



## EUROPEAN CENTRAL BANK

4 August 2005

### **CENTRAL BANKS' PROVISION OF RETAIL PAYMENT SERVICES IN EURO TO CREDIT INSTITUTIONS**

#### **POLICY STATEMENT**

1. According to Article 105 of the Treaty establishing the European Community (the Treaty) and Article 3.1 of the Statute of the European System of Central Banks and of the European Central Bank (the Statute), one of the main tasks of the Eurosystem is to promote the smooth operation of payment systems. According to Article 22 of the Statute, the Eurosystem may provide facilities to ensure efficient and sound clearing and payment systems.
2. Consequently, in line with the Treaty, individual national central banks (NCBs) of the Eurosystem may provide processing facilities for retail payments in euro for credit institutions, either via participation in private retail payment systems or acting as operators of their own retail payment systems, in order to contribute to the safety and efficiency of payment systems in the euro area. Depending on the specific national circumstances, they may also facilitate access to payment systems for all credit institutions.
3. The Eurosystem strongly supports the creation of a Single Euro Payment Area (SEPA). In this context, the Eurosystem recognises that competition is an important tool for achieving this goal. Therefore, in order to avoid competitive distortions or a crowding-out of market initiatives, NCBs which offer retail payment services to credit institutions take due account of the requirements and competitive environment of the market concerned, including cost recovery.
4. The NCBs of the European System of Central Banks that are not members of the Eurosystem have subscribed to this policy position.

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