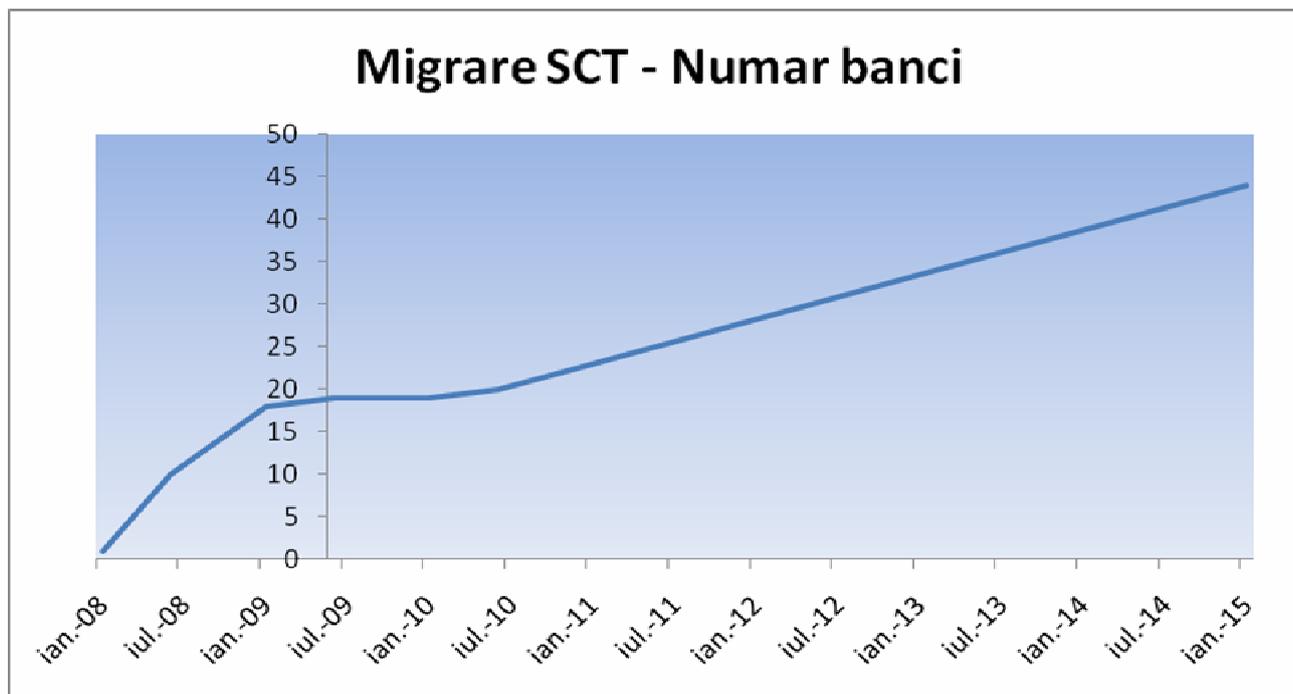
- 19 credit institutions adhered to the SCT payment scheme starting with 28 January 2008, by submitting the adherence agreements to the EPC;

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- 4 credit institutions have answered that they intend to adhere to the SCT, indicating the following deadlines for adherence:
 - 30.06.2010 - 1 credit institution
 - 31.12.2010 - 3 credit institutions
- 5 credit institutions could not mention, at this phase, a clear-cut date for their adherence;
- 1 credit institution has not expressed its option as regards the SEPA implementation;
- 3 credit institutions have stated that they do not make and do not intend to make euro payments before adoption of euro;
- the branches of EU credit institutions have adhered or are to adhere via their parent banking institution.

The Ministry of Public Finance specified that it will adhere to the SEPA schemes on the date of euro adoption by Romania.

The chart below illustrates the adherence to the SCT scheme in terms of the number of credit institutions:



SCT Migration - Number of banks

At national level, there is currently no clearing and settlement infrastructure for euro payments. The banking community has been analysing, together with the operator of the national infrastructure for retail payments in national currency – TransFonD –, the possibility for company to provide, in the future, clearing and settlement services, for SEPA-compliant euro payments.

At a first stage, part of the credit institutions – which will not implement the new SEPA standards particularly as regards the adoption of the XML standards in their communication interfaces with the settlement applications, and which will not have the capacity to operate the electronic messages received in SEPA format, will be able to choose to process euro collections via certain credit institutions that have already signed the adherence documents to the SEPA schemes and have the capacity of direct participants in the pan-European payment systems. Furthermore, these credit institutions will be able to convert the payment messages issued by their own systems into

XML messages in the SEPA format, via the credit institutions which have made the required upgrades to their internal IT systems in order to ensure compliance with the SEPA standards.

Thus, 33 credit institutions have concluded or intend to conclude agreements with other European Union credit institutions for the conversion and processing of the SEPA messages.

The options expressed regarding the channels for sending/receiving SEPA credit transfers are the following:

- Via the parent banking institution as a sub-participant in STEP2 - 11 credit institutions;
- Via correspondent credit institutions outside the country - 13 credit institutions;
- Via indirect participation in STEP2 – 8 credit institutions;
- Via correspondent credit institutions in Romania - one credit institution.

3.2.2 Roadmap at national level for SCT migration

In parallel with migrating to the use of SCT that started on 28 January 2008, the banking community and the National Bank of Romania will analyse the possibility to amend the *NBR Norm No. 26/2006 on the statistical reporting of data for preparing the balance of payments*, in order to ensure the conditions necessary for the straight through processing (STP) of SEPA payment messages on the entire settlement flow.

