



Euro Alliance of Payment Schemes

EAPS – Status and Progress

An Opportunity for Central Europe?

Central European Electronic Card, Warsaw

2nd of December 2010

Lars Tebrügge

Business Advisor

Contents

- Introduction to EAPS
- European Developments
- EAPS Achievements
- Opportunity for Central Europe



Introduction to EAPS – Organisation

Pago BANCOMAT – Italy

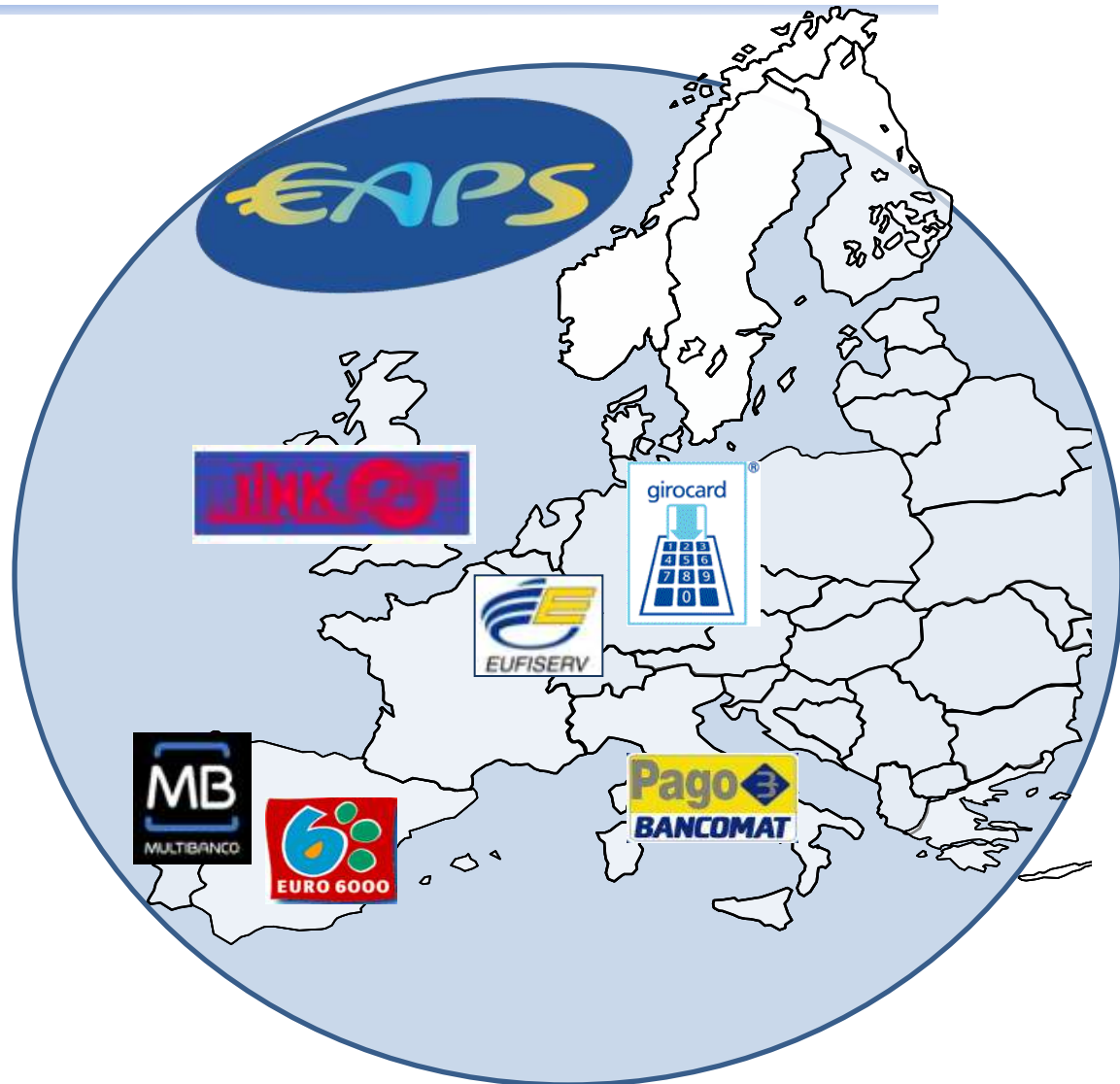
EUFISERV – Europe

EURO 6000 – Spain

MULTIBANCO – Portugal

girocard – Germany

LINK – United Kingdom



Introduction to EAPS – Set-Up and Principles

- Governed by European players; issuers and acquirers
- Connects European debit card schemes
- European alternative to international card schemes
- Leverage existing national payment infrastructures
- Increased market reach and card acceptance
- Free choice of processors
- No costs for brand usage
- Operates with open standards



