



e- & m- banking channels



25th April 2012
BCC Evening Business Forum – Leading the way in social and mobile networking
Gilbert ERNST

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LUXEMBOURG FEATURES

- limited geographical size
 - very high cross activity
 - 8 – 14 % versus < 1 % in neighbouring countries
- lack of critical mass
 - join EU / INT. Initiatives
 - join national forces
- LU = forerunner in SEPA Payments
 - EMV + PIN : since 2005
 - IBAN + BIC : since 2005
 - CLEARING VIA STEP 2 : since 2006

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ELECTRONIC BANKING LUXEMBOURG / BCEE

- 1983 ATM's – BANCOMAT COM.
- 1987 POS's – BANCOMAT COM.
- 1992 MULTILINE COM.
- 1993 S-PHONE OWN
- 1994 S-NET V.1 OWN
- 2012 S-NET V.3 OWN

 BCEE WAS ALWAYS AN EARLY MOVER
WITH ACTUALLY ABOUT 165.000 S-NET USERS.

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EU 27 + 5 FEATURES

- Early 2000: SEPA (Single Euro Payments Area)
 Commission + Parliament + Eurosystem
- 2002: EPC (Euro Payments Council)
 Self-Regulation by banks
- 2010: SEPA COUNCIL

Threats:

- cumbersome
- multistakeholder
- anticompetitive risks
- lack of Power
- regulation versus commercial solutions

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EC – GREEN PAPER
 « Towards an integrated European Market for Card, Internet and mobile Payments »

- Market access for new Payment Service Providers (PSP's)
- Security and data protection
- transparent + efficient pricing of payments
- technical standardisation
- Interoperability between PSP's

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EVOLUTION OF PAYMENT SYSTEMS

- Technical
- Standards / Formats
- Juridical

customer / consumer

- Security
- TRUST
- SPEED
- Convenience

SEPA



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e-SEPA

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PAYMENT CHANNEL MIX 1

TRADITIONAL PAYMENTS

- CASH / ATM
- SCT / SDD
- CARDS / POS

e- & m- PAYMENTS


- OBeP (Online Banking electronic Payments)
- CONTACTLESS / NFC (Near Field Communication)

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PAYMENT CHANNEL MIX 2

- OBeP
 - Preformatted Transfer
 - linked to e-banking payment package, like S-NET

REMOTE / WEB BASED
(FACE 2 FACE)

- CONTACTLESS /NFC
 - via cards / antenna option A
 - via mobile / antenna option B
 - via QR code (Quick Response)  transitory option

REMOTE /WEB BASED
FACE 2 FACE

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MOBILE BANKING 1

- **OBeP**
 - S-NET on PC
 - I-PHONE (Smartphone)
 - I-PAD
 - EU-wide initiative by EBA CLEARING
 - MyBank Project
 - Pilot / Tests as from mid 2012

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MOBILE BANKING 2

- Expectations from Generation Y
 - easy + speedy (few clicks)
 - convenient
 - secure + trustful
 - easily reachable
 - multiple apps (transactional + informational)
 - e-desk / e-branch
- m-Banking Pilot on QR Code during second half 2012

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FINAL CONSIDERATIONS

- coexistence of payment channels and low risk
- cost efficient solutions for all parties concerned
- alliances needed
- infrastructural changes needed in order to reach market maturity

N.B.: Estimates showing that in 2014 sales of tablets and smart-phones will be 44 % higher than PC market !!

**MOBILE BANKING:
LET'S GET STARTED!!!**

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QUESTIONS?

THANK YOU

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