

REPORT OF  
THE BOARD

ANNUAL  
GENERAL  
MEETING

19<sup>TH</sup> JUNE 2017

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## AN INTRODUCTION BY THE CHAIRMAN

In 2016, the European payments industry continued to pursue its accelerated transformation course in a changing landscape shaped by new regulation, technology, customer requirements and market entrants. In addition to running their internal efficiency and cost optimisation programmes, payment service providers (PSPs) and other market players were heavily engaged in assessing, in particular, the implications and business opportunities generated by technology developments and newly emerging regulatory requirements at a European and global level.

But the past year also saw the industry embracing these new dynamics and tackling some of the resulting challenges through collective action: a number of important future-oriented co-operative initiatives were taken forward in 2016, often with the objective to foster pan-European harmonisation. Let me just mention a few examples: the European Payments Council delivered the SCT Inst Scheme Rulebook in November 2016; the Berlin Group worked on the definition of standards for the interaction between account-servicing PSPs and third party providers; EBA CLEARING brought together close to 40 financial institutions to develop the first pan-European infrastructure solution for instant payments, which is scheduled to be ready for the kick-off of the EPC scheme this November.

I am pleased to say that the Euro Banking Association (EBA) supported its members and the wider industry in progressing both its analytical work and collective action over the past year: we engaged in assessing the impact of key transformation factors and we launched or contributed to co-operative initiatives geared at helping to put in place the collaborative elements needed to successfully and efficiently deal with these transformation factors.

We offered to our members a pan-European platform for analysing the strategic relevance and understanding practical implications of key industry topics. One of our working groups, for instance, provided new insights into use cases for cryptotechnologies in the context of international payments and, more specifically, correspondent banking. Another one made Open Banking and its potential for further strengthening customer centricity in transaction banking a focal topic on its agenda. Our PSD2 task force's work on identifying key impact areas and open questions around the implementation of PSD2-related compliance requirements generated a first set of findings, which was used as a starting point for the work of the PSD2 Practitioners' Panel we initiated in late 2016.

The open fora facilitated by the Association over the past year helped to foster cross-industry dialogue at a pan-European level on relevant developments and challenges related to the creation of ecosystems in the areas of Open Banking and instant payments. We put a major emphasis on involving the wider stakeholder community in these exchanges to assess from a broader perspective the collaborative needs and the possible perimeter for any co-operative action to remedy such needs. And we fed insights gained from these exchanges into our educational seminars and our flagship event EBAday to help create further awareness and momentum around these topics.

Our exchange with industry players and stakeholders and our analytical assessments of key industry topics have continued in 2017. We have been able to channel some of the issues and questions identified in the context of the Open Banking Forum and the PSD2 Practitioners' Panel into industry



initiatives looking into remedying solutions or recommendations, such as the Euro Retail Payments Board's Working Group on Payment Initiation Services in which we participate. As part of our ongoing work on our EBA vision 2025, we have also started to analyse which of the topics that remain unsolved today would benefit from EBA-led co-operative action.

On behalf of the Board of the Euro Banking Association, I would like to thank our members for their commitment and their contribution to these activities. The strong participation of our members in our working groups, their valuable input to EBA-initiated practitioners' groups and industry fora, the 1,000+ attendees at EBAday 2016 in Milan testify to the benefits that the Association's pan-European and practitioners-driven work programme delivers to its large network of payment actors.

To ensure that we continue to deliver value to our membership and respond to the above-mentioned ongoing market developments, we are actively evaluating at Board level our proposition for our members and our approach to stakeholders. This workstream involves a review of our governance arrangements, which could lead to changes in today's membership

rules, structure or categories. I will present a projection of the necessary governance reforms with an implementation timeline to our members at the Annual General Meeting 2017.

My fellow Board members and I, together with our Secretary General and the whole EBA Team, look forward to evolving the Association in a way that it will continue serving the needs of our membership in today's and tomorrow's payments environment while staying true to its pan-European vision and co-operative approach.

A handwritten signature in blue ink, reading 'W. Ehrmann'.

Wolfgang Ehrmann

## AN INTRODUCTION BY THE SECRETARY GENERAL

Digital banking or banking in a digital or, better yet, digitalised world – these expressions very much characterise the situation the banking industry is facing today. While ‘digital banking’ implies that today’s isolated financial services and processes are transformed and made digital, ‘banking in a digitalised world’ describes a complete transposition and integration of banking services into a fully digitalised and interconnected world. In this world, banking services are embedded in the natural flow of the consumer experience or the corporate process they are related to. For the area of payments, this implies that payments are at your fingertip or, in an automated world, take place without any human interaction or intervention at all. The payment function becomes part of the core product or service design – it stops being an add-on or a separate process.

Which role will banking, or more specifically payments, play in a digitalised environment? Will it remain restricted to the movement of funds between payers and payees? Will it focus on managing accounts for retail customers, corporate customers and public administration entities? Will banks become invisible vis-à-vis their account-holding customers in the light of a highly agile Fintech community engaging with customers through attractive front-end services? Will the banks’ role shrink to that of an infrastructure provider lending its efficient and reliant network to third-party payment initiators? Or will the business change in a way that banks become accepted and recognised data managers – the trusted providers of e-identity services?

The payments industry is currently struggling to find answers to these and many other questions as its players are striving to re-orient

and reposition themselves in the face of ongoing market transformation. Shaped by digitalisation-enabling technology, new market entrants with business models based on this technology, customers eager to reap its benefits and regulators setting the framework for the emerging new ecosystem, this profound market transformation offers a great span of opportunities and challenges to both new and incumbent players. These opportunities and challenges, as well as the underlying transformation drivers and implications, need to be analysed in detail, but they also need to be analysed fast due to the accelerating pace of this transformation process.

The Euro Banking Association is one of the organisations tackling the need for fast and thorough collective analysis of key industry issues. And it is the only one looking into these issues based on a collaborative, practitioner-driven approach with a decidedly pan-European perspective.

The EBA’s research and thought leadership activities focus on topics that are, or are likely to be, of crucial strategic value for the industry’s journey to the future of European payments. When driving these workstreams on Open Banking, cryptotechnologies or PSD2, our members focus on the practical relevance of these topics, on actionable concepts and use cases. This focus and the fact that our working groups bring together payment practitioners from banks, technology providers, infrastructure suppliers and consultancy firms from all corners of Europe provide for incomparably insightful and fruitful results.

Through these activities, the Association contributes to the development of policies and strategies of its members, providing insights



that can be fed into their work on individual roadmaps aimed at meeting the challenges and reaping the opportunities of this rapidly changing and complex payments environment.

But the benefits the Association brings to its members and the wider industry do not stop there. The EBA also initiates and supports practitioners’ groups providing clarifications and industry guidance on regulation-related implementation processes. Both SMART and the EBA-facilitated PSD2 Practitioners’ Panel are examples of groups delivering practical value to the payments market by identifying pain points, raising awareness and issuing market practice recommendations addressing areas that lie in the collective realm and are threatened by fragmentation.

With its pan-European vision and credibility, the EBA is ideally placed to actively contribute to the harmonisation of inter-PSP payment processes and the creation of a uniform customer experience across the Single Euro Payments Area. Although the resulting best practice recommendations defined in these groups and published to the full market have no legally binding character, they have been well accepted and have gained significant traction in the industry.

It is important to add that the EBA’s collective engagement and efforts are not restricted to its own working groups and initiatives either. Over the past few years, we have been further intensifying our industry dialogue activities, contributing our expertise to co-operative bodies and undertakings that matter to our members, such as the European Payments Council or – a recent example – the Working Group on Payment Initiation Services (PIS) of the Euro Retail Payments Board.

And finally, let me stress that our striving educational and networking programme provides our members and other stakeholders with a great variety of opportunities to engage on key industry trends and topics at many different levels.

Together with our Board and our highly committed member community, my colleagues and I look forward to further contributing as a pan-European association of payment practitioners to the analysis, the discussion and the shaping of the European payments ecosystem – for the benefit of our members, their customers and the wider industry!

