

9 December 2014

PRESS RELEASE

ERPb TO ADDRESS INSTANT PAYMENTS IN EURO AND REMAINING SEPA ISSUES

- Instant payments with immediate availability of funds are the industry's next frontier
- Aim is to take advantage of integration already achieved with SEPA and avoid the development of a fragmented market in Europe

In its second meeting, on 1 December 2014, the Euro Retail Payments Board (ERPb), a multi-stakeholder group chaired by the European Central Bank (ECB), decided to step up work on the topics of instant payments in euro, and person-to-person mobile payments and contactless payments.

Taking stock of the migration to the Single Euro Payments Area (SEPA), the ERPb also issued a set of recommendations to address some remaining issues in the SEPA credit transfer and direct debit schemes, for instance with the move to IBAN only and the harmonisation of payment standards between banks and customers.

Instant payments, defined as solutions available 24/7/365 and resulting in the immediate or close to immediate interbank clearing of the transaction and crediting of the payee's account, are the next frontier of development in the payments industry. The ERPb is concerned that the emergence of new solutions might end up creating a fragmented market in Europe for instant payments, similar to what existed in regular payments in the past.

"Solutions for instant payments should avoid the 'silo' mentality of closed systems that don't communicate with each other, and take advantage of the harmonisation and integration already achieved with the SEPA project," said Yves Mersch, member of the ECB's Executive Board and chair of the ERPb. The development of person-to-person mobile payments in euro may depend significantly on the availability of instant clearing services, he noted.

About the Euro Retail Payments Board

The ERPB was created in 2013 to replace the SEPA Council. Its aim is to foster the development of an integrated, innovative and competitive market for retail payments in euro in the European Union. The ERPB is composed of seven representatives from the demand side (e.g. consumers, retailers and corporations) and seven from the supply side (banks and payment and e-money institutions). They are joined by five representatives from the euro area national central banks and one representative from the non-euro area EU national central banks (all on a rotating basis). The European Commission participates as an observer.

Read the complete [ERPB's statement](#) and find out more about the ECB's work on instant payments and SEPA on the [ECB's retail payment website](#).

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