3.2.3 Critical mass

The critical mass represents the level of transaction volumes from which the migration process to SEPA instruments becomes irreversible.

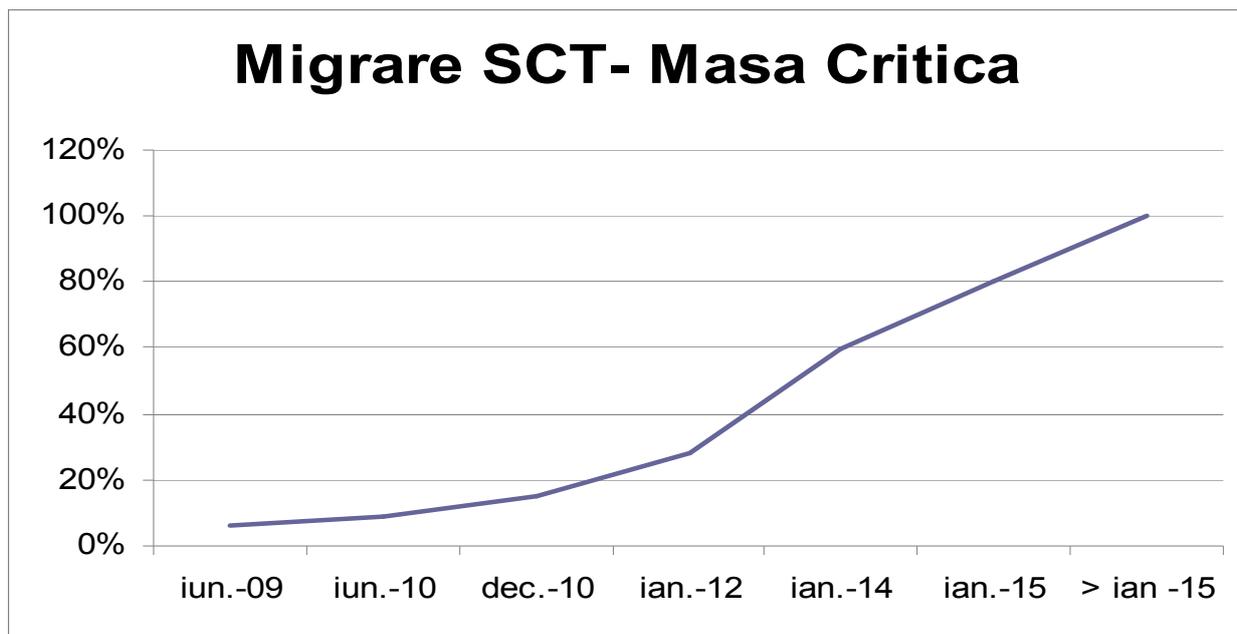
At national level, the critical mass has been established⁸ through two cumulative conditions, considering that the critical mass will be reached when:

- the percentage of the credit institutions that joined the SCT scheme in the total number of credit institutions reaches 80%, and
- the percentage of payment transactions processed through the SCT scheme in the total volume of credit transfers processed at national level stands at 90%.

Currently, the ratio of the credit institutions adherents to the SCT scheme from the total number of credit institutions in Romania is 55% and the level of SCT payments is 6.34% (end-June 2009).

The chart below illustrates the migration to the SEPA credit transfer in terms of the critical mass:

⁸ The definition of the critical mass was proposed by the Payments Division of the National Bank of Romania and was approved by the SEPA National Committee on 18 June 2009.



SCT Migration – Critical Mass

3.2.4 Structured information remittance underlying payment messages

To date, the banking community has not yet discussed the structure of the remittance information underlying payment messages.

3.3 SEPA Direct Debit (SDD) Schemes Migration Plan

3.3.1 Roadmap for the SDD migration

Considering that currently in Romania the direct debit is an infrequently used payment instrument and almost exclusively for payments in national currency, the banking community makes efforts to promote this instrument.

According to the options expressed on 30 June 2009 by the credit institutions members of the RBA:

- 1 credit institution adhered to the SDD Core scheme starting with 1 November 2009,
- 5 credit institutions have expressed their intention to adhere to the SDD Core scheme, most of them taking into account a time horizon of 1-3 years (2010-2012);
- 26 credit institutions have stated their intention not to join the SDD schemes;
- 11 credit institutions have not yet expressed their options on the implementation of the SDD.

3.3.2 Adoption of B2B standards for SDD

The credit institutions which expressed their intention to adhere to the SDD Core scheme intend also to adhere to the SDD B2B scheme.

3.3.3 Direct debit mandates

Considering the current low use of direct debit, a strategy to administer the direct debit mandates has not been yet elaborated by the community and a solution for the implementation of the SEPA direct debit mandates is not available, the estimated deadline for their preparation being 1 November 2010.

3.3.4 Critical mass

The definition of the assessment criteria and of the critical mass at national level as regards the use of the SDD schemes will be established after 1 January 2010.

3.3.5 Roadmap at national level for SDD schemes migration

The current national regulations refer exclusively to interbank direct debit in national currency via the SENT retail payment system and stipulate that the mandates should be sent to both the creditor and the debtor's banks.

The implementation of the SDD must be preceded by the transposition into the national legislation of the *Directive on payment services in the internal market*, a process completed following the publication of Government Emergency Ordinance no. 113 / 12.10.2009.

As concerns the banking community, the migration to the SDD scheme can be completed in minimum 3 years from the transposition date of the *Directive on payment services in the internal market* into the national legislation, but no later than the date of the euro adoption in Romania.

