

SEPA (Single Euro Payments Area)

- SEPA for importers

SEPA is a key initiative that has simplified payments and collections across SEPA by introducing a series of common standards and rules. By sending invoices in EURO's you can take advantage of some of the benefits SEPA provides:

- SEPA Credit Transfers will reach your supplier after only one business day.
- SEPA payments guarantee that the entire amount reaches the receiver's bank, without deduction of fees.
- SEPA payments ensure that the remittance information you include can be seen in full by the supplier.

SEPA Payments are easy

As a customer in Danske Bank it is easy to make a SEPA Credit transfer. We will automatically execute the payment as a SEPA Credit Transfer if you enter the following information in a standard payment instruction and the payment is in EURO's and to a Bank that is SEPA compliant:

- The beneficiary's IBAN and BIC
- Costs are Shared (SHA) i.e. that you pay Danske bank costs and the beneficiary pays their own bank costs.

Pay in euro

If you do not pay suppliers in EURO's currently, you may want to consider changing the terms with your supplier as only payments in euro can become SEPA payments. You will then be able to use SEPA payments and to utilize the advantages that SEPA can provide you with.

One account for everything

If you have previously established accounts with foreign banks to reduce costs and/optimize payment execution you should investigate whether this solution still works to your advantage. As SEPA mandates that payments must be settled under the same conditions as local payments there will often be advantages to initiating all payments directly from one account with Danske Bank.

Not just cross-border payments

SEPA payments will not just replace cross-border payments. The EU has mandated that all domestic payments in euro made in euro countries must be executed as SEPA payments no later than February 2014.

Using Direct Debit

If you have recurring suppliers, it may be worth considering paying them via SEPA Direct Debit. With SEPA Direct Debit the supplier draws the

amount directly from your account on the due date.

One format in Europe

SEPA payments can be ordered in the new international standard format - ISO20022. This format can be used in all banks in Europe and replaces existing formats. From February 2014 this format is the only format you can order euro payments through.

SEPA extend information

In SEPA payments you can insert new information which makes it easier for you and your suppliers. In Danske Bank you can use the opportunity in the new ISO20022 formats.

Supplier's reference - Makes it easier for the supplier to do the reconciliation of your payment.

Pay on behalf of - makes it possible to insert who the payment is on behalf of. It can be an advantage if the payment is done via a payment factory.

More information

Please contact us if you would like to discuss how you can get the most out of SEPA.