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Report on Public Consultation 2014 – SEPA Direct Debit Core

Abstract	This document contains the results and comments received on the change requests submitted for public consultation on possible modifications to be introduced into the SEPA Direct Debit Core Rulebook to take effect in November 2015.
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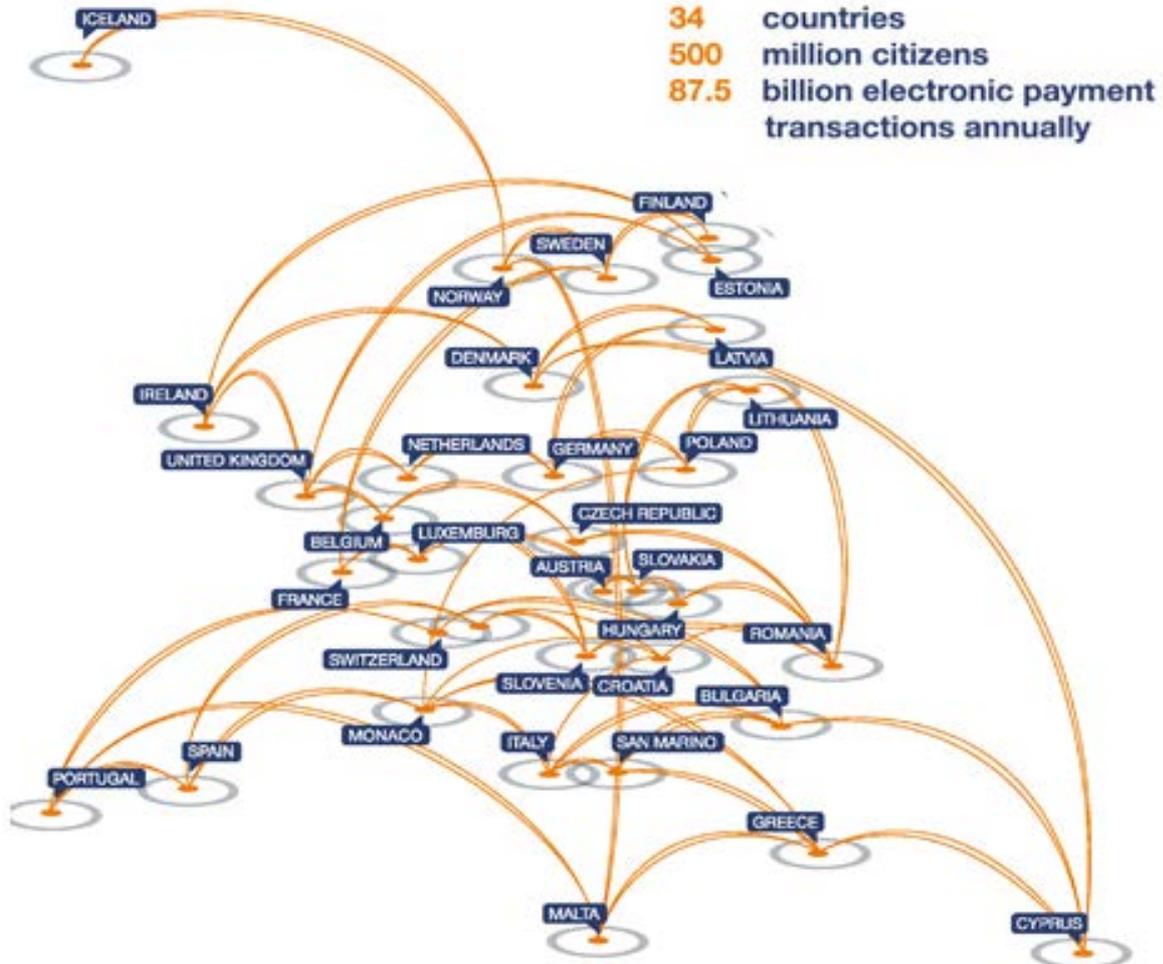
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1 Foreword: The Principles of SEPA Scheme Development

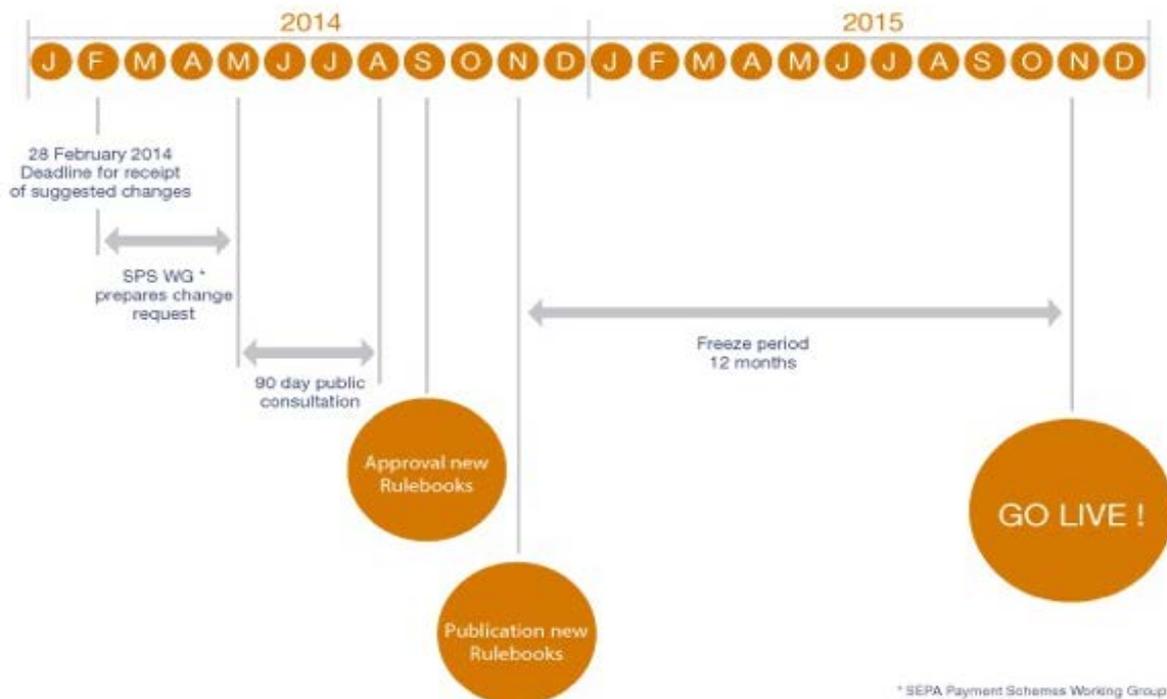
The Single Euro Payments Area (SEPA) payment schemes, as set out in the SEPA Credit Transfer (SCT) and SEPA Direct Debit (SDD) Rulebooks, evolve based on a transparent change management process adhered to by the European Payments Council (EPC). This evolution reflects changes in market needs and updates of technical standards developed by international standards bodies, such as the International Organization for Standardization. The principles governing the evolution of the SEPA Schemes are set out in section three of the SEPA Scheme Management Internal Rules.

1.1 EPC rulebook release management - important notice to all SEPA stakeholders: effective date of SCT and SDD Rulebook versions to be published in November 2014 will be 22 November 2015 (SWIFT 2015 Standards Release live date)

The EPC publishes updated versions of the rulebooks once annually in November of each year. In accordance with industry best practice, payment service providers and their suppliers therefore have sufficient lead time to address rulebook updates prior to such changes taking effect.

The next version of the SCT and SDD Rulebooks (SCT Rulebook version 8.0, SDD Core Rulebook version 8.0 and SDD Business to Business (B2B) Rulebook version 6.0), will be published in November 2014. Based on the established release management cycle, the updated versions will take effect on 22 November 2015.

SEPA Scheme Rulebook Change and Release Management Cycle





1.2 SEPA payment scheme development: EPC scheme change management

The first step in the annual EPC scheme change management cycle is the introduction of suggestions for changes to the schemes by any interested party. Deadline for receipt of such suggestions was 28 February 2014.

In consideration of the suggestions received, the EPC SEPA Payments Working Group (SPS WG) develops a single change request document per rulebook (the SCT Rulebook, the SDD Core Rulebook and the SDD B2B Rulebook). The preparation of the change request documents involves analysis of the suggestions for changes received which may include, as appropriate, a cost-benefit analysis, dialogue with the initiator and market need analysis. Based on this review, the SPS WG issues a recommendation on how each change suggestion should be handled. All suggestions to modify the rulebooks received by the EPC are published on the EPC Website, permitting such a list to be openly viewed by all stakeholders.

The change requests are released for a three-month public consultation in May of each year. Taking into account comments received during the public consultation, the SPS WG completes a change proposal for approval by the EPC Plenary in September of each year. Proposed changes to the SEPA Schemes that find broad acceptance by all Scheme Participants and stakeholders are incorporated into the new rulebook versions - regardless of whether such a change is proposed by a payment service provider or customer representatives. Change requests that lack such broad support are not.

2 Executive Summary

The public consultation on possible modifications to be introduced into the SEPA Direct Debit Core Rulebook to take effect in November 2015 ran from 19 May 2014 until 15 August 2014. The documents circulated for this public consultation were the document SEPA Direct Debit Core Rulebook Change Request Consultation Document (EPC098-14) and the Response Template (EPC109-14) available on the [EPC Website](#). This report (EPC187-14) contains the feedback received on the change requests submitted for public consultation.

As a result of this public consultation, the SDD Core Rulebook version 8.0 has been updated to include

- An update in the category descriptions of Scheme applicants that are deemed automatically to be eligible under Rulebook section 5.4 on eligibility for participation. Among other changes in this section, the section includes banks authorised by the Central Bank of San Marino.
- The removal of ‘qualified electronic signature’ and other deletions in Rulebook section 4.1 ‘The Mandate’ following a clarification letter on electronic mandates (Letter EPC098-13).
- Corrections on the definition of ‘refusal by the Debtor’ in section 4.4 in a way that a refusal is always based on a request of the Debtor before due date/ settlement date not to pay a collection. The technical r-transaction could be either a reject (which is the preference) or if technically not feasible before settlement a return. Rewording in the description of attribute AT-R3 ‘The Reason Code for Non-Acceptance’ has been made.
- Wording change on the form of the Mandate in section 5.7 on obligations of a Creditor Bank
- Clarification on the use of attribute AT-25 ‘Date of signing the Mandate’
- Removal of the SDD Mandate illustration in dataset DS-01 The Mandate
- Extension of mandate amendment combinations in attribute AT-24 ‘The Reason for Amendment of the Mandate’

Furthermore, the SDD Core Rulebook version 8.0 includes in the relevant Rulebook sections the announcement that

- As of the effective date in November 2016 of the Rulebook version 9.0, all Collections presented for the first time, on a recurrent basis or as a one-off Collection can be presented up to 1 Inter-Bank Business Day (D-1).
- The current requirement to use the sequence type ‘First’ in a first of a recurrent series of Collections is no longer mandatory as of the effective date in November 2016 of the Rulebook version 9.0 (i.e. a first Collection can be identified in the same way as a subsequent Collection with the sequence type ‘RCUR’).

The announcement should allow all Scheme Participants sufficient time to prepare themselves for such change in November 2016.

These changes do not impact the creditors as they can continue using their current implemented SDD Core collection presentation timelines and providing the sequence type ‘FRST’ as implemented in their existing SDD Core collection presentation processes after November 2016.

3 Overview of change requests submitted for public consultation in 2014

This section contains a summary of topics which were presented for consultation along with the recommendation of the EPC SEPA Payment Schemes Working Group (SPS WG) on the way forward.

3.1 The recommendations of the SPS WG submitted for public consultation reflect the following options concerning the proposed way forward with regard to a specific change request:

- a) The suggestion for change is **already provided for** in the scheme.
 - No action is necessary for the EPC.
- b) The suggestion for change **should be incorporated into the scheme**.
 - The suggestion for change becomes part of the scheme and the rulebook is amended accordingly.
- c) The suggestion for change **should be included in the scheme as an optional feature**.
 - The new feature is optional and the rulebook will be amended accordingly.
 - Each Scheme Participant¹ may decide to offer the feature to its customers, or not.
- d) The suggestion for change **is not considered fit for SEPA wide use** and could be **handled as an additional optional service (AOS)** by interested communities.
 - The proposed new feature is not included in the rulebook or in the implementation guidelines released by the EPC with regard to the rulebooks.
 - The development of AOS is out of scope of the EPC. The EPC does however publish declared AOS arrangements on its website for information.
 - The EPC may consider the inclusion of AOS arrangements, if supported by a sufficient number of communities, in a future version of the rulebook.
- e) The suggestion for change **cannot be part** of the existing scheme.
 - It is technically impossible.
 - It is not feasible (explained on a case by case basis).
 - It is out of scope of the EPC.
 - It does not comply with the SEPA Regulation² or any other relevant EU legislation.
- f) The suggestion for change may be considered for the development of a **new scheme**.
 - The suggestion reflects major changes which cannot be integrated into an existing scheme
 - To develop the suggestion for change further, i.e. to develop a new scheme, the following requirements should be met:
 - The benefits of the new scheme for bank customers are demonstrated prior to the launch of the development phase.

¹ A Scheme Participant is a payment service provider which has formally adhered to a SEPA Scheme.

² Regulation (EU) No 260/2012 establishing technical and business requirements for credit transfers and direct debits in euro and amending Regulation (EC) No 924/2009

- It is demonstrated that a sufficient number of stakeholders will make use of the new scheme.
- A cost-benefit analysis is provided.
- It complies with the SEPA Regulation or any other relevant Regulation.

3.2 Summary of Suggestions for Change and the proposed way forward as submitted for public consultation

Change Request item	Topic	Contributor	Recommendation of the SPS WG on the proposed way forward.
16	Block 4 - IBAN change by debtor - next recurrent SDD collection under an existing mandate to be presented as a First	SPS WG	Should be incorporated into the scheme - option b
17	Making storage location for additional customer-to-customer information available outside the payment transaction	SPS WG	Should be included in the scheme as an optional feature - option c
18	Corrections on the definition of 'refusal by the Debtor'	SPS WG	Should be incorporated into the scheme - option b
19	This suggestion has been withdrawn by the contributor		
21	End-to-End (E2E) identification optional instead of mandatory in C2B and Interbank Implementation Guidelines	Betaalvereniging Nederland	Cannot be part of the existing scheme – option e
23	Change standard processing timeline for recurrent transactions from “D-2” into “D-1”	Betaalvereniging Nederland	Cannot be part of the existing scheme – option e
25	Deletion of all Creditor related reasons from attribute AT-24 ('Reason for amendment of the mandate')	Betaalvereniging Nederland	Cannot be part of the existing scheme – option e
26	Block 4 - Debtor amends IBAN on mandate - next recurrent SDD collection under an existing mandate to be presented as a First	Betaalvereniging Nederland	Should be incorporated into the scheme - option b
27	Extra reasoncodes for white/blacklisting and other debtor-driven reasons in AT-R3 'The Reason Code for Non-Acceptance'	Betaalvereniging Nederland	Already provided for in the scheme – option a
28	This suggestion has been withdrawn by the contributor		
29	Wording change on 'form of mandate' in section 5.7 "Obligations of a Creditor Bank"	SPS WG	Should be incorporated into the scheme - option b
30	Block 3 - Removal references to 'qualified electronic signature' in section 4.1 "The Mandate" and section 7 "Definitions"	SPS WG	The contents of the EPC clarification letter on electronic mandates (Letter EPC098-13) should be incorporated into the scheme - option b

Change Request item	Topic	Contributor	Recommendation of the SPS WG on the proposed way forward.
31	Block 1 - Current SDD Core collection time cycle option D-1 as standard processing time cycle for all sequence types	Stuzza	Should be incorporated into the scheme with D-1/D-1 as of Nov 2016 - option b
32	Make pre-notification more convenient and optional	BITKOM	Cannot be part of the existing scheme – option e
33	Block 2 - Apply the sequence type RCUR for any type of SDD Core D-1 collection (first, recurrent or final collection)	BITKOM	Should be incorporated into the scheme as of Nov 2016 - option b
34	The unique mandate reference (AT-01) to become space insensitive (suggestion applies only on the Implementation Guidelines)	BITKOM	Cannot be part of the existing scheme – option e
35	Clarifications for the use of the SDD collection sequence type and of the amendment indicator	BITKOM	Cannot be part of the existing scheme – option e
36	Harmonising pain format in the customer-to-bank (C2B) xml interfaces	BITKOM	No SPS WG recommendation defined
37	Block 3 - Adapt section 4.1 (The Mandate) of the SDD Core Rulebook to the contents EPC clarification letter on electronic mandates (Letter EPC098-13)	BITKOM	The contents of the EPC clarification letter on electronic mandates (Letter EPC098-13) should be incorporated into the scheme - - option b
44	Block 3 - Mandate methods not restricted to paper mandate & EPC e-Mandate	Médecins Sans Frontières Germany	The contents of the EPC clarification letter on electronic mandates (Letter EPC098-13) should be incorporated into the scheme - option b
45	Block 2 - Turn the current SDD sequence types into optional data sequence types	Spanish Banking community	Should be incorporated into the scheme - option b for the sequence type 'First' only as of Nov 2016
47	Extend the permitted timespan for presenting a SDD Core reversal to 10 Bank Business Days	Spanish Banking community	Cannot be part of the existing scheme – option e
48	Block 3 - Mandate methods not restricted to paper mandate & EPC e-Mandate	Fundraising Verband Austria	The contents of the EPC clarification letter on electronic mandates (Letter EPC098-13) should be incorporated into the scheme - option b
49	Block 1 - SDD Core D-1 timecycle to become the standard timecycle for SDD Core	Febelfin	Should be incorporated into the scheme with D-1/D-1 as of Nov 2016 - option b
50	Block 2 - Simplification of the mandate life cycle and collection sequence type	Febelfin	Should be incorporated into the scheme as of Nov 2016 - option b
51	This suggestion has been withdrawn by the contributor		

Change Request item	Topic	Contributor	Recommendation of the SPS WG on the proposed way forward.
52	Block 3 - Mandate methods not restricted to paper mandate & EPC e-Mandate	Médecins Sans Frontières Austria	The contents of the EPC clarification letter on electronic mandates (Letter EPC098-13) should be incorporated into the scheme - option b
53	Block 3 - Inclusion of principle of choice of authorization method for electronic direct debit mandates	PayPal	The contents of the EPC clarification letter on electronic mandates (Letter EPC098-13) should be incorporated into the scheme - option b
54	Block 3 - Mandate methods not restricted to paper mandate & EPC e-Mandate	European Fundraising Association	The contents of the EPC clarification letter on electronic mandates (Letter EPC098-13) should be incorporated into the scheme - option b
55	Block 3 - Inclusion of principle of choice of authorization method for electronic direct debit mandates (including telephone mandates)	European Payment Institutions Federation	The contents of the EPC clarification letter on electronic mandates (Letter EPC098-13) should be incorporated into the scheme - option b
56	Change in pre-notification requirements in case of one-off SDDs	European Payment Institutions Federation	Already provided for in the scheme – option a
57	Protection measures against abusive refund claim for an unauthorised transaction	European Payment Institutions Federation	Cannot be part of the existing scheme – option e
58	Annex VII e-Mandates: alternative to the signature field for the Debtor to provide consent to the e-Mandate	European Payment Institutions Federation	Cannot be part of the existing scheme – option e
59	Annex VII e-Mandates: additional business rule for the storage of the e-Mandate date by Creditor	European Payment Institutions Federation	Already provided for in the scheme – option a
60	Block 3 - Mandate methods not to be restricted to paper mandate and EPC e-Mandate	ACE European Group Ltd	The contents of the EPC clarification letter on electronic mandates (Letter EPC098-13) should be incorporated into the scheme - option b
61	Reduction of the unconditional refund right period in case of legally signed digital mandate or valid e-mandates	Connective	Cannot be part of the existing scheme – option e
62	Block 2 - Remove or simplify the FRST and RCUR sequence type process	Association Française des Trésoriers d'Entreprises	A part should be incorporated into the scheme as of Nov 2016 - option b
63	Block 1 - SDD Core D-1 to become a mandatory SDD Scheme	Association Française des Trésoriers d'Entreprises	Should be incorporated into the current SDD Core scheme with D-1/D-1 as of Nov 2016 - option b