Thomas Egner





# CORE ACTIVITIES



THOUGHT  
LEADERSHIP

WHAT?

identify, analyse and explain  
practical  
implications  
of key payments-related  
developments

WHY?

help develop  
industry guidance,  
practices and  
solutions  
for a rapidly changing  
and complex payments  
environment



INDUSTRY  
DIALOGUE

WHAT?

discuss and co-operate  
with EBA  
members, industry  
bodies and the  
wider stakeholder  
community

WHY?

drive and contribute to  
the creation of a  
harmonised pan-  
European payments  
landscape



KNOWLEDGE  
& RESEARCH

WHAT?

share  
research &  
analysis results,  
explanations and  
guidance  
through EBA publications

WHY?

generate and increase  
market knowledge  
and understanding  
regarding relevant  
industry topics and practices



NETWORKING  
& EDUCATION

WHAT?

organise  
conferences and  
educational  
events

WHY?

broaden  
practitioners'  
understanding of  
the pan-European  
payments business  
and their network

# 1. REPORT ON EBA ACTIVITIES IN 2016 AND OUTLOOK FOR 2017+

## 1.1 REPORT ON WORK STREAMS IN 2016

Thanks to the commitment and contribution of the EBA community in 2016, the Association was in a position to take forward work streams in its four key activity areas 'Thought Leadership', 'Industry Dialogue', 'Knowledge and Research' and 'Networking and Education'.

In detail, the EBA work programme 2016 focused on work streams taken forward by the following groups:

1. Electronic Alternative Payments Working Group, which was renamed Open Banking Working Group in July 2016 to better reflect the broader open banking agenda of the working group;
2. Cryptotechnologies Working Group, which in late 2016 shifted its prime focus from use cases in trade finance to use cases in international payments;
3. Open Forum on Open Banking facilitated by the EBA;
4. Open Forum on Pan-European Instant Payments facilitated by the EBA;

5. SEPA Migration Action Round Table (SMART) facilitated by the EBA;
6. EBA Task Force on PSD2 Key Impact Areas and PSD2 Practitioners' Panel for account-servicing payment service providers (AS-PSPs) operating in Europe (facilitated by the EBA).

In addition, the EBA work programme also included the following work streams:

7. the organisation of educational and networking events with a pan-European scope; and
8. industry dialogue activities through its participation in industry groups and support of industry initiatives. Over the past year, the EBA continued to support its members in their positioning and successful evolution in a fast-changing payments environment.

The over 180 members of the Association from across Europe and beyond were able to benefit from and contribute to:

- ≡ Insightful research into the impact of key change drivers on traditional business and operating models
  - › Conducted by practitioners for practitioners, this research helps members to better understand and anticipate key market developments
- ≡ Propositions for pan-European collective initiatives and recommendations for members to consider in their individual positioning
  - › These propositions should help the EBA membership and key stakeholders to develop collective approaches and unlock value for their own offerings or processes
- ≡ Platforms for industry exchange and co-operation at a pan-European level
  - › Dedicated industry fora and expert panels help to foster understanding, identify gaps, provide guidance or serve as incubators for new collective activities
- ≡ Pan-European educational offerings and networking opportunities
  - › EBAday and other EBA events provide new insights into industry developments and access to a pan-European network of 1,000+ practitioners and experts

The following sections will provide insights into the tasks and work packages that were progressed or completed in these different work streams during the period under report.

### 1.1.1 OPEN BANKING WORKING GROUP (PREVIOUSLY CALLED ELECTRONIC ALTERNATIVE PAYMENTS WORKING GROUP)

The EBA's work stream on electronic alternative payments focuses on payment innovation taking place in the consumer and retail e-commerce space and the challenges of the changes this innovation entails.

In July 2016, the Board decided to continue the activities of the Electronic Alternative Payments Working (e-APWG) Group under a new umbrella heading that would better reflect the shift in the group's focus to topics related to Open Banking and access to the account. To this end, the e-APWG was renamed Open Banking Working Group (OBWG).

Throughout 2016, the OBWG continued to monitor industry initiatives and report on payment innovation taking place in the consumer and retail e-commerce space and the implications/challenges of the changes this innovation entails. The group engaged in an analysis of the strategic implications that Open Banking considerations and the advent of 'Open Application Programming Interfaces (APIs)' could have for the payments industry, in particular in connection with the requirements introduced by the revised Payment Services Directive (PSD2).

As a result of this analysis, an information paper on the topic of "Understanding the business relevance of Open APIs and Open Banking for banks" was produced in 2016 and communicated to the membership and the wider market with the support of a tailored slideset and an animated video. In order to raise further awareness around these crucial

strategic topics, the EBA also organised several webinars. The publication and video are both available on the EBA's website.

✚ FOR FURTHER REFERENCE:

Publication: Understanding the business relevance of Open APIs and Open Banking for banks

Video: Explaining Open Banking: Essential Elements and Benefits

<https://www.abe-eba.eu/thought-leadership/open-banking-working-group/>

### 1.1.2 CRYPTOTECHNOLOGIES WORKING GROUP

One of the most promising technology-driven developments in electronic alternative payments in recent years has been the emergence of cryptotechnologies, which

is seen as holding great opportunities for innovation in areas such as payments, trade finance, and securities. Therefore, the EBA Board decided to launch the Cryptotechnologies Working Group (CWG) as a sub-group of its e-APWG stream in late 2015.

The CWG's first mandate was to assess cryptotechnology developments in the area of trade finance, where the distributed ledger concept could technically allow companies to electronically record the ownership of assets and documents in a relatively secure way. In May 2016, the CWG published an information paper on the topic "Applying cryptotechnologies to trade finance".

In the second half of 2016, the CWG was set up as a working group in its own right

and equipped with a mandate to explore cryptotechnologies in international payments. The international payments business is seen as another key area that could benefit from the adoption of cryptotechnologies. In international payments, correspondent banks manage a multitude of bilateral relationships across multiple geographies to transfer funds safely between originators and beneficiaries on a global basis. The aim of the CWG is to explore the use of cryptotechnologies in the context of business models in international banking and work on appropriate use cases.

✚ FOR FURTHER REFERENCE:

Publication: Applying cryptotechnologies to trade finance

[https://www.abe-eba.eu/downloads/knowledge-and-research/EBA\\_May2016\\_eAPWG\\_Applying\\_cryptotechnologies\\_to\\_Trade\\_Finance.pdf](https://www.abe-eba.eu/downloads/knowledge-and-research/EBA_May2016_eAPWG_Applying_cryptotechnologies_to_Trade_Finance.pdf)

### 1.1.3 OPEN FORUM ON OPEN BANKING (FACILITATED BY THE EBA)

To support and further develop the discussion on Open Banking at a pan-European and cross-industry level, the Board of the Euro Banking Association decided in Q3 2016 to initiate an Open Forum on Open Banking (OFoOB).

This forum addresses all interested business parties and is aimed at fostering a practitioners' dialogue amongst the financial industry players at a pan-European level on relevant developments and challenges, such as security, interoperability and fragmentation with regard to Open Banking. The EBA provides administrative support to the meetings of the forum.

Based on the well-recognised reports of the Electronic Alternative Payments Working Group, the discussions around PSD2 and the therein contained provisions on the access of Third Party Providers (TPP) to customers'

payment accounts held by Account-Servicing PSPs (AS-PSPs) and finally discussions with numerous national associations and individual EBA members at and around EBAday 2016, led the EBA Board to the strong feeling that members and the market were expecting ongoing and industry-wide action from the EBA on the topic of Open Banking.

Moving forward in the discussion, the Board concluded that the best way to proceed would be to set up a forum open to all market participants, where they could come together to discuss the idea of Open Banking and APIs in a collaborative mode. The Board also took into consideration that such an initiative could help limit the risk of potential pan- and intra-European fragmentation on establishing access to bank accounts. Consequently, the Board took the decision to establish the Open Forum on Open Banking and the creation of the forum was announced in a press release on 20<sup>th</sup> September 2016.

The Board nominated Gilbert Lichter (EBA) and Don Ginsel (Holland Fintech) as co-chairs of the forum.

After a time of active sounding with the market on expectations and possible deliverables, it was decided that the PSD2-regulated opening of payment accounts to third-party access should serve as a starting point for the Forum, to be followed in a second phase by a broader discussion on topics around open access and Open Banking that would benefit from being addressed collectively.





The OFoOB came together for its inaugural meeting in Brussels on 21<sup>st</sup> November 2016, attracting over 70 participants. At this first meeting, the forum mainly looked at infrastructural and processing requirements. It was agreed that in following meetings the forum should focus on the overall impact of Open Banking on the payments industry as well as on the evaluation of the collaborative field between banks and Fintechs.

In line with its terms of reference the OFoOB might at some point decide to publish common understanding and insight on certain topics and issues to the wider market. Such communication would be based on an endorsement by a majority among the participants and would list the names of forum participants endorsing the position.