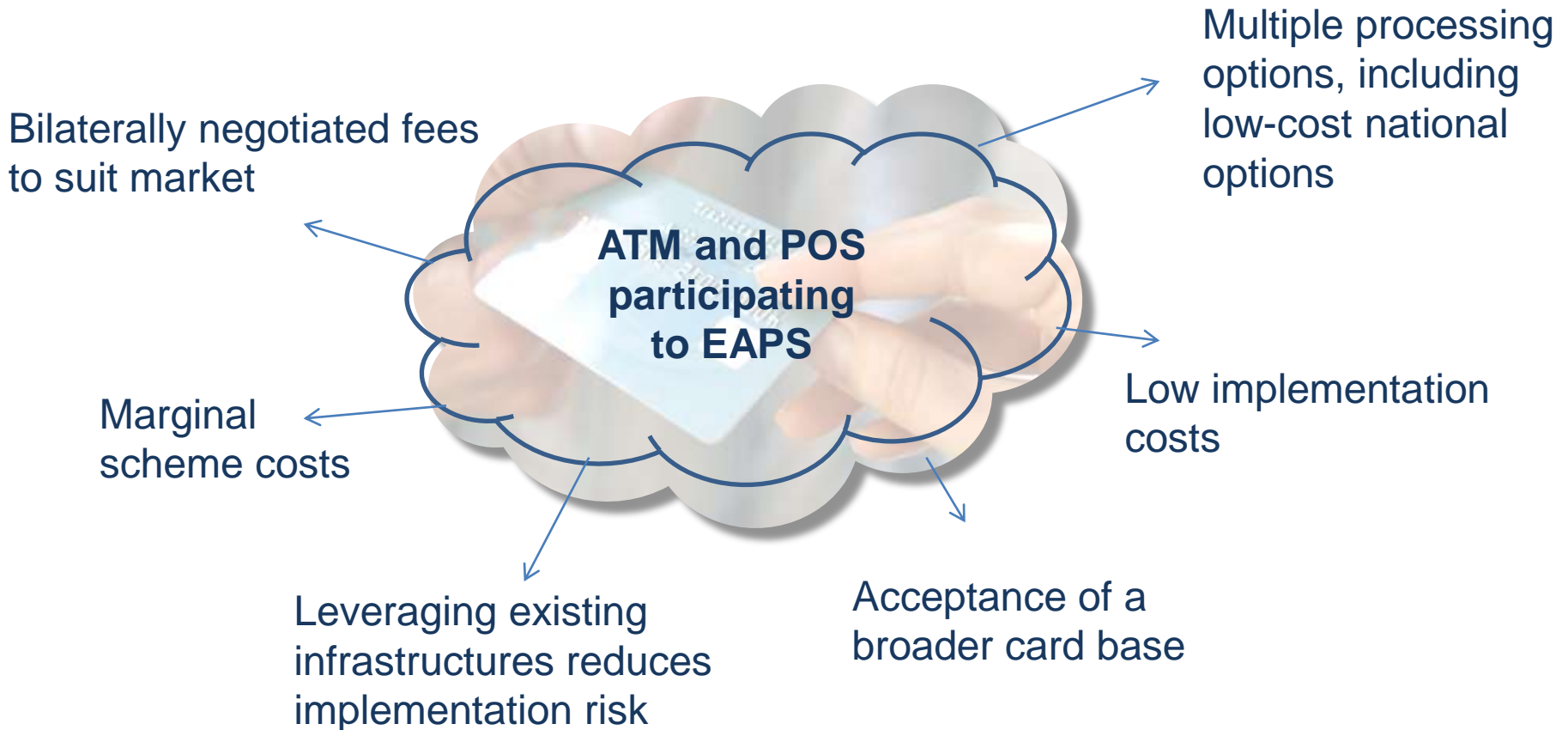
Introduction to EAPS – Present Partner

| |  Pago Bancomat |  Girocard |  Eufiserv |  Euro 6000 |  LINK |  Multibanco |
|-------|----------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------|
| ATM | 37,500 | 52,500 | 58,500 | 16,500 | 63,000 | 13,391 |
| POS | 1,150,000 | 600,000 | N/A | 293,500 | N/A | 202,395 |
| Cards | 26,000,000 | 92,500,000 | 67,000,000 | 14,700,000 | 66,800,000 | 19,767,925 |



Introduction to EAPS – Benefits of Acquirers

EAPS provides the European payments industry with greater choice, greater control, and lower costs...



Introduction to EAPS – Benefits of Issuers

Branding strategy is changing...



Euro Alliance of Payment Schemes

European Developments – SEPA Compliance

- Regulators see a need of a European Card Scheme
- Maintaining European governance
- Separation of scheme and processing
- Transparent pricing structure
- Using open standards
- Providing greater cost efficiencies



European Developments – ECB Progress Report

„The Eurosystem considers an **additional European card scheme** a necessary element for the realisation of SEPA ... A new European card scheme could bring both economic and political benefits. ... It could enhance competition between card schemes, between processors and between banks, thus providing choice for cardholders, merchants and banks.”








European Developments – ECB Progress Report

„The principle of the **separation of scheme management functions from processing**, which is one of the key requirements of the SEPA Cards Framework (SCF), is an important element in the creation of a competitive payment cards market in SEPA. Card scheme participants should be free to choose their processors and clearing and settlement service providers.”

