

## Objet : Newsletter - EACB Monthly Interviews - n°59 - April 2023

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*The Co-operative Difference :  
Sustainability, Proximity, Governance*

# EACB Newsletter

## Message from the CEO, Nina Schindler



On 31st of March Etienne Goosse, long time Director General of the European Payments Council (EPC) took his retirement and handed over the helm to Giorgio Andreoli. This change over is a good opportunity to take a moment to zoom in on the EPC, its role, its functioning, its achievements, and its importance for cooperative banks.

The digital revolution is rapidly transforming the payments ecosystem, and customer expectations are changing. Expectations that cooperative banks, which serve roughly 50 % of EU citizens, but also corporates and SMEs, need to meet. But the provision of payment services is like dancing a tango, you need two to do it. One bank alone will have difficulty getting a payment from A to B, unless

by chance both the payer and payee are in the books of that bank. This is where the EPC steps in. It is the place where banks and other payment service providers discuss and develop the rules for the payments game, which are laid down in so called payment schemes. The EPC plays a crucial role developing and maintaining the payment schemes that allow Europe's banks and payment service providers to offer their services to customers. EPC is thus the place to be if you want to have a say in the direction that European payment solutions, and the underlying schemes, should take. This is why the EACB and its members continue to invest time and resources to contribute to the workings of the EPC.

## Questions to

**Etienne Goosse**, former Director General, European Payments Council  
& **Giorgio Andreoli**, new Director General, European Payments Council



**Etienne Goosse** served as a Director General at the European Payments Council from 2011 to March 2023. He has extensive professional experience across different sectors of the payments industry. He started his career with the Belgian central bank. He held executive positions at eurocheque International, Europay International and MasterCard Europe. In his previous assignments, Mr Goosse's responsibilities included franchise management, legal and regulatory affairs, stakeholder management as well as finance and administration. He also has an extensive track record in managing governance as well as European and public affairs.

After an 11 year period at the helm of the EPC you have said goodbye on 31 March to take up your retirement. You have greatly contributed to the evolution of the EPC. Indeed, the EACB and its members are very grateful for all that you have established during this period. Can you remind us of the reason why the EPC was created, develop on how the EPC has evolved in its 20 year lifespan and what have been the most important reasons for these changes? Can you give us your view on how the EPC of the early days compares to the EPC of today, both in terms of its role, and its functioning?

The EPC was created in 2002 by the European banking sector (with the EACB as one of its founders and staunchest supporters) in response to the vision of the European public authorities that euro non-cash means of payment should follow the

example of the newly launched euro banknotes and coins and be fully harmonised across the EU/EEA. This vision was named “SEPA” (Single Euro Payments Area) thereby meaning a single market for euro payments where all payment service users could make euro payments throughout Europe from a single payment account and with the same ease and customer experience whether the payment is local or crosses national borders. The EPC made that vision a reality by creating the SEPA Credit Transfer (SCT) and SEPA Direct Debit (SDD) schemes which were launched in 2008 and 2009 respectively.

The EPC has very significantly changed since that first “pioneering” phase along several dimensions:

- geographic scope: the SEPA schemes now span over 36 countries (of which 6 outside the EEA); in addition, last March the EPC announced the launch of the One-Leg Instant Credit Transfer (OCT Inst) scheme facilitating the processing of international payments;
- membership: the EPC moved from a pan-European banking organisation to an association counting as Members representatives from the Credit Institution, Payment Institution, Electronic Money Institution and Third-Party Payment Provider communities;
- governance and funding: the EPC adopted in 2014 a standard corporate decision-making structure complemented by a modular, decentralised, usage-based scheme governance and funding model;
- stakeholder involvement: the EPC has established several multi-stakeholder groups (either permanent or ad hoc) to systematically involve all non-PSP stakeholders in the development and evolution of its schemes;
- activity scope: from three SEPA payment schemes at the beginning the EPC's offering now comprises five payment schemes and three payment-related schemes (all following a periodic, open and transparent change management process); the EPC also produced other deliverables in the form of guidance or standards.

What has been central to the above changes is the consistent pursuit of the purpose of the EPC, i.e. contributing to European payment harmonisation and development, in an effective and efficient way constantly aiming at meeting evolving market needs and associating both its Members and other stakeholders in its work including through an open and constructive dialogue with European public authorities.