**✚ FOR FURTHER REFERENCE:**

OFoOB meetings: Terms of Reference, agendas and presentations

<https://www.abe-eba.eu/thought-leadership/open-forum-on-open-banking/>

#### 1.1.4 OPEN FORUM ON PAN-EUROPEAN INSTANT PAYMENTS (FACILITATED BY THE EBA)

The Open Forum on Pan-European Instant Payments convened three times in 2016, on 3<sup>rd</sup> May (Frankfurt), 7<sup>th</sup> June (Milan) and 15<sup>th</sup> November (Frankfurt). In line with its aim to foster a practitioners' dialogue amongst payment service providers and users at a pan-European level on instant payment service requirements and other topics related to a successful end-to-end roll-out of real-time payment products, the forum continued to focus on topical discussions and open questions in the area of instant payments.

Key topics on the agenda of these meetings included progress reports on scheme preparations and potential adoption scenarios around Europe, presentations on research relating to consumer and merchant requirements around instant and/or faster payments as well as updates on real-time payment developments around the globe.

Each of the meetings welcomed between 70 and 100 attendees including a significant number of EBA member and associate member representatives as well as participants from other industry bodies and authorities.

**✚ FOR FURTHER REFERENCE:**

Instant payment forum meetings: agendas and presentations

<https://www.abe-eba.eu/thought-leadership/instant-payments/>

#### 1.1.5 SEPA MIGRATION ACTION ROUND TABLE (SMART) (FACILITATED BY THE EBA)

The EBA-facilitated SEPA Migration Action Round Table (SMART) continued to hold conference calls on a monthly basis until the end of 2016. The group kept track of new and existing SEPA issues and closely monitored preparations and follow-ups with regard to the SEPA migration end-dates for niche products on 1<sup>st</sup> February 2016 and for non-euro EU countries on 30<sup>th</sup> October 2016. SMART issued updated versions of its "Overview table on local practices, products and requirements in post-migration SEPA" in December 2016 and in March 2017. Via the EBA Secretariat, SMART will continue to collect and integrate into this table any updates that participants may pick up.

While there are no further calls planned and SMART was put into a dormant mode in late 2016, participants may continue to raise SEPA-related questions to the SMART community via the EBA Secretariat, which are handled on a case-by-case basis upon consultation with the SMART Chairman.

**✚ FOR FURTHER REFERENCE:**

Publication: Overview table on local practices, products and requirements in post-migration SEPA

[https://www.abe-eba.eu/downloads/knowledge-and-research/SMART\\_20170314\\_Local\\_Practices\\_Products\\_and\\_Requirements\\_in\\_Post\\_Migration.pdf](https://www.abe-eba.eu/downloads/knowledge-and-research/SMART_20170314_Local_Practices_Products_and_Requirements_in_Post_Migration.pdf)

#### 1.1.6 EBA TASK FORCE ON PSD2 KEY IMPACT AREAS AND PSD2 PRACTITIONERS' PANEL FOR ACCOUNT-SERVICING PAYMENT SERVICE PROVIDERS (AS-PSPS) OPERATING IN EUROPE (FACILITATED BY THE EBA)

The entry into force of the revised Payment Services Directive (PSD2) marked the beginning of another major changeover period for the European payments industry. In February 2016, the Euro Banking Association (EBA) created a task force of payment experts and legal specialists to support its members in identifying key areas of PSD2 impact that would benefit from being addressed or further discussed by payment practitioners at a pan-European level. A first set of findings by the task force was presented to the EBA membership at the Annual General Meeting in Milan on 6<sup>th</sup> June 2016.

In July/August 2016, this EBA Task Force on PSD2 Key Impact Areas conducted a survey among the EBA membership to validate the identified impact areas with a larger constituency and seek guidance on the Association's future engagement in the PSD2 context. A total of 45 EBA member institutions from 18 different EU countries responded to this survey.

Based on the feedback provided by the survey respondents and the work of the task force, the EBA issued a document in September 2016, which gave a snapshot of the key PSD2-related impact areas, practical issues and open questions for account-servicing payment service providers (AS-PSPs).





This document summarised the crucial areas of concern and open points for each impact topic. The report also provided examples of practical questions raised by the survey participants, to some of which the EBA task force had proposed answers based on a joint analysis and discussion.

The survey results confirmed that the EBA membership expects the PSD2 to have a significant impact on AS-PSPs both from a compliance and strategic perspective. At the time of the survey, – where the final text of the PSD2 had been published and the first regulatory technical standards (RTS) had been issued for consultation – the PSD2 interpretations by market players revealed a great number of open issues, in particular from a pan-European perspective. The survey further revealed that a large number of respondents were looking for a pan-European platform where they could collaborate on discussing and, where possible, solving these practical issues.

As supported by the results of the survey, where 88% of the respondents had indicated their interest in participating in a wider EBA-driven industry group on PSD2 issues, the EBA Board resolved in Q3 2016 to continue its work on PSD2-related matters through the creation of an Open Forum on Open Banking on the one hand and through the set-up of a PSD2 Practitioners' Panel on the other hand, which would continue the work of the task force with a broader participant base.

In November 2016, the EBA started the PSD2 Practitioners' Panel with the mission to accompany the PSD2 implementation

process and foster an exchange on practical implementation issues of collective relevance among representatives of AS-PSPs at a pan-European level. The Terms of Reference further stressed that the panel should focus on providing further clarity or explanations on open issues around key areas of impact of the PSD2 at the level of AS-PSPs and, where relevant and useful, define industry best practices addressing such open issues.

The PSD2 Panel held its first call on 29<sup>th</sup> November 2016 with two more calls following in December 2016. It started off by revisiting the open items identified by the survey and prioritised by the task force members with a view to adding further details to the descriptions and open questions around these topics.

#### FOR FURTHER REFERENCE:

Publication: PSD2-related impact areas, practical issues and open questions for account-servicing payment service providers (AS-PSPs):

[https://www.abe-eba.eu/epaper/PSD2\\_Impact\\_Paper/index.html](https://www.abe-eba.eu/epaper/PSD2_Impact_Paper/index.html)

PSD2 Practitioners' Panel Terms of Reference

<https://www.abe-eba.eu/thought-leadership/regulatory-guidance/>

### 1.1.7 EDUCATIONAL AND NETWORKING EVENTS

The EBA organises events that enable payment practitioners to broaden their understanding of the payments business and landscape and to directly interact with peers from payments-related organisations all across Europe. They also put the Association in a position to share and further evolve its thought leadership deliveries with its members and the wider industry.

In 2016, the EBA continued to deepen its footprint in the organisation of payments-related events. The association's flagship event, the conference and exhibition EBAday, took place in Milan, Italy with a 19-session program, a sold-out exhibition floor and a record number of 1,037 delegates. EBAday 2016's focus was reflected in its title: "A Brave New World for Payments". The agenda provided a wide variety of insights into payments innovation, new technologies, and customer needs. All the networking sessions received very positive feedback and were perceived as lively and informative.

As in previous years, the event ran over two full days. It was comprised of 14 parallel panel sessions as well as a challenge speech, a strategic viewpoint and a roundtable discussion. The exhibition featured 50 stands, 12 more than in the previous year. For the first time, the exhibition floor also included a Fintech pavilion, in which eight Fintech start-ups could present their business to the crowd. The EBA lounge, which was introduced in 2015, was again part of the exhibition floor, offering a gathering place to all EBA members.

As in previous years, the EBA organised two educational seminars, allowing members to come together, deepen their knowledge and

get fresh perspectives on industry topics that are high up on the agenda of payment professionals around Europe:

- ≡ a Summer School on APIs, blockchain and collaboration; and
- ≡ a Winter School on real-time payments.

In preparation of EBAday 2017, the EBA also organised five EBAday Business Fora in cooperation with EBA Associate Members. Participants invited to these breakfast sessions discuss selected topics from the EBAday conference programme with two to three keynote speakers opening the session.

### 1.1.8 INDUSTRY DIALOGUE CONTRIBUTION

The EBA represents its members with a country-neutral perspective and a practitioner's voice in its wider dialogue with major industry bodies and stakeholders by contributing to the shaping of the future payments landscape through its participation in the following European and global bodies and groupings:

#### EUROPEAN MULTI-STAKEHOLDER FORUM ON E-INVOICING (EMSFEI):

The EBA is a full member of the EMSFEI. The forum has been set up by the European Commission and brings together delegates from national e-invoicing fora and key stakeholders from the user side of the market. Its objective is to help pave the way for a broad-scale adoption of e-invoicing at both national and EU level. The forum creates a unique opportunity to exchange experiences and best practices across borders. Furthermore, the forum discusses issues of common interest, with the possibility to issue recommendations to the European Commission.