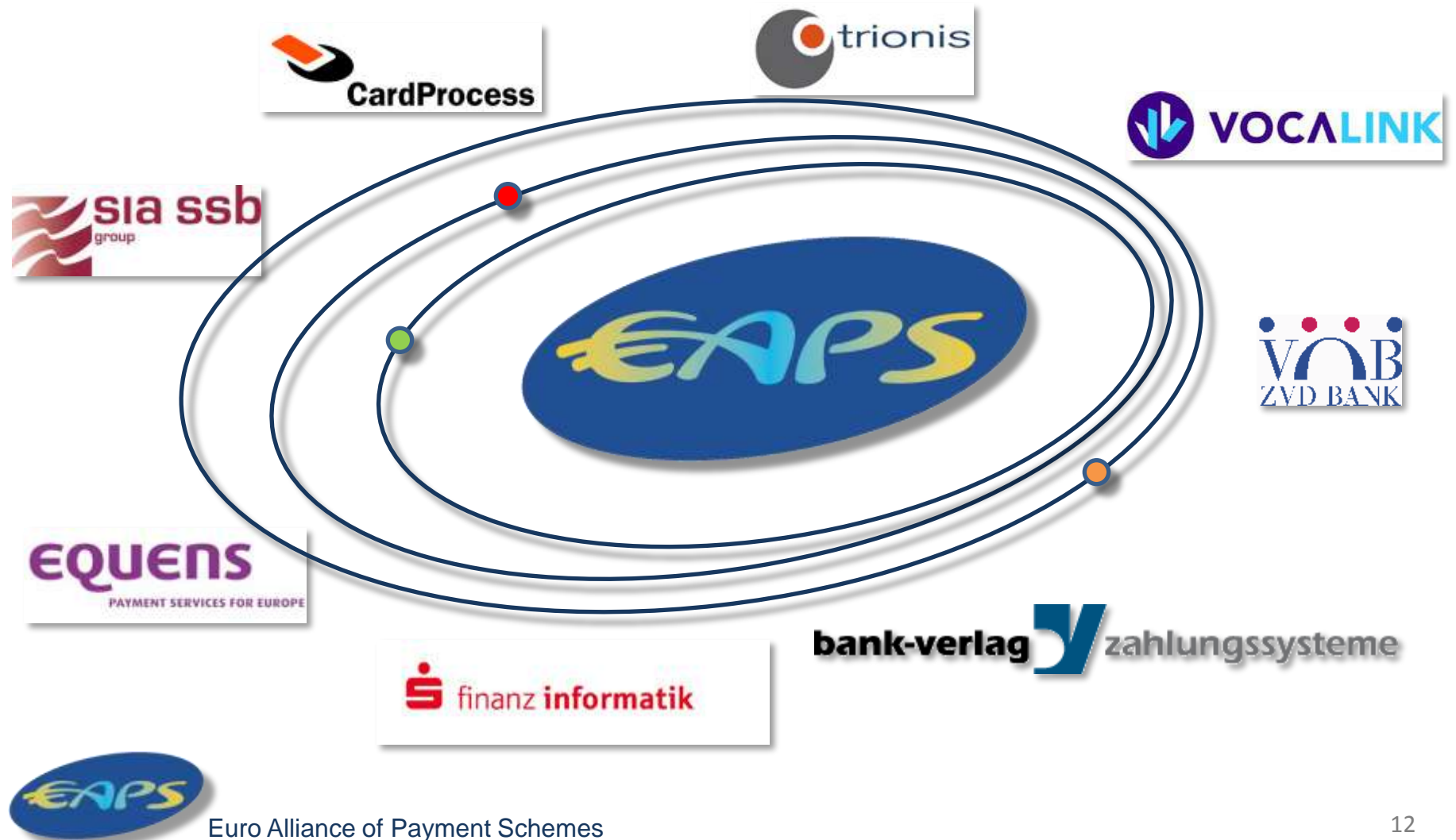


European Developments – EAPS Processing

| ECB Criteria | EAPS |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------|
| Operational Separation: Different technical and personnel infrastructures. No influence from one over the other. No preferential treatment to certain processors. |  |
| Information Separation No privileged information to processor. Only aggregated statistics shall be required from processor. |  |
| Financial/Accounting Separation No financial flows should take place from scheme to processor or vice-versa. No cross-subsidisation. |  |
| Commercial Separation No combined or dependent services should be offered. |  |
| Legal Separation No liability for acts of the other. Open to third parties. |  |