Change Request item	Topic	Contributor	Recommendation of the SPS WG on the proposed way forward.
64	Make fields "Creditor Reference Party" and "Debtor Reference Party" more visible	Association Française des Trésoriers d'Entreprises	Already provided for in the scheme – option a
65	Simplification of r-transaction codes and harmonization in their use	Association Française des Trésoriers d'Entreprises	Cannot be part of the existing scheme – option e
66	Add clarification on the use of attribute AT-25 (date of signing the Mandate)	Laya Healthcare	Should be incorporated into the scheme - option b
68	Introduction of minimum standards to be applied during the mandate creation process (irrespective of the adopted solution)	Sentenial	Cannot be part of the existing scheme – option e
69	Create a specific reason code to highlight sequence error in SDD	Payment Advisory Group	Already provided for in the scheme – option a
71	Update of the Rulebook section 5.4 'Eligibility for Participation'	LSG	Should be incorporated into the scheme - option b
72	Block 3 - Mandate methods not restricted to paper mandate & EPC e-Mandate	WWF Deutschland	The contents of the EPC clarification letter on electronic mandates (Letter EPC098-13) should be incorporated into the scheme - option b
75	Simplify the use of a shorter timeline for sending a pre-notification	German Banking Industry Committee	Cannot be part of the existing scheme – option e
76	Block 3 - Mandate methods not restricted to paper mandate & EPC e-Mandate	Coalition for Electronic SDD Mandates (Germany)	The contents of the EPC clarification letter on electronic mandates (Letter EPC098-13) should be incorporated into the scheme - option b
77	End-to-end identification value to be mandatory and unique for the creditor in the message PAIN.008 to the creditor bank (C2B IGs) & PACS.001 (bank-to-bank)	Worldline	Cannot be part of the existing scheme – option e
78	Clarification about concrete date to calculate as of when a mandate is obsolete (36 month period)	Worldline	Already provided for in the scheme – option a
79	Block 4 - IBAN change by Debtor - next recurrent SDD collection under an existing mandate to be presented as a First	Worldline	Should be incorporated into the scheme - option b
84	Make AT-59 'category purpose of the collection' mandatory instead of optional	Portuguese banking community	Cannot be part of the existing scheme – option e
85	Extend the permitted timespan for presenting a SDD Core reversal from 5 business days to up to 8 weeks from the settlement date	Portuguese banking community	Cannot be part of the existing scheme – option e

Change Request item	Topic	Contributor	Recommendation of the SPS WG on the proposed way forward.
86	Allow a last collection (final) with a zero amount for mandate cancellation purposes	Portuguese banking community	Cannot be part of the existing scheme – option e
87	Block 2 - Eliminate the rule of using the sequence type 'First' in a series of recurrent collections	Portuguese banking community	Should be incorporated into the scheme as of Nov 2016 - option b
88	Removal of SDD Mandate illustration in DS-01 The Mandate	SPS WG	Should be incorporated into the Scheme (option b).
89	Extension of mandate amendment combinations in AT-24 'The Reason for Amendment of the Mandate'	SPS WG	Should be incorporated into the Scheme (option b).
90	Representation of a first collection after being returned	SPS WG	Should be incorporated into the Scheme (option b).

3.3 Summary of changes which will be included in the next version of the SDD Core Rulebook to align the rulebook with the SEPA Regulation or with any other relevant EU legislation (e.g., PSD).

The contributors to this public consultation are welcome to comment on these changes.

Ref.	Topic	Contributor	Way forward
No items were identified that required a change to the Rulebook due to any particular EU legislation			

3.4 Contributors to the public consultation

Contributions were received from 18 banks or banking communities and 31 other stakeholders.

The list of contributors can be found in Annex I.

4 Results in detail

4.1 # 16: Block 4 - IBAN change by debtor - next recurrent SDD collection under an existing mandate to be presented as a First

4.1.1 Description

This suggestion was made by the SPS WG.

It is suggested applying a unique rule: in case the Debtor informs the Creditor of a change of account number (whether held in the same Debtor Bank or in another Debtor Bank), the next collection under an existing mandate should be presented as a 'first' SDD collection to this new IBAN.

Currently, an issue does arise in relation to a debtor who changes its IBAN at the same PSP or wishes to use a new IBAN at another PSP. The current SDD rulebooks do not cater sufficient guidance for the creditor to determine all possible cases (e.g., debtor prefers now another payment account to be used at the same debtor bank or held at another debtor bank, change of IBAN within the same debtor bank as the debtor relocates to another region in the same country, a merger of current debtor bank with another debtor bank occurred). Furthermore, the situation will become more complicated due to the SEPA End-Date Regulation, which makes the BIC optional at national level in 2014 and at cross-border level in 2016.

4.1.2 SPS WG analysis and recommendation

The SPS WG suggested incorporating the suggestion into the Scheme (**option b**).

Other contributors have provided a similar change request with the indication 'Block 4' (i.e. the items # 26 and 79).

If this change suggestion is supported, the following business rule will be added in the description under process step PT-02.02 in section 4.6.2: in case the Debtor informs the Creditor of a change of IBAN (whether held in the same Debtor Bank or in another Debtor Bank), the next collection under an existing mandate should be presented as a 'first' SDD collection to this new IBAN.

4.1.3 Contributions and comments

A majority of EPC Scheme Participants via national banking communities and other contributors to the 2014 public consultation supported the SPS WG recommendation that this suggestion can be part of the Scheme. However, it is noted that numerous contributors did not support the change suggestion. In consideration of the overall comments received, it was concluded that this suggestion cannot be part of the Scheme. Therefore, this change suggestion has not been included in the SDD Core Rulebook version 8.0.

The following comments were received:

Contributor	Comment Received
STUZZA GmbH on behalf of the Austrian banking community	Not necessary when change requests 33, 45, 50, 62, 87 will be incorporated as of Nov. 2015, respectively 2016. There is no need for transitional arrangements.
Spanish banking community	Option e - Should "First" be optional as proposed no change related to the sequence element is to be included meanwhile. No change should be included for the usage of "First" even though the optionality could be effective after 2015.
Finnish banking community	It would require system changes in the bank only for the period until November 2016, when the sequence type First will be removed.
Irish Payment Services Organisation	This change become superfluous if the change requests 44, 45, 50, 62, 87 are approved. There will be no need to use FRST so this change request should be withdrawn if those changes listed are approved.

Contributor	Comment Received
Shahid Ali - Business Analyst	No need to give exceptional treatment to Debtor Account change. As Debtor Account , Creditor Scheme Change are considered as Amendment, then it should be taken care under single umbrella of Amendment and should not repeat the FRST, as already sequence type is complex and it will add further complexity.
Rewe Group	Due to item 33 ff. this doesn't make any sense
German Insurance Association (Gesamtverband der Deutschen Versicherungswirtschaft)	In our understanding this change is only valid on an interim basis until the complete elimination of sequence types (see Block 2). Should that be the case we support the proposal but prefer the complete elimination (unique time cycle).
Deutsche Telekom AG	This should take into account the Block 2 recommendation where FRST will only be optional in the future.
German Banking Industry Committee (GBIC) on behalf of the German banking community and Deutsche Bundesbank.	GBIC supports the original change request (option b) under the following conditions: 1. In case that the Block 2 Change Request Sequence Type "FRST" is successful both Effectiveness Dates should be aligned. 2. If the Change Request will be accepted the EPC should check if mandate amendment indicator "SMNDA" is still required.
European Payment Institutions Federation (EPIF)	We also note that Block 2 change requests, if approved, would eliminate the use of FRST and RCUR and would remove this request, make it a 'redundant' request.
Italian banking association (ABI)	SDD Italian participants to the consultation disagree with SPS WG recommendation as the current SDD rulebook is a sufficient guidance. Specifically when a debtor changes its IBAN at the same PSP, the sequence type is indifferent (first or recurrent), whereas when a debtor changes its IBAN at another PSP, the sequence type is very important because another PSP must check the mandate. In case of a debtor changing its IBAN at another PSP, the Rulebook clarifies that the next collection has to be "First".
RXPAY (publisher of software for payment and banking exchanges)	be careful, there may be a conflict with items 33 , 45 , 50 , 62 and 87
UK Payments Council	No clear position. We are unclear as to how the Block 4 change fits with the Block 2 proposals, especially if a D-1 collection time (Block 1 proposal) is adopted. In addition, taking account of the move to IBAN only, we note that a change to the BIC may not be immediately obvious.
Insurance Europe	In our understanding this change is only valid on an interim basis until the complete elimination of sequence types (see Block 2). Should that be the case we support the proposal but prefer the complete elimination (unique time cycle).
EQUENS SE	EQUENS adheres to the opinion of the German banking community: GERMAN community: supports the original change request (option b) under the following conditions: 1. In case that the Block 2 Change Request Sequence Type "FRST" is successful both Effectiveness Dates should be aligned. 2. If the Change Request will be accepted the EPC should check if mandate amendment indicator "SMNDA" is still required.
Bank Association of Slovenia	We propose that frequency is not obligatory any more
AGES Maut System GmbH & Co. KG	As stated in the left columns, this is not really an amendment to the current Rulebooks.

Contributor	Comment Received
	<p>However, we understand that there have been severe and problematic issues where FRST-SDDs were rejected by Debtor banks when - from their point of view - only a change in the IBAN but not in the BIC has occurred and the bank did not require/expect the amendment indicator to be set and FRST to be in place.</p> <p>Given that most commentators and the SPS WG welcome making the sequence type optional, this amendment is superfluous.</p>
Ingenico	<p>This suggestion goes in the direction of further simplification / consistence of the Scheme rules.</p> <p>However, linked to Block of suggestions n°2, this change request becomes voided in our opining as the ""First"" sequence type will most probably become optional.</p>
<p>Club SEPA (represents software providers and consultants involved in SEPA project in France) http://www.clubsepa.eu/les-membres-du-club/</p>	<p>Additional comments:</p> <p>The rule to apply must be clearly stated. In case of a change of IBAN, the Creditor will indicate in the amended collection with a sequence set at FIRST the original IBAN and the new IBAN. The Creditor bank will derive the BIC from the IBANs: it must be defined very clearly if the abbreviation SMNDA must be exchanged in interbank space and in consequence if SMNDA must be provided by the creditor to his bank. This means between banks the current rule only change regarding the collection sequence both on the creditor and the interbank spaces. Furthermore concerning the change of IBAN, it would be more convenient if all SEPA countries could use the CAI³ protocol through acmt.022 to communicate any change of IBAN. At least, each stakeholder translates notion of BIC as he wants: either BIC 8 or BIC 11.</p>
<p>Dutch Association of Large Billers (Verenigde Groot Incassanten (VGI))</p>	<p>However it seems to be inconsistent to the changes which request for the optional usage of first and recurrent sequence types. See remark mentioned with change # 69</p>
<p>AITI - Italian Association of Corporate Treasurers</p>	<p>Since we prefer to have type sequence optional since November 2015 there is no need to amend the scheme. Cannot be part of the existing scheme – option e. In the light of future optionality of sequence types, in order to avoid further investments to be done by Corporates, no changes should be included for the usage of "First" even though the optionality will be effective later than 2015.</p>
<p>EACT - European Association of Corporate Treasurers</p>	<p>Since we prefer to have type sequence optional since November 2015 there is no need to amend the scheme. Cannot be part of the existing scheme – option e. In the light of future optionality of sequence types, in order to avoid further investments to be done by Corporates, no changes should be included for the usage of "First" even though the optionality will be effective later than 2015.</p>
<p>Citibank NA London branch</p>	<p>Agree to this as a more consistent approach IF BLOCK 2 does not proceed. However, this conflicts with the BLOCK 2 proposal supported by EPC/SPS to make FRST / RCUR interchangeable / FRST not mandatory. If FRST does not need to be used for the first</p>

³ EPC Clarification: Change Account Information (CAI) based on ISO20022 message acmt.022 Identification Modification Advice. This message is sent from a financial institution to a financial institution after the receipt of one or several transaction messages that include no longer valid party and/or account identification information, to advise on the correct party and/or account identification information

Contributor	Comment Received
	collection in Business as usual flows, it should not need to be used for "change.
ASSET (Spanish Association of CFOs)	Option e - Should "First" be optional as proposed no change related to the sequence element is to be included meanwhile. No change should be included for the usage of "First" even though the optionality could be effective after 2015.

4.2 # 17: Making storage location for additional customer-to-customer information available outside the payment transaction

4.2.1 Description

This suggestion was made by the SPS WG.

The current SDD Core Scheme permits the end-to-end carrying of remittance data on a structured or unstructured basis. The scheme rules allow for one repetition of the remittance information field of up to 140 characters to be included with the remittance information.

Earlier change requests from different stakeholder groups and banking communities asked for a possibility to use significantly larger remittance information. The present 140 characters of remittance information appear to be not enough for some users or communities in the SEPA area.

It is proposed to make additional customer-to-customer information available outside of the SDD Core collection message. The SDD collection message would only carry the information of the location where the additional customer-to-customer information is stored. The additional data separated from the 140 characters of the remittance information can then be sent separately from the SDD Core collection message.

Additional data elements/ attributes that already exist in ISO 20022 (e.g., ISO 20022 Extended Remittance Advice message) can be taken up in the SDD Core Rulebook. These new attributes will store details of the location from where the additional customer-to-customer information can be retrieved.

It is emphasized that the current limited character set to be used in the SDD Core Scheme will remain unchanged. Furthermore, the additional attributes storing the location of the additional customer-to-customer information will be **optional fields**.

This means that only when the Creditor provides information about the storage location of the additional customer-to-customer information in these optional fields, it is mandatory for the Creditor Bank to transport this storage location information in these fields to the Debtor Bank. In case of an arrangement between the Debtor Bank and the Debtor, the information about the storage location could be made available.

These details are sent together with the SDD message but are not part of the SDD collection.

4.2.2 SPS WG analysis and recommendation

The SPS WG suggested incorporating the suggestion into the scheme as an optional feature (**option c**) and more specifically through the use of **optional fields**.

4.2.3 Contributions and comments

Views among contributors to the 2014 public consultation representing both the demand and supply sides were mixed. However, in consideration of the overall comments from a majority of EPC Scheme Participants via national banking communities and other contributors received, it was concluded that the change suggestion cannot be part of the Scheme. Therefore, the change suggestion has not been included in the SDD Core Rulebook version 8.0.

The following comments were received:

Contributor	Comment Received
STUZZA GmbH on behalf of the Austrian banking community	The Austrian Banking Community is concerned about legal and security issues: since the payment message only carries the information of the (outside!) location of the additional C2C information, the content and form of information is beyond any checking procedures of involved banks. Therefore, banks must not be held responsible for any illegal or objectionable contents.
Irish Payment Services Organisation	Will cause confusion in marketplace where it's mandatory on one side i.e. Originating bank. Should be resolved separately to payment chain.
French Banking Federation	Option e

Contributor	Comment Received
BITKOM e.V.	<p>The change request should not be implemented on legal grounds and because of high costs.</p> <p>The remittance information in a payment message turns up as the text on the account statement.</p> <p>At least in Germany but probably also in other countries this account statement is a legally necessary book-keeping voucher. Thus, there are several regulatory requirements to be fulfilled, e.g. the obligation to preserve records and the permanent accessibility over a period of ten years. This will cause high costs for saving the data and high complexity as additional customer-to-customer information can be stored in different format, like URL, Fax, Email, etc.</p> <p>We also expect high costs and high complexity of privacy protection as the remittance information most of the time contains private and confidential data that must be protected from unauthorized access.</p> <p>Finally the information on the account statement delivered by the CAMT or MT940 formats is used for automated booking. If relevant information is only found in additional customer-to-customer information outside of the SCT/SDD payment message it will complicate this process.</p> <p>Cannot be part of the existing scheme – option e</p>
Shahid Ali - Business Analyst	<p>The Logic explained behind the Location attribute as optional is market demand but the unfortunate thing about it is, only it is given it will be getting started used as an extension to Remittance information above 140 and not really the Location to get the further Information. Also why it is not possible to fit the Location information in Remittance info only.</p> <p>Even if we plan to provide it as optional field, then restrict it to same 140 limit and not beyond date.</p>
German Insurance Association (Gesamtverband der Deutschen Versicherungswirtschaft)	<p>We support the proposal because additional customer-to-customer information will be a very useful option also for insurance companies.</p>
Deutsche Telekom AG	<p>The change request should not be implemented on legal grounds and because of high costs.</p> <p>The remittance information in a payment message turns up as the text on the account statement.</p> <p>At least in Germany but probably also in other countries this account statement is a legally necessary book-keeping voucher. Thus, there are several regulatory requirements to be fulfilled, e.g. the obligation to preserve records and the permanent accessibility over a period of ten years. This will cause high costs for saving the data and high complexity as additional customer-to-customer information can be stored in different format, like URL, Fax, Email, etc.</p> <p>We also expect high costs and high complexity of privacy protection as the remittance information most of the time contains private and confidential data that must be protected from unauthorized access.</p> <p>Finally the information on the account statement delivered by the CAMT or MT940 formats is used for automated booking. If relevant information is only found in additional customer-to-customer information outside of the SCT/SDD payment message it will</p>

Contributor	Comment Received
	<p>complicate this process. Cannot be part of the existing scheme – option e</p>
<p>Dutch Payments Association (on behalf of Dutch banking community)</p>	<p>DO NOT include as optional feature. Optional features will be demanded by clients. This change has big impact throughout the whole payment chain. IT-impact is huge. If this change should be included as an option, then realization by November 2015 is not considered realistic.</p>
<p>Italian banking association (ABI)</p>	<p>The large majority of the SDD Italian participants responding to the consultation disagree with SPS WG recommendation as there isn't market demand referred to SDD schemes.</p>
<p>UK Payments Council</p>	<p>This is subject to the EPC ensuring compliance with relevant legislation in this area e.g. FATF Recommendation 16/the Funds Transfer Regulation.</p>
<p>Insurance Europe</p>	<p>We support the proposal because additional customer-to-customer information will be a very useful option also for insurance companies.</p>
<p>AGES Maut System GmbH & Co. KG</p>	<p>The change request should not be implemented on legal grounds and because of high costs. In many jurisdictions this is not feasible for taxation reasons as the information on the account statement (XML or MT940) is to be stored for ten years and more but the additional source may not. Additionally the data is used for automated booking. If this information is missing on the statement, this will lead to large administrative costs and damage SEPA.</p> <p>Cannot be part of the existing scheme – option e"</p>
<p>Lithuanian SEPA Coordination Committee</p>	<p>We agree that an optional field should be used. However we think that longer implementation period is needed in order market participants could better analyse the effect of the new feature to the direct debit service and would be able to accommodate properly.</p>
<p>Club SEPA (represents software providers and consultants involved in SEPA project in France) http://www.clubsepa.eu/les- membres-du-club/</p>	<p>additional comment :</p> <p>It would be very important to specify how to carry these additional customer-to-customer information outside the SDD collection (format, characters,...)</p> <p>If the fields used are optional, the documentation will have to express clearly the mandatory aspect for carrying such information between banks towards debtors.</p>
<p>Norwegian banking community</p>	<p>Use of optional fields should be harmonised for SCT and SDD</p>
<p>Danish Bankers Association</p>	<p>We strongly believe in the solution in order to be forward looking and accommodate the needs of customers.</p> <p>We would, however, prefer that the solution as soon as possible will be changed from optional to mandatory for the Debtor Bank to the Debtor when such customers are served via electronic channels.</p>
<p>Handelsverband Deutschland (HDE)</p>	<p>The change request should not be implemented on legal grounds and because of high costs.</p> <p>The remittance information in a payment message turns up as the text on the account statement.</p> <p>At least in Germany but probably also in other countries this account statement is a legally necessary book-keeping voucher. Thus, there are several regulatory requirements to be fulfilled, e.g. the obligation to preserve records and the permanent accessibility over a period of ten years. This will cause high costs for saving the data and high</p>