# 1.2 MARKETING AND COMMUNICATIONS

## 1.2.1 EBA WEBSITE

In the second half of 2016, the EBA started a project to equip its website, launched in 2015 based on a responsive design and with a revamped look, with the necessary technical basis and interfaces to key internal databases to support new or improved interactive functionality and password-protected content potentially accessible to different groups of visitors. The project is planned to be completed towards the end of 2017 and will result in the deactivation of the current password-protected web sections.

The EBA was also involved in the launch of a new career portal, which features open job positions at the EBA, EBA CLEARING and PRETA and offers an overview of the three entities as well as online application facilities to interested candidates.

**FOR FURTHER REFERENCE:**  
EBA, EBA CLEARING and PRETA career portal  
<https://ebaclearing-careers.silkroad.com/>

## 1.2.2 EXTERNAL CONFERENCES

At Sibos in Geneva, the Association organised a community session about “Payment strategies for the future”, which was very well attended and in which current trends in the payments market were discussed. The Association was also present at Sibos with a stand shared with EBA CLEARING.

As in previous years, the Euro Banking Association contributed to the programme and sponsoring of the Euro Finance Week’s payments conference in Frankfurt. The conference took place in November 2016 and was opened by EBA Chairman Wolfgang Ehrmann. The event addressed, among others, instant payments and related questions around market needs, the underlying technical infrastructure and new technologies, such as digital currencies.

Furthermore, the Association contributed updates on its different work streams and findings to a number of conferences and events throughout the year, including customer and industry meetings held by EBA Members and Associate Members.

## EUROPEAN PAYMENTS COUNCIL (EPC):

The purpose of the EPC, representing payment service providers (PSPs), is to support and promote European payments integration and development, notably the Single Euro Payments Area (SEPA). The EPC is committed to contributing to safe, reliable, efficient, convenient, economically balanced and sustainable payments, which meet the needs of payment service users and support the goals of competitiveness and innovation in an integrated European economy. The EBA is a member of the EPC and participates in several EPC working groups.

## ICC GLOBAL SUPPLY CHAIN (SCF) FORUM:

Together with the International Chamber of Commerce (ICC), the Bankers Association for Finance and Trade (BAFT), Factors Chain International (FCI), International Factors Group (IFG) and the International Trade and Forfeiting Association (ITFA), the EBA has worked on the promotion of a guide on standard definitions for techniques of supply chain finance. This initiative is a step towards the much-needed standardisation of the SCF industry.

## EURO RETAIL PAYMENTS BOARD (ERPB) WORKING GROUP ON PAYMENT INITIATION SERVICES (PIS):

The ERPB has, with the participation of relevant stakeholders, set up a working group to identify conditions for the development of an integrated, innovative and competitive market for payment initiation services in the EU. This group has the task to prepare a report for the June 2017 ERPB meeting, covering the technical, operational and business requirements needed for the provision of efficient and integrated PIS services. The working group shall particularly focus on technical requirements and those operational elements that may be more time critical (i.e. a PISP directory service).

## SEPA MIGRATION ACTION ROUND TABLE (SMART):

See earlier reference to SMART

## OPEN FORUM ON PAN-EUROPEAN INSTANT PAYMENTS:

See earlier reference to this forum

## OPEN FORUM ON OPEN BANKING:

See earlier reference to this forum



# 1.3 CHANGES IN THE BOARD OF THE ASSOCIATION

During the Annual General Meeting (AGM) on 6<sup>th</sup> June 2016, the Chairman, Deputy Chairman and three Board members were re-elected for a three-year term of office as follows:

Wolfgang Ehrmann	Chairman	Landesbank Hessen-Thüringen (Helaba)
Vincent Brennan	Deputy Chairman	Bank of Ireland
Henrik Bergman		Skandinaviska Enskilda Banken
Gerald Hechl		Raiffeisen Bank International
Jürgen Wendt		DZ BANK

Since the Annual General Meeting on 6<sup>th</sup> June 2016, the following changes have occurred:

Further to the termination of the appointment of Jan Paul van Pul as regular permanent representative of ABN AMRO Bank with effect as from 31<sup>st</sup> May 2016 and the resulting automatic resignation from his position as Board member of the Euro Banking Association, and further to a correspondence vote called on 6<sup>th</sup> September 2016, the Board appointed Gijs Schreuder, ABN AMRO Bank, as EBA Board member for the remaining term of office of Jan Paul van Pul, i.e. until the end of the Ordinary General Meeting deciding on the accounts of the financial year ending on 31<sup>st</sup> December 2017.

- Further to the termination of the appointment of Javier Santamaría as regular permanent representative of Banco Santander with effect as from 5<sup>th</sup> December 2016 and the resulting automatic resignation from his position as Board member of the Euro Banking Association, and further to a correspondence vote called on 19<sup>th</sup> December 2016, the Board appointed Fernando Lardiés, Grupo Santander, as EBA Board member for the remaining term of office of Javier Santamaría, i.e. until the end of the Ordinary General Meeting deciding on the accounts of the financial year ending on 31<sup>st</sup> December 2017.
- Further to Sergio Ammassari's resignation from his position as EBA Board member as of 2<sup>nd</sup> May 2017, and further to a correspondence vote called on 5<sup>th</sup> May 2017, the Board appointed Claudio Magnaghi, Banco BPM SpA, as EBA Board member for the remaining term of office of Sergio Ammassari, i.e. until the end of the Ordinary General Meeting deciding on the accounts of the financial year ending on 31<sup>st</sup> December 2017.



Accordingly, since 15<sup>th</sup> May 2017 the Board has been composed of the following persons:

CHAIRMAN:		End of mandate
Wolfgang Ehrmann	Landesbank Hessen-Thüringen (Helaba)	AGM 2019
DEPUTY CHAIRMAN:		
Vincent Brennan	Bank of Ireland	AGM 2019
OTHER BOARD MEMBERS		
Nicola Coyne	Barclays Bank	AGM 2017
Frank Hubloue	Belfius Bank	AGM 2017
Thomas Kraft	BNP Paribas	AGM 2017
Claus Richter	Nordea Bank	AGM 2017
Serge Wagener	Banque et Caisse d'Epargne de l'Etat	AGM 2017
Fernando Lardiés	Banco Santander	AGM 2018
Claudio Magnaghi	Banco BPM	AGM 2018
Gijs Schreuder	ABN AMRO Bank	AGM 2018
José Vicente	Banco Comercial Português	AGM 2018
Ruth Wandhöfer	Citibank	AGM 2018
Henrik Bergman	Skandinaviska Enskilda Banken	AGM 2019
Gerald Hechl	Raiffeisen Bank International	AGM 2019
Jürgen Wendt	DZ BANK	AGM 2019



## BOARD OF THE EURO BANKING ASSOCIATION



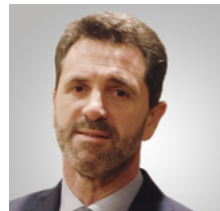
**Wolfgang Ehrmann**  
Chairman  
LANDESBANK HESSEN-  
THÜRINGEN  
Appointed on 06/06/2016  
End of mandate: AGM 2019



**Vincent Brennan**  
Deputy Chairman  
BANK OF IRELAND  
Appointed on 06/06/2016  
End of mandate: AGM 2019



**Sergio Ammassari**  
BNL  
Appointed on 11/05/2015  
End of mandate: 02/05/2017



**Claudio Magnaghi**  
BANCO BPM  
Appointed on 09/05/2017  
End of mandate: AGM 2018



**Henrik Bergman**  
SEB  
Appointed on 06/06/2016  
End of mandate: AGM 2019



**Nicola Coyne**  
BARCLAYS BANK  
Appointed on 25/01/2016  
End of mandate: AGM 2017



**Gerald Hechl**  
RAIFFEISEN BANK  
INTERNATIONAL  
Appointed on 06/06/2016  
End of mandate: AGM 2019



**Frank Hubloue**  
BELFIUS BANK  
Appointed on 28/01/2015  
End of mandate: AGM 2017



**Thomas Kraft**  
BNP PARIBAS  
Appointed on 12/06/2014  
End of mandate: AGM 2017



**Claus Richter**  
NORDEA  
Appointed on 25/01/2016  
End of mandate: AGM 2017



**Javier Santamaría**  
BANCO SANTANDER  
Appointed on 11/05/2015  
End of mandate: 05/12/2016



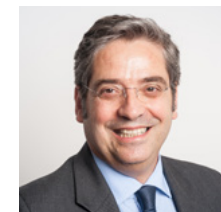
**Fernando Lardiés**  
BANCO SANTANDER  
Appointed on 27/12/2016  
End of mandate: AGM 2018



