

SEPA

A reference guide

The logo for SEB (Swedish European Bank) is displayed in white text on a green rectangular background.

The Boundaries of SEPA-land

The SEPA “geography” is generally defined as euro payments within the EU/EEA countries plus Switzerland and Monaco. However, in reality this is only a good approximation. In practice, the finer details of the map are slightly more complicated. This is due to several different factors such as trade agreements and overseas territories. It should also be noted that there is a slight difference between SEPA defined by EU legislation and SEPA defined by the banking community through the European Payments Council (EPC).

EU and EEA

The SEPA initiative is supported by EU-wide legislation, e.g. the Payment Services Directive. This legislation applies to all 27 member states. EU legislation also applies in the European Economic Area (EEA), consisting of the EU27 states plus Norway, Iceland and Lichtenstein.

Switzerland and Monaco are included in SEPA, but on a commercial rather than a legal basis, i.e. banks in these countries have agreed to follow business rules for SEPA but are not formally bound by EU legislation.

Outermost Regions & Overseas Countries and Territories

Some EU member states also have territories outside their country’s main geography. In EU ‘lingo’, these are referred to as Outermost Regions (OR) and Overseas Countries and Territories (OCT). EU legislation applies to the ORs, and these are part of SEPA, while the opposite is generally true for the OCTs.

The following geographies are part of SEPA where EU legislation applies:

Finland	Åland
France	Guadeloupe, Guyana, Martinique, Reunion and Saint Martin
Portugal	The Azores and Madeira
Spain	Canary Islands, Ceuta and Melilla
UK	Gibraltar, Hebrides, Northern Ireland, Orkney and Shetland

The following geographies are part of SEPA, but EU legislation does not apply:

France	Saint Pierre and Miquelon
Monaco	
Switzerland	

The following geographies are not part of SEPA:

Denmark	Faroe Islands, Greenland
France	French Southern and Antarctic Lands, French Polynesia, Mayotte, New Caledonia, Saint Pierre and Miquelon, Saint Bartheleme, Wallis and Futuna
The Netherlands	Aruba and the Netherlands Antilles (including Bonaire, Curacao, Saba, Sint Eustatius and Sint Maarten)
United Kingdom	Anguilla, Bermuda, British Antarctic Territory, British Indian Ocean Territory, British Virgin Islands, Cayman Islands, Channel Islands, Falkland Islands, Isle of Man, Montserrat, Pitcairn, South Georgia and South Sandwich Islands, St. Helena, Turks and Caicos Islands

Other exceptions

In a SEPA context, it is important to note that although EU legislation applies to all member states, the SEPA timetable differs between countries within the eurozone and those outside. For example, SEPA migration has an earlier deadline for countries within the eurozone.

Other exceptions:

Cyprus: Only areas controlled by the Republic of Cyprus are included. Other areas claimed by the Republic of Cyprus are exempted from EU law.

Geographies that use the euro but are excluded from SEPA: Andorra, Kosovo, Montenegro, San Marino, the Sovereign Base Areas (UK military bases on Cyprus) and the Vatican City State.

Croatia may become the 28th member state of the EU during 2013 and will then extend the SEPA area.

Conclusions

Generally, it is quite straightforward to tell if a certain geography belongs to SEPA or not. However, for some destinations, in particular offshore destinations belonging to Denmark, France, the Netherlands and UK, special care should be taken.