

2013-06-14

PRESS RELEASE

Fifth progress report on the migration towards SEPA in Belgium

Today sees the publication of the fifth progress report on the migration towards SEPA in Belgium, compiled under the patronage of Steering Committee on the future of means of payment.

SEPA aims to create a single European payments market, and entails switching to a European legal framework and European standards to replace the national regulations and standards.

This committee, chaired by Director Jean Hilgers of the National Bank of Belgium, brings together all stakeholders concerned, namely top-level representatives of the public sector, banking sector, businesses and consumer associations.

Last year, the European Parliament and Council approved the Regulation establishing technical requirements for credit transfers and direct debits in Euros and amending Regulation 924/2009. This Regulation sets a common end-date of 1 February 2014 for completing the migration to European direct debits and credit transfers. To date, there are no deferments nor derogations as provided for by Article 16 of this Regulation envisaged for Belgium. All the above-mentioned elements will be in place by 1 February 2014 at the latest. At the same time, the Belgian banking community is working on a phase-out plan for national credit transfers and direct debits.

Publication of this Regulation has enabled easier and more direct communication with all parties involved. A series of measures designed to promote this project have thus been put in place, both at European and national level. In Europe, most noteworthy is the publication by the European Central Bank of its first progress report on the migration towards SEPA. In Belgium, the financial sector has further deepened communication with its client base and the National Bank has stepped up the number of meetings targeted on each type of participant. What remains to be done now is to assess the impact of these initiatives on each of the stakeholders involved, and more specifically on small and medium-sized enterprises.

In Belgium, the share of European credit transfers has now reached almost 63 % of the total number of transfers. While Belgium is still at a higher level than most countries, progress with the migration is stagnating a bit. As far as migration towards the European direct debit is concerned, there is very little progress to report. In fact, since one of the biggest billers switched over to SEPA in November 2011, there has been no other significant migration since then. However, at the beginning of this year, some big businesses started their analysis and development processes for making the move. Since the process is highly complex, most of these big companies will be changing over to SEPA during the course of the third quarter of this year. Further increases in the migration rates can thus be expected from then on.

These developments will continue to be followed regularly within the Steering Committee on the future of means of payment in Belgium. A successful switchover to SEPA is only possible if all those involved make sufficient effort to spread the word about SEPA and its constituent parts within a reasonable time scale. For this reason, all the various stakeholders must undertake to provide the necessary effort in terms of communication so as to inform their counterparties in good time.

The report is available on this address: <http://www.nbb.be/sepa>