**Jan Paul van Pul**  
ABN AMRO  
Appointed on 11/05/2015  
End of mandate: 31/05/2016



**Gijs Schreuder**  
ABN AMRO  
Appointed on 12/09/2016  
End of mandate: AGM 2018



**José Vicente**  
BANCO COMERCIAL  
PORTUGUÊS  
Appointed on 27/12/2016  
End of mandate: AGM 2018



**Serge Wagener**  
BANQUE ET CAISSE  
D'EPARGNE DE L'ETAT  
Appointed on 27/12/2016  
End of mandate: AGM 2018



**Ruth Wandhöfer**  
CITIBANK  
Appointed on 27/12/2016  
End of mandate: AGM 2018



**Jürgen Wendt**  
DZ BANK  
Appointed on 27/12/2016  
End of mandate: AGM 2018



## 1.4 CHANGES IN EBA MEMBERSHIP

The Chairman thanks those Board members whose mandate will terminate at the end of the present Annual General Meeting.

In 2016, the Board met on:

- ≡ 4<sup>th</sup> February
- ≡ 31<sup>st</sup> March
- ≡ 28<sup>th</sup> April
- ≡ 12<sup>th</sup> May
- ≡ 7<sup>th</sup> July
- ≡ 13<sup>th</sup> October
- ≡ 7<sup>th</sup> November
- ≡ 1<sup>st</sup> December

Since 1<sup>st</sup> January 2017, the Board has met on:

- ≡ 13<sup>th</sup> February
- ≡ 4<sup>th</sup> May
- ≡ 1<sup>st</sup> June

Since the last AGM on 6<sup>th</sup> June 2016 until 5<sup>th</sup> May 2017, three Full Members have withdrawn from the Euro Banking Association, one User Member has joined the Association, seven user members have withdrawn and the number of Associate Members has slightly increased.

## 1.5 OUTLOOK FOR 2017+

In the face of the increasing amount of changes impacting the traditional and well-known payments environment at an accelerating pace, an open and broad exchange of views, experience and industry strategy considerations between practitioners from banks, technology suppliers and other stakeholders represents a source of helpful guidance.

The agenda for this exchange within and beyond the EBA community as well as for the knowledge & research activities and the events programme the EBA is taking forward is set by the members of the Association.

In line with the value proposition for 2017, which was submitted to the EBA members on 1<sup>st</sup> March 2017 together with the budget vote for 2017 and subsequently endorsed by the EBA Full Members, the EBA is pursuing work streams related to the following:

1. Open Banking and access to the account (XS2A): strategic impact on market players, co-operation needs and models, benefits for customers;
2. Cryptotechnologies: evaluation of implementation scenarios in international payments and the exploration of security issues in the use of the technology;
3. Instant payments: fostering of a practitioners' and stakeholder exchange geared at supporting the roll-out of real-time payments at a pan-European level and understanding related (collaborative) needs;
4. PSD2 compliance: description of relevant implications and open questions around the implementation of PSD2 compliance requirements, including the provision of guidance if/where needed;
5. Cyber security, data science/enhanced analytics and identity management: integration of these new key topics into the existing EBA work streams;
6. The organisation of pan-European educational and networking events;
7. The contribution to industry dialogue activities.

### ➤ FOR FURTHER REFERENCE:

Value proposition for 2017

[https://www.abe-eba.eu/downloads/knowledge-and-research/EBA\\_20170227\\_EBA\\_Value\\_Proposition\\_for\\_Membership.pdf](https://www.abe-eba.eu/downloads/knowledge-and-research/EBA_20170227_EBA_Value_Proposition_for_Membership.pdf)

### 1.5.1 OPEN BANKING WORKING GROUP

Driven by technology and customer needs and accelerated by PSD2 XS2A, Open API and Open Banking are becoming a strategic consideration in our industry today. As a follow-up on its 2016 activities, the Open Banking Working Group (OBWG) is to continue its exploration of the business implications and opportunities of Open Banking for AS-PSPs.

The activities of the OBWG are to be positioned in relation to the activities of the PSD2 Practitioners' Panel facilitated by the EBA and the Association's research activities around the Open Forum on Open Banking. In 2017, the OBWG plans to focus on:

- Developing support materials (slidesets, video material) to aid local communication and conduct additional webinars in order to create further awareness of the Open API and Open Banking information papers and facilitate continued monitoring of industry initiatives;
- Analysing business implications and opportunities of the regulatory technical standards introduced in relation to the PSD2;
- Examining the corporate perspective of Open Banking by looking at how digital payments can fuel data-driven business models and propositions for the corporate customer segment.

In April 2017, the OBWG issued a thought leadership paper focussing on how Open Banking may increase customer choice and data control: "Open Banking: advancing customer centricity". The paper explains why the notion of customer-centricity is central to

the concept of Open Banking and how Open Banking offers to banks the possibility to increase both private and business customer relevance in the digital era.

#### + FOR FURTHER REFERENCE:

Publication: Open Banking: advancing customer centricity

[https://www.abe-eba.eu/downloads/knowledge-and-research/EBA\\_Open\\_Banking\\_advancing\\_customer-centricity\\_March\\_2017.pdf](https://www.abe-eba.eu/downloads/knowledge-and-research/EBA_Open_Banking_advancing_customer-centricity_March_2017.pdf)

### 1.5.2 EBA CRYPTOTECHNOLOGIES WORKING GROUP

As a follow-up on its activities in 2016, the Cryptotechnologies Working Group (CWG) has continued to explore the issues at stake in international payments and to assess how cryptotechnologies could be of benefit in this area. To this effect, an information paper with the title "Cryptotechnologies in International Payments" has been published in May 2017.

The group will also cover topics related to identity and regulatory compliance as it plans to explore practical use cases of how distributed ledger technology can improve or enable identity checks and regulatory compliance, identifying related opportunities and risks, including in the area of cyber security.

#### + FOR FURTHER REFERENCE:

Publication: Cryptotechnologies in international payments

<https://www.abe-eba.eu/downloads/thought-leadership/EBA-Cryptotechnologies-in-international-payments-March-2017.pdf>



### 1.5.3 OPEN FORUM ON OPEN BANKING

As originally intended, following the discussion of the PSD2-regulated access to payment accounts, the Open Forum will further broaden its remit to open banking considerations at large and discuss practical implications in the area of payments and beyond.

An update meeting – taking into consideration the international aspects around Open Banking in particular – will be held at the occasion of EBAday 2017.

### 1.5.4 OPEN FORUM ON PAN-EUROPEAN INSTANT PAYMENTS

In line with its mission, the Open Forum on Pan-European Instant Payments will continue to provide practitioners and stakeholders involved in the wider European instant payment project with a comprehensive update on the progress of this journey towards the launch of the SCT Inst Scheme in November 2017.

The forum will further offer a platform to these different parties to engage in an exchange on open points to be tackled and collaborative measures to be taken to support a speedy ramp-up of this new payment era and pave the way for its success.

A first meeting of the forum in 2017 was held in Frankfurt on 9<sup>th</sup> May. It focused on the latest developments concerning the creation of instant payment infrastructure systems across Europe and included a testimony from a frontrunner bank in the roll-out of instant payment products.



### 1.5.5 PSD2 PRACTITIONERS' PANEL

The PSD2 Practitioners' Panel will continue to look into open questions that are of relevance to AS-PSPs in their implementation of PSD2 and the related regulatory technical standards and guidelines by the European Banking Authority. Representatives of up to 40 AS-PSPs from around 15 countries have been convening in the monthly calls of the group and have mainly concentrated on discussing open issues or diverging interpretations around the following topics:

- ≡ XS2A requirements (incl. identification and information needs) and related timelines;
- ≡ Scope of payment services, with a particular focus on questions around sensitive payment data;
- ≡ The development, operation and maintenance of the European Banking Authority's central repository listing third party providers;
- ≡ Liability rules and considerations for different parties;
- ≡ Discussion of open questions around value dating requirements and availability of funds at beneficiary AS-PSP level;
- ≡ Discussion of open questions around charging option usage and full amount principle.

