



# The Euro Retail Payments Board – Challenges for governance

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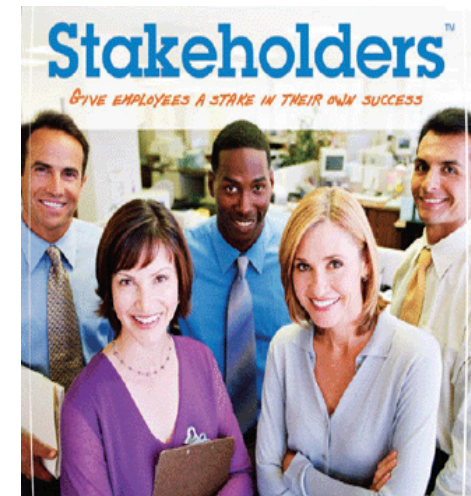
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# Contents

- Why bringing together (national) stakeholders?
- Euro Retail payments Board
- National Forum on the Payment System
  - Netherlands
  - Portugal
- Discussion points



# Payments: different roles of central banks

## Operator

- Cash provider
- Large value payment system: TARGET2
- Services to securities settlement systems

## Overseer

- Payment systems
- Payment instruments

## Catalyst

- Fostering new services & solutions
- Efficiency



# Catalyst

Consultation with market parties, government agencies and international fora

- monitoring developments
- intervene whenever necessary



# Why consulting national stakeholders?

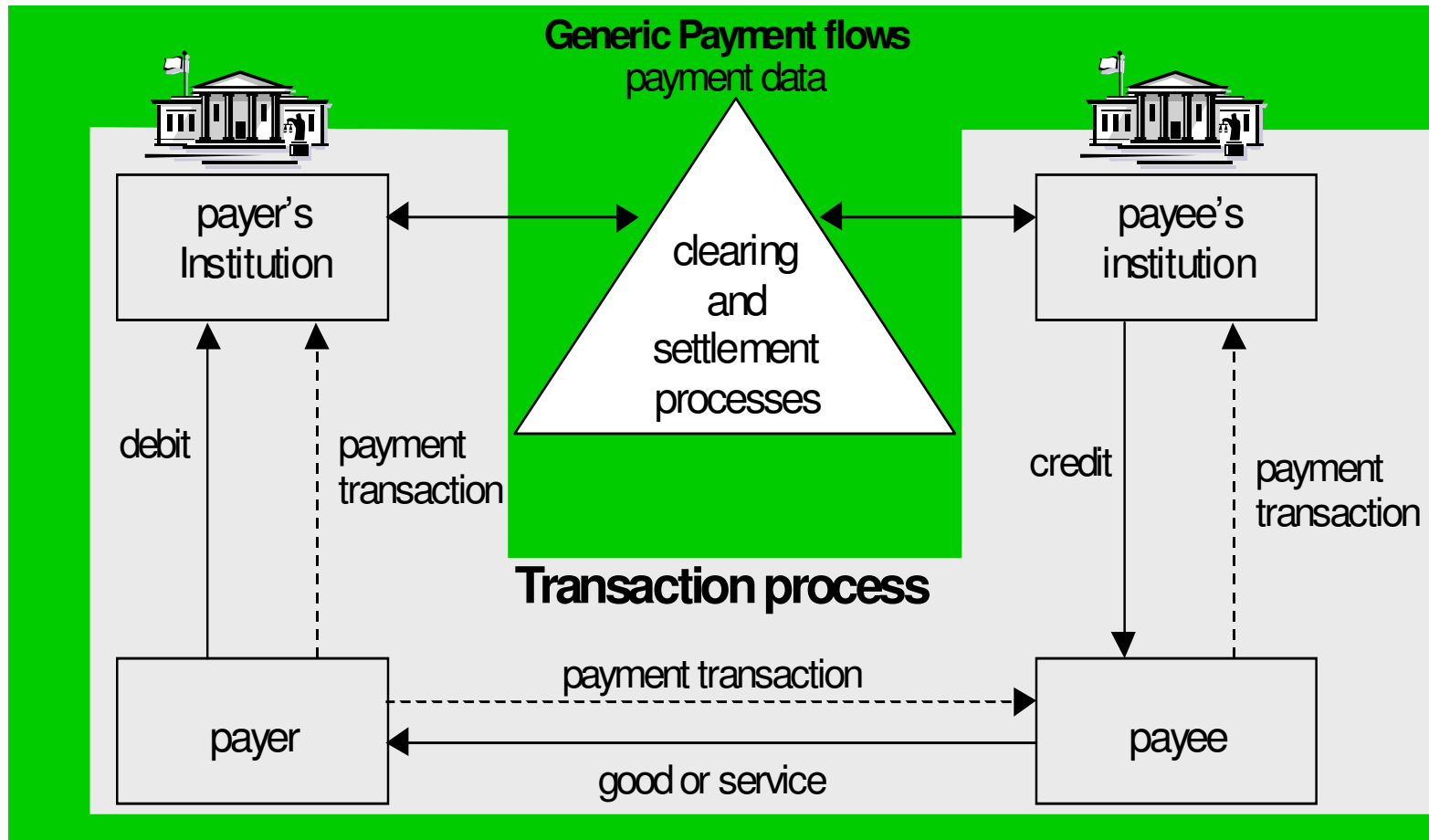
- A national payment system describes the entire matrix of institutional and infrastructure arrangements and processes in a country for initiating and transferring monetary claims in the form of commercial bank and central bank liabilities
- A lot of market parties and financial authorities are involved in the national payment (eco)system – always evolving
- Need for **cooperation** to enhance the global solutions!