Contributor	Comment Received
	<p>complexity as additional customer-to-customer information can be stored in different format, like URL, Fax, Email, etc.</p> <p>We also expect high costs and high complexity of privacy protection as the remittance information most of the time contains private and confidential data that must be protected from unauthorized access. Finally the information on the account statement delivered by the CAMT or MT940 formats is used for automated booking. If relevant information is only found in additional customer-to-customer information outside of the SCT/SDD payment message it will complicate this process.</p> <p>Cannot be part of the existing scheme – option e</p>
<p>AITI - Italian Association of Corporate Treasurers</p>	<p>Italian Corporates and AITI have for a long time raised requests for extended remittance information in the SEPA formats, asking to implement the full ISO standard without any limitation. Any technical solution identified by SPS WG should be carefully analysed with end-users before inserting it in the rulebooks, since extended remittance information should be made available by the PSPs in the B2C ISO messages. The information on the account statement that is a legally necessary book-keeping document, delivered by the CAMT or MT940 formats is used by Corporates for automated booking. If relevant data could be found only in additional customer-to-customer information, the booking process will be more complicate.</p> <p>Furthermore if the service was optional, the option would have to be adopted by a large number of European PSPs in order to meaningfully work. We believe that the EPC should actively engage users in the development of the solution for extended remittance information at technical level and also make it mandatory for PSPs because if optional it not work in practice without a wide networks of banks offering the optional feature.</p>
<p>Nordea Banking Group</p>	<p>We strongly believe in the solution in order to be forward looking and accommodate the needs of customers.</p> <p>We would, however, prefer that the solution as soon as possible will be changed from optional to mandatory for the Debtor Bank to the Debtor when such customers are served via electronic channels.</p>
<p>EACT - European Association of Corporate Treasurers</p>	<p>EACT has for a long time raised requests for extended remittance information in the SEPA formats, asking to implement the full ISO standard without any limitation. Any technical solution identified by SPS WG should be carefully analysed with end-users before inserting it in the rulebooks, since extended remittance information should be made available by the PSPs in the B2C ISO messages. The information on the account statement that is a legally necessary book-keeping document, delivered by the CAMT or MT940 formats is used by Corporates for automated booking. If relevant data could be found only in additional customer-to-customer information, the booking process will be more complicate. Furthermore if the service was optional, the option would have to be adopted by a large number of European PSPs in order to meaningfully work. We believe that the EPC should actively engage users in the development of the solution for extended remittance information at technical level and also make it mandatory for PSPs because if optional it not work in practice without a wide networks of banks offering the optional feature.</p>

Contributor	Comment Received
Citibank NA London branch	As there are thousands of fields in standard ISO XML, the fields to be used should be identified as specific range/ named as remittance information fields. Accommodation should give adequate characters for multiple remittance/ invoice data details.
ASSET (Spanish Association of CFOs)	It is a feature optional and it is a right change by Spain.

4.3 # 18: Corrections on the definition of 'refusal by the Debtor'

4.3.1 Description

This suggestion was made by the SPS WG.

It is proposed to update the SDD Rulebook in a way that a refusal is always based on a request of the Debtor before due date/ settlement date not to pay a collection. The technical r-transaction could be either a reject (which is the preference) or if technically not feasible before settlement a return.

Only refusals returned by a reject or by a return would use the proper reason code “refusal by the Debtor”. With the proposed way forward no change in today’s practice by PSPs is required. Furthermore, rewording proposals in the description of attribute AT-R3 ‘The Reason Code for Non-Acceptance’ are made.

Currently, different interpretations of the term “refusal” (i.e. it is the debtor who initiates the refusal) and the technical aspects of treating such refusal (as a reject before settlement or as return/refund after settlement) had been reported. The main issue is whether such refusal can be processed either as reject, return or refund.

4.3.2 SPS WG analysis and recommendation

The SPS WG suggested incorporating the suggestion into the Scheme (**option b**).

4.3.3 Contributions and comments

The vast majority of EPC Scheme Participants via national banking communities and other contributors to the 2014 public consultation supported the SPS WG recommendation that this suggestion can be part of the Scheme. Therefore, this change suggestion has been included in the SDD Core Rulebook version 8.0.

The following comments were received:

Contributor	Comment Received
Shahid Ali - Business Analyst	Refusal will not be a Return type return part of Reject and will contain the code Refusal by Debtor only,
Italian banking association (ABI)	Please note that one bank with a significant % of payment volume disagree with SPS WG recommendation as the correction is considered superfluous.
Citibank NA London branch	This update should also clarify that a RETURN is possible, in addition to RETURN (currently debtor response can only be REJECT or REFUND, per Rulebook).



4.4 # 19: This suggestion has been withdrawn by the contributor

4.4.1 Description

This suggestion has been withdrawn by the contributor.

4.5 # 21: End-to-End (E2E) identification optional instead of mandatory in C2B and Interbank Implementation Guidelines

4.5.1 Description

This suggestion was made by the Betaalvereniging Nederland.

The End-to-End (E2E) identification is mandatory in the Customer-to-Bank (C2B) Implementation Guidelines (IGs). If this E2E identification is not given, the Interbank IGs of the Rulebook prescribe to provide “Not Provided” in the E2E identification field.

The suggestion considers that the attribute AT-10 ‘The Creditor’s Reference of the Direct Debit Transaction’ contains a wrong description in respect to the use of the default value “Not Provided”. As the C2B IGs indicate that the E2E identification is mandatory, it would not be the case that the Creditor Bank must fill this field with ‘Not Provided’ when left blank by the Creditor as the Creditor is obliged to provide a value.

It is suggested to delete in AT-10 the provision of the default value “Not Provided” if the Creditor provides no reference and to make the E2E identification optional in the C2B and Interbank IGs.

4.5.2 SPS WG analysis and recommendation

The SPS WG recommended not taking forward the suggestion for change (**option e**). The E2E identification field is currently mandatory in ISO.

4.5.3 Contributions and comments

The vast majority of EPC Scheme Participants via national banking communities and other contributors to the 2014 public consultation supported the SPS WG recommendation that this suggestion cannot be part of the Scheme. Therefore, this change suggestion has not been included in the SDD Core Rulebook version 8.0.

The following comments were received:

Contributor	Comment Received
BITKOM e.V.	If "NOT PROVIDED" is applied then it should not appear on the printed statement.
Shahid Ali - Business Analyst	This optional suggestion seems has originated due to mention of not provided in Rule Book. They are considering we do not have then it can be optional. This logic of Not Provided should be removed from the Rule Book and to be said as it has to be unique value for various Transaction(C-Level) of a Payment (B-Level). As this information is going to be key role for R-transaction information to Customer.
Deutsche Telekom AG	If "NOT PROVIDED" is applied then it should not appear on the printed statement.
Dutch Payments Association (on behalf of Dutch banking community)	Proposal to EPC: EPC asks for ISO change. E2E must be optional (Only when filled by originator (C2B) it must be passed through in payment chain).
RXPAY (publisher of software for payment and banking exchanges)	It would be difficult to apply this provision: the reconciliation returns CAMT054 with SDD transactions based on this field
EQUENS SE	Either the pain rule or the pacs rule should be changed in the ISO 20022 specification
AGES Maut System GmbH & Co. KG	If "NOT PROVIDED" is applied then it should not appear on the statement of account. BUT it is absolutely clear that a given E2E-Ref MUST BE relayed through all instances including the statements of account.

Contributor	Comment Received
Ingenico	Having a unique identifier to each transaction is really useful in day to day. This should remain mandatory.
Handelsverband Deutschland (HDE)	If "NOT PROVIDED" is applied then it should not appear on the printed statement.
Citibank NA London branch	end-to-end ID should be mandatory as the only piece of transaction-level identifying information that must always carry through (eg on r-messages): the issue is with "Not provided" as non-unique input in this supposedly unique data field

4.6 # 23: Change standard processing timeline for recurrent transactions from “D-2” into “D-1”

4.6.1 Description

This suggestion was made by the Betaalvereniging Nederland.

It is suggested to change the standard processing timeline for recurrent collections from “D-2” into “D-1”. The standard processing timeline for first collections remains “D-5”.

Maintaining one SDD Core scheme (“D-1” as default for recurrent collections) is more efficient than the present situation with the SDD Core scheme next to SDD Core D-1. As “D-1” is the minimum requirement, Creditors have still the possibility to continue initiating first collections on “D-2”.

4.6.2 SPS WG analysis and recommendation

The SPS WG recommended not taking forward the suggestion for change (**option e**).

The SPS WG drew the attention to other change requests (see change requests with indication ‘Block 1’ i.e. the items # 31, 49 and 63) suggesting also changes to the SDD Core collection timeline D-5/ D-2.

4.6.3 Contributions and comments

The vast majority of EPC Scheme Participants via national banking communities and other contributors to the 2014 public consultation supported the SPS WG recommendation that this suggestion cannot be part of the Scheme. Therefore, this change suggestion has not been included in the SDD Core Rulebook version 8.0.

The following comments were received:

Contributor	Comment Received
STUZZA GmbH on behalf of the Austrian banking community	See response to Item 31, 49, 63
German Insurance Association (Gesamtverband der Deutschen Versicherungswirtschaft)	The change request is not helpful to simplify processes. We support a unique time cycle for all collections (first and recurrent).
Dutch Payments Association (on behalf of Dutch banking community)	only when D-1/D-1 will be incorporated in the scheme as standard timeline
RXPAY (publisher of software for payment and banking exchanges)	If this application is accepted, what would be the point of doing COR1?
Insurance Europe	The change request is not helpful to simplify processes. We support a unique time cycle for all collections (first and recurrent).
AGES Maut System GmbH & Co. KG	In consequence to the acceptance of items 31, 49 and 63, this request would also be accepted.
Ingenico	as D-1 will become the rule, this request is by nature obsolete
Dutch Association of Large Billers (Verenigde Groot Incassanten (VGI))	Inconsistent to the changes regarding COR1 as being the proposed new standard per Nov. 2016.

4.7 # 25: Deletion of all Creditor related reasons from attribute AT-24 ('Reason for amendment of the mandate')

4.7.1 Description

This suggestion was made by Betaalvereniging Nederland. It is suggested to delete all Creditor related reasons from AT-24 ('Reason for amendment of the mandate'). This would then lead to the usage rule that the Creditor issues a new mandate if the Creditor wants to change his name, Creditor identifier and/or unique mandate reference. The statement is made that the existing amendment procedure of the mandate is experienced as complex and leads to many questions and errors.

4.7.2 SPS WG analysis and recommendation

The SPS WG recommended not taking forward the suggestion for change (**option e**). As a new mandate requires a new signature of the Debtor it is recommended leaving the decision to the Creditor to ask the Debtor to sign for a new mandate or to amend the mandate-related data combined with an upfront communication to the Debtor.

The SEPA Regulation (Annex Technical Requirements) does already cover Creditor-related changes in the mandate.

4.7.3 Contributions and comments

The vast majority of EPC Scheme Participants via national banking communities and other contributors to the 2014 public consultation supported the SPS WG recommendation that this suggestion cannot be part of the Scheme. Therefore, this change suggestion has not been included in the SDD Core Rulebook version 8.0.

The following comments were received:

Contributor	Comment Received
RXPAY (publisher of software for payment and banking exchanges)	It would be difficult to apply this provision: the reconciliation returns CAMT054 with SDD transactions based on this field
AGES Maut System GmbH & Co. KG	Should be incorporated into the scheme - option b The Mandate amendment data under CORE is completely useless, but inflicting high costs on all parties, especially on the creditors. Additionally, no system like SAP is currently able to furnish the required amendment information. The consequence is that amendments do not take place. New Mandates are asked for instead - leading to the assertion that SEPA is inflexible and cost inflicting. Deleting such useless burdens will reap economic benefits!
Ingenico	It's better that the creditors have a choice to reissue new mandates or amend existing ones.
Citibank NA London branch	Mandate amendment process, reasons positive capability for more efficient approach than "new mandates" but the rules around mandate amendment need further clarification on usage (not removal).

4.8 # 26: Block 4 - Debtor amends IBAN on mandate - next recurrent SDD collection under an existing mandate to be presented as a First

4.8.1 Description

This suggestion was made by Betaalvereniging Nederland.

The contributor suggests that if the Debtor amends the IBAN on the mandate, the Creditor should always present the next recurrent collection with sequence type “FRST” respecting the time-cycle of a first direct debit collection. The same mandate reference can be used.

Currently, Creditors are not able to determine with certainty if the new IBAN is held with the same or with another Debtor Bank.

4.8.2 SPS WG analysis and recommendation

The SPS WG recommended that the suggestion should be incorporated into the Scheme (**option b**).

Other contributors have provided a similar change request with the indication ‘Block 4’ (i.e. the items # 16 and 79).

If this change suggestion is supported, the following business rule will be added in the description under process step PT-02.02 in section 4.6.2: in case the Debtor informs the Creditor of a change of IBAN (whether held in the same Debtor Bank or in another Debtor Bank), the next collection under an existing mandate should be presented as a ‘first’ SDD collection to this new IBAN.

4.8.3 Contributions and comments

A majority of EPC Scheme Participants via national banking communities and other contributors to the 2014 public consultation supported the SPS WG recommendation that this suggestion can be part of the Scheme. However, it is noted that numerous contributors did not support the change suggestion. In consideration of the overall comments received, it was concluded that this suggestion cannot be part of the Scheme. Therefore, this change suggestion has not been included in the SDD Core Rulebook version 8.0.

The following comments were received:

Contributor	Comment Received
STUZZA GmbH on behalf of the Austrian banking community	Not necessary when change requests 33, 45, 50, 62, 87 will be incorporated as of Nov. 2015, respectively 2016. There is no need for transitional arrangements.
Spanish banking community	Option e - Should "First" be optional as proposed no change related to the sequence element is to be included meanwhile. No change should be included for the usage of "First" even though the optionality could be effective after 2015.
Finnish banking community	It would require system changes in the bank only for the period until November 2016, when the sequence type First will be removed.
Irish Payment Services Organisation	This change become superfluous if the change requests 44, 45,50,62,87 are approved. There will be no need to use FRST so this change request should be withdrawn if those changes listed are approved.
Shahid Ali - Business Analyst	No need to give exceptional treatment to Debtor Account change. As Debtor Account , Creditor Scheme Change are considered as Amendment, then it should be taken care under single umbrella of Amendment and should not repeat the FRST, as already sequence type is complex and it will add further complexity.
Rewe Group	Due to item 33 ff. this doesn't make any sense

Contributor	Comment Received
German Insurance Association (Gesamtverband der Deutschen Versicherungswirtschaft)	In our understanding this change is only valid on an interim basis until the complete elimination of sequence types (see Block 2). Should that be the case we support the proposal but prefer the complete elimination (unique time cycle).
Deutsche Telekom AG	This should take into account the Block 2 recommendation where FRST will only be optional in the future.
German Banking Industry Committee (GBIC) on behalf of the German banking community and Deutsche Bundesbank.	GBIC supports the original change request (option b) under the following conditions: 1. In case that the Block 2 Change Request Sequence Type "FRST" is successful both Effectiveness Dates should be aligned. 2. If the Change Request will be accepted the EPC should check if mandate amendment indicator "SMNDA" is still required.
European Payment Institutions Federation (EPIF)	We also note that Block 2 change requests, if approved, would eliminate the use of FRST and RCUR and would remove this request, make it a 'redundant' request.
Italian banking association (ABI)	SDD Italian participants to the consultation disagree with SPS WG recommendation as the current SDD rulebook is a sufficient guidance. Specifically when a debtor changes its IBAN at the same PSP, the sequence type is indifferent (first or recurrent), whereas when a debtor changes its IBAN at another PSP, the sequence type is very important because another PSP must check the mandate. In case of a debtor changing its IBAN at another PSP, the Rulebook clarifies that the next collection has to be "First".
RXPAY (publisher of software for payment and banking exchanges)	be careful, there may be a conflict with items 33 , 45 , 50 , 62 and 87
UK Payments Council	No clear position. We are unclear as to how the Block 4 change fits with the Block 2 proposals, especially if a D-1 collection time (Block 1 proposal) is adopted. In addition, taking account of the move to IBAN only, we note that a change to the BIC may not be immediately obvious.
Insurance Europe	In our understanding this change is only valid on an interim basis until the complete elimination of sequence types (see Block 2). Should that be the case we support the proposal but prefer the complete elimination (unique time cycle).
EQUENS SE	EQUENS adheres to the opinion of the German banking community: GERMAN community: supports the original change request (option b) under the following conditions: 1. In case that the Block 2 Change Request Sequence Type "FRST" is successful both Effectiveness Dates should be aligned. 2. If the Change Request will be accepted the EPC should check if mandate amendment indicator "SMNDA" is still required.
Bank Association of Slovenia	We propose that frequency is not obligatory any more
AGES Maut System GmbH & Co. KG	As stated in the left columns, this is not really an amendment to the current Rulebooks. However, we understand that there have been severe and problematic issues where FRST-SDDs were rejected by Debtor banks when - from their point of view - only a change in the IBAN but not in the BIC has occurred and the bank did not require/expect the amendment indicator to be set and FRST to be in place.

Contributor	Comment Received
	Given that most commentators and the SPS WG welcome making the sequence type optional, this amendment is superfluous.
Ingenico	This suggestion goes in the direction of further simplification / consistence of the Scheme rules. However, linked to Block of suggestions n°2, this change request becomes voided in our opinion as the ""First"" sequence type will most probably become optional.
Club SEPA (represents software providers and consultants involved in SEPA project in France) http://www.clubsepa.eu/les-membres-du-club/	Additional comments: The rule to apply must be clearly stated. In case of a change of IBAN, the Creditor will indicate in the amended collection with a sequence set at FIRST the original IBAN and the new IBAN. The Creditor bank will derive the BIC from the IBANs: it must be defined very clearly if the abbreviation SMNDA must be exchanged in interbank space and in consequence if SMNDA must be provided by the creditor to his bank. This means between banks the current rule only change regarding the collection sequence both on the creditor and the interbank spaces. Furthermore concerning the change of IBAN, it would be more convenient if all SEPA countries could use the CAI ⁴ protocol through acmt.022 to communicate any change of IBAN. At least, each stakeholder translates notion of BIC as he wants: either BIC 8 or BIC 11.
Dutch Association of Large Billers (Verenigde Groot Incassanten (VGI))	However it seems to be inconsistent to the changes which request for the optional usage of first and recurrent sequence types. See remark mentioned with change # 69
AITI - Italian Association of Corporate Treasurers	Since we prefer to have type sequence optional since November 2015 there is no need to amend the scheme. Cannot be part of the existing scheme – option e. In the light of future optionality of sequence types, in order to avoid further investments to be done by Corporates, no changes should be included for the usage of "First" even though the optionality will be effective later than 2015.
EACT - European Association of Corporate Treasurers	Since we prefer to have type sequence optional since November 2015 there is no need to amend the scheme. Cannot be part of the existing scheme – option e. In the light of future optionality of sequence types, in order to avoid further investments to be done by Corporates, no changes should be included for the usage of "First" even though the optionality will be effective later than 2015.
Citibank NA London branch	Agree to this as a more consistent approach IF BLOCK 2 does not proceed. However, this conflicts with the BLOCK 2 proposal supported by EPC/SPS to make FRST / RCUR interchangeable / FRST not mandatory. If FRST does not need to be used for the first collection in Business as usual flows, it should not need to be used for "change.
ASSET (Spanish Association of CFOs)	Option e - Should "First" be optional as proposed no change related to the sequence element is to be included meanwhile. No change should be included for the usage of "First" even though the optionality could be effective after 2015.