3.4 Clearing and settlement infrastructure for retail euro payments

TransFonD S.A., in its capacity as an operator of the national retail payment infrastructure, has elaborated a proposal for the development of a national SEPA-compliant retail payment and settlement system for euro payments in Romania.

According to this proposal, the service could be provided to the Romanian credit institutions in the second half of 2011, in a first phase for national payments and in a second phase for cross-border euro payments.

3.5 Migration plan for payment cards

3.5.1 The current context

The number of cards issued by the Romanian credit institutions exceeded 11.98 million at the end of Q2 2009, according to the data provided by the credit institutions and submitted to the European Payments Council. Nevertheless, Romania is still below the European average in terms of the number of cards relative to the number of inhabitants, as well as the number and average value of card transactions. Although the number and the value of commercial transactions have been increasing significantly by the year, cash withdrawals make up the largest weight of card holders' transactions, accounting for about 85% of total card transactions.

The majority of the payment cards are issued under the Visa or MasterCard schemes (currently these two schemes hold virtually equal market shares as regards the number of cards issued under their brands and the volumes of transactions effected). Over 95% of total number of cards on the national market have payment and cash withdrawal functions. Credit cards make up approximately 11.7% of total active cards.

As concerns the terminals on the Romanian market, the number of POS terminals exceeded 65,000, while the number of ATMs stands at about 9,500.

Regarding the *liability shift* in the case of disputed transactions, the European regulations applicable to the two schemes stipulate that, in the case of fraudulent card transactions, the liability lies with the party which is not EMV-compatible. Credit institutions in Romania, in compliance with the adherence agreements signed with VISA and MasterCard, enforce these regulations on the liability shift in the case of disputed transactions. Although VISA and MasterCard have not set an explicit deadline for the card migration to the EMV standards, the enforcement of the *liability shift* leads, implicitly, to the need of converting magnetic stripe cards to chip cards.

3.5.2 Roadmap for migration to SEPA-compliant payment cards

Cards issuing

All international cards (irrespective of the account currency) issued in Romania can be used for commercial transactions and/or for euro cash withdrawals, in the same conditions, anywhere in the SEPA zone, and on the territory of Romania as well (with no differences in terms of level of services or pricing).

The terminals enabling the use of SCF-compliant cards (SEPA cards) will be the SCF-compliant terminals (SEPA terminals), in a certain scheme.

To this end, considering that, at national level, there are no schemes requiring the joint efforts of credit institutions to migrate to SCF-compliant schemes, each credit institution, depending on its own portfolio, will take the decision on the card migration with national limitation so they can be used not only on the national territory but also across the SEPA zone.

The banking community has not established a specific deadline for the migration to SEPA-compliant cards.

Cards acceptance

Whereas cards must have a chip and comply with the EMV standard in order to be SCF-compliant, an important objective is having also the EMV-compliant terminal networks (ATM and POS).

Nevertheless, the acceptance by all merchants of payments by SCF-compliant cards cannot be guaranteed. In other words, the Romanian merchants cannot be forced in any circumstance (legally, technically, procedurally) to accept payments through a certain card scheme. Furthermore, all the hurdles whereby merchants could be prevented from opting for a certain acquiring bank from across the SEPA zone will be identified and eliminated.

Card issuing institutions will be held liable for the management of cross-border transactions - as regards the correct interpretation by the settlement systems specific to each credit institution.

3.5.3 EMV implementation

At the end of 2009 Q2, 96% of the ATM terminals were EMV-compliant. Out of the 30 credit institutions having ATMs, 25 have managed to achieve the full conversion of their ATMs to the EMV standard, 2 were involved in an advanced stage of the conversion process, and 3 – having in total 207 terminals – have not started the migration process yet.

Regarding the POS networks of acquiring credit institutions, 70.46% of the terminals were converted at the end of 2009 Q2. In fact, out of the 20 credit institutions having POSs, 15 have already initiated the migration process, while 11 have fully converted the terminals they manage.

As regards card issuance, only 14.63% of the total number of cards migrated to EMV. Out of 29 operating credit institutions, 12 were effectively issuing international EMV cards at the end of 2009 Q2.

3.5.4 Roadmap at national level for SEPA cards migration

Migration to SCF-compliant standards concerns the entire banking community. Nevertheless, each credit institution is liable for its own migration strategy. The National Bank of Romania, together with the banking community represented by the Romanian Banking Association will monitor the migration to SEPA.

One of the key objectives of the co-operation between credit institutions must be the promotion of the integration, identification and removal of barriers, so the migration of the Romanian market to SCF standards is harmonised with other European countries in SEPA.

3.6 Cash transactions in SEPA (Single Euro Cash Area – SECA)

3.6.1 Compliance with new standards and requirements

In the eurozone countries, national cash plans have already been elaborated. In 2007, the European Payments Council decided that the drawing-up of a second generation of national cash plans was necessary, as the existing ones, prepared by eurozone countries, no longer reflected the reality and had to be updated, while the new EU Member States would have to draw up national cash plans in compliance with the new requirements and standards.

The Cash Working Group of the European Payments Council decided to draw up a matrix for the second generation of national cash plans, which would lay the ground for all national plans, allowing adjustments upon individual requirements of each country by assessing their current situation and the progress made.

Hence, at national level, the Cash Working Group set up by the Romanian Banking Association elaborated a draft of a national cash plan - document SECA-RO-08 V1.0, based on the matrix of the Cash Working Group of the European Payments Council.

