NL Standard for the Instant processing of SEPA Credit Transfers

Betaalvereniging Nederland

1. Introduction and background

With the introduction of the SEPA Instant Credit Transfer (SCT INST) Scheme Rulebook the immediate and 24 x 7 execution of credit transfers is now broadly available for customers. In other words, instant processing is about to become the new payment standard for all market segments.

Therefore the Dutch community agreed on specific additional demands to cater for the Instant processing of all payment products (based on the SEPA Credit Transfer), both low and high value, regardless of channel.

This point of view results in the conclusion that Instant Payment transactions can be processed differently depending on whether or not they are considered time critical (immediate clarity about the payment).

Main principle for this Standard is to benefit from the immediate execution, 24 x 7 availability and all other additional SEPA Instant Credit Transfer product features, in combination with the certainty offered by the SEPA Credit Transfer Scheme that the payment will not be rejected for not meeting a specific timeline. These transactions are referred to as SCT Inst not time critical.

2. Additional Functional Requirements

To ensure successful Instant processing of SEPA Credit Transfers under the regime of this Standard, the additional functional description is based on the SEPA Instant Credit Transfer Rulebook and Implementation Guidelines.

The PSPs adhering to this Standard agree that in addition to their adherence to the SEPA Instant Credit Transfer Scheme Rulebook and in addition to their adherence to the SEPA Credit Transfer Scheme Rulebook the following functional requirements also apply:

- The Originator PSP decides ultimately whether a SEPA Credit Transfer is offered to be instantly processed according the additional functional requirements as described in this Standard.
- There will be no value limit per Instant processed SEPA Credit Transfer Instruction. The Originator PSP however may apply amount limits, for instance for specific payment types, services and/or channels.
- In line with the Maximum Execution time as described in the SEPA Instant Credit Transfer Rulebook the agreed Target maximum execution time for the Instant processing of SEPA Credit transfers is set on 5 seconds. There must be no hard time-out deadline applicable based on which any of the parties is to reject the Instant processed SEPA Credit Transfer for any of the specified cases as mentioned in the SEPA Instant Credit Transfer Rulebook.
- The Originator PSP may start the investigation procedure in line with the SEPA Instant Credit Transfer Rulebook after 7 seconds of the time marked by the Time Stamp.
- The Originator PSP may initiate the Recall procedure in line with the SEPA Instant Credit Transfer Rulebook immediately after the receipt of the positive confirmation.
- The Beneficiary PSP must be able to correct multiple erroneous Instant processed SEPA Credit Transfer transactions on request of the Originator PSP in applicable cases.

Both the Originator PSP and the Beneficiary PSP must ensure that they, and their contracted parties involved in the payment chain will handle the Instant processed SEPA Credit Transfers according to these Additional functional requirements.

3. Technical provisions

3.1 Identifier of the Instant processed SCT

In order to identify a SEPA Credit Transfer as a credit transfer under this Standard:

- The yellow field 'Local Instrument Code' within the pacs.008.001.08[1] groupheader must be filled in with the identifying code 'INSTNT01'.

To support other local payment instruments in combination with this Standard the 'INSTNT01' code may be followed by other supported local instrument codes as defined by the concerning community.

4. Participants access and adherence

The Standard will be open for all PSPs that have adhered to the SEPA Credit Transfer Scheme and the SEPA Instant Credit Transfer Scheme.

PSPs wishing to adhere to this Standard can refer to the Secretary of the Dutch Payments Association (Betaalvereniging Nederland). Applicants will be asked to sign an adherence declaration, stating that the applicant will comply with the functional and technical requirements as described in this Standard. The Dutch Payments Association will publish a Register of participants on the website www.betaalvereniging.nl/Participants[2].

5. Governance Process to Review the Standard

The Standard has been initiated under the responsibility of the Dutch Payments Association, with approval of the Advisory Committee. Participants may send written suggestions to amend the Standard to the Dutch Payments Association.

Evaluation of the change suggestions and decision making by the Advisory Committee as well as the effectiveness date will be in line with the change management cycle as published by the EPC for the Rulebooks this Standard is based on.

[1] Or a later version applicable at the time

[2] The Dutch community has several additional services in place that might be of interest for all potential Participants of this Standard. An example is the NL Bank Switch Service (Overstapservice). Further information and the documentation of these additional services are available via the Dutch Payments Association.