**In 20 years the EPC has brought many a deliverable to the market. Deliverables that the general public hardly recognizes as such. Could you give us some examples of such deliverables?**

Indeed, the EPC is not known to the general public. However, several euro payment services they regularly use could be labelled “EPC inside” with the SCT, SCT Inst and SDD schemes underpinning the credit transfer and direct debit services that their payment service providers (e.g. EACB members) offer them. In 2021 (latest annual data available) a total of over 46 billion SCT and SDD transactions were made in Europe. SCT Inst is the youngest and most promising SEPA payment scheme enabling euro credit transfers to be completed end-to-end across Europe in less than ten seconds (in practice more than 99 percent are even done in less than five seconds). SCT Inst already powers some 15 percent of all euro credit transfer transactions. SCT Inst can also be the platform for new, innovative P2P and POI payment solutions. More recently, the EPC introduced the OCT Inst scheme building up on the SCT Inst rails and making incoming and outgoing international payments with one “leg” in euro more efficient and user-friendly. Finally, the EPC has over the last four years also launched three SEPA payment-related schemes designed to facilitate the payment initiation process, namely the SPL, SRTP and SPAA schemes. I invite you to visit the EPC website ([www.epc-cep.eu](http://www.epc-cep.eu)) to learn more about them.

**Giorgio Andreoli** is the Director General of the European Payments Council (EPC). He has extensive professional experience in digital financial solutions and innovative services,



spanning multiple industries and executive roles. For over 15 years he has been working in telco sector, eventually serving as Director of Strategic Marketing at Ericsson South-East Europe, where he contributed to starting up the first mobile money program. Later, for over ten years, he served as a Managing Director at Accenture, working on digital finance, payments and open banking projects for Italian and European clients. Before joining the EPC, Giorgio was working at the European Central Bank (ECB) on the Digital Euro project.

**You have taken over the reins of the EPC from Etienne since the 1st of April. From the many different roles in digital solution related positions that you held before coming to the EPC, how did you observe the role of EPC in the overall legislative context and in relation to organisations such as the European Commission, the ECB but also associations like the EACB.**

In my earlier roles, I always observed that the EPC enjoys a high reputation with both European institutions and market participants as a neutral organisation where bodies representing PSPs and other stakeholders – sometime with diverging interests – can meet, discuss and agree on common rules which ultimately benefit the public interest. In this respect, the EPC represents an almost unique success story at European and global level, and this is confirmed by the growing number of non-European Economic Area (EEA) countries that are requesting to join SEPA or are asking to license the EPC rulebooks.

The EPC's neutrality and impartiality with respect to its own constituency, the market forces and all the stakeholders of the payments ecosystem is a key ingredient in allowing the EPC to achieve and maintain its current reputation. This means that the EPC is, of course, aware of the ongoing legislative context, and is sometimes consulted as a trusted technical body by the EC, the ECB and other European institutions, but does not take any side in the policy and strategic discussion.

**You have only just arrived in the EPC so perhaps this question comes a bit early but have you any views on the future of the EPC and your role in it.**

Digitalisation is pushing both horizontal and vertical integration within the payment services value chain, facilitating the creation of new roles and business models. This is also clearly reflected at the regulatory level, where the payment services directive is being updated, and complemented by open data and open finance regulations. The consequences of these development are likely to also come on the table of the EPC, and I see some trends, which had already started under Etienne's tenancy, to consolidate and become more relevant going forward. As an example, I could imagine an increasing demand for payment-related schemes, and therefore the need to elaborate rulebooks which make use of state-of-art digital technologies and communication paradigms, for example Application Programming Interfaces (APIs).

As part of my mandate I will be looking to facilitate the discussion between EPC members on what this means for the EPC and how to prepare for dealing with it. I am very much looking forward to taking up this role, which, and this is important to note, I will not doing alone. Indeed I can rely on a team of highly skilled colleagues to help me do so. And of course there is the experience of the different EPC members, which are both bank and non-bank payment service providers which will be very valuable in this context.

***Second Opinion from***  
**Marieke van Berkel,**  
Member of the Board, European Payments Council &

## Head of Department Retail Banking, Payments, Digitalisation and Financial Markets, EACB



**Marieke van Berkel** has been working in the banking industry for more than 20 years. Starting in European Affairs for Rabobank Netherlands, she changed to the EACB in 2001 where she held various roles. From an expert in payment systems initially, she developed her knowledge to other areas over time and is presently Head of Department Retail Banking, Digitalisation, Payments and Financial Markets. She represents EACB in various consultative groups at the ECB and the EC and in Boards of industry organisations. Before working in the banking industry she worked from 1995 to 1998 as a senior consultant for Ernst & Young and before that as a project officer in the EC managing a Euro 40 mln technical assistance fund for the European Bank for Reconstruction and Development.

