



DEAR READER,

When SEPA becomes reality – with the credit transfer on January 28, 2008 – the Swiss financial institutions will be involved right from the start, because during its meeting in September 2007, the European Payments Council accepted Switzerland as an official SEPA member.

This decision signifies that the Swiss financial institutions are on equal footing with the European banks to operate in the euro payment traffic market. Swiss Interbank Clearing, in its function as the national support organization, will assist the Swiss banks throughout the entire admission process.

With Switzerland's acceptance into the SEPA, Swiss financial institutions can further optimize the cross-border euro payment traffic, where efficiency and low processing costs are significant success factors in payment processing. The McKinsey article demonstrates that Switzerland takes an absolute top position in exactly these areas in comparison with Europe and that Swiss customers benefit from the low fees. In order to continually increase efficiency in payment processing in future, the Swiss Payments Council decided to accept the Swiss STP resolution in October 2007. With this resolution, accompanying measures to increase IBAN use in national payment traffic will be introduced, starting in 2010.

The fact that the pressure concerning efficiency and reduction of processing costs also impacts infrastructure providers is reflected in the merger of SWX, SIS and the Telekurs Group into the newly created corporation Swiss Financial Market Services. By grouping and optimizing the resources, the Swiss financial market is strengthened for competing internationally.

That SWIFT is building a third processing center (OPC) – their first in Switzerland – is an indication that this country is indeed very attractive as a location – for international payment processing organizations, as well. SWIFT CIO Mike Fish's article supplies the background for the development of this new OPC and the accompanying re-design of message processing. In future, SWIFT messages between European financial institutions will only be processed and stored in Europe.

Last but not least: In this issue, we are bidding a fond farewell to Joerg Auer (UBS), who, for the past decades, has significantly shaped and influenced developments in national and international payment traffic with his unwavering efforts to enhance efficiency and lower costs. We thank him for his tireless and valuable efforts and commitment and wish him all the best for the future.

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A handwritten signature in black ink, appearing to read 'O. Fritschi'. The signature is fluid and cursive.