



Recent achievements

- ✓ SEPA cards framework sub-group issues the recommendation facilitating secure online payments
- ✓ SEPA compliance of the ACH for credit transfers
- ✓ Communication tool – Museum night – this year's topic about the payment systems, inter alia – also about SEPA
- ✓ *Coming soon* → SEPA seminar for the public administration

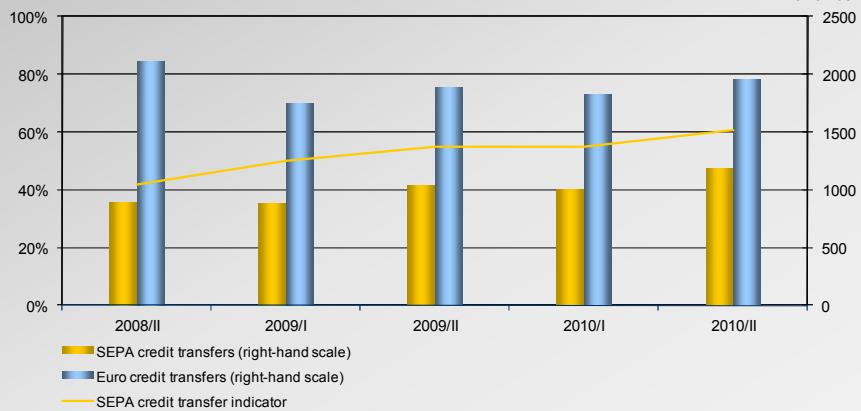
More information at sepalatvia.lv

1. State of play on SEPA credit transfer migration

- 2. State of play on SEPA direct debit migration
- 3. State of play on SEPA card migration
- 4. Communication activities

National SEPA credit transfers: bank-to-bank domain

number, in thousands, incl. on-us



State of play on SCT: banks and corporates

EPC SCT scheme adherence indicator:

- ✓ 26 out of 27 PSP providing CT in Latvia

IBAN since 2005

SEPA UNIFI (ISO20022) XML

- ACH operated by Latvijas Banka is SEPA compliant by end 2010
- bank-to-bank – by end 2010. Close monitoring this year to verify the implementation.
- ongoing work towards ISO 20022 standard at “customer-to-bank” domain – consultations and communication among banks and corporates

State of play on SCT: public administration

- The Treasury and Latvijas Banka is SEPA compliant as of end 2010
- Public administration hold their accounts with the Treasury by Latvian Law
- Already in the second half of 2010 41.4% of euro credit transfers reported by the Treasury and Latvijas Banka were SEPA compliant

State of play on SCT: challenges

- To keep continuous progress in the update process of the national standard towards SEPA standards (ISO 20022)
- To plan next reasonable steps according the time scheduler of the new regulation

Topics

1. State of play on SEPA credit transfer migration
- 2. State of play on SEPA direct debit migration**
3. State of play on SEPA card migration
4. Communication activities

State of play on SDD: banks

No changes since 5th EU SEPA forum!

EPC SDD core scheme adherence indicator:

- ✓ 3 banks out of 11 providing direct debit payments in Latvia

EPC SDD B2B scheme: 1 bank

Banks are planning gradual adherence to both EPC SDD schemes in the mid-term until 2014

State of play on SDD: AOS

- After adherence process there might also be introduced some AOS, for example, Maximum Amount message element

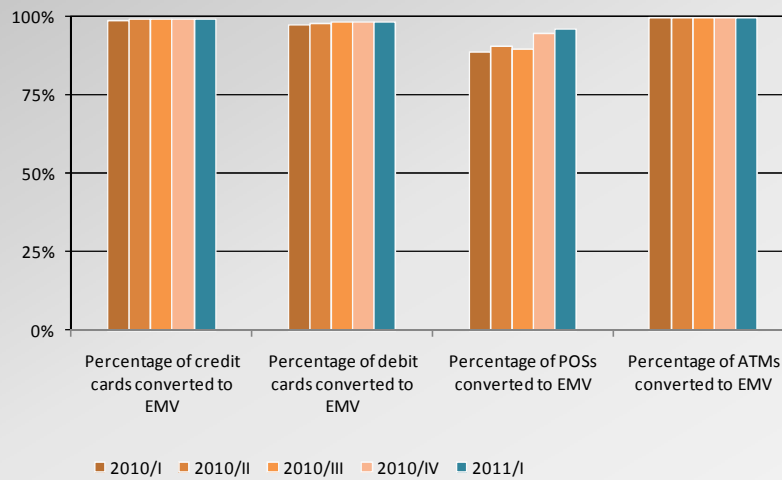
State of play on SDD: challenges

- To achieve the critical mass in the adherence process to the EPC SEPA direct debit schemes by taking into account that until end 2010 **no** SDD payment in Latvia has been performed
- To introduce creditor identifier according to the EPC requirements.
Some steps already taken:
 - ✓ structure agreed and
 - ✓ discussions about the registry started

Topics

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SEPA cards framework conversion to EMV



- Card-terminal: EMV migration – well on track
- Terminal-acquirer: SEPA Cards Framework Sub-group issued recommendation facilitating secure online payments in Latvia
- Issuer-acquirer: local commitments by card processing providers waiting for SEPA standards at European level

State of play on SEPA cards: challenges

Main challenge is to reach the critical mass for card payments at physical POS as well as at online level

48.9% of payments by cards issued by Latvian banks at local POS terminals were EMV compliant in 2010

✓ in December 2010 – 73.0%

and ATM cash withdrawals accordingly – 99.2%

✓ in December 2010 – 99.3%.

Topics

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4. Communication activities

State of play: communication activities

- Museum night – this year's topic was about the payment systems, inter alia – also about SEPA
- SEPA seminar for journalists on the day prior to ACH SEPA launch, incl. also TV broadcast about the SEPA seminar essence
- Surveys to monitor progress
- EPC brochures and leaflets in Latvian: ongoing work

- ✓ *Coming soon* → SEPA seminar for the public administration
- ✓ More active communication closer to €-day

Thank you for your attention!

Latvia's National SEPA working group
More information at: <http://www.sepalatvia.lv>