

Luxembourg, le 24 juin 2008

E-MAIL JPB

Destinataire : Committee of European Securities Regulators
Committee of European Banking Supervisors
Committee of European Insurance and Occupational Pensions Supervisors
p/a AMLfundstransfer@c-eps.org.

Concerne : Consultation on common understanding of the obligations imposed by European Regulation 1781/2006 on the information on the payer accompanying funds transfers to payment service providers of payees

Dear Madam, Dear Sir,

As agreed during our last Payment System Committee meeting, please find enclosed the response of Luxembourg' banks on the Consultation on a "common understanding of the obligations imposed by Regulation (EC) 1781/2006 on the information on the payer accompanying fund transfers".

Q 1:

We have a strong preference for option B.

Q 2:

By default Option B would be our preference.

But we think that the choice between Options A and B would be managed case by case.

Q.3

We agree to the principles represented by criteria (a), (d) and (e).

Q.4:

We agree that a mechanism is required for the coordination of actions against failing PSPs to ensure that any sanctions are proportionate and properly and fully considered before being put into effect, since blacklisting any PSP is potentially very damaging to that firm's market standing and should only be considered as a last resort.

The decision to terminate a relation is not an easy one, especially when there is a mix of different business being conducted with such a party.

Particularly, where state controlled banks are involved, there may also be political and foreign policy considerations, which commercial banks are not in a position to judge.

Any such blacklisting is we believe properly the responsibility of European and international Regulators, taking a view of a range of reports received, rather than individual PSPs.

We agree that industry should be represented in the coordination process in whatever form it takes but industry should not be responsible for what may be considered a decision in the competitive arena.

Such coordination mechanism should take into consideration that various PSPs will apply different filtering rules etc and might have different views on a particular situation and this might make a difficult debate

Luxembourg Bankers' Association

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