The panel participants have also delivered an overview of PSD2-related market initiatives with a pan-European scope, which is available on the EBA website and are working on an overview of the PSD2-related national transposition projects to reflect the status of PSD2 implementation in the EU/EEA Member States.

#### ✚ FOR FURTHER REFERENCE:

Publication: Overview of PSD2-related market initiatives with a pan-European scope

[https://www.abe-eba.eu/downloads/thought-leadership/PSD2\\_Panel\\_20170131\\_Overview\\_of\\_PSD2-related\\_market\\_initiatives\\_v1\\_0.pdf](https://www.abe-eba.eu/downloads/thought-leadership/PSD2_Panel_20170131_Overview_of_PSD2-related_market_initiatives_v1_0.pdf)

### 1.5.6 EDUCATIONAL AND NETWORKING EVENTS

EBAday 2017 will cover the topic "The Age of Discovery – Towards Full Payments Digitalisation". The event will feature a more diverse fintech area, where start-ups can present their latest products or innovations. The major emphasis of the EBAday Business Fora organised in the run-up to EBAday will be placed on PSD2, open banking and digitalisation, while the EBA Summer and Winter Schools are planned to focus on open banking and real-time payment topics, respectively. A Corporate Liquidity Management Seminar is also set to take place in 2017.

### 1.5.7 INDUSTRY DIALOGUE CONTRIBUTION

As in previous years, the EBA will also continue to contribute to the overall industry dialogue through its participation in industry bodies and initiatives. In 2017, the EBA will also represent its membership in the ad-hoc EPC Task Force on e-invoicing related payment issues.

### 1.5.8 OTHER

The EBA will share a stand with EBA CLEARING at the Sibos exhibition in Toronto and plans to contribute a community session to the conference programme.

### 1.5.9 MEMBERSHIP

As at 5<sup>th</sup> May 2017, the total number of members was the following:

- ≡ Full Members: 62
- ≡ User Members: 59
- ≡ Associate Members: 51



## 2. FINANCIAL SITUATION, P&L STATEMENT AS AT 31<sup>ST</sup> DECEMBER 2016

The Association ended the fiscal year 2016 with a net positive result of EUR 40,630, a difference of EUR 175,785 compared to 2015 where the Association recorded a negative result of EUR 135,155. This positive development in 2016 is largely attributed to additional revenues, but also to lower costs incurred by the Association.

### 2.1 OVERALL EXPENSES INCURRED IN 2016

The expenses of the Association amounted to EUR 1,714,426 in 2016 compared to EUR 1,808,301 in 2015, which represents a year-on-year reduction of 5% of the total level of expenses.

The reduction of expenses is ascribed to a reduction in the Association's operating expenses affecting, principally, the General and Administrative expenses, including travel expenses and consultancies. The expenses under this item were also lower in 2016 because they had been increased by one or the other one-off event in 2015, such as the 30<sup>th</sup> anniversary of the Association and the search for a new Secretary General.

#### 2.1.1 EBA SUPPORT ACTIVITIES

The expenses related to the activities led by the Association for its members are at the same level on a year-on-year basis, i.e. EUR 318,518 in 2016 compared to EUR 320,173 in 2015.

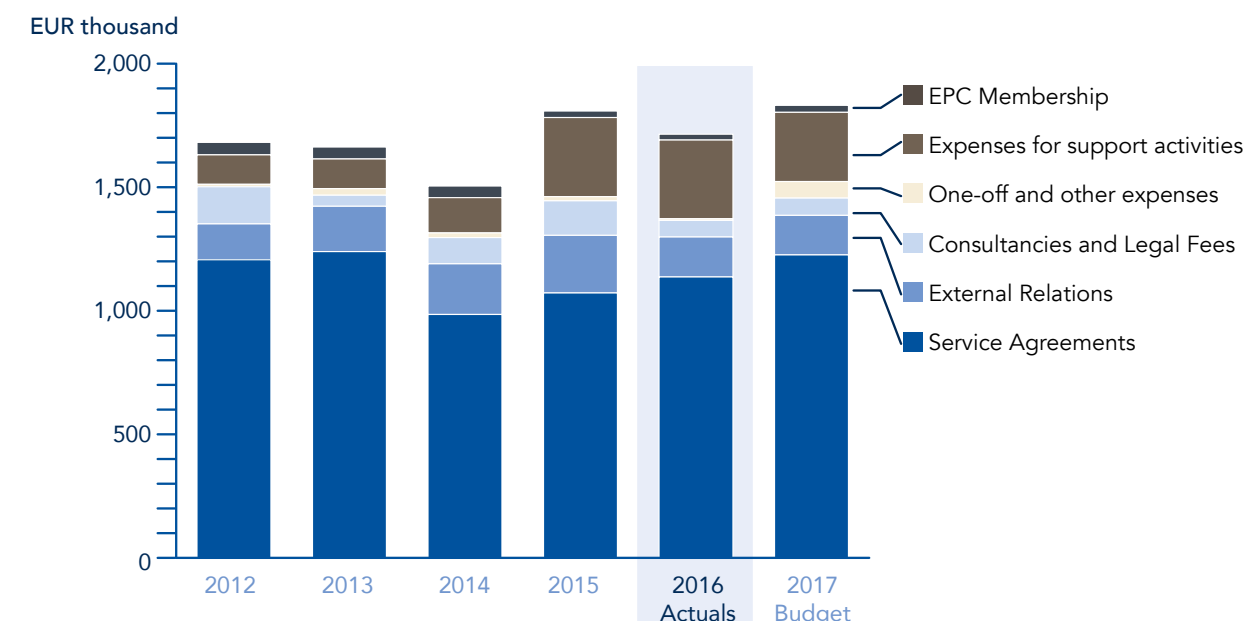
The activities organised by the Association are namely its participation in SIBOS, the different working groups and the two Open Fora.

The amount spent on support activities in 2016 was mainly dedicated to the preparation of working group papers as well as the hosting of the Open Fora.

#### 2.1.2 GENERAL AND ADMINISTRATIVE EXPENSES

This item contains the HR administrative and support expenses, the rent of premises and office space, generic expenses for external relations and consultancies and any legal fees that are not related to specific activities carried out by the Association for its members.

The level of these expenses decreased by 6% on a year-on-year basis, from EUR 1,461,849 in 2015 to EUR 1,372,418 in 2016. This is in line with the Association's continuous efforts to closely manage and monitor the level of expenses for external relations, which resulted in a 31% decline of expenses in that area compared to 2015. A substantial reduction in the consultancies and legal fees item has been observed in 2016 compared to 2015 where one-off fees were incurred for consultancy services procured for the search for a new secretary general.



### 2.2 REVENUES IN 2016

The total revenues of the Association amounted to EUR 1,755,056 in 2016, which represents a 5% increase from 2015, where the revenues stood at the level of EUR 1,641,839. This positive evolution was caused by an increase in revenues related to the membership fees and non-membership revenues.

#### 2.2.1 MEMBERSHIP REVENUES

Membership revenues saw a 3% increase from EUR 1,439,500 to EUR 1,485,500 compared to 2015. While the membership fees did not change from 2015 to 2016, the Association benefitted in 2016 from one-off fees related to the entrance of new users and associate members for a total amount of EUR 46,000.

#### 2.2.2 NON-MEMBERSHIP REVENUES

This category includes the self-sustained activities of the Association, i.e. EBAday and the educational activities organised by the Association for its members. These activities generated a positive margin providing the Association with extra income in addition to the recurring membership fees.

The positive margin generated by these events was higher by EUR 67,217 compared to 2015, underlining the attractiveness of these activities for the members of the Association as well as external audiences.





