Resolution on the implementation of the Single Euro Payments Area SEPA

2010/2522(RSP) - 10/03/2010 - Text adopted by Parliament, single reading

Following the debate which took place during the sitting of 8 March 2010, the European Parliament adopted a resolution tabled by the Committee on Economic and monetary Affairs on the implementation of the Single Euro Payments Area (SEPA).

It emphasises its continued support for the creation of SEPA, which is subject to effective competition and in which there is no distinction between cross-border and national payments in euros. However, Members **regret that hardly any progress has been made** as regards the issues mentioned in Parliament's resolution on the implementation of SEPA of 12 March 2009 since its adoption, and they call for the involvement of all stakeholders in achieving SEPA. They welcome the SEPA roadmap adopted by the Commission in September 2009, and support the actions set out in six priority areas.

SEPA officially started on 28 January 2008 with the launch of the SEPA payment instrument for credit transfer (SCT), while the SEPA Cards Framework has been in force since 1 January 2008, and the SEPA Direct Debit (SDD) scheme started on 2 November 2009. Parliament notes that **migration to SEPA has been sluggish:** in August 2009, only 4.5% of total transactions had been made by way of the SEPA Credit Transfer format, and the deadline originally foreseen, namely the migration of a critical mass for SCT, SDD and card payments by end-2010, has become unrealistic. Noting that no legally binding end-date for migration to SEPA instruments has been set, Parliament calls again on the Commission to **set a clear and binding end-date, which should be no later than 31 December 2012, for migrating to SEPA instruments,** after which all payments in euros must be made using the SEPA standards.

It calls on the European Payment Council to take into consideration the end-users" requests and subsequently modify its rulebooks. Parliament notes that the SEPA decision-making process is currently at the discretion of the European Payments Council (EPC), where only banks take decisions on SEPA products neglecting end-users' requests. It recalls that consumers have expressed concern that the features of SEPA products should meet existing end-users' needs, notably in relation to the checking of mandates for direct debits, and it is desirable that progress is made towards addressing this issue. Parliament calls on the Commission to monitor the migration to SEPA instruments and ensure that it does not result in a more expensive payment system for EU citizens.

The resolution calls on the Commission to clarify definitely and no later than 30 September 2010 **the issue of a harmonised long-term economic model for SEPA direct debits,** which has to be Europe-wide applicable, cost efficient and end-consumer convenient. It insists on the need for this model to be developed in close cooperation between the payment sector and the Commission and in line with EC competition law and the Community regulatory framework. Member States are asked to ensure the continued legal validity of existing direct debit mandates in the SEPA Direct Debit scheme. Parliament emphasises that the transition from the existing direct debit scheme to the SEPA Direct Debit scheme should not cause any burden for consumers.

Parliament goes on to call on all stakeholders to support the setting-up of a European card scheme, to be either a complementary new scheme, an alliance between existing schemes or an expansion of an existing scheme. The Commission is asked again to clarify further the issue of multilateral interchange fees (MIF) for card payments, and Members calls on the industry to find proper solutions, in close cooperation with the Commission, in line with EC competition law and the Community regulatory framework;

Members support the Commission's intention to foster public administrations; migration process through the drawing up of integrated and synchronised national migration plans. They welcome the Commission's efforts to survey and publish the Member States" public administrations" preparedness and migration to SEPA, and call on Member States to take part in these surveys;

Lastly, Parliament insists that consumers should be clearly informed about the differences between the former scheme and the new scheme.