European Developments – EAPS Processing



European Developments – ECB Support

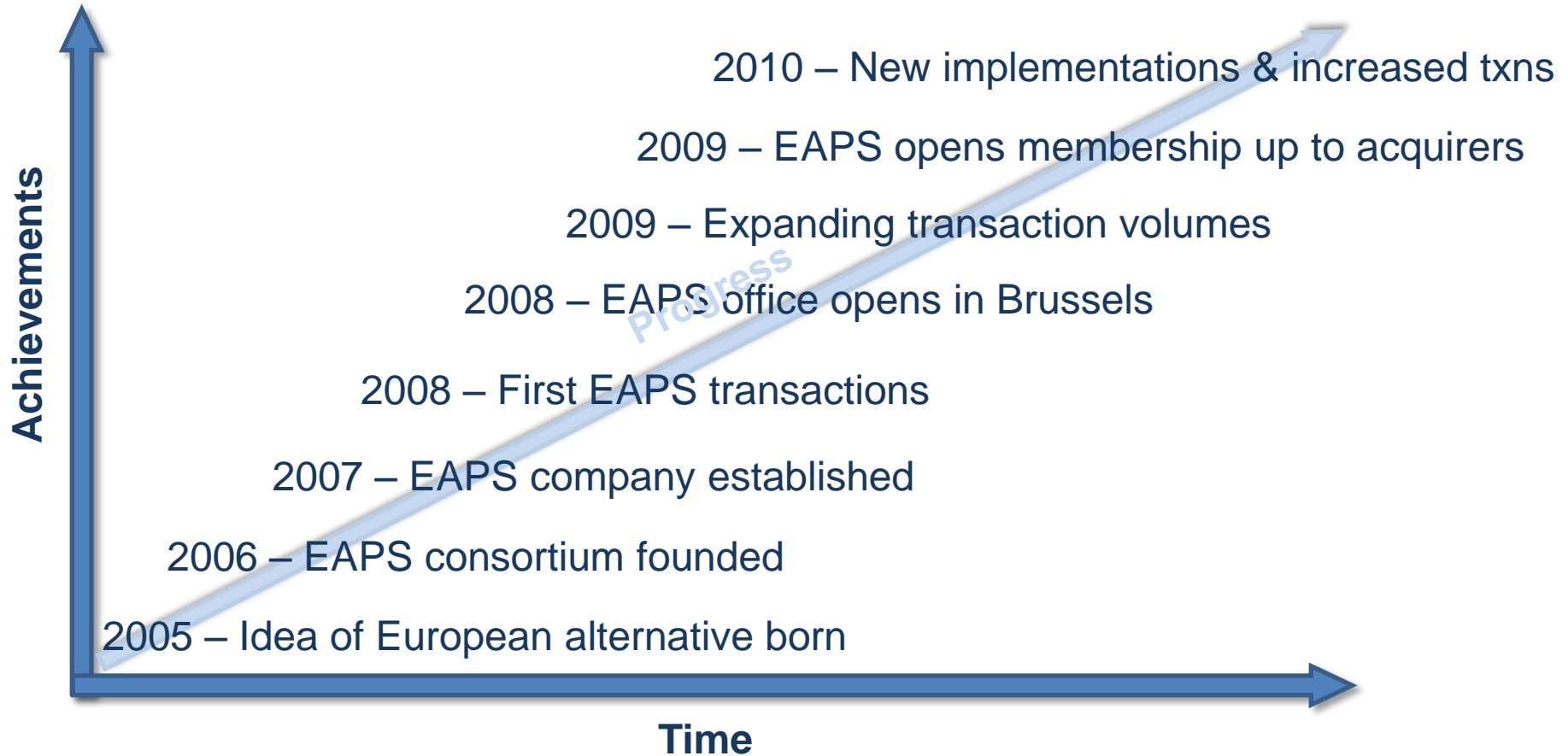
“... the Eurosystem appreciates the work being done by the Euro Alliance of Payment Schemes to establish inter-operability between the participating card schemes.”



