

Status Update on SCT Inst Scheme December 2024 ERPB Meeting



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1. Background

At its 17 June 2024 meeting the ERPB:

- took note of the status update regarding the instant payments regulation;
- took note of the EPC update on the implementation of and adherence to the SCT Inst scheme;
- welcomed the increased communication efforts by the EPC
- took note of the work initiated by the EPC on the development of a VOP service for participants of SEPA schemes, which was encouraged also by the ERPB (May 2023); re-stated, in this regard, the importance of a speedy development of a rulebook, and invited the EPC to continue these efforts and provide regular status updates to the ERPB;
- took note of the work conducted by the MSG MSCT on the development of a QR-code standard for instant payments and related standardisation process as well as work on possible extension to other technologies. The ERPB invited the EPC to report on the progress of this work at the November 2024 meeting, and notably on the status of the process initiated with CEN for the QR-code standard.
- endorsed the high-level communication strategy towards end-users and invited relevant ERPB members to report back to the relevant meetings in 2025 to confirm the commencement (roll-out) of the communication campaigns at national level.

2. Adherence status and compliance criteria from the SEPA Regulation

A. Across SEPA

As of November 2024, there are 2.627 registered SCT Inst scheme participants representing a share of 73 percent of all SCT adherents (i.e. 3.592) in **all** SEPA countries (82 percent for the EU and 85 percent for the euro area). The SCT Inst transaction volumes exceed 19 percent of the total credit transfer volume (SCT + SCT Inst), as further detailed in the dedicated section.

It must be noted that the 73 percent of Payment Service Providers (PSPs) that already joined the SCT Inst scheme generally encompasses all the PSPs having the most significant payment volumes and representing the vast majority of payment accounts. The close to 600 PSPs which today offer SCT but not yet SCT Inst scheme-based services in the EU are mostly smaller PSPs and/or are located in non-eurozone countries.

The current list of SCT Inst scheme participants can be consulted on the [Register of Participants webpage](#). 35 Clearing and Settlement Mechanism (CSM) organisations have already disclosed to be SCT Inst scheme compliant. These CSMs are listed on the [Clearing and Settlement Mechanisms webpage](#).

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B. Within the EU

Article 4 of the SEPA Regulation stipulates that euro-denominated payment schemes must ensure that the PSPs being a participant to such schemes must a) constitute a majority of PSPs within the EU and b) represent a majority of PSPs within a majority of EU Member States.

The table below shows the SCT Inst scheme adherence status compared to the SCT scheme adherence in the EU as of November 2024. Based on these adherence figures, the first and second conditions of the SEPA Regulation are now fully met. It should also be noted that two additional EU countries are in the 40-to-49 percent range of their SCT scheme participants being also SCT Inst scheme participants.

Country	SCT Inst	SCT	Percentage of SCT Inst scheme participants vs. SCT scheme participants
Euro	2.556	2.996	85%
AUSTRIA	378	400	95%
BELGIUM	23	45	51%
CROATIA	20	20	100%
CYPRUS	14	23	61%
ESTONIA	9	12	75%
FINLAND	10	10	100%
FRANCE	173	249	69%
GERMANY	1.121	1.227	91%
GREECE	15	24	63%
IRELAND	182	195	93%
ITALY	341	380	90%
LATVIA	12	13	92%
LITHUANIA	46	86	53%
LUXEMBOURG	25	58	43%
MALTA	9	29	31%
NETHERLANDS	25	41	61%
PORTUGAL	26	34	76%
SLOVAKIA	10	15	67%
SLOVENIA	14	14	100%
SPAIN	103	121	85%
Non-euro	24	165	15%
BULGARIA	7	25	28%
CZECH REPUBLIC	5	19	26%
DENMARK	2	45	4%
HUNGARY		21	0%
POLAND	3	23	13%
ROMANIA	2	21	10%
SWEDEN	5	11	45%
Grand Total	2.580	3.161	82%

In addition, when measured in terms of reachable payment accounts - which is a more meaningful criterion from a user or market perspective - the current SCT Inst scheme penetration is widely spread across the euro area. Already 18¹ euro area countries with a substantial majority of payment accounts are reachable for SCT Inst. This number will further grow in the coming quarters.

3. SCT Inst transaction evolution

The EPC collects on a quarterly basis the SCT Inst transaction volume statistics from all SCT Inst scheme compliant CSMs. The share of SCT Inst transactions in the total volume of SCT and SCT Inst transactions was 19,67 percent in the third quarter of 2024 compared to 16,82 percent in the fourth quarter of 2023.

The latest quarterly SCT Inst transaction volume percentage is available on the [EPC homepage](#).

