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PRESS RELEASE

Press release regarding the publication of the "Second progress report on the migration towards SEPA in Belgium"

On 28 January 2008, making payments in Europe using the new standardised European credit transfer became a reality. This is the first operational stage in the process towards the implementation of SEPA, the Single Euro Payments Area. The aim of SEPA is to create a single European market for payments, involving the changeover to the use of a legal framework and European standards to replace national regulations and standards. To this end, the European Council and the European Parliament have adopted a Directive on payment services in the internal market to be transposed into the respective national legislations by 1 November 2009. Furthermore, European instruments have been developed for credit transfers and direct debits and a general framework has been put in place for payment cards. The migration towards SEPA is organised mainly by the banking sector and is carried out in stages.

Today sees the publication of the second progress report on the migration towards SEPA in Belgium under the direction of the Steering Committee on the future of means of payment. This Committee, chaired by the Governor of the National Bank of Belgium, brings together all of the economic players involved, namely leading representatives from government, the banking sector, enterprises and consumer associations. The Committee's aim is to bring about social dialogue with regard to SEPA and to facilitate its introduction in Belgium. It is against the background of this mission statement that a first progress report was published in December 2007.

This second progress report describes the first stage in the operational implementation of SEPA, and its success, as well as the progress made in the meantime. With regard to European credit transfers, general government has been leading the way: since April 2008, citizens have been invited by the federal authorities to familiarise themselves with the European credit transfer based on an explanatory leaflet enclosed with their tax return. As of September, certain taxes, such as motor vehicle tax, are collected using the new European credit transfer form and since the start of this year, the European credit transfer has become widely used at different levels of government, both for incoming and outgoing payments. For their part, banks have provided their customers with the means required for carrying out credit transfers of this nature and soon it will be the turn of the major enterprises to make use of their first European credit transfers. In order to assist other enterprises with their migration procedure, a leaflet covering the key action points will be sent out to them.

The introduction of the European direct debit is scheduled for 1 November of this year, when the the European Directive will be transposed into national law. Despite the fact that the Belgian text has nearly been completed, a number of points for discussion both at Belgian and at European level still remain. The implementation of the European direct debit on 1 November will therefore depend on whether or not these uncertainties have been resolved. Moreover, banks and enterprises must be allowed sufficient time to make the technical changes and adapt their internal processes.

To date, there have been no fundamental changes in terms of card payments as the Bancontact/Mister Cash scheme remains in use alongside the Maestro scheme as far as Belgian cards are concerned. The European authorities expect one or more European alternatives to the national and international schemes but the concrete development of these alternatives continues to be uncertain in the European market for payment services.

The report is available on the following website: www.nbb.be/sepa/en. The English version will be available in the beginning of next week.