# Payments chain



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# Possible obstacles with regard to development of national systems

- Limited vision and leadership for development
- Limited knowledge of emerging payment needs and system capabilities
- Weak support and commitment from stakeholders due to inadequate consultation or other arrangements
- Limited development resources
- Legal, regulatory, public policy and market barriers to ongoing development of the national payment system
- Such situation could lead to other (informal) solutions...



# Guidelines for payment system development

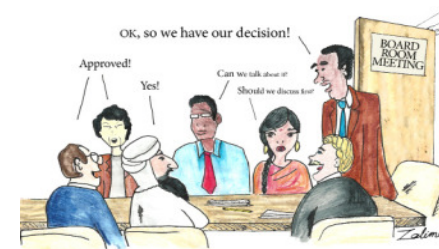


- The role of the banking sector (today must be seen with broad range)
- Effective planning and project implementation
- Developing the institutional framework
- Designing a safe and efficient payment infrastructure

Source: Report of BIS-CPSS, General guidance for payment system development, 2005



# Euro Retail Payments Board



- European Governance body for retail payments
- Objective: to contribute and to facilitate the further development of an integrated, innovative and competitive market for euro retail payments in the EU
- Members: Supply side and demand side of the market, national central banks and European Commission (observer)
- Interaction between European and national umbrella organisations
- Working programme 2015-2017



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# Euro Retail Payments Board Workplan (1)

- Remaining issues in SCT and SDD after migration
- SDD no-refund scheme
- Electronic mandates for SDD
- Promoting technical standardisation for card payments
- Person-to-Person mobile payments in Euro
- Mobile- and card-based contactless proximity payments



# Euro Retail Payments Board Workplan (2)

- Pan-European instant payment solutions
- Development in e-invoicing services closely related to payments in Europe
- Pan-European e-commerce payments
- Business practices of card schemes
- Accessibility, simplicity and choice for consumers in retail payments  
(a payment landscape better supporting financial inclusion)



# National Forum on the Payment System

## Netherlands

Objective: contributing to an efficient organisation of the Dutch retail payment system from a social point of view

Issues regarding:

- Reachability & Accessibility
- Efficiency
- Security
- Innovations
- Faster payments



# Mission and objectives

- Making principle agreements about efficiency measures and measures with respect to the security, availability and accessibility of payment services, and standardisation (e.g. joint measures to stimulate the use of efficient payment products).
- Open and free exchange of ideas about policy issues in the area of payment services.
- Holding periodic consultations on the bottlenecks and social consequences of developments in the payment system.
- Co-operating on the compilation, analysis and publication of numerical, non-competitive data.



