

***Monday 29<sup>th</sup> January 2008 - LAUNCH OF SEPA by IPSO and the CBFSAI***

Today the European Payments Council (EPC) launches the first SEPA payment scheme for credit transfer, together with more than 4,000 European banks. The Irish national launch of the SEPA takes place this evening at 6:00 pm in the Central Bank building on Dame Street. The launch is jointly hosted by the Irish Payment Services Organisation and the Central Bank and Financial Services Authority of Ireland.

SEPA will enhance competition between national payment environments by opening up markets to providers and ensuring equal opportunities. It will bring with it higher service levels, more efficient products and cheaper alternatives for making payments across national boundaries. The objective is to make the Single Payments Area a reality by 2010 at the latest.

Commenting today Pat McLoughlin, CEO of IPSO said that *“IPSO welcomes the launch of SEPA today. The consumer will be the major, long-term beneficiary of the SEPA, which will offer greater choice of service, competition and flexibility. A consumer wishing to pay for services attained within any of the European countries involved in SEPA, for example phone or utility bills on property abroad, may now do so using one domestic account, cutting out the extra hassle of opening up a separate account overseas. It also means that people who live, work or study outside their own country may use their account in their home country to complete all their transactions“*.

Successful implementation of SEPA requires delivery of electronic payment methods that are safe and efficient, easy to use and accessible to everyone. Businesses in particular are heavy users of cash and cheques and a SEPA can additionally help drive e-Government and e-procurement, thereby promoting more efficient public services for the benefit of businesses as well as consumers.

IPSO and its member banks are committed to working closely with Government, business and consumer interests and the Central Bank and Financial Service Authority of Ireland to deliver this modernisation programme. To put into context the scale investment in the future of Ireland's payment infrastructure - SEPA is deemed as big a development for the payments industry as Y2K and the euro Changeover put together.

With this launch today, Irish banks are some of the first in the world to deploy a new standard for bulk euro payment transactions. This move will likely be mirrored globally as businesses and banks worldwide observe the improvements in payment exchanges within the 31\* countries that are currently moving towards a SEPA. The move positions the European payments industry amongst the most innovative in the world.

EPC Credit Transfer is the first SEPA core deliverable to be followed by SEPA Direct Debit (2009) and a step by step roll-out to realise SEPA for cards.

**-ENDS-**

**Notes to the Editor:**

IPSO: The Irish Payment Services Organisation is the representative industry body, the voice and guardian of the payments industry and the strategic interface with all payments stakeholders.

SEPA: The Single Euro Payment Area (SEPA) is the payment industry's contribution to a political vision - which is the Single Internal Market in Europe. SEPA is the next step towards European integration which aims to make all electronic cross-border payments in euro between the 31 participating countries as easy, inexpensive and secure as

'national' payments within one member state are today. In the new SEPA world a customer can make electronic payments to any beneficiary located anywhere in the euro area using a single bank account and a single set of payment instructions. Which means making a payment from Dublin to Dusseldorf will cost the same as from Dublin to Dingle, and will be processed within the same timeframe.

\*31 Countries include the 27 EU member states plus European Economic Area (EEA) countries Liechtenstein, Iceland, Norway and Switzerland

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