The National Cash Plan will be implemented once the euro will be adopted.

3.7 Additional optional services in SEPA

3.7.1 Opportunities and benefits of the SEPA framework for developing additional optional services

Being intended mainly for the customer-credit institution/credit institution-customer relation, the additional optional services bring new functionalities to the standard SEPA payment schemes, considering the competitiveness of the banking environment. These can be various enhancements to the existing banking products or brand new value-added services.

The improvement of the banking products includes the introduction of regulations regarding compliance with regulatory requirements, priority payments (accelerated settlement of credit transfer operations) or the possibility to make cash payments by providing only the IBAN code (without providing the BIC code, which can be extracted by the service provider from the IBAN code).

The range of value-added services includes initiating payments via internet or mobile phone (m-payments), e-invoicing, credit notifications or e-reconciliation, the introduction of these services leading to an increased efficiency of payment services and a higher level of integrated processing throughout the entire transaction chain.

3.7.2 The possibility to develop and use additional optional services

The long-term objective is to stimulate the establishment of an electronic, paperless payments area, with an integrated straight-through processing *E2E STP* of all SEPA-compliant payment instructions, by using SEPA instruments exclusively in electronic format, so that payments can be associated to value-added services both before and after payment settlement.

Currently, there are no additional services developed or under development within at national level. To complete the benefits brought by SEPA, the banking community intends to identify in the future, upon market requirements, the appropriate additional services and initiate projects for their development and implementation, to be accomplished by 2014, when Romania estimated to adopt the euro.

3.8 The legal framework

3.8.1 Transposition of the *Directive on payment services in the internal market* into the national legislation in Romania

The legal framework for SEPA is represented by the *Directive on payment services in the internal market*⁹ – Directive 2007/64/EC, a regulatory initiative meant to establish a harmonised legal framework for the creation of an integrated payments market in the European Union, by removing all current legal and technical barriers.

The *Directive on payment services in the internal market* was transposed into the Romanian legislation through Government Emergency Ordinance no. 113 from 2009 regarding the payments services, published in Romania's Official Gazette no. 685/12 October 2009, being applicable from 1 November 2009.

3.9 Communication

3.9.1 National communication strategy and planning

Starting from the prerequisite that the success of SEPA implementation relies on the pro-active involvement and participation of all parties involved in the project, the nationwide communication strategy regarding the SEPA project aims at informing credit institutions and the other beneficiaries of the project about SEPA implementation while highlighting the benefits of SEPA, in order to foster the large scale adoption of SEPA instruments.

The objectives of the communication strategy are as follows:

- Raising awareness and informing credit institutions and their customers about the SEPA project;
- Clarifying the long-term vision of SEPA and the full range of opportunities that it can bring to the domestic and European economies;
- Communicating the benefits that SEPA brings and the challenges it poses to project beneficiaries;
- Enhancing public understanding and knowledge on the actions that are to be taken while carrying out the project as well as the responsibilities of each stakeholder;
- Providing transparency to the implementation process and the progress made;
- Providing up-to-date information to all stakeholders on a regular basis.

The communication strategy targets the following groups of SEPA beneficiaries:

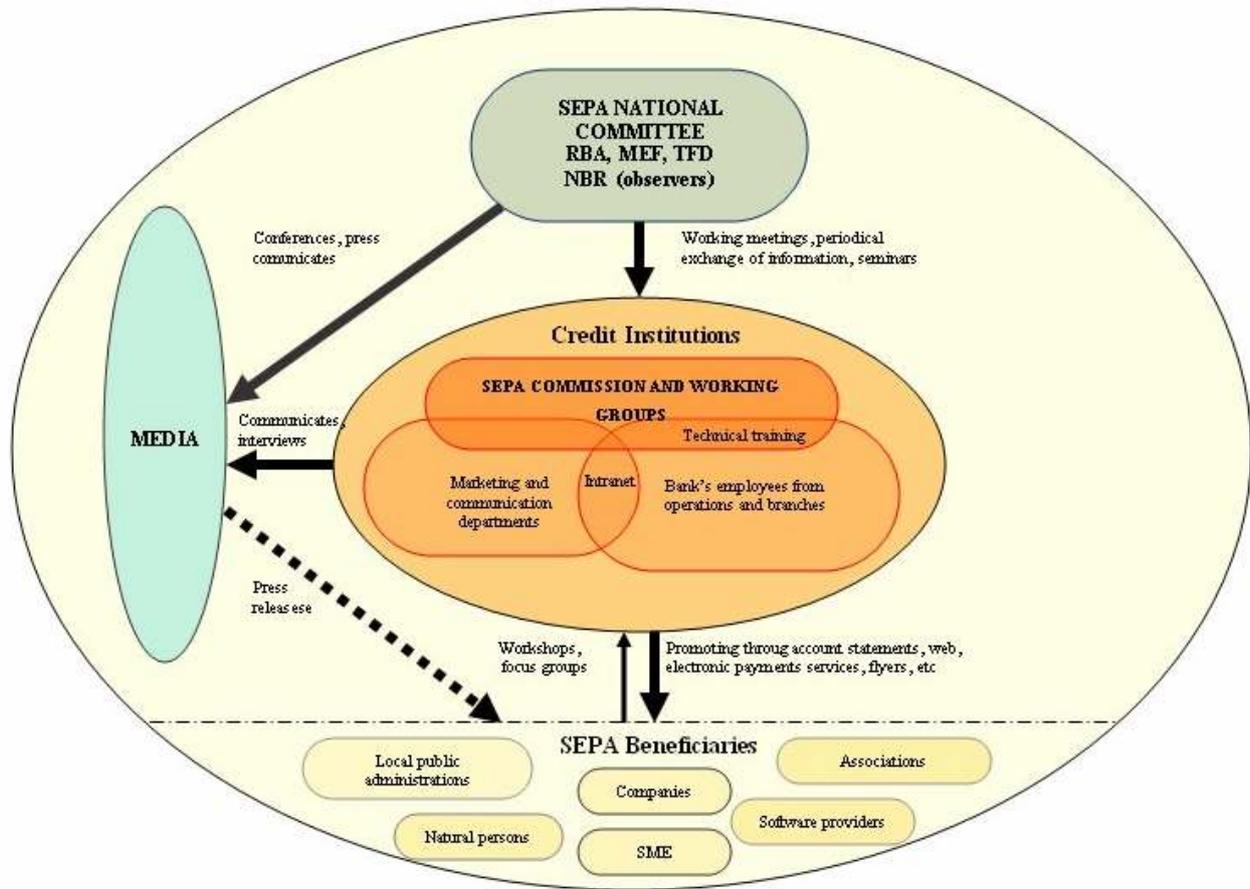
- End users: consumers, retailers, small and medium-sized enterprises, corporations, consumers' associations, employers' associations;
- Providers: software providers, operators, payment service providers, credit institutions;
- The public sector: public administration.