## 2.3 INCOME TAX AND RESULTS FOR 2016

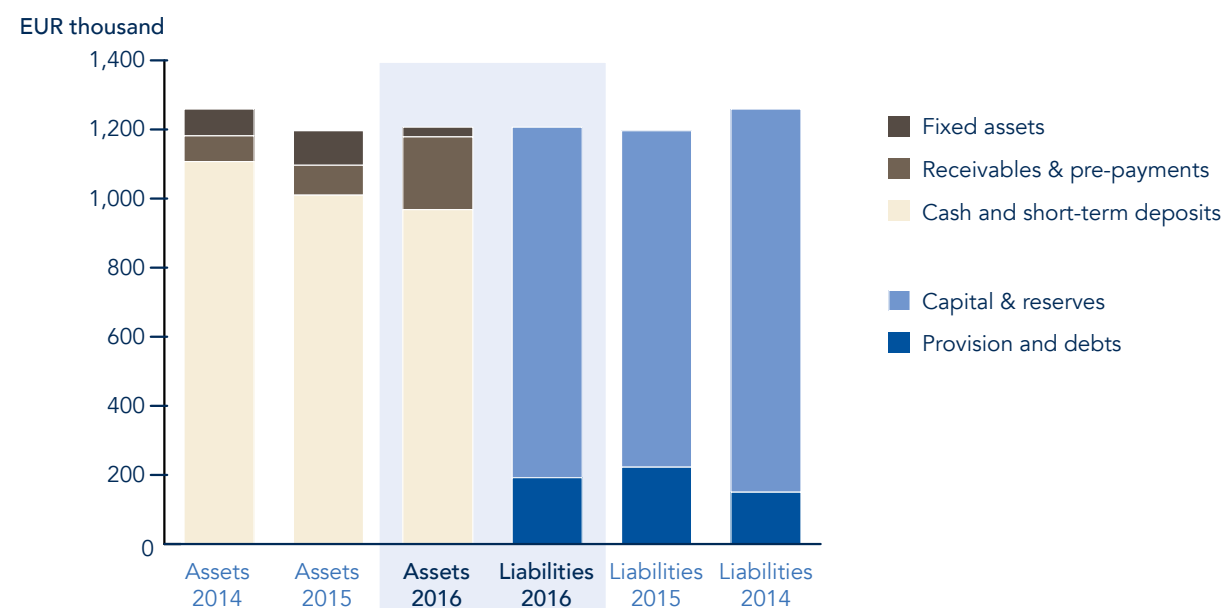
For the year 2016, the total expenses stood at EUR 1,714,426 and the total revenues stood at EUR 1,755,056, leading to a net result before tax of EUR 40,630.

The Association is still benefitting from a tax credit following the 2015 shortfall. This tax credit completely offset the income tax due by the Association for 2016; as a result, the net result after tax is equal to the net result before tax and stands at the level of EUR 40,630.

### 2.3.1 BALANCE SHEET AND CASH POSITION

The balance sheet of the Association showed a stable patrimonial value of EUR 1,206,613 for 2016, constituted mainly of current assets at EUR 1,178,500, including a cash position of EUR 967,904.

On the liabilities side, the equity position of the Association is at the level of EUR 1,014,497; the remaining position of EUR 192,115 is mainly composed of fiscal and social debt.



## 2.4 EBA BUDGET FOR 2017

For the year 2017, the budget provides the Association with a conservative revenue stream and reasonable expenditure estimates posting a deficit for the 2017 financial year of EUR 164,785.

It is expected that the 2017 income will decrease by 5% to EUR 1,666,500 and expenses will rise by 7% compared to the 2016 actuals at EUR 1,831,285.

The 2017 budget is based on the following assumptions:

### 2.4.1 EBA OPERATING CHARGES

The general and administrative expenses are expected to increase from EUR 1,372,418 in 2016 to EUR 1,523,000 in 2017.

The main drivers of this increase are the one-off

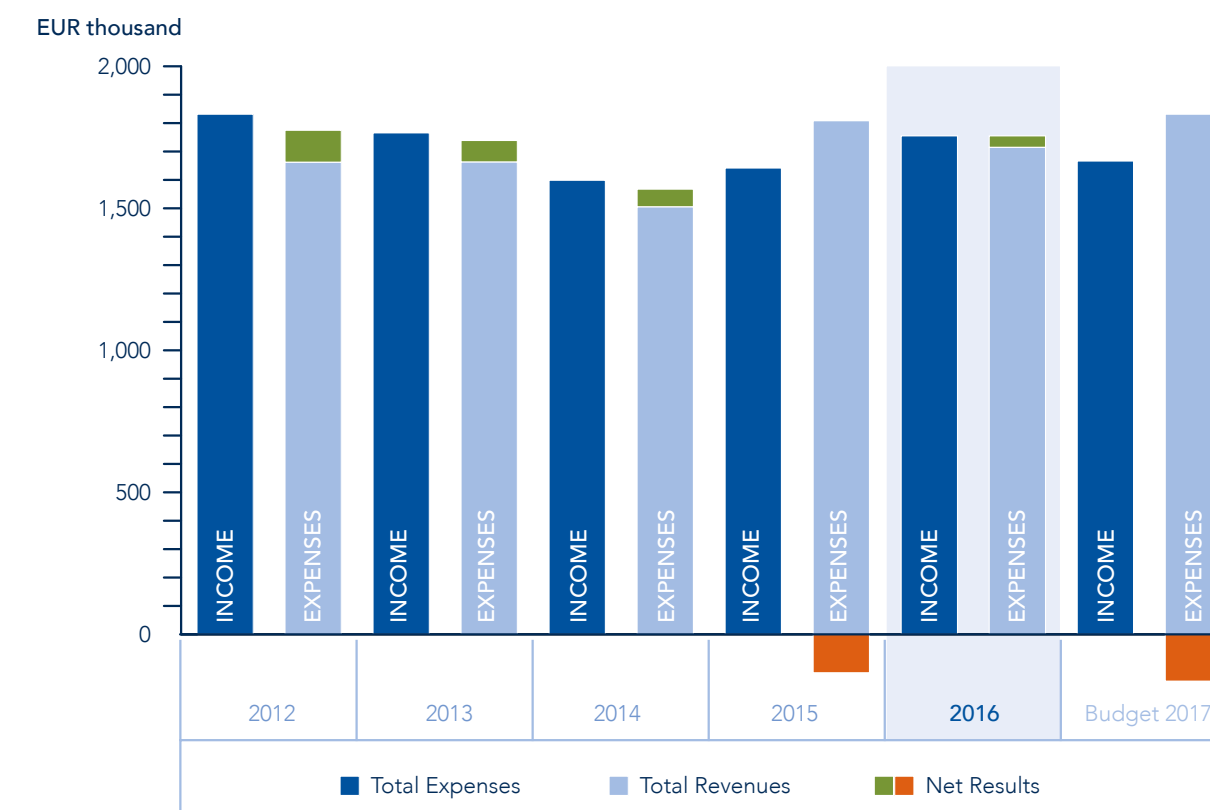
fees budgeted for the review of the governance and membership of the Association and the reinforcement of human resources related to administrative support and coordination functions of the Association translated by an increase in the HR, administrative and support service item.

Expenses resulting from the service agreements for administrative and support services and for premises and office space are totalling EUR 1,226,000 compared to the 2016 actuals of EUR 1,136,782.

### 2.4.2 EBA ACTIVITIES AND PROJECTS

This budget item covers the different activity streams that will be carried out by the Association in 2017, namely SIBOS, working groups as well as industry and fora activities. These budget lines will cover all expenses in connection with these events.

The estimated amount of the 2017 activities is expected to reach EUR 280,000. The





expenditure foreseen for 2017 covers the following activities:

- ≡ SIBOS: costs for participation as well as costs incurred for renting, setting up and running the stand, which is shared with EBA CLEARING;
- ≡ Working Group activities: the main costs are related to the printing and distribution of working group documents, specific consultancy services to support expert group meetings, to help develop publications and to facilitate workshops and materials;
- ≡ Participation in industry and fora activities: the aim of these activities is to give a concrete reading on the key issues that today raise the interest of EBA Members and stakeholders in the payments industry. The expenses are mainly related to venue-related and other logistics costs.

## 2.5 PROJECTED REVENUES FOR 2017

The 2017 budget revenues foresee an amount of EUR 1,666,500 representing a decrease by EUR 88,556, i.e. 5% less than the 2016 actuals. This mainly results from a decrease in the collected membership fees, whereas the non-membership revenues are cautiously estimated at approximately the same level as last year.