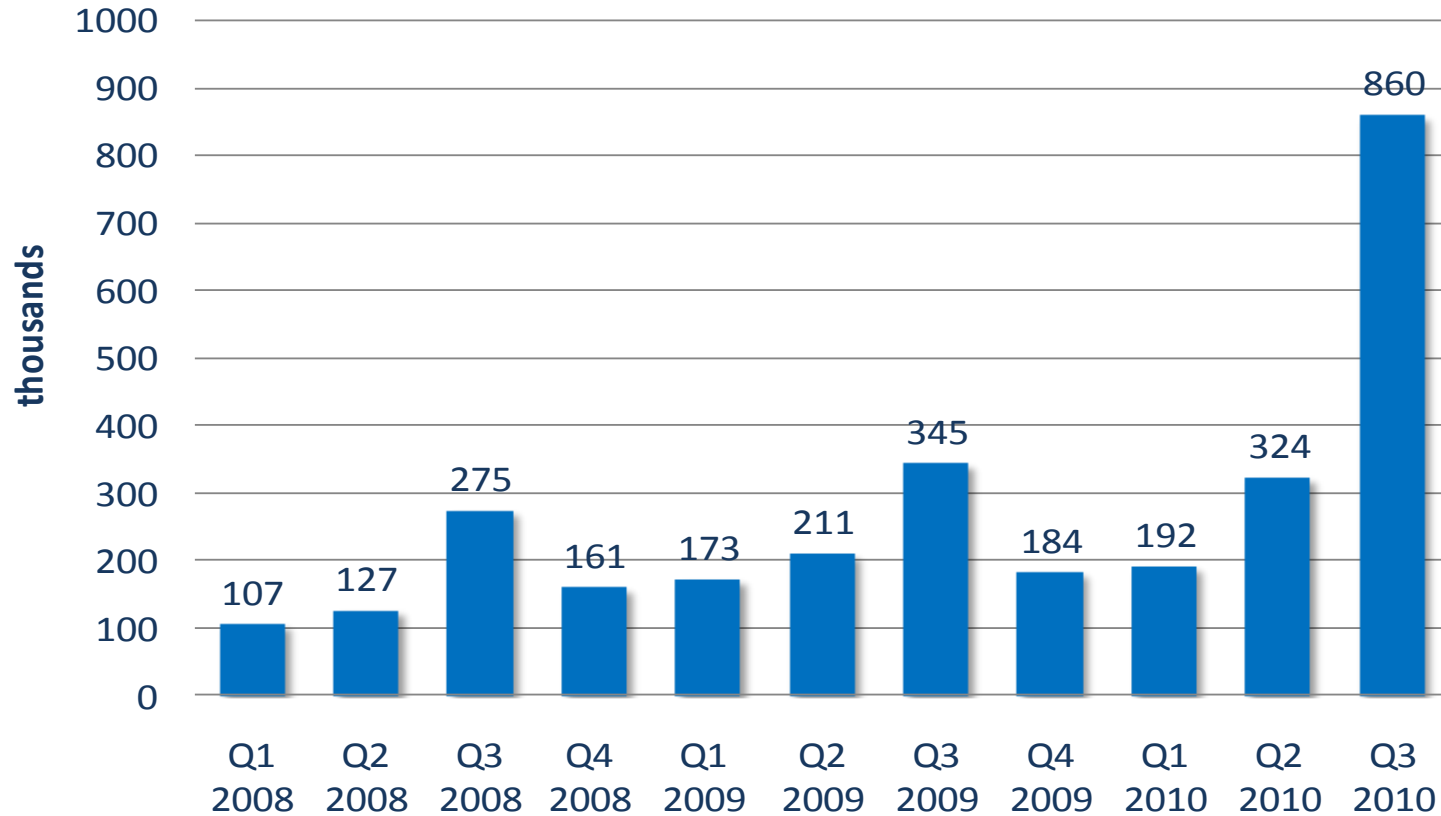
*Gertrude Tumpel-Gugerell,
Member of Executive Boards, ECB*



EAPS Achievements - Timeline



EAPS Achievements – Transaction Numbers



Euro Alliance of Payment Schemes

October 2010

EAPS Achievements – Italy and Germany

- Cross-border cash withdrawal between Italy and Germany
- Minimal investment / simple connection
- Cost-effective optimisation of existing ATM infrastructures
- 44,000 German ATMs and 8,500 Italian ATMs opened so far
- POS acceptance started with 3,600 Italian POS



EAPS Achievements – UK ATMs opened

- Germany – girocard – cash withdrawal in the UK
- Access to 63,000 LINK ATMs
- 20,000 ATMs more than previously available
- Cost-effective optimisation of existing infrastructures
- Increases competition of interlinked card schemes



EAPS Achievements – Austria and Switzerland

- EUFISERV opens ATMs in Switzerland and Austria to girocard
- 4,000 ATMs opened to German card holders
- Cost-effective optimisation of existing infrastructures
- Acceptance of 92m girocard cards



EAPS Achievements – Industry Support

“EAPS enables participants to cost-effectively **extend the reach of domestically issued debit cards**. With transaction volumes increasing at an exponential rate, EAPS is well placed to consolidate its position as an alternative to the global card schemes.”

