



## **Self-assessment of the Centre for Exchange and Clearing (CEC) with the SEPA-compliance criteria for infrastructures of the Eurosystem**

The CEC considers itself as partly SEPA compliant because it processes and clears SEPA Credit Transfers since 28/01/2008. The SEPA Direct Debit Schemes will not be implemented in the CEC. The owners of the system (Belgian banks) do not want to position the CEC as a pan-European infrastructure in the long term. As soon as pan-European infrastructures emerge and offer a comparable service to the one actually delivered, Belgian banks will start migrating the payments processing to other systems and dismantle the CEC. It is expected that the earliest date for closing down the CEC will be September 2011.

### **Criterion 1 – Processing capability**

**To promote the SEPA-compliance of infrastructures, infrastructures are asked to comply with the requirements of the PEACH/CSM Framework, the SCT Rulebook and/or the SDD Rulebook(s), the Implementation Guidelines and the associated UNIFI (ISO 20022) XML standards, and to be ready to support scheme testing as planned by the EPC.**

On January 28th 2008 the CEC started to process and clear SEPA Credit Transfers (SCT) of its direct and indirect participants. Monthly figures of the number of SCT compared to the national CT format are annexed.

- (1) Have you sent a Disclosure Letter to the EPC regarding your intention to become a SEPA scheme compliant CSM? YES**
- (2) Are you compliant with the relevant PEACH/CSM Framework? YES**
- (3) Are you compliant with the relevant SCT Rulebook? YES**
- (4) Are you compliant with the relevant SDD Rulebook(s), i.e. core service and, if and when adopted, Business-to-Business service and e-mandate service? The SDD schemes will not be implemented in the CEC. Member banks will operate the SDD schemes via other CSM's.**
- (5) Are you complying with the relevant guidelines that require the use of the UNIFI (ISO 20022) XML message standard? YES**
- (6) Are you able to deliver all mandatory payment information (from the so-called yellow data fields) in full and without alteration between the involved scheme participants? YES**
  - a. Please provide information on your ability to process the full SEPA-subset of the ISO 20022 XML messages (i.e. the yellow and white data fields).**

In the case white fields are present in the payment message, they will be, unaltered and without being validated, forwarded.
- (7) If you provide conversion services between XML and legacy formats (and/or v.v.), do you ensure that no payment data is lost? We do not provide conversion services.**

- (8) **Have you adequately tested your processing procedures?** We are processing SEPA XML CT's in a production environment, with a parallel testing environment available for banks' testing purposes.
- a. **Please describe the framework, the organisation, the scope (national or cross-border) and the reach (CSM-bank, bank-CSM-bank, end-to-end) of the testing.**

#### **Criterion 2 – Interoperability**

**To promote the SEPA-compliance of infrastructures, infrastructures are asked to adopt interoperability rules, i.e. interface specifications and business procedures for the exchange of SEPA credit transfers and SEPA direct debit payment orders between banks and infrastructures, and between infrastructures, that are preferably mutually agreed upon by the relevant CSMs, and undertake to establish a link with any other infrastructure upon request, based on the principle that the cost for establishing the link is borne by the requesting infrastructure.**

The CEC will not adopt interoperability rules, nor establish a link with any other infrastructure. As mentioned in the introduction, the CEC aims to process national (between two banks located in Belgium) SEPA payment instructions in a transitional phase. The CEC will close down in the medium term and will, therefore, not invest in interoperability or links with other infrastructures.

#### **Criterion 3 – Reachability**

**To promote the SEPA-compliance of infrastructures, infrastructures are asked to be able to send or receive euro payments to and from all banks in the euro area, either directly or indirectly through intermediary banks, or through links between infrastructures (in other words, to provide full reachability)**

The owners of the CEC have not the ambition to turn the CEC into a pan-European infrastructure with a European wide reach. Therefore, the CEC processes currently SEPA Credit Transfers only for local traffic (national Credit Transfers i.e. originator and beneficiary both have a bank account with a bank located in Belgium).

#### **Criterion 4 – Choice for banks**

**To promote the SEPA-compliance of infrastructures, infrastructures are asked to enable financial institutions to make infrastructure choices based on service and price, and therefore not to apply undue access restrictions, nor to set obligations for users to process certain types of payment in a specific infrastructure, or via specific proprietary standards, nor to impose participation obligations on users of other infrastructures, and to ensure full transparency of services and pricing**

In its specific by-laws ("Articles of Association" of the CEC), which are published, access criteria are described. Membership of the CEC is open to credit institutions legally entitled to operate in Belgium, the National Bank of Belgium, the Postal Office and ATOS. The "Articles of Association" define financial, technical and operational requirements which are detailed in the (non-public) User Manual Documentation.

**(12) Have you made your retail payments clearing service offerings and your fee structure (including information (and amounts) about all types of applicable fees, such as admission fees, periodical fees, transaction fees or package fees) publicly available?**  
YES

**(13) Do you refrain from applying different access conditions depending on the type of applicant, its location or other kind of considerations?** YES

**(14) Do you refrain from obliging your participants to process certain SEPA payments in a specific infrastructure?** YES

**(15) Do you refrain from obliging your participants to use specific proprietary standards for SEPA payments?** YES

a. If no, please describe the proprietary standards for SEPA payments that you oblige your participants to use.

**(16) Do you refrain from imposing participation obligations on the users of other infrastructures when another CSM is requesting a link?**

The CEC will not establish a link with other CSMs, (see criterion 2).

2008	Sepa-transactions
January	17.068
February	181.525
March	192.289
April	230.816
May	207.885
June	321.278
July	552.258
August	513.039
September	574.066
October	796.220
November	777.709
December	1.157.756