⁴ See clarification under footnote 3

4.9 # 27: Extra reason codes for white/blacklisting and other Debtor-driven reasons in AT-R3 ‘The Reason Code for Non-Acceptance’

4.9.1 Description

This suggestion was made by Betaalvereniging Nederland.

It is suggested to add new reason codes to specify the different reasons as stipulated in article 5 (3.) (d) of the SEPA Regulation (Regulation 260/2012 of March 14th 2012). It is stated that using these new reason codes will give Creditors more useful information about white/blacklist settings and/or other specific SDD services provided by the Debtor Bank.

4.9.2 SPS WG analysis and recommendation

The SPS WG considered that the change suggestion is already provided for in the Scheme (**option a**). The SPS WG recommended instead of extending the list of reason codes in AT-R3 to use the existing reason code SL01 (‘Specific Service offered by the Debtor Bank’) for this group of reasons. This should help to limit the complexity of managing and applying reason codes.

4.9.3 Contributions and comments

Views among contributors to the 2014 public consultation representing both the demand and supply sides were mixed. However, in consideration of the overall comments from a majority of EPC Scheme Participants via national banking communities and other contributors received, it was concluded that this suggestion is already provided for in the Scheme. Therefore, this change suggestion has not been included in the SDD Core Rulebook version 8.0.

The following comments were received:

Contributor	Comment Received
Portuguese banking community	The Portuguese Banking Community favors the use of these new reason codes as it will give Creditors more useful information about white/blacklist settings and/or other specific SDD services provided by the Debtor Bank.
Shahid Ali - Business Analyst	1/SL01 - Specific Service Offered by Debtor Bank this reason code is generic and also seems from wording it is a service provided by Bank and not the SEPA Scheme. Also Seems to be Bank provided action. Either new Codes to be more Specific, might be only one code for all 3 reason(Black List, Amount and Frequency) like XX99 - Additional Protection Measures asked by Debtor . Wording (Additional Protection Measures) is taken from the Regulation. This wording gives help as it clearly inform it is by Debtor and not Debtor Bank. Also it is observed SL01 is allowed for both Bank Return/Reject and Customer Refusal/Refund. Ideally such code should be restricted to Refusal (Debtor Initiated) and not to Reject (Bank Initiated) as this is Customer asked and not the Bank. 2/ Other Appropriate Code which should be used is MS02 - Refusal by Debtor / No Specific Reason Customer Generated/ Reason not Specified.
Rewe Group	"Special service offered by the Debtor bank" doesn't provide any information at all, and is as such not useful.

Contributor	Comment Received
Dutch Payments Association (on behalf of Dutch banking community)	SL01 does not give the requested details on the rejection reason. So we do propose to generate more specific reasoncodes for white-/blacklisting and other debtor driven refusals.
UK Payments Council	UK Payments Council supports the SPS WG recommendation – Option A. However, we would suggest a slight change to the definition of reason code SL01 (specific service offered by the Debtor bank) to make it clearer that it incorporates consumer protection measures such as black and white listing.
EQUENS SE	Equens consider the reason codes currently in use are not enough to indicate the reason for the R-Transaction initiated by the debtor in case of whitelisting checks
Ingenico	Could be a good idea for a later improvement, once the mgt of r-transaction is stabilised and harmonised.
Club SEPA (represents software providers and consultants involved in SEPA project in France) http://www.clubsepa.eu/les-membres-du-club/	Additional comment: there are already a lot of reason codes to explain an R transaction. The need is a clarification and usage's rules instead of new codes. Given that the change request n°65 is excluded as category E, why adding a new code?
AITI - Italian Association of Corporate Treasurers	We support the original change suggestion of adding more reason codes as from the point of view of the creditor such information could be very valuable the underlying commercial relationship. We suggest to incorporate it in the scheme (option b)
EACT - European Association of Corporate Treasurers	We support the original change suggestion of adding more reason codes as from the point of view of the creditor such information could be very valuable the underlying commercial relationship. We suggest to incorporate it in the scheme (option b)
Citibank NA London branch	Code SL01 does not give further information to the Creditor on why it rejected, just that it was due to these broader services. Additional codes on why payer has rejected would be useful to determine how to resolve (clear difference between conscious "blacklisting", an amount limit, and "whitelisting" (oversight). SL01 also currently used if rejected by local CSM (nothing to do with payer level services)
ASSET (Spanish Association of CFOs)	We support the original change suggestion of adding more reason codes as from the point of view of the creditor such information could be very valuable.



4.10 # 28: This suggestion has been withdrawn by the contributor

4.10.1 Description

This suggestion has been withdrawn by the contributor.

4.11 # 29: Wording change on 'form of mandate' in section 5.7 "Obligations of a Creditor Bank"

4.11.1 Description

This suggestion was made by the SPS WG.

Section 5.7 "Obligations of a Creditor Bank" of the SDD Rulebook contains the following wording:

"A Creditor Bank shall oblige each of its Creditors, in accordance with the relevant requirements set out in the Rulebook:

(...)

- *to use a form (underscore added) of Mandate which complies with the Rulebook"*

The notion 'form' here might be misinterpreted as a specific concrete 'format' or 'template'. Instead, it should be understood that the chosen mandate has to fulfil a set of requirements. Therefore a rewording is proposed.

4.11.2 SPS WG analysis and recommendation

The SPS WG suggested incorporating the suggestion into the Scheme (**option b**).

4.11.3 Contributions and comments

The vast majority of EPC Scheme Participants via national banking communities and other contributors to the 2014 public consultation supported the SPS WG recommendation that this suggestion can be part of the Scheme. Therefore, this change suggestion has been included in the SDD Core Rulebook version 8.0.

The following comments were received:

Contributor	Comment Received
Ingenico	Any clarification is welcome

4.12 # 30: Block 3 - Removal references to 'qualified electronic signature' in section 4.1 "The Mandate" and section 7 "Definitions"

4.12.1 Description

This suggestion was made by the SPS WG.

In October 2013, the EPC published a clarification letter on electronic mandates to SEPA Direct Debit Scheme Participants (Letter EPC098-13) on the EPC public website.

The clarification letter highlights that the signature methods as described in section 4.1 of the SDD Rulebooks are not exhaustive. SDD Scheme Participants may consider allowing continued usage of other legally binding methods of signature including those that were used under the local legacy scheme rules.

With the publication of this letter, the current specification that only a 'qualified electronic signature' can be used to sign an electronic mandate should be removed in the SDD Rulebook.

Deletions are suggested in the section 4.1 and section 7.

4.12.2 SPS WG analysis and recommendation

The SPS WG suggested incorporating the suggestion into the Scheme (**option b**).

The SPS WG draws the attention to other change requests (see change requests with indication 'Block 3' i.e. the items 37, 44, 48, 52, 53, 54, 55, 60, 72 and 76) suggesting also changes to the SDD Rulebook section 4.1.

4.12.3 Contributions and comments

The vast majority of EPC Scheme Participants via national banking communities and other contributors to the 2014 public consultation supported the suggestion to amend the wording in section 4.1 ('The Mandate'). Taking into consideration the overall comments received, it was resolved to amend the wording in section 4.1 ('The Mandate') to read as follows in the SDD Core Rulebook version 8.0: "Alternatively, the Mandate may be an electronic document which is signed using a legally binding method of signature."

The EPC acknowledges that this clarification will not solve the issue of a legally binding signature in country "A" not being accepted in country "B". The EPC must however, stress that it cannot resolve through its Scheme Rulebooks legal issues at SEPA level relating to electronic mandates in the absence of clear, harmonised European legislation in this area.

The EPC points out that at its first meeting held in May 2014, the Euro Retail Payments Board (ERPB)⁵ – established and chaired by the European Central Bank – identified electronic mandates as a key SEPA issue and decided to establish a specific working group dedicated to that topic. This ERPB Working Group on pan-European electronic mandate solutions for SDDs – actively co-chaired by an Ecommerce Europe representative and an EPC representative – started its work in July 2014 and has planned a number of activities and meetings over the following months in order to produce a report to be submitted to the ERPB in due course. The EPC looks forward to the outcome of the work of the ERPB electronic mandate Working Group on pan-European electronic mandate solutions for SDDs and to the ensuing discussions at the ERPB.

⁵ On 19 December 2013 the European Central Bank (ECB) announced the launch of the Euro Retail Payments Board (ERPB). The ERPB will "help foster the development of an integrated, innovative and competitive market for retail payments in euro in the EU". The ERBP includes representatives of both the demand and supply sides of the euro payments market. They are joined by five representatives from the euro area national central banks and one representative from the non-euro area EU national central banks (all on a rotating basis). The ERPB is chaired by the ECB. The European Commission is invited to join as an observer. (The EPC is a member of the ERPB.) <http://www.ecb.europa.eu/paym/retpaym/governance/eu/html/index.en.html#erpb>.

The following comments were received:

Contributor	Comment Received
Rewe Group	"Legally binding method of signature" as per which country? A Debtor is in Country A, the Creditor in Country B, and the PSPs may be in more countries. Which method is binding for all countries?
German Insurance Association (Gesamtverband der Deutschen Versicherungswirtschaft)	<p>The contents of the EPC clarification letter on electronic mandates are a first step in right direction. They are able to open the scheme for modern electronic mandating methods. But this step is not sufficient. In addition it is necessary to give creditors reliable guidelines for electronic mandating methods that will be accepted anyway by all debtor banks. The GDV has one major concern: In addition to the suggested opening of the Rulebooks we need guidelines that give legal certainty. If only the wide interpretation of valid mandating methods as described by the EPC's clarification letter would be included in the Rulebook, it would be legally uncertain whether debtor banks would always accept creditor banks' mandates and not return the payment claiming an unauthorized transaction.</p> <p>Therefore we are of the opinion that the clarification regarding electronic mandates must be supported by simultaneously adding guidelines on the issuing of electronic mandates, for example regarding authentication and data protection/data security.</p>
Dutch Payments Association (on behalf of Dutch banking community)	AND in addition to the clarification letter it must be emphasized that Debtor Banks must always validate (and approve) the e-mandate(s)
European Payment Institutions Federation (EPIF)	<p>We support the removal of the reference to the Qualified Electronic Signature. However, we fear the proposal does not entirely solve the legal uncertainty around the authorization of online SDD mandates.</p> <p>The reference to 'legally binding method of signature' of proposal #30 is problematic given the current lack of harmonization across the EU. The wording may lead to even further legal issues as the term "signature" is interpreted differently across the EU jurisdictions. Art 2281 of the Belgian Code Civil – for example – stipulates that "If a notification has to be served in writing to allow the sender to invoke it, a notification by telegram, telex, fax or electronic mail or any other means of telecommunications resulting in written receipt on the side of the recipient shall be considered to be a written notification."</p> <p>To ensure the new wording reflects the variety of electronic mandate methods allowed under domestic laws, we would recommend including a reference to binding methods of signature or consent: this would avoid frictions or disruptions in the EU cross-border environment.</p> <p>Finally, we are not sure why the words "agreed between the Creditor and the Creditor Bank" should be deleted from the text of Section 4.1. of the SDD Rulebook. As we understand it, proposal #30 suggests removal only of the reference to 'qualified electronic signature'. We would recommend keeping the reference to the agreement between</p>

Contributor	Comment Received
	<p>these parties as it is an important element not only for of electronic signatures but for all types of legal notifications.</p> <p>Suggested language in Section 4.1: A Mandate may exist as a paper document which is physically signed by the Debtor. The paper mandate can be stored either as the original document or in any digitalised format subject to the national legal requirements. Alternatively, the Mandate may be an electronic document which is created and signed using a legally binding method of signature or consent with a Qualified Electronic Signature agreed between the Creditor and the Creditor Bank.”</p>
<p>European Digital Media Association (EDiMA)</p>	<p>EDiMA supports the removal of the reference to the Qualified Electronic Signature. However, this will not solve the legal uncertainty around the authorization of online SDD mandates which is – as the SPS WG rightly points out – subject to applicable laws. The reference to “legally binding method of signature” of proposal #30 is problematic given the current lack of harmonization across the EU. This wording may even trigger additional legal questions as the term “signature” is interpreted differently across the EU jurisdictions. For instance, Art. 2281 of the Belgian Code Civil stipulates that “If a notification has to be served in writing to allow the sender to invoke it, a notification by telegram, telex, fax or electronic mail or any other means of telecommunications resulting in written receipt on the side of the recipient shall be considered to be a written notification.”</p> <p>To ensure that the new wording reflects the variety of electronic mandate methods allowed under domestic laws, EDiMA recommends including a reference to “binding methods of signature or consent”. This will avoid frictions or disruptions in the EU cross-border environment.</p> <p>Additionally, EDiMA disagrees with the deletion of the words “agreed between the Creditor and the Creditor Bank” from the text of Section 4.1. of the SDD Rulebook. It is our understanding that proposal #30 suggests removal only of the reference to “qualified electronic signature”.</p> <p>EDiMA recommends keeping the reference to the agreement between the Creditor and the Creditor Bank. This is an important element not only for of electronic signatures but for all types of legal notifications.</p> <p>Suggested language in Section 4.1: “A Mandate may exist as a paper document which is physically signed by the Debtor. The paper mandate can be stored either as the original document or in any digitalised format subject to the national legal requirements. Alternatively, the Mandate may be an electronic document which is created and signed using a legally binding method of signature or consent with a Qualified Electronic Signature agreed between the Creditor and the Creditor Bank.”</p>

Contributor	Comment Received
<p>Ärzte ohne Grenzen e.V. Germany, Ärzte ohne Grenzen Austria, European Fundraising Association, Fundraising Verband Austria, Coalition for Electronic SDD Mandates (Germany), Slovenian association for development of non-profit organisations</p>	<p>We welcome the incorporation of the EPC clarification letter on electronic mandates of October 2013 and the suggestion to delete the reference to the Qualified Electronic Signature.</p> <p>The compromise proposal of the SPS WG will, however, lead to new open questions which in the end even contradict to the note given by the SPS WG according to which the Rulebooks should be neutral about mandating and authorization methods. The revised wording of the Rulebooks must therefore mirror the wide variety of mandating methods in different jurisdictions.</p> <p>As we see it the wording of compromise proposal #30 (“legally binding method of signature”) falls short when it tries to describe the current set of online mandating methods. In particular, the term “signature” is interpreted differently in different SEPA jurisdictions. Thus, we propose the following new wording – based on proposal #30 of the SPS WG - with the aim of avoiding infringements of established mandating procedures:</p> <p>“A Mandate may exist as a paper document which is physically signed by the Debtor. The paper mandate can be stored either as the original document or in any digitalised format subject to the national legal requirements. Alternatively, the Mandate may be an electronic document or log file which is created and signed using based on a legally binding method of signature or consent with a Qualified Electronic Signature agreed between the Creditor and the Creditor Bank.”</p>
<p>UK Payments Council</p>	<p>The UK Payments Council supports the SPS WG recommendation – Option B.</p> <p>However, the UK is keen to see the results of the E-Mandate Working Group as it is not clear what options are available in each country across the SEPA area. More should be done to quickly publish clear rules for each country so that companies wishing to break into new markets know the rules for using paperless mandates in countries outside their home market. The current situation is proving to be a barrier to entry into new markets.</p> <p>The wording ““Legally binding method of acceptance”” would be better than signature. Signature is not really applicable in the case of telephone mandates; the community are of the view that ““acceptance”” would be better.</p> <p>Finally, we would question why the words “agreed between the Creditor and the Creditor Bank” should be deleted from Section 4.1 of the rulebook. We would recommend keeping the reference to the agreement between these parties as it is an important element not only for e-mandates, but all types of legal notifications.</p>
<p>Insurance Europe</p>	<p>The contents of the EPC clarification letter on electronic mandates are a first step in right direction. They are able to open the scheme for modern electronic mandating methods. But this step is not sufficient. In addition it is necessary to give creditors reliable guidelines for</p>

Contributor	Comment Received
	<p>electronic mandating methods that will be accepted anyway by all debtor banks. Insurance Europe has one major concern: In addition to the suggested opening of the Rulebooks we need guidelines that give legal certainty. If only the wide interpretation of valid mandating methods as described by the EPC's clarification letter would be included in the Rulebook, it would be legally uncertain whether debtor banks would always accept creditor banks' mandates and not return the payment claiming an unauthorized transaction.</p> <p>Therefore we are of the opinion that the clarification regarding electronic mandates must be supported by simultaneously adding guidelines on the issuing of electronic mandates, for example regarding authentication and data protection/data security.</p>
Insurance Ireland	<p>We support the inclusion of the contents of the EPC's clarification letter on mandates (Letter EPC098-13) in order to ensure the SEPA rulebook guidelines are consistent with how telemarketing operates in practice. However, we believe the new text should better reflect the EPC's letter which confirms that the signature methods as described in Section 4.1 are not exhaustive and that other mandate forms may be accepted. We propose, therefore, that the text in Section 4.1. should be amended to: <i>"A Mandate may exist as a paper document which is physically signed by the Debtor. (...) Alternatively, the Mandate may be an electronic document which is created and signed with a Qualified Electronic Signature agreed between the Creditor and the Creditor Bank. Other established mandating methods may be agreed between the Creditor and the Creditor Bank provided that they comply with the SEPA Regulation."</i></p>
Asociación Española de la Economía Digital (Adigital)	<p>There is a need to define a framework that can be used all over Europe for Digital Signature and that has to be ruled by the EPC. It's important to mention that legally binding methods like telephone mandates should be included also in this framework or at least an alternative to them since are commonly used.</p>
Federation of European Direct and Interactive Marketing (FEDMA)	<p>FEDMA supports the EPC SPS WG suggestion but considers it does not sufficiently respect the choice of the consumer.</p> <p>We recommend the following changes: <i>"It is up to the seller or non-profit to decide how the mandate should be given and agreed. The mandate can be oral, written, digital, or other. A Mandate, as a paper document, is physically signed by the Debtor. (...) The Mandate may be an electronic document or a logfile which is created and signed with a legally binding method of signature agreed between the Creditor and the Creditor Bank."</i></p> <p>FEDMA considers that a mandate should be any format of mandate acceptable for the debtor (consumers) and satisfying SEPA requirements. The charity or company and the consumer should be free to choose the format of the mandate (oral, written, digital).</p> <p>The seller or non-profit should be to free to offer the consumer various practical mandate formats from which he/she can choose. If the mandate format requirements for direct debit become too</p>