The communication strategy at national level will be implemented by the Romanian Banking Association, the National Bank of Romania, the Ministry of Public Finance and TransFonD, by actions meant to inform all participants about the SEPA implementation and to communicate the SEPA objectives and some key messages tailored to each participant category.

The communication flow is described in the diagram below:

⁹ Directive 2007/64/EC is published in the Official Journal of the European Union L319/1 from 5.12.2007 and can be accessed on the European Commission website, in the legislative section, at <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2007:319:0001:0036:RO:PDF>

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The proposed targets regarding communication at national level for the SEPA project are attained through the following actions:

- Creating a national source of information on the SEPA project and developing it, on the Romanian Banking Association website, www.infosepa.ro, a source that has already been made available since 1 June 2008;
- Organising, with the support of the Romanian Banking Institute, training courses on the SEPA project, the new legal framework governing payments and implementing the new payment instruments, for credit institutions' employees, both at the level of headquarters and branches of credit institutions. A first training session has already been organised in April - May 2008; other training sessions were organised in 2008 Q4 and 2009 Q2;
- Organising, with the support of the Romanian Banking Institute, the initiation, training and documentation programmes for customers on the SEPA project, the new legal framework governing payments and the features of the new payment instruments, starting with 2010;
- Organising conferences and seminars on SEPA, aimed at conveying key messages to participants in SEPA implementation and cooperating with event organisers for staging SEPA-dedicated events;
- Publishing articles regarding the SEPA project in publications targeting certain categories of SEPA beneficiaries – monthly;
- Organising meetings of the Romanian Banking Association with representatives of SEPA beneficiaries, in order to establish contacts, for their involvement in the SEPA project;

- Organising meetings of the National Bank of Romania with representatives of employers' bodies: corporations, retailers, service and utility providers, in order to identify their expectations and to initiate them to the benefit of SEPA;
- Giving interviews, statements, and press releases on SEPA, in the daily newspapers and the weekly financial publications and in TV shows dedicated to financial matters.

The SEPA advertising events and actions carried out in 2007 – 2008 are described in **Chapter 4 - Annexes, Table 4.6.**

The main SEPA promotion actions to be taken during 2009–2010 at the level of the banking community in Romania are summarized in **Chapter 4 - Annexes, Table 4.7.**

3.9.2 Raising customer awareness on the SEPA migration

Credit institutions have already initiated individual customer information actions regarding SEPA, the objectives and implications of SEPA schemes, the possibilities and opportunities to use them, as well as the benefits of the new schemes as regards transfer speed and cost.

The main short-term communication targets are informing and making credit institutions' customers familiar with SEPA services, as well as promoting SEPA as a national financial and banking strategy which should concern each and every beneficiary.

In the long run, the main targets are enhancing beneficiaries' confidence and creating and fostering demand for SEPA services.

The main messages that will be addressed to the SEPA beneficiaries are:

- SEPA is a single payment area at EU level, whereby payment practices become uniform;
- SEPA implementation will bring about a shorter settlement time;
- SEPA will lay the groundwork for access to payment services similar across the EU;
- SEPA implementation will result in flat-rate fees;
- SEPA implementation means using modern payment services.

At the banking community level, the customer information and training will be carried out via:

- Publishing several informative materials on the features and use of the new SEPA payment instruments in the SEPA section of the Romanian Banking Association website;
- Organising programmes to educate customers on the use of SEPA instruments;
- Organising meetings with several user categories to analyse any issues arising during the SEPA implementation process;
- Publishing information materials regarding the SEPA project in the publications targeting certain categories of SEPA beneficiaries.

3.9.3 Informing the general public by the public authorities

There is no ongoing programme initiated by the public authorities to inform the general public. The banking community will organise meetings with representatives of the public authorities in order to discuss the most efficient approaches to inform SEPA beneficiaries on the benefits of SEPA implementation.

