



Launch of SEPA

The Lotteries and Gaming Authority would like to inform all stakeholders of the Remote Gaming industry, that on Monday, 28th January, 2008, the Single Euro Payments Area (SEPA) went live and as a result European **payment service providers** and banks will formally launch the first SEPA payment products for credit transfers.

SEPA enables people to make payments throughout the Euro area as quickly, safely and easily as they make national payments. Moreover, in SEPA all euro payments are considered domestic and made with one set of payment instruments. The Central Bank of Malta together with the banking sector have been preparing to provide SEPA services for over a year, and will launch the initiative with the introduction of the SEPA Credit Transfer Service. This service allows funds to a beneficiary's IBAN account to be delivered to the majority of banks in the euro area and the European Economic Area (EEA). These banks are identified through their Bank Identifier Code (BIC) code.

Therefore, all Maltese banks are now able to offer the new credit transfer service. This development is expected to result in two substantial benefits. The first is a **reduction in costs in line with the expectations of consumers**. The second is a **reduction, to a maximum of three days, in the time taken for a transfer to be delivered to a beneficiary's account**. Moreover, the Central Bank of Malta is informing that in the coming months further benefits will become available to users of cards as well as through the launching of a **Direct Debit Scheme**. The latter permits consumers to authorise payments to vendors securely from any account.

The Central Bank of Malta is also launching a consultation process to seek the opinion of **payment service providers**, institutions, consumers and society in Malta on the implementation of the Payment Services Directive. This Directive will provide the legal basis for payment services provided under the SEPA initiative. In time the Directive should accelerate the reduction in the use of cheques as the latter will attract higher charges when used across borders, even within the Euro area. Therefore the Directive promotes the use of direct debits as a direct replacement to cheques and provides a harmonised legal basis for their operation across the EU.

For more updates kindly visit the Central Bank Website on <http://www.centralbankmalta.com/site/pr1.asp>.

The Lotteries and Gaming Authority (LGA) is a public single regulatory body that is responsible for the governance of all forms of gaming in Malta. More information on the LGA may be found on www.lga.org.mt or mail to info@lga.org.mt