

Media Statement: Issued 21 August 2003

IPSO RESPONDS TO ODCA'S SUBMISSION TO THE COMPETITION AUTHORITY AND RECENT PRESS STATEMENTS

From recent media reports, and as now published on the website of the Office of the Director of Consumer Affairs (ODCA), the Irish Payment Services Organisation (IPSO) today wishes to address some misleading if not erroneous assertions and surprising omissions made in the ODCA submission relating to respectively IPSO and payment systems in Ireland. These may be briefly summarised as follows: (further information and clarification can be obtained in the attached letter):

- The ODCA Submission does not mention that payment systems in Ireland are subject to an existing statutory code of regulation under the Central Bank Act, 1997
- The ODCA Submission does not mention that the Central Bank and Financial Services Authority of Ireland (CBFSAI) is the regulator of payment systems in Ireland
- Contrary to what is asserted in the ODCA Submission, IPSO does not regulate, control or set barriers for payment systems in Ireland; rather each payment system is controlled and operated by separate companies regulated by CBFSAI
- Contrary to what is asserted in the ODCA Submission, new entrants to payment systems do not require sponsorship; rather a new entrant, like all other members, is required to comply with the same clearly defined and transparent access criteria which have been approved by CBFSAI
- Contrary to what is asserted in the ODCA Submission, the ability to operate a branch network is not dependant on the issue of branch sort codes, but on membership of the appropriate payment systems
- Contrary to what is asserted in the ODCA Submission, IPSO is not dominated by the largest two clearing banks, nor is IPSO affiliated to the Irish Bankers' Federation (IBF)

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