



DEAR READER,

It is with pride that Swiss Interbank Clearing Ltd can look back upon these past years: It has succeeded in reducing the average transaction price from 16.8 Swiss franc centimes in 2000 by no less than 66% to 5.7 centimes in 2008. On the one hand, this is a result of increasing numbers of transactions, 138%, during this time span; on the other, this success was achieved by increasing efficiency in all areas of the Swiss financial center's joint venture. This process was accompanied by functional and qualitative innovations and improvements of the systems maintained by Swiss Interbank Clearing. Truly an impressive accomplishment!

In reference to payment traffic, the Swiss monthly «Schweizer Bank» of March 2008 published an interesting commentary by banking Professor Hans Geiger on the topic of SEPA and originator data. In it, he refers to the inherent dangers for each individual financial institution in transferring name, address and account number of the originator.

When the new Ordinance on Combating Money Laundering comes into effect on July 1, 2008, the originator data must be supplied for all payments worth more than 1,500 Swiss francs, world-wide and without exception. Subsequently, at the time of crediting, the beneficiary can obtain all originator data regardless of the originator's wishes.

This is dissatisfactory not just from the customers' point of view, but from the banks, too. This situation does not facilitate the expensive and extensive fraud prevention efforts in payment traffic. From my point of view, these customer data are sensitive. Thus I consider the disclosure thereof made mandatory to us by the money laundering regulations to be problematic, even if the basic intentions are beyond dispute. These requirements must receive the necessary consideration during the design and application of SEPA Direct Debits. After successfully introducing the SEPA Credit Transfer Scheme, Swiss Interbank Clearing will also ensure the timely and cost efficient access of the Swiss financial center to the SEPA Direct Debit Scheme in the fall of 2009.

Zeno Bauer

*Board Member Swiss Interbank Clearing Ltd
Head Product Management Zurich Kantonalbank*

A handwritten signature in black ink, appearing to read 'Zeno Bauer', written over a horizontal line.