



PRESS RELEASE

Dublin and Paris, 11th October 2011

Successful launch of the STEP2 Irish Service

Enhanced end-to-end processing enables Irish banking community to offer improved service levels to customers

EBA CLEARING and the Irish Payment Services Organisation (IPSO) announced today the successful launch of the STEP2 Irish Service. The new service has improved the end-to-end processing of Irish domestic credit transfers and direct debits and will remain in place until the community's migration to SEPA has been completed.

"The STEP2 Irish Service went live yesterday evening on schedule, after an extensive testing exercise," said Mick O'Neill, SEPA Programme Manager at IPSO, which orchestrated the move of the Irish community to the new service. "We are pleased that both the preparations for this launch and the go-live itself took place in such a smooth and timely manner, less than a year after we announced our decision to develop this service."

The new service on the Pan-European Automated Clearing House (PE-ACH) STEP2 ensures that the 1 million domestic payments the six Irish banks process via bilateral file exchange each day are settled in the evening of the day on which they are processed, before they are delivered to the beneficiaries. This faster settlement process has enabled the Irish Banks to extend the cut-off time for accepting Irish domestic payments from customers.

"Our move to the STEP2 platform has significantly sped up our internal processes, which allows us to provide improved service levels to our customers," said Diarmuid Hanrahan, EBA CLEARING Board Member and Head of Payments, AIB Bank. "We are now in a position to offer later cut-off times and D+1 end-to-end payment execution to our customers for both their cross-border and domestic euro retail transactions."

"The STEP2 Irish Service has enabled us to avoid developments on our legacy infrastructure and provides us with access to a state-of-the-art processing system that is in a position to adjust to evolving legal and technical requirements," commented Vincent Brennan, Head of Group Payments at Bank of Ireland. "Re-using the pan-European infrastructure was a very cost-effective and efficient alternative to building a totally new solution. Furthermore, our migration to SEPA will be easier to complete as we now already channel all our euro retail traffic through one processing platform."

"We are very pleased to facilitate the migration of the Irish banking community to SEPA," said Gilbert Lichter, Chief Executive Officer of EBA CLEARING. "Our services are geared at optimally supporting banks in managing their payments business and serving the needs of their customers in the emerging integrated European payments environment."

At present, the PE-ACH platform of EBA CLEARING processes about one third of all SEPA Credit Transfers and over 40 percent of all SEPA Direct Debits. From the beginning of the year to the third quarter, STEP2 has increased its total volumes by 22 percent and currently handles on average 3 million transactions per day.

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About IPSO and the Irish banks

The Irish Payment Services Organisation Limited (IPSO) was established in June 1997. IPSO is the representative industry body for payments in Ireland with the objective of preserving the integrity and security of the payments systems, modernising the payments industry in Ireland, and promoting its payments system and schemes.

The Irish banks participating in the STEP2 Irish Service offered by EBA CLEARING are the following:

AIB Bank
Bank of Ireland
BNP Paribas
Danske Bank A/S National Irish Bank
Permanent TSB
Ulster Bank

About EBA CLEARING

EBA CLEARING was established in June 1998 by 52 clearing banks as a company geared at owning and operating the EURO1 large-value payment system (launched in January 1999) and, later, the STEP1 single payment system for commercial transactions (launched in November 2000). Today, the Company counts 67 Shareholders.

EBA CLEARING also manages and operates the Pan-European Automated Clearing House STEP2 (launched in 2003). The STEP2 SEPA Services of EBA CLEARING extend reach to over 4,600 banks across Europe.

Besides processing domestic and cross-border payments in the SEPA formats, STEP2 also handles legacy euro transactions; this is part of EBA CLEARING's strategy to assist domestic communities in flexibly adapting their processes to the SEPA requirements. In addition to the Irish domestic payments, STEP2 currently processes the legacy credit transfers of the major Italian banks. A new bilateral file exchange functionality implemented in STEP2 has made it easier for banks to re-use the PE-ACH platform for exchanging bilateral payments and transactions that are not covered by the SEPA core services.

EBA CLEARING is also actively contributing to the payments industry's efforts to take SEPA to the next level: in June 2011, the Company launched MyBank, an initiative geared at delivering a pan-European e-payment solution for Internet shopping, based on online banking.

For additional information about the services of EBA CLEARING, please visit:
www.ebaclearing.eu