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The critical connections of a changing financial landscape

Regulatory, technical and interoperable initiatives have brought Europe at the forefront of financial innovation. But are the traditional industry players about to be replaced by new ones? Or is the success and innovation dependent on players leveraging the existing payments infrastructure?

A new white paper from the technical cooperation forum of the European Automated Clearing Houses, EACHA, focuses on the challenges and opportunities of Automated Clearing Houses in an established European financial market willing and able to embrace the changes of a rapidly evolving payments landscape.

As part of a rapidly changing global financial landscape, radical changes in Europe – most notably the regulatory push administered by the PSD2 framework – have gradually disrupted the dynamics of the financial ecosystem and opened the existing financial infrastructure to a large number of established and emerging players from different industries.

The new competition includes fintech startups who aim to fill the gaps currently not served by the incumbents as well as big technology corporations who wish to expand their platforms through the addition of financial services.

In the new white paper, EACHA argues that local Clearing and Settlement Mechanisms (CSMs) are ideally positioned to facilitate the critical connections between local financial players and global transaction systems as well as between global service providers and local payment networks and players.

“The European payments market is supported by a multi-CSM infrastructure offering the services required at local level, in Euro and Non-Euro currencies, and cooperate in defining interoperability standards for supporting the wider SEPA market. This has allowed for innovation as well as effective collaboration and rapid expansion of new services. Europe is not ready for a ‘one-size-fits-all’ model and the EACHA members are key to the delivery of the single market” says José Beltrán, President of EACHA and continues:

“In an ever-changing payments industry, we rely not only on the technological advancements like the introduction of real-time payment systems but also on the ability to understand and engage local communities and accommodate local needs. With this in mind, EACHA’s members stand ready to support the changing landscape with new players and to build new collaborative solutions in the European payments industry.”

You can download and read the white paper [here](#).

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