# Criteria for acceptance

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- Organisations need to:  
Act on behalf of users or providers of payment services that represent the interests of a specific group
- Be representative
- Make a professional contribution to realisation of a socially efficient payment system



# Participants

Netherlands Bankers' Association  
Council of Dutch Retail Businesses  
Netherlands Association of Small and Medium-sized  
Enterprises  
User Platform for the Payment System  
Dutch Association of Catering Establishments  
Dutch Home Shopping Organisation  
Netherlands Petroleum Industry Association  
The National Consumers Organisation  
Senior citizens' associations  
Dutch Council of the Chronically Ill and the Disabled  
Dutch Organisation of Blind and Partially Sighted People  
Dutch Payments Association

## *Observers:*

Ministry of Finance  
Ministry of Economic Affairs

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# Results of the Dutch National Forum



- Rounding-off to nearest 5 cents
- Joint information brochures
- Report on availability of banking services
- Guideline for user-friendly EFTPOS terminals
- National SEPA Migration Plan
- Warning for security risks overlay services
- A lot of research with regard to efficiency, reachability & accessibility and security of payment instruments





# National Forum on the Payment System

## Portugal

Objective: contributing to an efficient organisation of the Portuguese retail payment system and steer adoption of SEPA and address post-migration issues

Issues regarding:

- Regulatory developments (waivers)
- Post-SEPA migration issues
- Security
- Innovations
- Cost studies



# Composition

Chaired by Banco de Portugal.

It has a dedicated Steering Committee to SEPA-related issues;  
Broadly composed of institutions representing the supply and demand sides of the Portuguese market, including Public Administration bodies;  
BdP also performs the secretariat function;  
The Steering Committee meets whenever needed, usually twice a year.

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The screenshot shows the website of Banco de Portugal, specifically the 'SEPA - Payment systems forum' page. The page is structured with a top navigation bar, a main content area, and a sidebar. The main content area is titled 'SEPA - Payment systems forum' and contains the following text:

With a view to promoting dialogue among the main national stakeholders involved in retail payments, Banco de Portugal established the Payment Systems Forum in October 2009, which includes a dedicated SEPA Steering Committee.

The Payment Systems Forum is an advisory structure of Banco de Portugal, comprising representatives of the national banking community and of the main users of retail payment instruments, such as consumer associations, public administration bodies and the corporate sector.

Therefore, in addition to Banco de Portugal, which chairs the Forum, the entities that comprise it are:

**Financial institutions and the managing entity for the payment system infrastructure:**

- Portuguese Banking Association (Associação Portuguesa de Bancos - APB)
- Association of Specialised Credit Institutions (Associação das Instituições de Crédito Especializado ASFAC)
- Two banks participating in the Portuguese Payment Systems Interbank Commission (currently, Millennium BCP and Caixa Geral de Depósitos)
- Interbank Services Company (Sociedade Interbancária de Serviços - SIBS)

**Consumer associations:**

- Portuguese Association for Consumer Protection (Associação Portuguesa para a Defesa do Consumidor - DECO)
- Portuguese Association of Users and Consumers of Financial Products and Services (Associação Portuguesa dos Utilizadores e Consumidores de Serviços e Produtos Financeiros - SEFIN)

**Public administration bodies:**

- Central government: Consumer Directorate General; Revenue and Customs Authority; Portuguese Treasury and Debt Management Agency; Directorate General for Social Protection to Civil Servants and Contractual Staff (Portuguese acronym: ADSE)
- Local government: National Association of Portuguese Municipalities
- Social security: Civil Service Pension Fund (Caixa Geral de Aposentações - CGA); Institute for the Financial Management of Social Security; Institute of Social Security

**Corporate sector:**

- Águas de Portugal
- EDP - Energias de Portugal
- Fidelidade Mundial
- Jerónimo Martins

The sidebar on the left contains a list of navigation links, including 'Payment systems oversight', 'Payment instruments', 'Prohibition of the use of cheques', 'TARGET2', 'T2S (TARGET2-Securities)', 'SEPA', 'Operating rules', 'Migration', 'Payment systems forum', 'Events', 'SICOI (Portuguese Interbank Clearing System)', 'Facts and figures', 'Legislation and regulations', and 'Publications'. The top navigation bar includes links for 'HOME', 'RSS', 'PORTUGUÊS', 'GLOSSARY', 'SITE MAP', 'CONTACTS', 'LINKS', and 'LOGIN'. The bottom of the page features the Banco de Portugal logo and the text 'BANCO DE PORTUGAL EUROSYSTEEM'.



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# Results of the Portuguese National Forum

- Better understanding of SEPA challenges
- Joint discussions and information sharing
- National SEPA Migration Plan
- Fostering the adequate involvement of end users in a context where banks usually have a predominant role



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# Discussion points

- Do you agree with the need of bringing together stakeholders for the development of payments and market infrastructures?
- Is there an optimal model?
- How do you organise this?



**Thank  
you!**



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