Given these increases in transaction volume and in scheme adherence with the latter bringing additional transaction volume, the EPC regularly reminds all SCT Inst scheme participants to proactively guarantee a resilient production and back-up infrastructure and necessary extra processing capacity to process and screen higher volumes of transactions and related r-transactions including in peak traffic times.

4. 2024 SCT Inst scheme rulebook change management cycle

The SCT Inst scheme rulebook is updated every two years to reflect market needs and evolutions in the technical standards. The eventual 2025 version of the SCT Inst scheme rulebook is the result of the rulebook change management cycle that started already in 2023. All scheme participants and stakeholders had the opportunity to submit SCT Inst scheme rulebook change requests by 31 December 2023. In total 24 SCT Inst change requests were received and they had been subject to a three-month public consultation from 12 March to 9 June 2024.

A. Accepted 2024 change requests

The EPC decided to include the following proposed changes in the 2025 SCT Inst scheme rulebook:

- Introduction of the possibility for payment end-users to provide an address of the payer and/or of the payee in a hybrid format alongside the already existing possibilities of submitting an address either in a fully structured format or in an unstructured format.

Important: as of 22 November 2026, the provision of an address in an unstructured format will no longer be allowed. As of that date onwards, only the fully structured and hybrid address formats will be allowed.

- The attribute AT-T056 'Timestamp of the SCT Inst Transaction' must be unambiguous and include **milliseconds**. As the EU Instant Payments Regulation (IPR) amending the SEPA Regulation² shortens the hard timeline for instant euro credit transfers to 10 seconds, a timestamp with milliseconds becomes very relevant to reject or not SCT Inst transactions due to a time-out.
- A new entry-into-force time of the SCT Inst scheme rulebook as of the 2025 rulebook, i.e. at 03:30 CET on the entry-into-force date concerned (no longer at 08:00 CET).

¹ Andorra not being an EU country but using the euro, Austria, Belgium, Croatia, Estonia, Finland, France, Germany, Greece, Italy, Latvia, Lithuania, Luxembourg, the Netherlands, Portugal, Slovakia, Slovenia and Spain.

² Consolidated SEPA Regulation (Regulation (EU) 260/2012) as amended by the IPR: <https://eur-lex.europa.eu/legal-content/EN/TXT/HTML/?uri=CELEX:02012R0260-20240408#tocId10>

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- Further rulebook precisions relating to the initiation of Recalls, the initiation of any related Requests for Status Update and their respective handling by each scheme participant concerned.
- Inclusion of Alias and Proxy definitions.

B. 2024 change requests postponed to a later change management cycle

- With respect to the 2024 change request to extend the maximum number of characters from 70 to 140 characters for the various Name message elements, this change will not be included in the 2025 rulebook.

There was a minority of national communities of EPC payment scheme participants representing a considerable volume of SEPA transactions that did not support this change request.

One important argument from these national communities of EPC payment scheme participants was that this change request will have a significant impact on the whole payment chain (e.g., in the payment initiation channels, in the inter-PSP space) and in the related services (e.g., account statements, payment reporting). The scheme participants concerned must also dedicate their resources to all regulatory changes stemming from the amended SEPA Regulation (see section 5 below). They reported that there is no capacity left to implement this change request or any other change related to the upgrade of existing rulebook attributes or to the inclusion of new rulebook attributes.

The EPC will re-introduce this major change request for the 2026 EPC payment scheme rulebook change management cycle. The intention is to align all EPC payment schemes with the recommendations concerned being set out by the Committee on Payments and Market Infrastructures (CPMI) of the Bank of International Settlements (BIS).

- As for the 2024 change request allowing the possibility to include the commercial trade name of the payee and of the payee reference party, the EPC supported the principle of this change request, but it was also aware that the 2019 version of the ISO 20022 standard does not contain a dedicated message element for commercial trade names.

The EPC working groups concerned then analysed the most suitable 'interim' message elements for the transition period until there is a dedicated message element in ISO 20022.

Unfortunately, after evaluating several options a consensus could not be found about such a suitable 'interim' message element, as all suitable candidate message elements would have an impact on the national communities already using them. The EPC has eventually decided not to implement this 2024 change request.

In 2025, the EPC will submit a formal change request to ISO 20022 to include dedicated message elements in this standard for the commercial trade name of the payee and of the payee's reference party, for the relevant ISO 20022 standard-based XML messages under the four SEPA payment scheme rulebooks. After this message element will be included in the ISO 20022 standard, and the SCT Inst and the other SEPA payment schemes will have migrated to a newer ISO 20022 version containing such message element, the commercial trade name will be supported.

C. Publication and entry-into-force date of the 2025 SCT Inst scheme rulebook

At the end of November 2024, the 2025 SCT Inst scheme rulebook and the related Implementation Guidelines (IGs) will be published. As for the entry-into-force date of the 2025 SCT Inst scheme rulebook, this will be **5 October 2025** at 03:30 CET, and not in the third full weekend of November 2025 as is customary.