Contributor	Comment Received
	<p>complex, the consumer is likely not to purchase or donate. Retailers, particularly SMEs, could be seriously hurt. We remind you that a lot of companies make profit on the basis of traditional mandates. They will likely lose their consumers to Asian or American competitors offering more practical payment solutions. Likewise, without oral mandates, numerous charities would lose donations. Indeed, when tragic unforeseen disasters occur, oral mandates are a key method of payment for donors. Finally, if mandates are too complex, the consumer will use other methods of payments such as credit cards or internet “wallet” services thereby reducing the share of business of banks. FEDMA understands that banks require certain information and have to fulfil the requirements of the SEPA Regulation. However, the relation between the consumer and the seller or non-profit should not be affected by additional administrative requirements. So long as the seller or non-profit can communicate to the banks all the necessary information, guaranteeing the security of the payment, the format of the mandate should be irrelevant to the banks. Banks can monitor what their clients are doing and if necessary take action against an account holder whose credits are often challenged and must be refunded. For example, a bank could request those sellers and non-profits to maintain a fund to ensure repayment. FEDMA calls for pan European signature guidelines explaining how to use which signature (whether oral, electronic or written) in which circumstances. The oral mandate without requirement of written or e-signature should be allowed for all purchases or donations of small significance (i.e. maximum 100 euros) (similar reasoning as to the Consumer Rights Directive which may not be applied to purchases of small significance. For purchases or donations over 100 euros, oral mandates could still be valid without written or e-signature so long as the buyer or donor is informed in written of the details this financial operation (as in the UK).</p>
<p>Ingenico</p>	<p>The access to dematerialised mandate is definitely a requirement from the market and should be facilitated. The rulebook should make clear, as much as possible, what can be accepted as valid "legally binding method of signature" (examples: SMS code, Card 3D secure system, etc...). Also, the rulebook should define clearly what is meant by "electronic document".</p> <p>Proposed wording: "A Mandate may exist as a paper document which is physically signed by the Debtor. The paper mandate can be stored either as the original document or in any digitalised format subject to the national legal requirements. Alternatively, the Mandate may be an electronic document or <u>logged / registered consent</u> which is created <u>and signed using a legally binding method of signature"</u></p>
<p>Association of German Chambers of Commerce and Industry (DIHK)</p>	<p>Efficient and widely accepted payment methods are of crucial importance for the success of businesses. In this respect, it is important that current solutions for payment needs can be continued and that they are not hindered by new bureaucratic restrictions – especially in the dynamic area of e-commerce. For this reason, the Association of German Chambers of Commerce and Industry strongly supports the possibility to use any legally binding form for</p>

Contributor	Comment Received
	<p>authorizing an electronic direct debit mandate, rather than a formal restriction to a qualified electronic signature. To ensure the necessary clarity in this respect, we strongly support the EPC SPS WG recommendation to incorporate the EPC clarification letter on electronic mandates (Letter EPC098-13) into the SDD Core and SDD B2B rulebooks.</p>
<p>Club SEPA (represents software providers and consultants involved in SEPA project in France) http://www.clubsepa.eu/les-membres-du-club/</p>	<p>Additional comments: The EPC clarification letter is not sufficient to understand the electronic signature issue of a mandate. It should be made clear what the Debtor bank must do in the case of: - a two corner model i.e. a mandate signed by the Debtor on the Creditor web site or any other device such as mobile or, - a four corner model as described in the SDD rulebooks annex VII. What are the electronic elements of proof (e.g. an authorisation number) that can be sent by the Creditor to the Debtor Bank in case of ""a supposed unauthorised collection""?</p>
<p>Handelsverband Deutschland (HDE)</p>	<p>We welcome the incorporation of the EPC clarification letter on electronic mandates of October 2013 and the suggestion to delete the reference to the Qualified Electronic Signature.</p> <p>The compromise proposal of the SPS WG will, however, lead to new open questions which in the end even contradict to the note given by the SPS WG according to which the Rulebooks should be neutral about mandating and authorization methods. The revised wording of the Rulebooks must therefore mirror the wide variety of mandating methods in different jurisdictions.</p> <p>As we see it the wording of compromise proposal #30 (“legally binding method of signature”) falls short when it tries to describe the current set of online mandating methods. In particular, the term “signature” is interpreted differently in different SEPA jurisdictions. Thus, we propose the following new wording – based on proposal #30 of the SPS WG - with the aim of avoiding infringements of established mandating procedures:</p> <p>“A Mandate may exist as a paper document which is physically signed by the Debtor. The paper mandate can be stored either as the original document or in any digitalised format subject to the national legal requirements. Alternatively, the Mandate may be an electronic document or log file which is created and signed using based on a legally binding method of signature or consent with a Qualified Electronic Signature agreed between the Creditor and the Creditor Bank</p>
<p>Dutch Association of Large Billers (Verenigde Groot Incassanten (VGI))</p>	<p>Presently a vacuum is experienced with the acceptance of legally binding digital signatures. The banks in The Netherlands appear not to accept these digital signatures as sufficient for the signing of a Direct Debit Mandate.</p>
<p>European Multi channel and Online Trade Association (EMOTA)</p>	<p>While the Regulation on electronic identification and trust services does aim to harmonise the standards in this area and ensure cross-border recognition, the effect of such legislative initiatives will only</p>

Contributor	Comment Received
	<p>be felt in some years. Until then, the legal requirements and standards for the terms “signature” and “signed” differ greatly across the 28 EU Member States and internationally. The wording proposed could therefore generate legal uncertainty and constitute a barrier to the EU Digital Single Market.</p> <p>EMOTA would like to stress the need for the Rulebooks to reflect a technologically and competitive oriented market by introducing references to flexibility and electronic authentication mechanisms, or consent, in line with the level of risk for a specific transaction.</p> <p>Such an approach would facilitate the development and selling of new services and products online. The consent factor should include any of the types of documents referred to as durable media by the European Directives (e.g. Consumer Rights Directive, Article 2.10: emails, PDF, etc.) or oral mandates and telephone mandates, allowing consumer choice, which would greatly facilitate the collection of funds by companies and charities while ensuring a security level and cost level for the processing of the transaction in accordance with the level of risk.</p>
Citibank NA London branch	<p>Recommend the following are considered in this update:</p> <ul style="list-style-type: none"> - requirements for evidence of mandate (and how to provide) if not in paper format - any stipulation on transaction as to paper / online / phone etc. - incremental controls eg payer identification, account validation for online mandates
InterCard Germany	<p>We support the positions of BITKOM, Médecins sans Frontières and others, at least the EPC SPS WG recommendation should be implemented.</p>

4.13 # 31: Block 1 - Current SDD Core collection time cycle option D-1 as standard processing time cycle for all sequence types

4.13.1 Description

This suggestion was made by STUZZA based in Austria.

It is proposed that the current SDD Core collection time cycle option D-1 becomes the single standard timeline in the SDD Core Scheme.

It is reported that this option has been adopted by a growing number of customers and Scheme Participants. It is further stated that applying a single collection presentation timeline for first, recurrent and one-off SDD collections reduces complexity & costs of processing and increases efficiency.

4.13.2 SPS WG analysis and recommendation

The SPS WG recommended that the suggestion should be incorporated into the Scheme (**option b**) with D-1/ D-1 becoming effective as standard collection timeline in **November 2016**.

The SPS WG draws the attention to other change requests (see change requests with indication ‘Block 1’ i.e. the items 49 and 63) suggesting also changes to the SDD Core collection timeline D-5/ D-2.

With regard to this specific block of change requests, the SPS WG recommended that D-1/ D-1 becomes the standard SDD Core collection timeline with an effective date in **November 2016**. This should allow all Scheme Participants and end-users sufficient time to prepare themselves for such change in November 2016 subject to support during this public consultation.

The respondent is asked to indicate

1. If the respondent agrees with the standard collection timeline D-1/D-1 (Yes/No).
2. If answered with “Yes”, does the respondent support the effective date of November 2016 (Yes/No)?
3. If answered with “No” on question 2, the respondent should indicate an alternative date (e.g., November 2015, November 2017 or later).

4.13.3 Contributions and comments

The vast majority of EPC Scheme Participants via national banking communities and other contributors agreed with the SPS WG recommendation to make D-1 the standard collection timeline. A majority of EPC Scheme Participants via national banking communities and other contributors supported the effective date of November 2016. Numerous contributors highlighted their preference for November 2015 as effective date.

Taking into consideration the overall comments and the requirement to allow for sufficient time to implement this modification, it was resolved that the SDD Core Rulebook version 9.0 to take effect in November 2016 will be modified as follows: As of the effective date of November 2016 of the SEPA Core Direct Debit Rulebook version 9.0, all Collections presented for the first time, on a recurrent basis or as a one-off Collection can be presented up to 1 Inter-Bank Business Day (D-1).

The following comments were received:

Contributor	Comment Received
STUZZA GmbH on behalf of the Austrian Banking Community	The Austrian Banking Community suggests to incorporate D-1 as standard processing time cycle as of Nov. 2015.
Spanish banking community	Supports November 2015 instead of November 2016
Finnish banking community	Supports effective date of November 2016
Irish Payment Services Organisation	Timeline 2015 can be accommodated
Portuguese banking community	The Portuguese Banking Community supports the alternative date of November 2015.

Contributor	Comment Received
French Banking Federation	<p>These requests are interesting and could make sense when the SEPA migration will totally be finished (including the niche products) and the SEPA payment systems more mature & stable.</p> <p>However it is necessary for the SPS WG as required, under the chapter 3.2.1 of the Internal Rules, to conduct research and carry out a cost-benefit analysis on the change accepted including developing a business case for approving these Change Requests.</p> <p>Moreover, the whole risk analysis on the debtor side has to be performed and approved by the consumer associations.</p> <p>As a consequence, the French banks will be ready to reopen the studies in 2016 which could lead to an implementation timeline not before the end of 2017 or 2018.</p>
Luxembourg Bankers' Association	Supports November 2016
BITKOM e.V.	<p>It is very important to simplify the procedure. Therefore we support the recommendation of the EPC.</p> <p>The EPC should consider implementing the recommendation earlier than 2016.</p> <p>The simplification would save costs for both banks and corporates, therefore the sooner the implementation the better.</p>
Shahid Ali - Business Analyst	<p>Suggested is to target it by November 2015 rather 2016. Reason is 2016 seems too far and Party (Customer and Bank) which are currently started using CORE with more submission days will become use to of this and it will be challenging to change there way to lesser days. If it becomes part of Current Rule Book and Live Date is for November 2015, Party will have in mind they have to change it will be easy to make modification. As we are aware Germany and Spain has opted it and other want to join, if we make it late to adopt as part of CORE scheme, we will end up with 2 Scheme CORE and COR1 in market as those which started using CORE will not be ready for COR1.</p>
Rewe Group	Long overdue! Definitely per Nov 2015
German Insurance Association (Gesamtverband der Deutschen Versicherungswirtschaft)	We support a unique time cycle for all collections to simplify processes. D-1 is an adequate option. We support the earliest possible effective date.
Deutsche Telekom AG	<p>It is very important to simplify the procedure. Therefore we support the recommendation of the EPC.</p> <p>The EPC should consider implementing the recommendation earlier than 2016.</p> <p>The simplification would save costs for both banks and corporates, therefore the sooner the implementation the better.</p>
Dutch Payments Association (on behalf of Dutch banking community)	In favour of an operational starting date per November 2016 with important note: COR1 to be removed from scheme, if D-1/D-1 will be in place.
Febelfin (representing Belgian banking community)	Timing: November 2016
German Banking Industry Committee (GBIC) on behalf of the German banking community and Deutsche Bundesbank.	Answer to question 2: Yes; Answer to question 3: n/a

Contributor	Comment Received
European Payment Institutions Federation (EPIF)	We propose November 2015. No reason to push back = not a big change, to date no use of the 5 days to deliver additional service to consumer.
Seamless Remittance AB	2) Not supported, 3) November 2015
Italian banking association (ABI)	The SDD Italian participants' diverging views do not allow to take a clear position on this Change Request.
UK Payments Council	<p>While a majority of UK Payments Council members support the SPS WG recommendation – Option B – this is not unanimous.</p> <p>A number of large institutions support an effective date of November 2016 but a few advocate differing timelines, with some supporting 2015 and others 2017. Some concerns were raised about reducing the timeframe for dealing with new mandates and conducting initial set-up and due diligence processes.</p>
Insurance Europe	We support a unique time cycle for all collections to simplify processes. D-1 is an adequate option. We support the earliest possible effective date.
EQUENS SE	The introduction date November 2016 seems to be reasonable
AGES Maut System GmbH & Co. KG	<p>There is no need in distinguishing the handling time of various sequence-types, but sequence-types are an ongoing source for R-transactions against the will and intention of the debtor.</p> <p>+ YES - We agree and have also demanded D-1 to be the standard time-cycle - NO, November 2016 is too late + The earliest possible date should be chosen to speed up lame SEPA Core DD</p>
Ingenico	<p>This is an improvement going in the right direction for merchants and also simplifies SDD management. It is however a pity to implement this now, after the mandatory implementation of SDD. Now all solutions on the market, all creditors and banks have implemented the complex D+5/D+2 rules.</p> <p>November 2016 seems appropriate and manageable by all parties. Will the ""old"" D+5/D+2 still exist however?</p>
Lithuanian SEPA Coordination Committee	<p>2. No. 3. We would be in favour of implementation date later than Nov 2016.</p>
Club SEPA (represents software providers and consultants involved in SEPA project in France) http://www.clubsepa.eu/les-membres-du-club/	<p>Additional comments: If D-1/D-1 is the new SDD CORE timecycle, does it mean that the option COR-1 is cancelled? Indeed any ambiguous must be avoided between an option and a scheme. Presently some countries accept COR1 option only for domestic transactions: What is the legal basis for restricting Core 1 given that cross border collections can be accepted by Debtor banks adhering to this option? How is it possible to exactly know which Debtor Bank is Core 1 reachable when SWIFT data base identifies 12 000 BIC and EBA far less since it only refers to the mother BIC? By a mandatory timecycle D-1/D-1, the gap between referentials is out.</p>

Contributor	Comment Received
	Attention must be drawn on the gap between pain,008 format concerning standard SDD and COR-1 option SDD: which format will be used? pain.008.03.02 or pain.008.001.02 ?
Norwegian banking community	Support the effective date of 2016
Danish Bankers Association	2015 Implementation will not be possible due to the extensive changes to systems and processes in both the financial sectors as well as the corporate customers. Due to the need from stakeholders to the simplification a 2017 implementation will not be perceived to take them seriously enough.
Handelsverband Deutschland (HDE)	It is very important to simplify the procedure. Therefore we support the recommendation of the EPC. The EPC should consider implementing the recommendation earlier than 2016. The simplification would save costs for both banks and corporates, therefore the sooner the implementation the better.
Dutch Association of Large Billers (Verenigde Groot Incassanten (VGI))	2. No. 3. November 2015 or asap, however this will be subject to a cost benefit analysis.
AITI - Italian Association of Corporate Treasurers	We prefer to have an early adoption in November 2015
Nordea Banking Group	2015 Implementation will not be possible to the extensive changes to systems and processes in both the financial sectors as well as the corporate customers. Due to the need from stakeholders to the simplification a 2017 implementation will not be perceived to take them seriously enough.
EACT - European Association of Corporate Treasurers	We prefer to have an early adoption in November 2015
Citibank NA London branch	Support this recommendation to be delivered in November 2017 Rulebook updates. Recommend that confirmation whether it is proceeding is delivered well in advance (min 2 years notice). This is to accommodate the capacity as well as service implications for the shorter timelines, particularly on payer side receipt / validations Suggested approach that ""updates"" Core scheme rulebook with new clearing cycles of D-1. It should be very clear how this is to be implemented (eg alternative is reachability is mandatory - i.e. onus on payer banks primarily).
ASSET (Spanish Association of CFOs)	not agreed - Spanish Banking Community will support it in November 2015
InterCard Germany	We support the positions of Austria Stuzza and Febelfin, at least the EPC SPS WG recommendation should be implemented.

4.14 # 32: Make pre-notification more convenient and optional

4.14.1 Description

This suggestion was made by BITKOM e.V.

It is proposed to simplify the pre-notification process and to allow the pre-notification to become optional if agreed between the Creditor and the Debtor.

4.14.2 SPS WG analysis and recommendation

The SPS WG recommended not taking forward the suggestion for change (**option e**). Pre-notification is very important for the Debtor to be informed about and to react to an upcoming collection. It is a consumer protection measure.

Furthermore, the SDD Rulebook does not prescribe how the pre-notification should be done as various pre-notification means do already exist or can be further developed.

4.14.3 Contributions and comments

A majority of EPC Scheme Participants via national banking communities and other contributors to the 2014 public consultation supported the SPS WG recommendation that this suggestion cannot be part of the Scheme. However, it is noted that numerous contributors supported the initial change suggestion. In consideration of the overall comments received, it was concluded this suggestion cannot be part of the Scheme. Therefore, this change suggestion has not been included in the SDD Core Rulebook version 8.0.

The following comments were received:

Contributor	Comment Received
Spanish banking community	It should not be part of the scheme since it is ont an interbank issue and there are no "consequences" for non compliance. The way Creditor will notify to Debtor upcoming collections is subject to bilateral agreemnt and not part of the scheme.
BITKOM e.V.	The CR consists of various parts. E.g. the pre-notification should only be optional if so agreed between the debtor and the creditor. Another way of simplifying the pre-notification could be not to make it mandatory if the respective amount of a pre-notified SDD decreases. Should be incorporated into the scheme - option b
Rewe Group	The pre-notification has got nothing to do with "consumer protection". Germany has been using direct debits for more than 40 years - and the only thing that has impact on customer protection is the ability to return any direct debit without reasons for x weeks and all unjustified debits for a year. And as Germany is moving the majority of the direct debits in the SEPA-area, this experience is something that should be considered.
Deutsche Telekom AG	The CR consists of various parts. E.g. the pre-notification should only be optional if so agreed between the debtor and the creditor. Another way of simplifying the pre-notification could be not to make it mandatory if the respective amount of a pre-notified SDD decreases. Should be incorporated into the scheme - option b

Contributor	Comment Received
UK Payments Council	This is an important consumer protection measure. It has been noted in Spain that pre-notifications are not very commonly used by companies and that the regulators are aware of the situation. We would like to see a more concerted effort by the EPC to ensure that Creditors comply with this rule. One Member felt that the Rulebook should make clear the consequences to Creditors who do not pre-notify Debtors.
AGES Maut System GmbH & Co. KG	Should be incorporated into the scheme - option b The BITKOM-suggestion is much more elaborated as described for in this template. We completely agree with BITKOM! If Debtor and Creditor agree not to exchange pre-notifications and they are happy with it - why not? Germany has a tremendous record of not pre-notified direct debits and it worked perfectly well. Today, Pre-Notification is the new SPAM. The ""Freedom of Contract""-Principle should prevail over just-too-eager-regulation.
Ingenico	We basically agree with SPS WG opinion that pre-notification should remain mandatory. They currently offer a lot of flexibility and this is also in the interest of the merchant to avoid too much refusals. Ingenico however favours the possibility to mention a date range (could be limited to a reasonable range) rather than a specific value date. This would allow more flexibility and avoid some cases for refusals. Also in some countries the debtor banks do automatic retry if the account balance was too low, therefore making the value date to the debtor different than the planned one.
Norwegian banking community	Rules for pre-notification should be harmonized within the SEPA area, since we now opens for cross border services, and a debtor in Germany may not have the same expectations as a debtor in Spain
Handelsverband Deutschland (HDE)	The CR consists of various parts. E.g. the pre-notification should only be optional if so agreed between the debtor and the creditor. Another way of simplifying the pre-notification could be not to make it mandatory if the respective amount of a pre-notified SDD decreases. Should be incorporated into the scheme - option b
AITI - Italian Association of Corporate Treasurers	We support the original change suggestion made by Bitkom. From the creditor's point of view it should be allowed to make the pre-notification process more flexible and to possibly make it optional if agreed between the creditor and the debtor. Pre-notification process should not be part of the scheme since it is not an interbank issue. The ways the Creditor will notify to the Debtor the upcoming collections are subject to bilateral agreement.
EACT - European Association of Corporate Treasurers	We support the original change suggestion made by Bitkom. From the creditor's point of view it should be allowed to make the pre-notification process more flexible and to possibly make it optional if agreed between the creditor and the debtor. Pre-notification process should not be part of the scheme since it is not an interbank issue. The ways the Creditor will notify to the Debtor the upcoming collections are subject to bilateral agreement.
Citibank NA London branch	worthwhile including more detail in the Rulebook on current flexibility/ options available on pre-notification

Contributor	Comment Received
ASSET (Spanish Association of CFOs)	<p>We support the original change suggestion made by Bitkom. From the creditor's point of view it should be allowed to make the pre-notification process more flexible and to possibly make it optional if agreed between the creditor and the debtor.</p> <p>It should not be part of the scheme since it is not an interbank issue and there are no ""consequences"" for non-compliance. The way Creditor will notify to Debtor upcoming collections is subject to bilateral agreement and not part of the scheme. "</p>
InterCard Germany	Shortened Pre-notification times for one time COR1 direct debits should be simplified.