### 2.5.1 MEMBERSHIP REVENUES

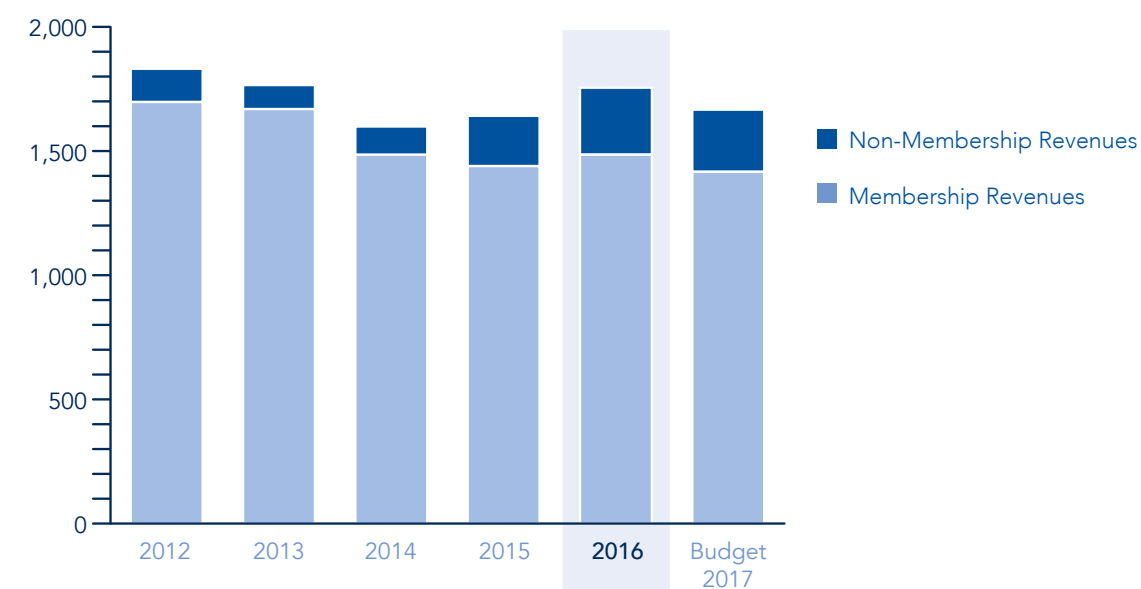
In 2017, it is expected that the Association will collect lower membership fees than in 2016, corresponding to a difference in revenues of EUR 69,000 compared to the 2016 actuals of EUR 1,485,500.

This expected reduction in membership revenues is due to a consolidation-related reduction in the number of full members and user members; this loss of participants is expected to be partially compensated by the arrival of additional associate members providing additional membership and entrance fees.

### 2.5.2 NON-MEMBERSHIP REVENUES

The net revenues related to the organisation of the EBA educational activities and EBAday is estimated to reach the same level as the 2016 actuals; the additional net revenues generated by these events are estimated conservatively at EUR 250,000.

EUR thousand



# EBA FINANCIALS 2016-2017

## P&L STATEMENT - REVENUES

Amounts in Euro thousands	2016			2017	
	Budget 2016	Actuals	Vs. Budget	Budget	Vs. 2016 actuals
<b>Membership</b>	<b>1,383</b>	<b>1,486</b>	<b>7%</b>	<b>1,417</b>	<b>-5%</b>
<i>* 2016 Budget - 2016 actuals - 2017 Budget</i>					
Membership Fees	1,383	1,440	4%	1,394	-3%
Full members @ 17,500 € 62 - 65 - 61*	1,085	1,138	5%	1,068	-6%
User members @ 1,000 € 73 - 67 - 61*	73	67	-8%	61	-9%
Associate members @ 5,000 € 45 - 47 - 53*	225	235	4%	265	13%
Entrance Fees	0	46	-	23	-50%
Full members @ 1,000 € 0 - 0 - 1*	0	0	-	1	-
User members @ 1,000 € 0 - 1 - 2*	0	1	-	2	100%
Associate members @ 5,000 € 0 - 9 - 4*	0	45	-	20	-56%
<b>Non-Membership Revenues</b>	<b>240</b>	<b>270</b>	<b>12%</b>	<b>250</b>	<b>-7%</b>
Educational activities (Summer & Winter School)	50	77	55%	50	-35%
EBAday (EBAday Business Forum + EBAday)	190	192	1%	200	4%
<b>Total Revenues</b>	<b>1,623</b>	<b>1,755</b>	<b>8%</b>	<b>1,667</b>	<b>-5%</b>

## P&L STATEMENT - CHARGES

Amounts in Euro thousands	2016			2017	
	Budget 2016	Actuals	Vs. Budget	Budget	Vs. 2016 actuals
<b>1 - General and administrative expenses</b>	<b>1,333</b>	<b>1,372</b>	<b>3%</b>	<b>1,523</b>	<b>11%</b>
HR, administrative and support services	919	1,030	12%	1,171	14%
Premises and office space	107	107	0%	55	-49%
External Relations	200	162	-19%	160	-1%
Promotion	130	61	-53%	60	-1%
Meetings & Travel	70	101	44%	100	-1%
Consultancies and Legal Fees	70	67	-4%	70	4%
Legal Fees and other consultancies	60	57	-5%	60	5%
Fees for Financial auditors	10	10	0%	10	0%
EBA Governance and membership review	25	0	-100%	50	-
Financial charges & revenues (Net) (-)	-7	-1	-82%	2	-272%
Other Expenses (Taxes, shipments, mobiles )	18	8	-56%	15	90%
<b>2 - Expenses for support activities</b>	<b>245</b>	<b>319</b>	<b>30%</b>	<b>280</b>	<b>-12%</b>
SIBOS	0	123	-	115	-6%
Working groups	245	168	-31%	105	-38%
Industry and Fora activities (Open forum)	0	28	-	50	82%
Other events	0	0	-	10	-
Membership (EPC)	28	23	-17%	28	20%
<b>Total Charges</b>	<b>1,606</b>	<b>1,714</b>	<b>7%</b>	<b>1,831</b>	<b>7%</b>

# P&L STATEMENT - SUMMARY

Amounts in Euro thousands	2016			2017	
	Budget 2016	Actuals	Vs. Budget	Budget	Vs. 2016 actuals
Revenues	1,623	1,755	8%	1,667	-5%
Incl. EBAday	190	192	1%	200	4%
Expenses	1,606	1,714	7%	1,831	7%
<b>Operating Profit</b>	<b>17</b>	<b>41</b>	<b>136%</b>	<b>-165</b>	<b>-506%</b>
Income tax	6		-100%	0	-
<b>Net Results</b>	<b>11</b>	<b>41</b>	<b>254%</b>	<b>-165</b>	<b>-506%</b>
2015 Earnings carried forward	974				
2016 Earnings carried forward	985	1,014			
2017 Potential Earnings carried forward				850	

# APPENDIX 1

## ACCOUNTS AS OF 31<sup>ST</sup> DECEMBER 2016

The accounts as of 31<sup>st</sup> December 2016 are attached separately.





# APPENDIX 2

## LIST OF EBA FULL MEMBERS

(as of 5<sup>th</sup> May 2017)

ABN AMRO BANK	DEUTSCHE BANK AG
ALLIED IRISH BANKS	DEUTSCHE POSTBANK AG
ALPHA BANK	DNB BANK ASA
BANCA MONTE DEI PASCHI DI SIENA	DZ BANK AG
BANCA NAZIONALE DEL LAVORO	ERSTE GROUP BANK AG
BANCO BILBAO VIZCAYA ARGENTARIA	EUROBANK ERGASIAS SA
BANCO BPM SPA	HBSC BANK PLC
BANCO COMERCIAL PORTUGUES	HSBC FRANCE
BANCO DE SABADELL SA	ING BANK NV
BANCO POPULAR ESPANOL	INTESA SANPAOLO SPA
BANCO SANTANDER	JPMORGAN CHASE BANK NA
BANK OF AMERICA	KBC BANK NV
BANK OF CHINA	LANDESBANK BADEN-WÜRTTEMBERG
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BANQUE ET CAISSE D'EPARGNE DE L'ETAT, LUXEMBOURG	NATIONAL BANK OF GREECE SA
BANQUE FEDERATIVE DU CREDIT MUTUEL	NORDEA BANK AB (PUBL) FINNISH BRANCH
BANQUE INTERNATIONALE A LUXEMBOURG SA	NOVO BANCO S.A.
BARCLAYS BANK	OP CORPORATE BANK PLC
BELFIUS BANK SA/NV	OTP BANK PLC
BNP PARIBAS	RABOBANK NEDERLAND
BNP PARIBAS FORTIS	RAIFFEISEN BANK INTERNATIONAL AG
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(as of 5<sup>th</sup> May 2017)

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