This exceptional October entry-into-force date has been chosen in light of the publication of the IPR in March 2024 in the Official Journal of the EU. The IPR sets out several obligations for PSPs based in the European Economic Area (EEA)³ whereby some of them already enter into force for eurozone-based PSPs (other than Payment Institutions (PIs) and Electronic Money Institutions (EMIs)) on 9 January 2025 and 9 October 2025 respectively.

Given these regulatory deadlines set for 2025, the date of 5 October 2025 has been chosen to allow PSPs to comply with the relevant implementation deadlines set forth under the IPR.

5. Regulatory changes to the SCT Inst scheme resulting from the IPR

The IPR amending the SEPA Regulation was published in the Official Journal of the EU on 19 March 2024 and entered into force on 8 April 2024. It introduces several stipulations affecting PSPs based in the EEA but also the SCT Inst scheme itself.

The following main regulatory changes have been introduced in the 2025 SCT Inst scheme rulebook:

- Start of the 10 seconds execution timeline (Art 5a (3), Art 5a (4) (b), amended SEPA Regulation): it is now the time of receipt of the instant euro credit transfer order and, as a general rule, equals the authorization of the order by the Originator. The time of receipt is marked by the rulebook attribute AT-T056 'Time Stamp of the SCT Inst Transaction'.
- Sub-timelines within the prescribed maximum execution timeline of 10 seconds (Art 5a (4) (c), amended SEPA Regulation): the current 10-20-25 seconds timeline is changed into a 5-7-9 seconds timeline.
- Formal positive notification to Originator (Art 5a (4) (e), amended SEPA Regulation): the rulebook now specifies the obligation for the Originator PSP to immediately inform the Originator about the processing outcome. Each Originator PSP maintains the discretion on how to communicate such positive (or negative) outcome of the SCT Inst instruction to the Originator.
- Obligation to restore the Originator's account after 10 seconds (Art 5a (5), amended SEPA Regulation):
 - In case the Originator PSP has received no confirmation message yet, it is required to immediately restore the account of the Originator. It immediately and adequately informs the Originator about this status. Each Originator PSP maintains the discretion on what and how to communicate about such status to the Originator.
 - In case the Originator PSP subsequently receives a negative confirmation message: it must immediately inform the Originator. The concrete contents of such information and the communication channel used are not within the scope of the SCT Inst scheme.

³ The EEA covers the 27 EU member states, Iceland, Liechtenstein and Norway.

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- In case the Originator PSP subsequently receives a positive confirmation message: it must immediately inform the Originator about the belated successful execution of the SCT Inst transaction. The concrete contents of such information and the communication channel used are outside the scope of the SCT Inst scheme.

Any further action to be undertaken by the Originator PSP with respect to this situation is outside the scope of the SCT Inst scheme. The Risk Management Annex⁴ (RMA) of the 2025 SCT Inst scheme rulebook will include an assessment about and the potential measures in addressing such situation.

- Maximum amount under the SCT Inst scheme (Art 5a (6), amended SEPA Regulation): a maximum amount at scheme level is no longer applied apart from the maximum amount set by the amended SEPA Regulation itself.
- Planned maintenance or planned downtime (Art 11 (1) c), amended SEPA Regulation): the current notion of 24/7/365 availability referred to throughout the rulebook is adapted. The rulebook mentions the possibility for PSPs of setting planned periods of non-availability of the instant credit transfer service being short and foreseeable due to a planned maintenance or downtime whereby the customers have been informed in advance of those periods of non-availability.
- Mandatory reachability (Art 5a (8), amended SEPA Regulation): the relevant rulebook sections are amended to ensure that current and future SCT Inst scheme participants are able to offer the service of receiving and sending instant credit transfers in accordance with the laws applicable to them – notably in accordance with the relevant Article 5a deadlines for EEA-based SEPA scheme participants, and with applicable law for non-EEA SEPA scheme participants.

This is without prejudice to any possible future EPC decision to streamline the reachability requirements for all SCT Inst scheme participants after the latest deadlines under the amended SEPA Regulation have elapsed.

6. Expected SCT Inst scheme adherence applications

The IPR stipulates that eurozone-based PSPs (except PIs and EMIs) must offer the service of receiving instant euro credit transfers by 9 January 2025, and offer the service of sending instant euro credit transfers by 9 October 2025.

The impact of the IPR on the SCT Inst scheme adherence evolution is already shown under section 2 of this document. The EPC estimates that about 400 eurozone-based PSPs not yet being SCT Inst scheme participants will adhere in the coming weeks.

7. Reported SCT Inst processing issues

All SCT Inst scheme participants are regularly invited to submit any concrete SCT Inst processing issues they may have. No new concrete issues had been reported requiring the attention of the ERPB.