4.15 # 33: Block 2 - Apply the sequence type RCUR for any type of SDD Core D-1 collection (first, recurrent or final collection)

4.15.1 Description

This suggestion was made by BITKOM e.V.

The proposal is to apply the sequence type RCUR for recurrent COR1 collections in any case (when presenting first, recurrent or final collection).

It is stated that on the side of the Creditor, it has a cost impact to distinguish without doubt a first from a recurrent SDD collection presentation. The impact of r-transactions related to rejects on sequence type appears to complicate the decision “first versus recurrent”.

4.15.2 SPS WG analysis and recommendation

The SPS WG recommended that part of the suggestion should be incorporated into the Scheme (**option b**) for all SDD Schemes (not limited to the SDD COR1 collections) with effective date in **November 2016**.

The SPS WG draws the attention to other change requests (see change requests with indication ‘Block 2’ i.e. the items # 45, 50, 62 and 87) suggesting either a simplification of the current range of sequence types, making certain sequence types optional or the elimination of a particular sequence type.

With regard to this specific block of change requests, the SPS WG recommended that the sequence type ‘First’ is no longer mandatory in the SDD Core and SDD B2B Rulebooks with an effective date in **November 2016**. This should allow all Scheme Participants and end-users of the two SDD Schemes sufficient time to prepare themselves for such change in November 2016 subject to support during this public consultation.

The respondent should indicate

1. If the respondent agrees that the sequence type ‘First’ should no longer be mandatory (Yes/No)
2. If answered with “Yes”, does the respondent support the effective date of November 2016 (Yes/No)?
3. If answered with “No” on question 2, the respondent should indicate an alternative date (e.g., November 2015, November 2017 or later)

4.15.3 Contributions and comments

The vast majority of EPC Scheme Participants via national banking communities and other contributors agreed with the SPS WG recommendation to make the sequence type ‘First’ no longer mandatory. A majority of EPC Scheme Participants via national banking communities and other contributors supported the effective date of November 2016. Numerous contributors highlighted their preference for November 2015 as effective date. Taking into consideration the overall comments and the requirement to allow for sufficient time to implement this modification, it was resolved that the SDD Core Rulebook version 9.0 to take effect in November 2016 will be modified as follows:

The requirement to use the sequence type ‘FRST’ in a first of a recurrent series of Collections is no longer mandatory as of the effective date of November 2016 of the SEPA Core Direct Debit Rulebook version 9.0 (i.e. a first Collection can be identified in the same way as a subsequent Collection with the sequence type ‘RCUR”).

The following comments were received:

Contributor	Comment Received
STUZZA GmbH on behalf of the Austrian banking community	The Austrian Banking Community suggests to incorporate these change requests earlier in time - as of Nov. 2015.
Spanish banking community	Supports November 2015 instead of November 2016
Finnish banking community	Supports effective date of November 2016

Contributor	Comment Received
Irish Payment Services Organisation	This is not an issue in Ireland and the existing sequence types are working well. This was an issue in the early part of migration but no longer. Initial feedback from Creditors is that further IT development is unnecessary at this early stage.
Portuguese banking community	The Portuguese Banking Community supports the alternative date of November 2015.
French Banking Federation	These requests are interesting and could make sense when the SEPA migration will totally be finished (including the niche products) and the SEPA payment systems more mature & stable. However it is necessary for the SPS WG as required, under the chapter 3.2.1 of the Internal Rules, to conduct research and carry out a cost-benefit analysis on the change accepted including developing a business case for approving these Change Requests. Moreover, the whole risk analysis on the debtor side has to be performed and approved by the consumer associations. As a consequence, the French banks will be ready to reopen the studies in 2016 which could lead to an implementation timeline not before the end of 2017 or 2018.
Luxembourg Bankers' Association	Supports November 2016 - Details of what this means in practice need to be clearly defined as soon as possible
BITKOM e.V.	It is very important to simplify the procedure. Therefore we support the recommendation of the EPC. The EPC should consider implementing the recommendation earlier than 2016. The simplification would save costs for both banks and corporates, therefore the sooner the implementation the better.
Rewe Group	Definitely per Nov 2015 - and in a way so that the SeqTp is dropped completely or optional only
German Insurance Association (Gesamtverband der Deutschen Versicherungswirtschaft)	Please see comments on items 31, 49, 63 (: <i>We support a unique time cycle for all collections to simplify processes. D-1 is an adequate option. We support the earliest possible effective date.</i>)
Deutsche Telekom AG	It is very important to simplify the procedure. Therefore we support the recommendation of the EPC. The EPC should consider implementing the recommendation earlier than 2016. The simplification would save costs for both banks and corporates, therefore the sooner the implementation the better.
Dutch Payments Association (on behalf of Dutch banking community)	In favour of an operational starting date per November 2016 with important note: it must be sure that FRST-transaction may not be rejected
Febelfin (representing Belgian banking community)	Timing: November 2016. If for some reason, this change is implemented but the change to Core D-1 is not implemented or only in a later stage, it is important to make sure that this change on sequence type implies that : - using ""FIRST"" in the XML files is no longer mandatory - AND that everything can be sent at D-2. (There is little added value of not having to mention ""FIRST"" if you still have to send a first transaction at J-5 and recurrent transactions at J-2)
German Banking Industry Committee (GBIC) on behalf of	Answer to question 2: Yes; Answer to question 3: n/a

Contributor	Comment Received
the German banking community and Deutsche Bundesbank.	
European Payment Institutions Federation (EPIF)	Supports effective date of November 2016, not before 2016, There are material modifications for creditor and debtor PSP.
Seamless Remittance AB	2) Not supported, 3) November 2015
Italian banking association (ABI)	<p>The majority of the SDD Italian participants responding to the consultation agree with the CR/SPS recommendation.</p> <p>With regard to the questions n. 2 and n. 3, the majority of the respondents is in favour with the incorporation of the change request as of November 2016. Please note that a large minority of the respondents support the CR as of November 2015.</p>
UK Payments Council	<p>There was no consensus so the UK Payments Council is unable to endorse the SPS WG recommendation – Option B.</p> <p>It was noted that there appears to be considerable confusion in the market. UK Payments Council request that sequence types are clarified and simplified and not made optional.</p>
Insurance Europe	Please see comments on items 31, 49, 63
EQUENS SE	The introduction date November 2016 seems to be reasonable
Bank Association of Slovenia	Supports November 2016
AGES Maut System GmbH & Co. KG	<p>In respect to the BITKOM suggestion: If interpreted in the way ""MUST BE RCUR"" - we would reject the suggestion as it would inflict additional costs to the SEPA-Community. If interpreted in the way ""ALLOWED TO BE RCUR"" - we agree.</p> <p>There is no need in distinguishing various sequence-types, but sequence-types are an ongoing and prominent source for R-transactions against the will and intention of the debtor - inflicting substantial costs on companies and consumers, wasting resources needed elsewhere and thus spoiling the environment.</p> <p>+ YES ""FRST"" should no longer be mandatory + NO, November 2016 is too late + The earliest possible date should be chosen to speed up SEPA Core DDs</p>
Ingenico	<p>This is again an improvement simplifying the SDD rules. It is however a pity to implement this now, after the mandatory implementation of SDD. Now all solutions on the market, all creditors and banks have implemented the sequence type rules, and making it now optional, although simplifying the way the SDD works, will still provoke some issues for sure.</p> <p>November 2016 seems appropriate and manageable by all parties.</p>
Lithuanian SEPA Coordination Committee	<p>2. No. 3. We would be in favour of implementation date later than Nov 2016.</p>
Norwegian banking community	Support the effective date of 2016
Danish Bankers Association	Same argumentation as for the changes to SDD Core timecycle
Handelsverband Deutschland (HDE)	It is very important to simplify the procedure. Therefore we support the recommendation of the EPC.

Contributor	Comment Received
	<p>The EPC should consider implementing the recommendation earlier than 2016.</p> <p>The simplification would save costs for both banks and corporates, therefore the sooner the implementation the better.</p>
Dutch Association of Large Billers (Verenigde Groot Incassanten (VGI))	<p>2. Yes.</p> <p>This Change is interpreted as making the sequence type "first" as the optional one. (e.g. all SDD transactions can be sent in using the sequence type "recurrent") This approach is not consistent with change # 26. (present a SDD after a changed IBAN as a first)</p>
AITI - Italian Association of Corporate Treasurers	We prefer to have an early adoption in November 2015
Nordea Banking Group	Same argumentation as for the changes to timecycle above
EACT - European Association of Corporate Treasurers	We prefer to have an early adoption in November 2015
Citibank NA London branch	November 2016
ASSET (Spanish Association of CFOs)	Not agreed - Spanish Banking Community will support it in November 2015
InterCard Germany	We support the positions of BITKOM and the Spanish banking Community, at least the EPC SPS WG recommendation should be implemented.

4.16 # 34: The unique mandate reference (AT-01) to become space insensitive

4.16.1 Description

This suggestion was made by BITKOM e.V.

It is suggested to make the unique mandate reference (AT-01) space insensitive whereby blank spaces in AT-01 would not be considered as a character.

4.16.2 SPS WG analysis and recommendation

The SPS WG recommended not taking forward the suggestion for change (**option e**). Blank spaces are permitted in the unique mandate reference (UMR) and are considered as meaningful characters. Therefore not taking the blanks into account would mean creating a different UMR than the original one. Furthermore the current practice is in conformity with ISO: ISO20022 uses the character set UTF-8 and a blank space forms a character in UTF-8.

4.16.3 Contributions and comments

A majority of EPC Scheme Participants via national banking communities and other contributors to the 2014 public consultation supported the SPS WG recommendation that this suggestion cannot be part of the Scheme. However, it is noted that numerous contributors supported the initial change suggestion. In consideration of the overall comments received, it was concluded this suggestion cannot be part of the Scheme. Therefore, this change suggestion has not been included in the SDD Core Rulebook version 8.0.

The following comments were received:

Contributor	Comment Received
BITKOM e.V.	CR was not intended to make the unique mandate reference space insensitive in the pain-file since the ISO 20022 standard does not allow it. If two references would be compared, then these checks should be space insensitive. It cannot be that ABC and ABC are different references since the second reference contains a subsequent space. Should be incorporated into the scheme - option b
Shahid Ali - Business Analyst	Mandate should be aligned with current Rule of Creditor Scheme Identifier as space insensitive as it creates a confusion. EPC SPS explain it may raise issue as space is also a character, but what we propose Mandate id is only meaning full with Creditor Scheme and 2 mandate under one ICS with and without space is very unlikely. In case the count is really less it should be make aligned and remote space for future. An analysis can be done but result of such case should be less. This will further improve the standard as both ICS and mandate will be using same rule of insensitive,
German Insurance Association (Gesamtverband der Deutschen Versicherungswirtschaft)	We support the original change request. Blank spaces are often a source of errors.
Deutsche Telekom AG	CR was not intended to make the unique mandate reference space insensitive in the pain-file since the ISO 20022 standard does not allow it.

Contributor	Comment Received
	<p>If two references would be compared, then these checks should be space insensitive.</p> <p>It cannot be that ABC and ABC are different references since the second reference contains a subsequent space.</p> <p>Should be incorporated into the scheme - option b</p>
Febelfin (representing Belgian banking community)	The BE community is pro to have UMR (Unique Mandate Reference) space INSENSITIVE.
German Banking Industry Committee (GBIC) on behalf of the German banking community and Deutsche Bundesbank.	GBIC proposes to add a recommendation to the SDD Core Scheme Rulebook (option b): The EPC should clarify that spaces should not be used at the beginning or at the end of an UMR and should invite Creditors not to use spaces as part of the UMR. This will avoid problems during validation processes by banks.
Insurance Europe	We support the original change request. Blank spaces are often a source of errors.
AGES Maut System GmbH & Co. KG	Repeated request of BITKOM, equally repeatedly supported by us! Should be incorporated into the scheme - option b.
Ingenico	<p>Spaces in the UMR can trigger issues as mentioned in the change request. Avoiding spaces in UMR is at least a good practice, and could actually be made mandatory to avoid such issues.</p> <p>Ingenico's position is that leading and trailing spaces are the most problematic ones, and that the rulebook should be changed so that the UMR becomes space insensitive for those leading and trailing spaces. ""Middle"" spaces cause less issues and can actually improve readability of UMR so can be maintained.</p>
Handelsverband Deutschland (HDE)	<p>CR was not intended to make the unique mandate reference space insensitive in the pain-file since the ISO 20022 standard does not allow it.</p> <p>If two references would be compared, then these checks should be space insensitive.</p> <p>It cannot be that ABC and ABC are different references since the second reference contains a subsequent space.</p> <p>Should be incorporated into the scheme - option b</p>
Dutch Association of Large Billers (Verenigde Groot Incassanten (VGI))	Would contribute to a lower level of faults in processing Direct Debits.
Citibank NA London branch	ensure this is explicit in Rulebook and guidelines
InterCard Germany	This change would make sense indeed...

4.17 # 35: Clarifications for the use of the SDD collection sequence type and of the amendment indicator

4.17.1 Description

This suggestion was made by BITKOM e.V.

The contributor proposes to include an annex clarifying the use of the sequence type and of the amendment indicator.

4.17.2 SPS WG analysis and recommendation

The SPS WG recommended that the suggestion should not be incorporated into the Scheme (**option e**).

The SPS WG considered that the EPC SCT-SDD clarification paper (EPC348-12) already provides guidance on sequence types. The SPS WG will review this clarification paper based on the comments described in this change suggestion.

4.17.3 Contributions and comments

A majority of EPC Scheme Participants via national banking communities and other contributors to the 2014 public consultation supported the SPS WG recommendation that this suggestion cannot be part of the Scheme. However, it is noted that numerous contributors supported the initial change suggestion. In consideration of the overall comments received, it was concluded this suggestion cannot be part of the Scheme. Therefore, this change suggestion has not been included in the SDD Core Rulebook version 8.0.

The following comments were received:

Contributor	Comment Received
Irish Payment Services Organisation	Clarifications should be included in the Rulebook. Response should be same 90
BITKOM e.V.	The use of the sequence type and of the amendment indicator is not exactly specified in the rulebook. Therefore the SPS WG made the CR 90, but this clarification covers not all possible cases. This CR tries to cover all scenarios. Should be incorporated into the scheme - option b
Shahid Ali - Business Analyst	EPC348-12 is one of important rule explaining how to use the sequence type. It is suggested to add the complete information as part of EPC Rule Book, as it is the Bible of SEPA and some people are not able to find the information outside this Bible. Presently EPC SPS has taken stand for same against the Letter EPC098-13 In case EPC SPS consider it will duplicate or make Rule book bulky then at least a reference of EPC348-12 should be added
Deutsche Telekom AG	The use of the sequence type and of the amendment indicator is not exactly specified in the rulebook. Therefore the SPS WG made the CR 90, but this clarification covers not all possible cases. This CR tries to cover all scenarios. Should be incorporated into the scheme - option b
UK Payments Council	We recommend that the EPC clarification paper (EPC348-12) which provides guidance on sequence types, be incorporated into the Annex of the Rulebook.

Contributor	Comment Received
AGES Maut System GmbH & Co. KG	BITKOM is much more specific on the issue than the clarification paper provided by the EPC. Making the sequence type fields optional would of course be the preferred option. Should be incorporated into the scheme - option b.
Ingenico	Cfr Block 2 of change requests: the sequence type "first" will most probably become optional --> accepting this change request would in our opinion make the revised rulebook more consistent.
Handelsverband Deutschland (HDE)	The use of the sequence type and of the amendment indicator is not exactly specified in the rulebook. Therefore the SPS WG made the CR 90, but this clarification covers not all possible cases. This CR tries to cover all scenarios. Should be incorporated into the scheme - option b
Citibank NA London branch	There is considerable ambiguity around the mandate amendment process. An annex dedicated to clarification of this, and alternate scenarios involved, would be useful. Example: what if legacy DD originator ID is quoted in the OriginalID field, and then the CSID is changed. Which CSID is then recorded as the original CSID? The legacy ID or the original SEPA ID?

4.18 # 36: Harmonising pain format in the customer-to-bank (C2B) xml interfaces

4.18.1 Description

This suggestion was made by BITKOM e.V.

The ISO Standard 20022 forms the basis for the EPC SEPA xml format and the EPC SDD Core Implementation Guidelines provide a general template of possible data fields. A variety of national configurations of the payment initiation files (pain.x) had been created. These national variations need to be implemented in the customer-to-bank space.

The change suggestion is to narrow the EPC SEPA xml format down to those fields that covers the majority of payments in Europe and to change the current ‘recommended-only’ customer-to-bank Implementation Guidelines (C2B IGs) into mandatory IGs.

4.18.2 SPS WG analysis and recommendation

With regard to the change request proposal it seems too challenging to harmonise all existing national variations of the C2B implementation Guidelines for the next Rulebook version. Therefore it could be considered that Scheme Participants should accept the C2B messages based on the EPC data set described in its C2B IGs as a minimum requirement. The Scheme Participants still have the possibility to further enrich these C2B messages.

The SPS WG did not propose a concrete recommendation for this change request for the public consultation.

4.18.3 Contributions and comments

A majority of EPC Scheme Participants via national banking communities and other contributors to the 2014 public consultation did not support the initial change suggestion. However, it is noted that numerous contributors supported the initial change suggestion. In consideration of the overall comments received, it was concluded that this change suggestion cannot be part of the Scheme. Therefore, the change suggestion has not been included in the SDD Core Rulebook version 8.0.

However, the EPC will publish the XML Schema Definition (XSD) schemas of the ISO 20022 messages described in the EPC Customer-to-Bank (C2B) Implementation Guidelines (IGs). The EPC Scheme Participants are free to use these EPC C2B XSD schemas.

The topic is also addressed by the Euro Retail Payments Board (ERPB) working group on post-migration issues relating to SCT and SDD⁶.

The following comments were received:

Contributor	Comment Received
STUZZA GmbH on behalf of the Austrian banking community	The Austrian Banking Community supports the harmonisation of the pain format in customer to bank interfaces because of growing customer demand.
Spanish banking community	Option e. Enrichment is welcomed, aligned to the SEPA C2B implementation guidelines, since they allow to fit either local/national

⁶ On 19 December 2013 the European Central Bank (ECB) announced the launch of the Euro Retail Payments Board (ERPB). The ERPB will “help foster the development of an integrated, innovative and competitive market for retail payments in euro in the EU”. The ERBP includes representatives of both the demand and supply sides of the euro payments market. They are joined by five representatives from the euro area national central banks and one representative from the non-euro area EU national central banks (all on a rotating basis). The ERPB is chaired by the ECB. The European Commission is invited to join as an observer. The EPC is a member of the ERPB. <http://www.ecb.europa.eu/paym/retpaym/governance/eu/html/index.en.html#erpb>.