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4 ANNEXES

4.1 National SEPA Committee

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4.4 Decisions regarding the SEPA project

No.	Decision	Involved structure	Date
1	RBA – member of the European Payments Council	RBA Board	March 2007
2	Setting up the SEPA Committee	RBA Board	March 2007
3	Setting up the SEPA project Working Groups	RBA Board	March 2007
4	Nominations for the Working Groups of the European Payments Council	RBA Board	June 2007
5	Adopting a project organisation at banking community level for the SEPA project	RBA Board	September 2007
6	Setting up the SEPA project Task Force for the drawing up of the National SEPA Implementation and Migration Plan	RBA Board	September 2007
7	Carrying out the NASO - <i>National Adherence Support Organization</i> role by RBA	RBA Board	September 2007
8	Setting up a National SEPA Project Coordinating Committee	RBA Board	September 2007
9	Setting up a National SEPA Project Consultations Forum	RBA Board	September 2007
10	Aligning the payments in the national currency – RON – to SEPA standards	RBA Board	September 2007
11	Drawing up the SEPA communication strategy	RBA Board	February 2008
12	Re-assessing the need for an intermediate phase for SEPA standards-compliant domestic payments, before adopting the euro	National SEPA Committee	March 2008
13	Submitting to the European Payments Council the bilingual logo English/Romanian	National SEPA Committee	March 2008
14	Implementing a national information source on the Internet regarding the SEPA project	National SEPA Committee	March 2008
15	Amending the <i>National SEPA Implementation and Migration Plan</i> in	National SEPA Committee	April 2008

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No.	Decision	Involved structure	Date
	conformity with the NBR requirements (Notification of the NBR Payments Department No. VII.1/523/05.03.2008).		
16	Approval of the <i>National SEPA Implementation and Migration Plan, version 1.0, edition May 2008</i> and its publication on the sites of the Romanian Banking Association, the Ministry of Public Finance, TransFonD and the National Bank of Romania.	National SEPA Committee	May 2008
17	Approval of the <i>SEPA Communication Strategy Version 2.</i>	National SEPA Committee	October 2008
18	Approval of the <i>National SEPA Implementation and Migration Plan V2.0.</i> The Plan will be submitted to the National Bank of Romania for endorsement, translated into English and submitted for publication to the European Payments Council and the European Central Bank.	National SEPA Committee	October 2008
19	Approval of the <i>National Plan for Cash V1.0.</i>	National SEPA Committee	October 2008
20	Drawing up by the SEPA Legal Working Group, established at the RBA level, of a document on the impact and implications of transposing <i>Directive 2007/64/EC on the payment services in the internal market</i> into the Romanian legislation; implication of the SEPA Legal Support Group in supporting the Working Group for the transposition of the Directive, coordinated by the Department for European Affairs of The Government of Romania	National SEPA Committee	October 2008
21	Organising the National SEPA Forum on 25 November 2008	National SEPA Committee	October 2008
22	Approval of the <i>National SEPA Implementation and Migration Plan V2.01</i> , to be submitted for endorsement to the National Bank of Romania and then to be send for publication to the European Payments Council and the European Central Bank.	National SEPA Committee	March 2009

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No.	Decision	Involved structure	Date
23	Approving the proposals of the Romanian banking community regarding the national options selection in the legislative act transposing <i>Directive 2007/64/EC on the payment services in the internal market</i> into the Romanian legislation and submitting these proposals to the Ministry of Public Finance and the Department for European Affairs of the Romanian Government.	National SEPA Committee	June 2009
24	Sending a report to the management of all the credit institutions regarding the impact of the transposition in the Romanian legislation of <i>Directive 2007/64/EC on the payment services in the internal market</i> , together with the <i>PSD Impact Study</i> elaborated inside RBA.	National SEPA Committee	June 2009
25	Approval of the proposal of the Payments Department of the National Bank of Romania regarding the SEPA critical mass definition, to be included in the next version of the <i>National SEPA Implementation and Migration Plan</i> (October 2009).	National SEPA Committee	June 2009
26	Transmitting letters to the employers associations and professional organisations in Romania, to provide them information regarding the SEPA programme and to require their collaboration in the SEPA implementation process, by nominating a responsible person to participate to the future meetings of the SEPA National Forum.	National SEPA Committee	June 2009
27	Approval of the nomination of the Payments Department of the National Bank of Romania for the collection of the indicators regarding the SEPA schemes migration directly from the credit institutions and not via the reporting system of the credit institutions to the National Bank of Romania - given the temporary nature of these reports.	National SEPA Committee	June 2009

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4.5 Representatives of the banking community in the European Payments Council

No.	Body of the European Payments Council	Representative of the Romanian Banking Association
1	Plenary Meeting	Radu Grațian Ghețea, Chairman of the Board of RBA, President CEC Bank
2	Legal Support Group	Mirela Iovu, Vicepresident CEC Bank
3	SEPA Payment Schemes Working GROUP	Constantin Rotaru, Senior Adviser, RBA
4	Cash Working Group	Cristian Neacșu, Executive Director, Payments Division, BRD - Groupe Societe Generale
5	Cards Working Group	Adrian Apolzan, Director, Cards Division, ING Bank Romania
6	Programme Management Forum	Alfred Schmid, SEPA Project manager, BCR
7	Scheme Management Committee	Roxana Anescu, Operations Director, UniCredit - Tiriac Bank
8	Standards Support Group – correspondent member	Mihaela Cotoară Nicolae, IT Solutions Responsible Raiffeisen Bank