***Peter Blasche,
Chairman of EAPS and Head of Payments at VÖB***



EAPS Achievements – Industry Support

“Through EAPS we have been able to open up LINK’s UK cash machine network to cards from elsewhere in Europe. This allows us to offer the same nationwide access that in the past only UK cardholders have enjoyed to debit cardholders from other European countries.”

*Edwin Schooling Latter,
Card Scheme Director, LINK*



EAPS Achievements – Industry Support

“The new partnership ... improves the service offered to German debit card customers, and further increases competitiveness of the interlinked card-schemes within EAPS.”

*Mr Bernd M. Fieseler,
Executive Board Member, DSGV*



EAPS Achievements – Media Support



PAYMENTS NEWS



DEBT PROBLEMS?
 Want to know if you can wipe out your debt?
 Take the 30 second test.

[Glenbrook](#) [Education](#) [Jobs](#) [Views](#) [Archives](#) [Store](#) [Advertise](#) [About](#) **SUBSCRIBE:**

[Click to Read More of Our Favorite Payments and Banking Blogs!](#)

An Update from the Euro Alliance of Payment Schemes (EAPS)

Euro Alliance of Payment Schemes
Press release
Euro Alliance of Payment Schemes: SEPA for cards becomes a reality

A grand scheme

The Euro Alliance of Payment Schemes (EAPS) is a pan-European debit card 'scheme of schemes' that aims to be an alternative to Visa and MasterCard in Europe – like the Monnet and PayFair initiatives. Ugo Bechis, chairman of the EAPS board and head of SEPA payments at UBI Banca, speaks to **Ronan McCaughey** about the business case for EAPS and how it can benefit stakeholders in the payments process

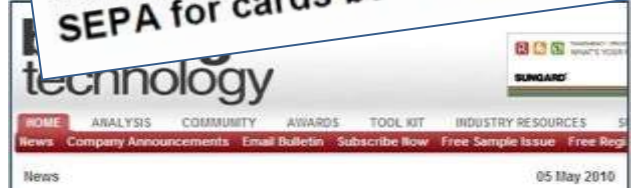


Why was EAPS established? chain is also about the clearing and

Ugo Bechis, EAPS

Features

EAPS gains ground in Italy and German



EAPS opens access to UK ATMs for German debit cardholders
 Monday 12 July 2010 | 02:08 PM CET

The Euro Alliance of Payment Schemes (EAPS), an alliance of European card schemes, has announced that the UK's LINK ATM network has opened all 63,000 UK cash machines to users of the German card scheme operated by Zentraler Kreditausschuss, the joint committee operated by the central associations of the German banking industry.

EAPS (Euro Alliance of Payment Schemes), which bills itself as a European alternative to international card networks, has opened membership to individual organizations such as acquirers. Current members represent groups of financial institutions which collectively account for 222 million cards, 2.2 million POS terminals, and 200,000 ATMs. Ugo Bechis is Chairman of the Board at EAPS, 32 (2) 550-3628, ugo.bechis@card-alliance.eu.



EAPS Achievements – Brand Support

Examples from present EAPS awareness programme:



POS

merchant information



Card

cardholder information



ATM

bank information



Opportunity for Central Europe

2009

2010

2011

2012



EAPS opened to Schemes



EAPS opened to Acquirers

EAPS opens to Issuers



Opportunity for Central Europe

- Start accepting increasing number of EAPS cards
- Agree with EAPS issuers on your business case
- Use your present EMV infrastructure
- Use existing processing network
- Evaluate midterm options to participate as an issuer
- Become EAPS participant and build SEPA compliant card solution with strong European partners



Thank you for your attention!

EAPS is open to new partners.

For more information, please visit www.card-alliance.eu.

