

Jorgovanka Tabakovi: By joining SEPA, Serbia reaffirms its strategic direction

Speech by Dr Jorgovanka Tabakovi, Governor of the National Bank of Serbia, at the "Technical and legal aspects of connecting to SEPA schemes" workshop, Belgrade, 28 May 2025.

* * *

Ladies and gentlemen, esteemed guests, dear colleagues,

It is a particular pleasure for me that my neighbour, Mr Holti (Senior Financial Sector Specialist with the Payments Team in the Finance, Competitiveness & Innovation Global Practice at the World Bank) from Albania, is with us. As a good host, at the beginning, I greeted him in the way my neighbours in my home town would do. That is indeed a sign of good hospitality, but there is also a bit of bitterness because we, as the best, are the 41st in the SEPA system. However, there is a good Serbian saying: Luck is never late. And whenever something happens, it happens on time.

I am speaking to you at a moment when a significant chapter has already been opened: the Republic of Serbia has become part of the Single Euro Payments Area (SEPA).

With this step, Serbia has entered a new phase of economic integration with the EU. We are now the first country in the region with an advanced instant payment system, ready to participate equally in a space where payments are executed without borders - quickly, securely, and reliably.

"Europe will not be made all at once, or according to a single plan. It will be built through concrete achievements which first create a de facto solidarity," said Jean Monnet, one of the founding fathers of the EU. Our path to SEPA embodies these concrete achievements – the collective effort of experts, institutions and partners from the country and abroad.

SEPA is not merely a technical framework for connecting payment systems. It is a civilizational framework of trust – a common language for European markets and the foundation of the digital economy. If the Tower of Babel, like in Bruegel's painting, remained unfinished in its construction because the people of the world could not agree to speak one language, through the SEPA instrument we are trying to realise that eternal human dream – to speak the same language in order to understand each other best.

By joining SEPA, Serbia not only establishes the basis for more efficient cross-border payment transactions but also clearly reaffirms its strategic direction, which is European, modern and inclusive.

Our path to SEPA was a carefully guided process of reforms, involving thorough alignment with the highest EU standards. From adopting a modern legal framework for payment services and implementing the provisions of the PSD2 directive to enacting secondary legislation – every step was grounded in a clear vision and institutional

responsibility. During this process, we enhanced supervisory capacities, strengthened collaboration with the banking and fintech sectors, and created a regulatory environment that now enables a stable, transparent, and competitive system. Over this time, Serbia has taken a significant leap – not only in terms of aligning with the highest EU standards but also in terms of developing its own solutions that today serve as benchmarks both regionally and globally. When I say our own solutions, I mean solutions developed primarily relying on our own efforts, for our greatest strength is the people who created that software. Our instant payment system, the NBS IPS system, which operates in real time and processes over five million transactions a month, has become a symbol of innovation and reliability. We have achieved what until recently seemed a distant goal – that the size of a country depends not on its territory but on the knowledge it possesses and the trust it inspires. Today, Serbia does not merely follow European trends but actively shapes them – through vision, infrastructure, and the trust it has built among partners and users.

I extend special gratitude to the European Payments Council, the European Commission, the European Central Bank, and the World Bank for their continuous support. Your confidence in our institutional capacity has been the driving force behind our resolve.

As Governor, I am proud of the National Bank of Serbia's team, which has worked tirelessly toward this goal. We witness how expertise has translated into reform, how plans have become reality, and how vision has opened the door to the European financial system.

"He who has a why to live can bear almost any how", or He who has a why to live can bear almost any burden. And he who does not, does not embark on any project. These are not only the words of Friedrich Nietzsche, but a philosophy we affirm every day in our business decisions. These words – that if you know why you live, you can endure any burden – shape human resilience and the meaning of existence. Our why has always been clear: to ensure that citizens and the economy reap the benefits they deserve – lower costs, greater trust and simpler processes.

Today, we can proudly say that Serbia is part of the European payments area. Our application has been officially accepted. Serbia has become a full-fledged member of the SEPA geographical scope.

On behalf of the National Bank of Serbia, the institution entrusted with the stability and development of the domestic financial system, it is my honour to announce this news with a sense of deep pride and responsibility. With this achievement, Serbia takes its place in the Single European Payments Area with systems that speak the same language of standards, regulations that protect users, and a vision that integrates economies into a single payments market.

This is a space where interoperability is not just a technical term but a daily practice of trust. It is a network where every signal, every transfer of funds, every digital confirmation – testifies to a single European idea: that stability, transparency, and efficiency are not a matter of luxury but expectations. Today, Serbia does not translate the lexicon of payment standards – it is the one writing it. Now, all payment service providers in Serbia stand before a new chapter of responsibility but also of opportunity.

Joining SEPA does not mark the end of our work – our work now begins at a higher level. Now is the moment to once again demonstrate our leadership: through knowledge, efficiency and dedication, and to prove that the trust placed in us was not accidental but earned.

May this day be remembered as the moment Serbia did not take a step forward – but a natural step. For we did not wait to become part of SEPA; we have long been ready for it. Today, Europe has recognised what we already knew – that Serbia belongs to a community that values knowledge, reliability and vision, and that Serbia is part of the area where standards mean trust and collaboration yields results.

I thank everyone who has supported us on this journey, above all our colleagues, then the banking sector, which has always understood that we are working together on this task. I wish everyone a successful and inspiring continuation not only of today's workshop but also of our future cooperation.

Thank you.