4.6 SEPA Events / advertising in 2007 - 2008

Period	Event / Action	Organiser / Responsible institution	Details
April 2007	Seminar <i>SEPA, TARGET2, TARGET2 Securities</i> (National Bank of Romania, 23 April 2007)	National Bank of Romania	Objective: Informing the banking system on the stage of European projects as regards infrastructures for euro payments and settlements: SEPA, TARGET2, TARGET2 Securities Participants: credit institutions, National Bank of Romania, Romanian Banking Association, Ministry of Public Finance, TransFonD
July - December 2007	Publication of a series of 5 articles dedicated to the future of euro payments and the SEPA project in the Market Watch	Romanian Banking Association	Objective: Presentation of the SEPA project for the financial & banking and business environments: history, targets,

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Period	Event / Action	Organiser / Responsible institution	Details
	magazine, distributed in the financial & banking and business environments		components, organising, standards, implications on the Romanian banking system
October 2007	Seminar <i>SEP, SEPA and banks in Romania</i> (Ramada Hotel, Sibiu, 31 October 2007)	TransFonD	Objective: analysis of the SEPA implications for the payment and clearing & settlement systems of Romania Participants: credit institutions, Romanian Banking Association, National Bank of Romania, Ministry of Public Finance, TransFonD, providers of IT solutions for payment systems
November 2007	Presentation of the SEPA project, its stage and implications on the Romanian banking system – at the Romanian Banking Forum (Marriott Hotel, Bucharest, 28 November 2007)	Finmedia, with the support of the Romanian Banking Association	Objective: Informing on the targets and stages of the SEPA project for the financial & banking and business environments Participants: credit institutions, Romanian Banking Association, National Bank of Romania, Ministry of Public Finance, TransFonD, representatives of the business environment
November 2007	Presenting the SEPA project and its implications on the Romanian banking sector - at the launch of the <i>World Payments Report 2007</i> report- authors: Cap Gemini, ABN Amro and EFMA (Hilton Hotel, Bucharest, 12 November 2007)	Cap Gemini, with the support of the Romanian Banking Association and the Romanian Banking Institute	Objective: Informing the financial & banking and business environments about the targets and the stage of the SEPA project Participants: credit institutions, Romanian Banking Association, Romanian Banking Institute, providers of IT solutions, advisors, representatives of the business environment
January 2008	Meeting of the National Bank of Romania with the representatives of the National	National Bank of Romania	Objective: Presentation of the stage of the SEPA project in the European Union and in Romania and the benefits of

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Period	Event / Action	Organiser / Responsible institution	Details
	Council for SMEs (Excellence Business Club, 25 January 2008)		SEPA for small and medium-sized enterprises; their implication in the SEPA project
February-December 2008	Continuation of the series of articles dedicated to the SEPA project in the Market Watch magazine, distributed in the financial & banking and business environments	Romanian Banking Association	Objective: Informing the financial & banking and business environments about the developments of the SEPA project: track record, targets, components, organisation, standards, implications on the Romanian banking sector; benefits of implementing SEPA for corporations, consumers, public administration
April 2008	Seminar to present SEPA, targeting customers, employers' associations, local public administration (Romanian Banking Institute, 15 April 2008)	Romanian Banking Association and Romanian Banking Institute	Objective: Informing on the targets, components and stage of the SEPA project for bank customers, initiating a dialogue with clients, establishing the National SEPA Forum Participants: credit institutions, Romanian Banking Association, National Bank of Romania, Ministry of Public Finance, TransFonD, clients, employers' associations, local public administration
May 2008	<i>SEPA Conference – Concepts and achievements</i> (Marriott Hotel, Bucharest, 9 May 2008)	FinMedia, with the support of the Romanian Banking Association	Objective: Informing about the targets, components and stage of the SEPA project for the business environment, providers of IT solutions, of infrastructures, consultants Participants: credit institutions, Romanian Banking Association, National Bank of Romania, Ministry of Public Finance, TransFonD, representatives of the business environment

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Period	Event / Action	Organiser / Responsible institution	Details
May 2008	Meetings of the National Bank of Romania with the representatives of employers bodies: corporations, merchants, providers of services and utilities	National Bank of Romania	Objective: Presentation of the stage of the SEPA project in the European Union and in Romania and the SEPA benefits for companies; their implication in the SEPA project
May 2008	Publication of SEPA material – in <i>Piața Financiară</i> , targeting the financial & banking and business environment	Romanian Banking Association	Objective: Presenting the stage of the SEPA project in the European Union and in Romania
June – October 2008	Meetings of the Romanian Banking Association and the representatives of corporations, consumers employers' associations and local public administrations	Romanian Banking Association	Objective: establishing contacts with the bank customers, consumers' associations, employers' associations, local public administrations, as regards their implication in the SEPA project
October 2008	SEPA Seminar – assessing the stage of implementing SEPA in Romania	Romanian Banking Association	Objective: assessing the stage of implementing SEPA in Romania, the actions that must be taken in the future Participants: credit institutions, Romanian Banking Association, National Bank of Romania, Ministry of Public Finance, TransFonD
November 2008	National SEPA Forum (November 25, 2009, Romanian Banking Institute)	Romanian Banking Association	Participants: Romanian Banking Association, National Bank of Romania, Ministry of Public Finance, corporations, employers' associations, public local administration

4.7 Activities scheduled for 2009-2010 in the SEPA communication strategy

Period	Measure	Responsible institution	Details
January 2009	Meeting NBR / RBA with credit institutions	NBR / RBA / credit institutions	Analysis of the implementation stage of the SEPA project, setting the communication means of credit institutions