### Some history

The European Association of Cooperative Banks has been involved in the European Payments Council from day 1. Its creation was incentivized by the decision of the Council and European Parliament to curtail the pricing of cross border payments. This in turn was a logical consequence of the introduction of the euro which allowed EU citizens to pay seamlessly in cash with the same currency across the Eurozone. This being the case, it was difficult to explain to citizens why making electronic payments in that same currency inside a country was cheaper than making that same payment between two countries. But the fact that the price difference in electronic payments in euro was done away with, did not mean that the cost for banks to execute cross border payments was the same as that for payments within one country. Indeed, while banks within the borders of the different EU Member States cooperated closely to build highly efficient payment systems, similar structures and initiatives did not exist across Europe. This had to change. In a joint effort between 42 banks and 3 European Credit Sector Associations, including the EACB, the SEPA vision was formulated and the European Payments Council was created to make it happen.

### Why did the EACB get involved in the EPC ?

The reason for the EACB to get involved in the creation of the EPC was twofold. First, because of the importance that regulators started attaching to the single market for payments since the introduction of the euro. As an organisation that represents the interest of cooperative banks in discussions on legislative initiatives put forward by the European Commission, the EACB considered that a self-regulatory initiative would lead to more workable outcomes than possible further regulatory action. Second, because it wanted to ensure that cooperative banks were duly represented in the governance structures of the EPC. Not only because of the extensive knowledge that is present in the payment teams of cooperative banks. But also because, in certain payment questions, the interests of cooperative banks can be different to those of other banks or other payment service providers. As retail and consumer banks with a strong national focus, the business model behind payment schemes is always important for cooperative banks, for example. And when it comes to scheme management, the particular structure of cooperative banking groups (large numbers of smaller credit institutions owning central institutions supporting payment processes on their behalf) needs to be reflected.

Fast forward 20 years and a third reason has been added. The EACB attaches political importance to the EPC as a body that is instrumental in delivering the building blocks for Europe's Payment Service Provider community to meet present day demands of European consumers, corporates, public administrations and merchants.

### EPC as an example of how a public-private partnership can pay off

Looking back on the 20 years that the EPC now exists, it has proven more than once that its creation was the right decision. Indeed, one could say that it has prompted a sort of public-private partnership that has been developing over time. A very concrete example is the SEPA regulation of 2012. Though it also had other objectives, this regulation was introduced by the EU legislator to support the implementation of the credit transfer and direct debit schemes developed by the EPC. In later years, when the Euro Retail Payments Board decided to make serious work of instant payments in Europe, the EPC developed the rules for it. And these are just a few examples.

### **EPC does not rest on its laurels**

Although EPC can look back on many success stories in its history, it has taken proactive steps to avoid complacency. Under the careful management of Etienne, the EPC has adjusted to changing environments leading, for instance, to the opening up of the EPC to non-banks, the extension of its scope of work from pure payment schemes to payment related schemes and the institutionalization of a structured dialogue with stakeholders. On behalf of the EACB, I would like to thank Etienne for his dedication to the EPC during the last 11 years and, besides running the Belgian SME that EPC de facto is, for the strategic insights and guidance he reliably offered for reflection to the EPC board.

### **Outlook for the future**

As Giorgio outlines in his words above, it is important for the EPC to continue to keep an eye out for trends and developments in the market. The EACB is very much looking forward to working with him in reflecting how EPC should react to these trends and developments to ensure that the EPC can continue to offer Europe's payment service providers the building blocks they need to develop the product offer their clients need.

#### **EACB latest publications:**

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- [EACB celebrates 55 years of Spanish Cooperative Banking Group "Caja de Ingenieros"](#)
- [European Credit Sector Associations call for removing payments from the scope of the Digital Identity Regulation](#)
- [EACB comments on the European Commission's proposal for a Council Directive as regards VAT rules for the digital age](#)
- [Recommendations from Europe's cooperative banks for a Digital Euro](#)
- [PRESS RELEASE - Key Statistics for Cooperative Banks are out!](#)
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#### **European Association of Co-operative Banks EACB - AISBL**

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