⁴ Each EPC payment scheme rulebook contains such RMA. Due to the sensitive matters covered by the RMA, this Annex is only shared with the scheme participants of each EPC payment scheme concerned.

8. Verification Of Payee

Article 5c of the amended SEPA Regulation includes a requirement for all Originator PSPs offering the service of regular euro credit transfers and instant euro credit transfers, to offer a service enabling customers to be notified when a mismatch is detected between the Beneficiary's name and IBAN, as supplied by the Originator (a so-called Verification Of Payee (VOP) service).

A mandatory VOP service has an impact on the SCT (Inst) scheme as there is no such VOP feature within the current SCT (Inst) scheme rulebook.

The EPC developed its VOP scheme rulebook as an answer to this legal obligation. The VOP scheme rulebook had been published on 10 October 2024. The concrete entry-into-force date is Sunday 05 October 2025.

The technical implementation of the VOP scheme rulebook is based on RESTful JSON Application Programming Interface (API) technology that makes use of ISO 20022 resource elements. The EPC published the version 1.0 of the VOP API specifications on 31 October 2024, together with the updated version of the API Security Framework (ASF) and a "yaml" file to facilitate API developments.

The EPC will also provide a "default" EPC Directory Service (EDS) to facilitate cross-border reachability and interoperability between EPC VOP scheme participants, VOP Routing and/or Verification Mechanisms (RVMs) and any other relevant entities. The EDS will store and maintain all required operational data about the VOP scheme participants.

The EPC also discusses how to further facilitate interoperability among VOP scheme participants and RVMs, e.g., through an appropriate combination of self-certification process, a standard test cases catalogue, and a (set of) API Sandbox(es).

The managed data concern among others scheme adherence, identification and endpoints about participant PSPs. Further information about the VOP scheme and the EDS can be found in the document EPC 277-24 for the December 2024 ERP meeting.

The EPC also decided to mandate the adherence⁵ to the VOP scheme – including registration in, and funding of the EDS – for all current and future SCT and SCT Inst scheme participants for an initial period of 3 years, and this in accordance with the deadlines imposed on EEA-incorporated PSPs for complying with VOP obligations, as introduced in the amended SEPA Regulation. Such decision has been taken to ensure a VOP scheme preparedness and cross-border reachability and interoperability at EEA-level.

The 2025 SCT and SCT Inst scheme rulebooks explicitly stipulate that, if required under applicable law, the SCT and SCT Inst scheme participant concerned must process SCT and SCT Inst instructions and transactions as defined in the respective rulebook only after having performed a verification of payee service in accordance with the EPC VOP scheme rulebook.

⁵ With an explicit opt-out possibility before 31st January 2025, e.g. for PSPs not affected by the updated SEPA Regulation, or for PSPs not operating within the Euro area.

9. Mobile initiated SCT and SCT Inst: standardisation of QR-codes and Interoperability Guidance

As communicated by the EPC in the June 2024 meeting of the ERPB, the Multi-stakeholder Group on Mobile Initiated SEPA (Instant) Credit Transfers (MSG MSCT) had worked since May 2023 under a new mandate, until September 2024 when the group was dismantled. The new mandate covered the follow-up work on standardisation of QR-codes for MSCTs and the release of the v3.0 of the MSCT Interoperability Guidance (MSCT IG).

a) Standardisation of QR-codes for MSCTs

After the review by the MSG MSCT in view of submission to CEN, and after approval by the Board, the document EPC024-22 (*Standardisation of QR-codes for MSCTs*) was published on the EPC website on 17 June 2024.

From this new version of EPC024-22, a specific document was derived for submission to CEN for further standardisation as a European Standard (EN).

Along with this document, the EPC submitted, according to the CEN procedures, a so-called New Work Item (NWI) proposal and a rationale document for a ballot in CEN. Support letters from both the EC and the ECB accompanied this ballot. The related work started in CEN TC 225 (Technical Committee AIDC - Automatic Identification and Data Capture).

The EPC is currently working on the options to respond to the requests for amendments, made in September 2024 by some communities represented in CEN.

The EPC Board agreed in its meeting of 21 November 2024 to endorse the amendment proposal related to inclusion of additional “payer-presented” modes of the QR-codes, and to update the EPC document EPC024-22 accordingly.

b) MSCT Interoperability Guidance (MSCT IG)

The MSG MSCT reviewed the comments received during the public consultation on the draft v3.0 of the *Mobile Initiated (Instant) SEPA Credit Transfer Payments and Interoperability Guidance (IG)*.

The resulting version was submitted to the EPC Board for approval in its meeting of 26 September 2024. Following the approval by the EPC Board, the IG v3.0 was published on the EPC website on 2 October 2024.