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Period	Measure	Responsible institution	Details
			(brochures, posters, on-line completing the site dedicated to SEPA, as a national information source) and training the involved staff
January – February 2009	Preparing the documentation for internal communication (1)	RBA / credit institutions	Benefits, SEPA calendar, focus on SEPA Credit Transfer
February 2009	Internal communication in each credit institution	Credit institutions (Communication Departments)	Intranet, internal publications
February 2009	Preparing the documentation for technical training	RBA / credit institutions	
February 2009	Informing regional directors and branch managers	Credit institutions	Technical training sessions in each credit institution (“ <i>train-the-trainers</i> ”)
February 2009	Training the operational staff	Credit institutions (regional directors, branch managers)	Technical training sessions to disseminate information (in-house training, in each credit institution)
February 2009	Completing the information materials	RBA / Credit institutions (Communication and Marketing Departments)	Brochures, posters, on-line information
February 2009	Identifying some media partnerships*	RBA, with the support of credit institutions	Newspapers, on-line publications, TV and on-line broadcasts
February 2009	Promoting SEPA on the sites of credit institutions	Credit institutions	Information published on own sites, links to the sites of SEPA RBA etc.
March 2009 – December 2010	Publishing monthly articles on the SEPA programme	RBA	Articles on the SEPA programme in Bank Watch supplement, published by Market Watch magazine, with the support of RBA
April 2009	<i>SEPA Conference – Achievements and</i>	FinMedia, with the support of RBA	Objective: Informing about the targets, components and stage of the SEPA project for the

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Period	Measure	Responsible institution	Details
	<i>Perspectives</i> (Marriott Hotel, Bucharest, April 29, 2009)		business environment, providers of IT solutions, of infrastructures, consultants Participants: credit institutions, Romanian Banking Association, National Bank of Romania, Ministry of Public Finance, TransFonD, representatives of the business environment
October – November 2009	Preparing the documentation for internal communication (2) – benefits of SEPA Direct Debit, stage of the project	RBA / Credit institutions	
October 2009	Preparing the documentation for technical training	RBA / Credit institutions	
October 2009	Disseminating information to managers of departments, divisions and branches	Credit institutions	Technical training sessions in each credit institution (“ <i>train-the-trainers</i> ”)
October 2009	<i>Conference Solutions for the Romanian financial – banking infrastructure</i> , (Ramada Piazza, Bucharest, October 15, 2009)	TransFonD	Subjects to discuss: The future of the payments infrastructures in the SEPA context, additional services for payments, European standards regarding the electronic invoicing Participants: National Bank of Romania credit institutions, Romanian Banking Association, Ministry of Public Finance, representatives of the business environment
November 2009	<i>SEPA Conference – Perspectives of SEPA implementation in Romania – progress, challenges, opportunities</i> Royal Hotel, Bucharest,	FinMedia, With the support of the Romanian Banking	Objective: Evaluation of the SEPA project status in Romania and also of the impact of <i>Directive 2007/64/EC regarding the payments services</i> transposition into the Romanian legislation

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Period	Measure	Responsible institution	Details
	November 18, 2009)	Association	Participants: credit institutions, Romanian Banking Association, National Bank of Romania, Ministry of Public Finance, TransFonD, representatives of the business environment
November 2009	Completing the information materials	RBA / Credit institutions (Communication and Marketing Departments)	Brochures, posters, on-line information
During the year 2010	Informing about the deployment of implementing SEPA and preparation for SEPA Cards	RBA, credit institutions	Press release, online, direct presentations, presence at certain TV broadcasts, events (training seminars, programmes)
2010 (TBD)	Official public information regarding SEPA Cards	RBA, credit institutions	Press conference, press release
Jan. 2009 – Dec. 2010	Monitoring communication in stages	RBA, credit institutions	Visibility in the press, feedback in the on-line environment, stocks of printed matter

4.8 Abbreviations

ACH	Automated Clearing House
AOS	Additional Optional Services
RBA	Romanian Banking Association
ATM	Automated Teller Machine
BIC	Bank Identification Code
NBR	National Bank of Romania
CSM	Clearing and Settlement Mechanism
E2E STP	End-to-End Straight-Through-Processing
EACB	European Association of Cooperative Banks
EBA	Euro Banking Association

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EBF	European Banking Federation
ECB	European Central Bank
EMV	Standard initiated by Europay, MasterCard and VISA to provide interoperability for IC cards (Chip Card), and IC capable ATM & POS terminals, in order to authenticate card payments.
EPC	European Payments Council
ESBG	European Savings Banks Group
EU	European Union
IBAN	International Bank Account Number
ISO	International Organisation for Standardisation
MPF	Ministry of Public Finance
NASO	National Adherence Support Organization
PE-ACH	Pan-European Automated Clearing House
POS	Point of Sale
PSD	Payments Services Directive
ReGIS	Romanian Electronic Gross Interbank Settlement
RTGS	Real-Time Gross Settlement
SaFIR	System for the registering and settlement of government securities operations
SEPA	Single Euro Payments Area
SCF	SEPA Cards Framework
SCT	SEPA Credit Transfer
SDD	SEPA Direct Debit
SECA	Single Euro Cash Area
SENT	Net Electronic System of TransFonD
EPS	Electronic Payments System
SOP	SEPA On-line Payments
STEP2	Pan-European Automated Clearing House for low-value euro payments

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STP	Straight-Through-Processing
SWIFT	Society for Worldwide Interbank Financial Telecommunications
TransFonD	Fund Transfer and Settlement Company
UNIFI	UNiversal Financial Industry message scheme
UNCITRAL	United Nations Commission on International TRAdE Law
XML	eXtensible Markup Language