Contributor	Comment Received
	requirements, different market practices or legal requirements and individual corporates' needs.
Finnish banking community	In favour of changing recommendation to request
Irish Payment Services Organisation	Ireland is not in favour as this will cause significant IT changes for Banks and Creditors.
Portuguese banking community	NO. The Portuguese Banking Community agrees that this is too challenging to harmonise all existing national variations of the C2B implementation Guidelines for the next Rulebook version. We need do a careful work on the subject which is not feasibly in such a few months.
French Banking Federation	Option e: The main mission of EPC is to design and maintain the SDD Core Scheme Rulebook for the interbank space. The Customer to Bank space is not governed by EPC.
Luxembourg Bankers' Association	We do not support this change request. There is a need to first understand why there are still differences in the various countries due to legal constraints. Then it's up to a regulatory body to remove these obstacles and to impose the harmonization of the C2B IGs.
BITKOM e.V.	The following compromise made by the SPS WG is acceptable as an initial step. "The Scheme Participants must accept the C2B messages based on the EPC data set described in its C2B IGs as a minimum requirement." This should be incorporated into the scheme as of Nov. 2015. A second step could be the harmonisation of the statements. Should be incorporated into the scheme - option b
Rewe Group	All Subsets, be it national or EPC, need to be upgraded to one single set: ISO2022. Full harmonization over SEPA-countries means a real usefulness for SEPA. 32 different SEPA formats were added while nearly none of the previous national formats have been eliminated. Current Status: more work but no benefit. Harmonization of the current situation is strictly essential.
German Insurance Association (Gesamtverband der Deutschen Versicherungswirtschaft)	No opinion
Deutsche Telekom AG	The following compromise made by the SPS WG is acceptable as an initial step. "The Scheme Participants must accept the C2B messages based on the EPC data set described in its C2B IGs as a minimum requirement." This should be incorporated into the scheme as of Nov. 2015. A second step could be the harmonisation of the statements. Should be incorporated into the scheme - option b
Dutch Payments Association (on behalf of Dutch banking community)	Recommendation: Do not change the current situation, where the EPC data set -as described in C2B IG- is the minimum required set.
Febelfin (representing Belgian banking community)	We are pro a better harmonisation but this is not the priority for the 2 following years
German Banking Industry Committee (GBIC) on behalf of	GBIC supports the SPS WG assessment of the change request and proposes to recommend the C2B messages based on the EPC data set

Contributor	Comment Received
the German banking community and Deutsche Bundesbank.	as a minimum requirement to be accepted by Scheme Participants (option b). Therefore the EPC should publish the XML Schemes for the pain.-messages (Technical Validation Subsets).
European Payment Institutions Federation (EPIF)	Considering EPC dataset as a minimum requirement is a good recommendation. Participants may have the possibility to further enrich, but should not make this enrichment as mandatory fields.
Seamless Remittance AB	YES, It would be preferable if a minimum set of information could be accepted by all partners. We currently work with SDD through three different banks which in practice all require three different file formats even though they are somewhat similar. In order to be truly harmonized, we would like to be able to have one file exporter for all banks.
Italian banking association (ABI)	SDD participants responding to the consultation think that the harmonising pain format in the customer-to-bank xml interfaces is important to ensure an integrated market. Nevertheless at the current stage this proposal has a lot of technical impact and so they suggest to make further considerations.
RXPAY (publisher of software for payment and banking exchanges)	Agreed, it is an important request.
UK Payments Council	<p>UK Payments Council – No consensus position.</p> <p>It would be useful to set the EPC Implementation Guidelines as the mandatory minimum standard on which national variations are built. It would be desirable but unlikely to be achieved due to national differences in the information requested.</p> <p>This matter is wider than just SEPA and is already being addressed in other industry groups such as the CGI. These vehicles should be used to deliver the harmonisations.</p>
EQUENS SE	<p>According to the CR this should be based on the currently recommended customer-to-bank implementation guidelines, which should be made mandatory. We expect this to limit the current tremendous efforts to support many variants of the SEPA messages for service providers.</p> <p>We propose to adopt the change within a reasonable timespan. We want to be an active part supporting the development of a new standard.</p>
Bank Association of Slovenia	The proposal of BITKOM shall not to be accepted or those changes shall be discussed after the complete implementation of the standard ISO 20022 xml on the EU level. In EU, the standard ISO 20022 XML has not been implemented to the full on the customer-bank level, and changes are being introduced already! We estimate that the proposal of BITKOM arose from the national specificities or specificities of user groups, who are not ready to give up their usual data sets. This change would enable different customers to decide for one subset of the message (either for national version, bank group version or a branch user version). In the case this change is put forward, banks should adapt to these changes. These versions could not be rejected as those rules will be accepted by EPC.

Contributor	Comment Received
Asociación Española de la Economía Digital (Adigital)	Seems reasonable to define a common framework not only for Bank to Bank communications within SEPA. The inclusion of customer to bank framework will facilitate the usage of SEPA environment for merchants.
Ingenico	Ingenico is in favour of harmonisation of xml messages in the C2B space across the different countries AND banks. In some countries, all banks have different versions and interpretations in place, which force creditors and processors to use an intermediary partner to process files. Being able to skip this step would be a cost cutting measure and is actually the promise of SEPA.
Lithuanian SEPA Coordination Committee	In general we support the idea of harmonising C2B XML messages in the long term.
Norwegian banking community	We support that it should be a guiding principle among Scheme Participants that they have to accept the C2B messages based on the EPC data set described in the C2B IG's as a minimum requirement.
Danish Bankers Association	It will ease part of the fragmentation experienced by Creditors, but may eliminate the possibility of value added services. We have not been able to identify the detailed consequences of such actions.
Handelsverband Deutschland (HDE)	The following compromise made by the SPS WG is acceptable as an initial step. ""The Scheme Participants must accept the C2B messages based on the EPC data set described in its C2B IGs as a minimum requirement."" This should be incorporated into the scheme as of Nov. 2015. A second step could be the harmonisation of the statements. Should be incorporated into the scheme - option b
Dutch Association of Large Billers (Verenigde Groot Incassanten (VGI))	In general, from corporate point of view, a harmonised basic interface is desired. Implementation would contribute to the (perceived) intentions of the SEPA regulation.
AITI - Italian Association of Corporate Treasurers	We would definitely be in favour of harmonization of the C2B (and B2C) space as the current situation of multiple C2B formats and nuances is difficult for end-users. The EPC should take responsibility of tackling the issue and taking things forward, in cooperation with end users.
Nordea Banking Group	It will ease part of the fragmentation experienced by Creditors, but may eliminate the possibility of value added services. We have not been able to identify the detailed consequences of such actions.
EACT - European Association of Corporate Treasurers	We would definitely be in favour of harmonization of the C2B (and B2C) space as the current situation of multiple C2B formats and nuances is difficult for end-users. The EPC should take responsibility of tackling the issue and taking things forward, in cooperation with end users.
Citibank NA London branch	the pain format has already been customised by different markets: no issue if this is purely competitive (still transferable for use in other markets, with other banks and NOT presented as a market requirement/expectation), but in conflict with objective of SEPA if the customisation means the format is not transferrable (eg for collections from a different market)
ASSET (Spanish Association of CFOs)	We would definitely be in favour of harmonization of the C2B (and B2C) space as the current situation of multiple C2B formats and nuances is difficult for end-users. The EPC should take responsibility



Contributor	Comment Received
	of tackling the issue and taking things forward, in cooperation with end users, at CSF.
InterCard Germany	A voluntary standard might be helpful in the future, e.g. similar to EBICS.



4.19 # 37: Block 3 - Adapt section 4.1 (The Mandate) of the SDD Core Rulebook to the contents EPC clarification letter on electronic mandates (Letter EPC098-13)

4.19.1 Description

This suggestion was made by BITKOM e.V.

The contributor suggests that section 4.1 (The Mandate) of the SDD Core Rulebook is adapted to the contents of the EPC clarification letter on electronic mandates (Letter EPC098-13).

4.19.2 SPS WG analysis and recommendation

The SPS WG recommended that the contents of the EPC clarification letter on electronic mandates (Letter EPC098-13) should be incorporated into the Scheme (**option b**).

As other contributors have provided alternative rewording suggestions to this particular section (reference is made to the change requests 44, 48, 52, 53, 54, 55, 60, 72 and 76), the SPS WG proposes a change for the SDD Scheme Rulebook section 4.1 based on change request #30 whereby the reference to 'qualified electronic signature' is taken out and replaced by the reference to a 'legally binding method of signature'.

4.19.3 Contributions and comments

The vast majority of EPC Scheme Participants via national banking communities and other contributors to the 2014 public consultation supported the suggestion to amend the wording in section 4.1 ('The Mandate'). Taking into consideration the overall comments received, it was resolved to amend the wording in section 4.1 ('The Mandate') to read as follows in the SDD Core Rulebook version 8.0: "Alternatively, the Mandate may be an electronic document which is signed using a legally binding method of signature."

The EPC acknowledges that this clarification will not solve the issue of a legally binding signature in country "A" not being accepted in country "B". The EPC must however, stress that it cannot resolve through its Scheme Rulebooks legal issues at SEPA level relating to electronic mandates in the absence of clear, harmonised European legislation in this area.

The EPC points out that at its first meeting held in May 2014, the Euro Retail Payments Board (ERPB)⁷ – established and chaired by the European Central Bank – identified electronic mandates as a key SEPA issue and decided to establish a specific working group dedicated to that topic. This ERPB Working Group on pan-European electronic mandate solutions for SDDs – actively co-chaired by an Ecommerce Europe representative and an EPC representative – started its work in July 2014 and has planned a number of activities and meetings over the following months in order to produce a report to be submitted to the ERPB in due course. The EPC looks forward to the outcome of the work of the ERPB electronic mandate Working Group on pan-European electronic mandate solutions for SDDs and to the ensuing discussions at the ERPB.

The following comments were received:

Contributor	Comment Received
Rewe Group	"Legally binding method of signature" as per which country? A Debtor is in Country A, the Creditor in Country B, and the PSPs may be in more countries. Which method is binding for all countries?

⁷ On 19 December 2013 the European Central Bank (ECB) announced the launch of the Euro Retail Payments Board (ERPB). The ERPB will "help foster the development of an integrated, innovative and competitive market for retail payments in euro in the EU". The ERPB includes representatives of both the demand and supply sides of the euro payments market. They are joined by five representatives from the euro area national central banks and one representative from the non-euro area EU national central banks (all on a rotating basis). The ERPB is chaired by the ECB. The European Commission is invited to join as an observer. (The EPC is a member of the ERPB.) <http://www.ecb.europa.eu/paym/retpaym/governance/eu/html/index.en.html#erpb>.

Contributor	Comment Received
<p>German Insurance Association (Gesamtverband der Deutschen Versicherungswirtschaft)</p>	<p>The contents of the EPC clarification letter on electronic mandates are a first step in right direction. They are able to open the scheme for modern electronic mandating methods. But this step is not sufficient. In addition it is necessary to give creditors reliable guidelines for electronic mandating methods that will be accepted anyway by all debtor banks. The GDV has one major concern: In addition to the suggested opening of the Rulebooks we need guidelines that give legal certainty. If only the wide interpretation of valid mandating methods as described by the EPC's clarification letter would be included in the Rulebook, it would be legally uncertain whether debtor banks would always accept creditor banks' mandates and not return the payment claiming an unauthorized transaction.</p> <p>Therefore we are of the opinion that the clarification regarding electronic mandates must be supported by simultaneously adding guidelines on the issuing of electronic mandates, for example regarding authentication and data protection/data security.</p>
<p>Dutch Payments Association (on behalf of Dutch banking community)</p>	<p>AND in addition to the clarification letter it must be emphasized that Debtor Banks must always validate (and approve) the e-mandate(s)</p>
<p>European Payment Institutions Federation (EPIF)</p>	<p>We support the removal of the reference to the Qualified Electronic Signature. However, we fear the proposal does not entirely solve the legal uncertainty around the authorization of online SDD mandates.</p> <p>The reference to 'legally binding method of signature' of proposal #30 is problematic given the current lack of harmonization across the EU. The wording may lead to even further legal issues as the term "signature" is interpreted differently across the EU jurisdictions. Art 2281 of the Belgian Code Civil – for example – stipulates that "If a notification has to be served in writing to allow the sender to invoke it, a notification by telegram, telex, fax or electronic mail or any other means of telecommunications resulting in written receipt on the side of the recipient shall be considered to be a written notification."</p> <p>To ensure the new wording reflects the variety of electronic mandate methods allowed under domestic laws, we would recommend including a reference to binding methods of signature or consent: this would avoid frictions or disruptions in the EU cross-border environment.</p> <p>Finally, we are not sure why the words "agreed between the Creditor and the Creditor Bank" should be deleted from the text of Section 4.1. of the SDD Rulebook. As we understand it, proposal #30 suggests removal only of the reference to 'qualified electronic signature'. We would recommend keeping the reference to the agreement between these parties as it is an important element not only for of electronic signatures but for all types of legal notifications.</p> <p>Suggested language in Section 4.1: A Mandate may exist as a paper document which is physically signed by the Debtor. The paper mandate can be stored either as the original</p>

Contributor	Comment Received
	<p>document or in any digitalised format subject to the national legal requirements. Alternatively, the Mandate may be an electronic document which is created and signed using a legally binding method of signature or consent with a Qualified Electronic Signature agreed between the Creditor and the Creditor Bank.”</p>
<p>European Digital Media Association (EDiMA)</p>	<p>EDiMA supports the removal of the reference to the Qualified Electronic Signature. However, this will not solve the legal uncertainty around the authorization of online SDD mandates which is – as the SPS WG rightly points out – subject to applicable laws. The reference to “legally binding method of signature” of proposal #30 is problematic given the current lack of harmonization across the EU. This wording may even trigger additional legal questions as the term “signature” is interpreted differently across the EU jurisdictions. For instance, Art. 2281 of the Belgian Code Civil stipulates that “If a notification has to be served in writing to allow the sender to invoke it, a notification by telegram, telex, fax or electronic mail or any other means of telecommunications resulting in written receipt on the side of the recipient shall be considered to be a written notification.”</p> <p>To ensure that the new wording reflects the variety of electronic mandate methods allowed under domestic laws, EDiMA recommends including a reference to “binding methods of signature or consent”. This will avoid frictions or disruptions in the EU cross-border environment.</p> <p>Additionally, EDiMA disagrees with the deletion of the words “agreed between the Creditor and the Creditor Bank” from the text of Section 4.1. of the SDD Rulebook. It is our understanding that proposal #30 suggests removal only of the reference to “qualified electronic signature”.</p> <p>EDiMA recommends keeping the reference to the agreement between the Creditor and the Creditor Bank. This is an important element not only for of electronic signatures but for all types of legal notifications.</p> <p>Suggested language in Section 4.1:</p> <p>“A Mandate may exist as a paper document which is physically signed by the Debtor. The paper mandate can be stored either as the original document or in any digitalised format subject to the national legal requirements. Alternatively, the Mandate may be an electronic document which is created and signed using a legally binding method of signature or consent with a Qualified Electronic Signature agreed between the Creditor and the Creditor Bank.”</p>
<p>Ärzte ohne Grenzen e.V. Germany, Ärzte ohne Grenzen Austria, European Fundraising Association,</p>	<p>We welcome the incorporation of the EPC clarification letter on electronic mandates of October 2013 and the suggestion to delete the reference to the Qualified Electronic Signature.</p> <p>The compromise proposal of the SPS WG will, however, lead to new open questions which in the end even contradict to the note given by the SPS WG according to which the Rulebooks should be neutral</p>

Contributor	Comment Received
<p>Fundraising Verband Austria, Coalition for Electronic SDD Mandates (Germany), Slovenian association for development of non-profit organisations</p>	<p>about mandating and authorization methods. The revised wording of the Rulebooks must therefore mirror the wide variety of mandating methods in different jurisdictions.</p> <p>As we see it the wording of compromise proposal #30 (“legally binding method of signature”) falls short when it tries to describe the current set of online mandating methods. In particular, the term “signature” is interpreted differently in different SEPA jurisdictions. Thus, we propose the following new wording – based on proposal #30 of the SPS WG - with the aim of avoiding infringements of established mandating procedures:</p> <p>“A Mandate may exist as a paper document which is physically signed by the Debtor. The paper mandate can be stored either as the original document or in any digitalised format subject to the national legal requirements. Alternatively, the Mandate may be an electronic document or log file which is created and signed using based on a legally binding method of signature or consent with a Qualified Electronic Signature agreed between the Creditor and the Creditor Bank.”</p>
<p>UK Payments Council</p>	<p>The UK Payments Council supports the SPS WG recommendation – Option B.</p> <p>However, the UK is keen to see the results of the E-Mandate Working Group as it is not clear what options are available in each country across the SEPA area. More should be done to quickly publish clear rules for each country so that companies wishing to break into new markets know the rules for using paperless mandates in countries outside their home market. The current situation is proving to be a barrier to entry into new markets.</p> <p>The wording ““Legally binding method of acceptance”” would be better than signature. Signature is not really applicable in the case of telephone mandates; the community are of the view that ““acceptance”” would be better.</p> <p>Finally, we would question why the words “agreed between the Creditor and the Creditor Bank” should be deleted from Section 4.1 of the rulebook. We would recommend keeping the reference to the agreement between these parties as it is an important element not only for e-mandates, but all types of legal notifications.</p>
<p>Insurance Europe</p>	<p>The contents of the EPC clarification letter on electronic mandates are a first step in right direction. They are able to open the scheme for modern electronic mandating methods. But this step is not sufficient. In addition it is necessary to give creditors reliable guidelines for electronic mandating methods that will be accepted anyway by all debtor banks. Insurance Europe has one major concern: In addition to the suggested opening of the Rulebooks we need guidelines that give legal certainty. If only the wide interpretation of valid mandating methods as described by the EPC’s clarification letter would be included in the Rulebook, it would be legally uncertain whether</p>

Contributor	Comment Received
	<p>debtor banks would always accept creditor banks' mandates and not return the payment claiming an unauthorized transaction.</p> <p>Therefore we are of the opinion that the clarification regarding electronic mandates must be supported by simultaneously adding guidelines on the issuing of electronic mandates, for example regarding authentication and data protection/data security.</p>
Insurance Ireland	<p>We support the inclusion of the contents of the EPC's clarification letter on mandates (Letter EPC098-13) in order to ensure the SEPA rulebook guidelines are consistent with how telemarketing operates in practice. However, we believe the new text should better reflect the EPC's letter which confirms that the signature methods as described in Section 4.1 are not exhaustive and that other mandate forms may be accepted. We propose, therefore, that the text in Section 4.1. should be amended to: <i>"A Mandate may exist as a paper document which is physically signed by the Debtor. (...) Alternatively, the Mandate may be an electronic document which is created and signed with a Qualified Electronic Signature agreed between the Creditor and the Creditor Bank. Other established mandating methods may be agreed between the Creditor and the Creditor Bank provided that they comply with the SEPA Regulation."</i></p>
Asociación Española de la Economía Digital (Adigital)	<p>There is a need to define a framework that can be used all over Europe for Digital Signature and that has to be ruled by the EPC. It's important to mention that legally binding methods like telephone mandates should be included also in this framework or at least an alternative to them since are commonly used.</p>
Federation of European Direct and Interactive Marketing (FEDMA)	<p>FEDMA supports the EPC SPS WG suggestion but considers it does not sufficiently respect the choice of the consumer.</p> <p>We recommend the following changes: <i>"It is up to the seller or non-profit to decide how the mandate should be given and agreed. The mandate can be oral, written, digital, or other. A Mandate, as a paper document, is physically signed by the Debtor. (...) The Mandate may be an electronic document or a logfile which is created and signed with a legally binding method of signature agreed between the Creditor and the Creditor Bank."</i></p> <p>FEDMA considers that a mandate should be any format of mandate acceptable for the debtor (consumers) and satisfying SEPA requirements. The charity or company and the consumer should be free to choose the format of the mandate (oral, written, digital).</p> <p>The seller or non-profit should be to free to offer the consumer various practical mandate formats from which he/she can choose. If the mandate format requirements for direct debit become too complex, the consumer is likely not to purchase or donate. Retailers, particularly SMEs, could be seriously hurt. We remind you that a lot of companies make profit on the basis of traditional mandates. They will likely lose their consumers to Asian or American competitors offering more practical payment solutions. Likewise, without oral mandates, numerous charities would lose donations. Indeed, when</p>

