

European Payment Institutions Federation

Barnier Cabinet Meeting

25th April 2012

SEPA GOVERNANCE PROPOSALS – PRELIMINARY CONSIDERATIONS BASED ON THE EPC CoCo PROPOSAL OF 4th APRIL 2012

Outcomes to be achieved by the reform

In response to the EPC's request for detailed output as regards the proposed SEPA governance structure, the European Payment Institutions Federation has compiled the following list of outcomes which it would like to draw to the attention of the EPC, the ECB, the European Commission and the European Parliament:

- Equal representation of EPIF in all bodies (SEPA Council, Stakeholder group and its Working Group) emerging from the EPC governance reform to ensure fair representation of relevant market participants.
- This equal representation needs to reflect the evolution of the industry, the evolution of its market share, its geographical breadth and the different business models of the PI industry.
- As a result, equal representation should mean an equal share of the seats for each of the constituencies involved in the SEPA process; of which the PI sector is one constituency.
- Representation in all bodies (SEPA Council, Stakeholder group and related Working Group(s)) should involve direct payment institution representation, and in addition, where payment institutions have formed groups, seats should be available for their representation as well.
- Consensus in all bodies should be defined on a fair and representative basis, with payment institutions and represented seats having an equal voice with other participants.
- In case of dispute in the above groups, resolution should rest with the SEPA Council.
- As regards technical input the governance reform needs to reflect the specialised expertise and competences of the PI industry.
- Working Groups should be established which focus on specific issues and which report to the SEPA Council. Chairmanship and composition of these Working Groups should be defined by interest.
- The specific issues for the Working Groups should be decided by the SEPA Council, and led by the market.

- The standard setting process should be chaired and overseen by public bodies (ECB and European Commission).
- The SEPA standard setting process and governance should ideally be publicly funded to reflect the public policy interest in the standard setting process. It should also reflect the specialised expertise and competences of the respective constituencies involved in the process.

Transitional issues

- During the transition to the new SEPA governance structure EPIF needs to be represented directly or through its members in the EPC plenary and the EPC Working Groups.
- EPIF should be directly privy to any discussions on the SEPA governance reform, including the SEPA workshop scheduled for mid May.
- As part of this already during the transition EPIF should ideally be a member of the SEPA Council.

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