Contributor	Comment Received
	<p>tragic unforeseen disasters occur, oral mandates are a key method of payment for donors. Finally, if mandates are too complex, the consumer will use other methods of payments such as credit cards or internet “wallet” services thereby reducing the share of business of banks. FEDMA understands that banks require certain information and have to fulfil the requirements of the SEPA Regulation. However, the relation between the consumer and the seller or non-profit should not be affected by additional administrative requirements. So long as the seller or non-profit can communicate to the banks all the necessary information, guaranteeing the security of the payment, the format of the mandate should be irrelevant to the banks. Banks can monitor what their clients are doing and if necessary take action against an account holder whose credits are often challenged and must be refunded. For example, a bank could request those sellers and non-profits to maintain a fund to ensure repayment. FEDMA calls for pan European signature guidelines explaining how to use which signature (whether oral, electronic or written) in which circumstances. The oral mandate without requirement of written or e-signature should be allowed for all purchases or donations of small significance (i.e. maximum 100 euros) (similar reasoning as to the Consumer Rights Directive which may not be applied to purchases of small significance. For purchases or donations over 100 euros, oral mandates could still be valid without written or e-signature so long as the buyer or donor is informed in written of the details this financial operation (as in the UK).</p>
<p>Ingenico</p>	<p>The access to dematerialised mandate is definitely a requirement from the market and should be facilitated. The rulebook should make clear, as much as possible, what can be accepted as valid "legally binding method of signature" (examples: SMS code, Card 3D secure system, etc...). Also, the rulebook should define clearly what is meant by "electronic document".</p> <p>Proposed wording: "A Mandate may exist as a paper document which is physically signed by the Debtor. The paper mandate can be stored either as the original document or in any digitalised format subject to the national legal requirements. Alternatively, the Mandate may be an electronic document or <u>logged / registered consent</u> which is created <u>and signed using a legally binding method of signature</u>"</p>
<p>Association of German Chambers of Commerce and Industry (DIHK)</p>	<p>Efficient and widely accepted payment methods are of crucial importance for the success of businesses. In this respect, it is important that current solutions for payment needs can be continued and that they are not hindered by new bureaucratic restrictions – especially in the dynamic area of e-commerce. For this reason, the Association of German Chambers of Commerce and Industry strongly supports the possibility to use any legally binding form for authorizing an electronic direct debit mandate, rather than a formal restriction to a qualified electronic signature. To ensure the necessary clarity in this respect, we strongly support the EPC SPS WG recommendation to incorporate the EPC clarification letter on electronic mandates (Letter EPC098-13) into the SDD Core and SDD B2B rulebooks.</p>

Contributor	Comment Received
<p>Club SEPA (represents software providers and consultants involved in SEPA project in France) http://www.clubsepa.eu/les-membres-du-club/</p>	<p>Additional comments: The EPC clarification letter is not sufficient to understand the electronic signature issue of a mandate. It should be made clear what the Debtor bank must do in the case of:</p> <ul style="list-style-type: none"> - a two corner model i.e. a mandate signed by the Debtor on the Creditor web site or any other device such as mobile or, - a four corner model as described in the SDD rulebooks annex VII. <p>What are the electronic elements of proof (e.g. an authorisation number) that can be sent by the Creditor to the Debtor Bank in case of ""a supposed unauthorised collection""?</p>
<p>Handelsverband Deutschland (HDE)</p>	<p>We welcome the incorporation of the EPC clarification letter on electronic mandates of October 2013 and the suggestion to delete the reference to the Qualified Electronic Signature.</p> <p>The compromise proposal of the SPS WG will, however, lead to new open questions which in the end even contradict to the note given by the SPS WG according to which the Rulebooks should be neutral about mandating and authorization methods. The revised wording of the Rulebooks must therefore mirror the wide variety of mandating methods in different jurisdictions.</p> <p>As we see it the wording of compromise proposal #30 (“legally binding method of signature”) falls short when it tries to describe the current set of online mandating methods. In particular, the term “signature” is interpreted differently in different SEPA jurisdictions. Thus, we propose the following new wording – based on proposal #30 of the SPS WG - with the aim of avoiding infringements of established mandating procedures:</p> <p>“A Mandate may exist as a paper document which is physically signed by the Debtor. The paper mandate can be stored either as the original document or in any digitalised format subject to the national legal requirements. Alternatively, the Mandate may be an electronic document or log file which is created and signed using based on a legally binding method of signature or consent with a Qualified Electronic Signature agreed between the Creditor and the Creditor Bank</p>
<p>Dutch Association of Large Billers (Verenigde Groot Incassanten (VGI))</p>	<p>Presently a vacuum is experienced with the acceptance of legally binding digital signatures. The banks in The Netherlands appear not to accept these digital signatures as sufficient for the signing of a Direct Debit Mandate.</p>
<p>European Multi channel and Online Trade Association (EMOTA)</p>	<p>While the Regulation on electronic identification and trust services does aim to harmonise the standards in this area and ensure cross-border recognition, the effect of such legislative initiatives will only be felt in some years. Until then, the legal requirements and standards for the terms “signature” and “signed” differ greatly across the 28 EU Member States and internationally. The wording proposed could therefore generate legal uncertainty and constitute a barrier to the EU Digital Single Market.</p>

Contributor	Comment Received
	<p>EMOTA would like to stress the need for the Rulebooks to reflect a technologically and competitive oriented market by introducing references to flexibility and electronic authentication mechanisms, or consent, in line with the level of risk for a specific transaction.</p> <p>Such an approach would facilitate the development and selling of new services and products online. The consent factor should include any of the types of documents referred to as durable media by the European Directives (e.g. Consumer Rights Directive, Article 2.10: emails, PDF, etc.) or oral mandates and telephone mandates, allowing consumer choice, which would greatly facilitate the collection of funds by companies and charities while ensuring a security level and cost level for the processing of the transaction in accordance with the level of risk.</p>
Citibank NA London branch	<p>Recommend the following are considered in this update:</p> <ul style="list-style-type: none"> - requirements for evidence of mandate (and how to provide) if not in paper format - any stipulation on transaction as to paper / online / phone etc. - incremental controls eg payer identification, account validation for online mandates
InterCard Germany	<p>We support the positions of BITKOM, Médecins sans Frontières and others, at least the EPC SPS WG recommendation should be implemented.</p>

4.20 # 44: Block 3 - Mandate methods not restricted to paper mandate & EPC e-Mandate

4.20.1 Description

This suggestion was made by Médecins Sans Frontières Germany.

The contributor suggests that section 4.1 (The Mandate) of the SDD Rulebook is adapted by clarifying that mandating methods are not restricted to physically signed paper documents and the e-Mandate in Annex VII. Such amendment should also be reflected in section 4.7.2 of the SDD Rulebook.

4.20.2 SPS WG analysis and recommendation

The SPS WG recommended that the contents of the EPC clarification letter on electronic mandates (Letter EPC098-13) should be incorporated into the Scheme (**option b**).

The SPS WG emphasizes that the SDD Scheme Rulebook is neutral about mandating methods as they are subject to the applicable law.

As other contributors have provided alternative rewording suggestions to this particular section (reference is made to the change requests 37, 48, 52, 53, 54, 55, 60, 72 and 76), the SPS WG proposes a change for SDD Scheme Rulebook section 4.1 based on change request #30 whereby the reference to 'qualified electronic signature' is taken out and replaced by the reference to a 'legally binding method of signature'.

As for the amendment suggestion in section 4.7.2, this section describes the mandate content itself, irrespective if it is a paper-based or an electronic mandate.

4.20.3 Contributions and comments

The vast majority of EPC Scheme Participants via national banking communities and other contributors to the 2014 public consultation supported the suggestion to amend the wording in section 4.1 ('The Mandate'). Taking into consideration the overall comments received, it was resolved to amend the wording in section 4.1 ('The Mandate') to read as follows in the SDD Core Rulebook version 8.0: "Alternatively, the Mandate may be an electronic document which is signed using a legally binding method of signature."

The EPC acknowledges that this clarification will not solve the issue of a legally binding signature in country "A" not being accepted in country "B". The EPC must however, stress that it cannot resolve through its Scheme Rulebooks legal issues at SEPA level relating to electronic mandates in the absence of clear, harmonised European legislation in this area.

The EPC points out that at its first meeting held in May 2014, the Euro Retail Payments Board (ERP)⁸ – established and chaired by the European Central Bank – identified electronic mandates as a key SEPA issue and decided to establish a specific working group dedicated to that topic. This ERP Working Group on pan-European electronic mandate solutions for SDDs – actively co-chaired by an Ecommerce Europe representative and an EPC representative – started its work in July 2014 and has planned a number of activities and meetings over the following months in order to produce a report to be submitted to the ERP in due course. The EPC looks forward to the outcome of the work of the ERP electronic mandate Working Group on pan-European electronic mandate solutions for SDDs and to the ensuing discussions at the ERP.

⁸ On 19 December 2013 the European Central Bank (ECB) announced the launch of the Euro Retail Payments Board (ERP). The ERP will "help foster the development of an integrated, innovative and competitive market for retail payments in euro in the EU". The ERP includes representatives of both the demand and supply sides of the euro payments market. They are joined by five representatives from the euro area national central banks and one representative from the non-euro area EU national central banks (all on a rotating basis). The ERP is chaired by the ECB. The European Commission is invited to join as an observer. (The EPC is a member of the ERP.) <http://www.ecb.europa.eu/paym/retpaym/governance/eu/html/index.en.html#erp>.

The following comments were received:

Contributor	Comment Received
Rewe Group	"Legally binding method of signature" as per which country? A Debtor is in Country A, the Creditor in Country B, and the PSPs may be in more countries. Which method is binding for all countries?
German Insurance Association (Gesamtverband der Deutschen Versicherungswirtschaft)	<p>The contents of the EPC clarification letter on electronic mandates are a first step in right direction. They are able to open the scheme for modern electronic mandating methods. But this step is not sufficient. In addition it is necessary to give creditors reliable guidelines for electronic mandating methods that will be accepted anyway by all debtor banks. The GDV has one major concern: In addition to the suggested opening of the Rulebooks we need guidelines that give legal certainty. If only the wide interpretation of valid mandating methods as described by the EPC's clarification letter would be included in the Rulebook, it would be legally uncertain whether debtor banks would always accept creditor banks' mandates and not return the payment claiming an unauthorized transaction.</p> <p>Therefore we are of the opinion that the clarification regarding electronic mandates must be supported by simultaneously adding guidelines on the issuing of electronic mandates, for example regarding authentication and data protection/data security.</p>
Dutch Payments Association (on behalf of Dutch banking community)	AND in addition to the clarification letter it must be emphasized that Debtor Banks must always validate (and approve) the e-mandate(s)
European Payment Institutions Federation (EPIF)	<p>We support the removal of the reference to the Qualified Electronic Signature. However, we fear the proposal does not entirely solve the legal uncertainty around the authorization of online SDD mandates.</p> <p>The reference to 'legally binding method of signature' of proposal #30 is problematic given the current lack of harmonization across the EU. The wording may lead to even further legal issues as the term "signature" is interpreted differently across the EU jurisdictions. Art 2281 of the Belgian Code Civil – for example – stipulates that "If a notification has to be served in writing to allow the sender to invoke it, a notification by telegram, telex, fax or electronic mail or any other means of telecommunications resulting in written receipt on the side of the recipient shall be considered to be a written notification."</p> <p>To ensure the new wording reflects the variety of electronic mandate methods allowed under domestic laws, we would recommend including a reference to binding methods of signature or consent: this would avoid frictions or disruptions in the EU cross-border environment.</p> <p>Finally, we are not sure why the words "agreed between the Creditor and the Creditor Bank" should be deleted from the text of Section 4.1. of the SDD Rulebook. As we understand it, proposal #30 suggests removal only of the reference to 'qualified electronic signature'. We would recommend keeping the reference to the agreement between</p>

Contributor	Comment Received
	<p>these parties as it is an important element not only for of electronic signatures but for all types of legal notifications.</p> <p>Suggested language in Section 4.1: A Mandate may exist as a paper document which is physically signed by the Debtor. The paper mandate can be stored either as the original document or in any digitalised format subject to the national legal requirements. Alternatively, the Mandate may be an electronic document which is created and signed using a legally binding method of signature or consent with a Qualified Electronic Signature agreed between the Creditor and the Creditor Bank.”</p>
<p>European Digital Media Association (EDiMA)</p>	<p>EDiMA supports the removal of the reference to the Qualified Electronic Signature. However, this will not solve the legal uncertainty around the authorization of online SDD mandates which is – as the SPS WG rightly points out – subject to applicable laws. The reference to “legally binding method of signature” of proposal #30 is problematic given the current lack of harmonization across the EU. This wording may even trigger additional legal questions as the term “signature” is interpreted differently across the EU jurisdictions. For instance, Art. 2281 of the Belgian Code Civil stipulates that “If a notification has to be served in writing to allow the sender to invoke it, a notification by telegram, telex, fax or electronic mail or any other means of telecommunications resulting in written receipt on the side of the recipient shall be considered to be a written notification.”</p> <p>To ensure that the new wording reflects the variety of electronic mandate methods allowed under domestic laws, EDiMA recommends including a reference to “binding methods of signature or consent”. This will avoid frictions or disruptions in the EU cross-border environment.</p> <p>Additionally, EDiMA disagrees with the deletion of the words “agreed between the Creditor and the Creditor Bank” from the text of Section 4.1. of the SDD Rulebook. It is our understanding that proposal #30 suggests removal only of the reference to “qualified electronic signature”.</p> <p>EDiMA recommends keeping the reference to the agreement between the Creditor and the Creditor Bank. This is an important element not only for of electronic signatures but for all types of legal notifications.</p> <p>Suggested language in Section 4.1: “A Mandate may exist as a paper document which is physically signed by the Debtor. The paper mandate can be stored either as the original document or in any digitalised format subject to the national legal requirements. Alternatively, the Mandate may be an electronic document which is created and signed using a legally binding method of signature or consent with a Qualified Electronic Signature agreed between the Creditor and the Creditor Bank.”</p>

Contributor	Comment Received
<p>Ärzte ohne Grenzen e.V. Germany, Ärzte ohne Grenzen Austria, European Fundraising Association, Fundraising Verband Austria, Coalition for Electronic SDD Mandates (Germany), Slovenian association for development of non-profit organisations</p>	<p>We welcome the incorporation of the EPC clarification letter on electronic mandates of October 2013 and the suggestion to delete the reference to the Qualified Electronic Signature.</p> <p>The compromise proposal of the SPS WG will, however, lead to new open questions which in the end even contradict to the note given by the SPS WG according to which the Rulebooks should be neutral about mandating and authorization methods. The revised wording of the Rulebooks must therefore mirror the wide variety of mandating methods in different jurisdictions.</p> <p>As we see it the wording of compromise proposal #30 (“legally binding method of signature”) falls short when it tries to describe the current set of online mandating methods. In particular, the term “signature” is interpreted differently in different SEPA jurisdictions. Thus, we propose the following new wording – based on proposal #30 of the SPS WG - with the aim of avoiding infringements of established mandating procedures:</p> <p>“A Mandate may exist as a paper document which is physically signed by the Debtor. The paper mandate can be stored either as the original document or in any digitalised format subject to the national legal requirements. Alternatively, the Mandate may be an electronic document or log file which is created and signed using based on a legally binding method of signature or consent with a Qualified Electronic Signature agreed between the Creditor and the Creditor Bank.”</p>
<p>UK Payments Council</p>	<p>The UK Payments Council supports the SPS WG recommendation – Option B.</p> <p>However, the UK is keen to see the results of the E-Mandate Working Group as it is not clear what options are available in each country across the SEPA area. More should be done to quickly publish clear rules for each country so that companies wishing to break into new markets know the rules for using paperless mandates in countries outside their home market. The current situation is proving to be a barrier to entry into new markets.</p> <p>The wording ““Legally binding method of acceptance”” would be better than signature. Signature is not really applicable in the case of telephone mandates; the community are of the view that ““acceptance”” would be better.</p> <p>Finally, we would question why the words “agreed between the Creditor and the Creditor Bank” should be deleted from Section 4.1 of the rulebook. We would recommend keeping the reference to the agreement between these parties as it is an important element not only for e-mandates, but all types of legal notifications.</p>
<p>Insurance Europe</p>	<p>The contents of the EPC clarification letter on electronic mandates are a first step in right direction. They are able to open the scheme for modern electronic mandating methods. But this step is not sufficient. In addition it is necessary to give creditors reliable guidelines for</p>

Contributor	Comment Received
	<p>electronic mandating methods that will be accepted anyway by all debtor banks. Insurance Europe has one major concern: In addition to the suggested opening of the Rulebooks we need guidelines that give legal certainty. If only the wide interpretation of valid mandating methods as described by the EPC's clarification letter would be included in the Rulebook, it would be legally uncertain whether debtor banks would always accept creditor banks' mandates and not return the payment claiming an unauthorized transaction.</p> <p>Therefore we are of the opinion that the clarification regarding electronic mandates must be supported by simultaneously adding guidelines on the issuing of electronic mandates, for example regarding authentication and data protection/data security.</p>
Insurance Ireland	<p>We support the inclusion of the contents of the EPC's clarification letter on mandates (Letter EPC098-13) in order to ensure the SEPA rulebook guidelines are consistent with how telemarketing operates in practice. However, we believe the new text should better reflect the EPC's letter which confirms that the signature methods as described in Section 4.1 are not exhaustive and that other mandate forms may be accepted. We propose, therefore, that the text in Section 4.1. should be amended to: <i>"A Mandate may exist as a paper document which is physically signed by the Debtor. (...) Alternatively, the Mandate may be an electronic document which is created and signed with a Qualified Electronic Signature agreed between the Creditor and the Creditor Bank. Other established mandating methods may be agreed between the Creditor and the Creditor Bank provided that they comply with the SEPA Regulation."</i></p>
Asociación Española de la Economía Digital (Adigital)	<p>There is a need to define a framework that can be used all over Europe for Digital Signature and that has to be ruled by the EPC. It's important to mention that legally binding methods like telephone mandates should be included also in this framework or at least an alternative to them since are commonly used.</p>
Federation of European Direct and Interactive Marketing (FEDMA)	<p>FEDMA supports the EPC SPS WG suggestion but considers it does not sufficiently respect the choice of the consumer.</p> <p>We recommend the following changes: <i>"It is up to the seller or non-profit to decide how the mandate should be given and agreed. The mandate can be oral, written, digital, or other. A Mandate, as a paper document, is physically signed by the Debtor. (...) The Mandate may be an electronic document or a logfile which is created and signed with a legally binding method of signature agreed between the Creditor and the Creditor Bank."</i></p> <p>FEDMA considers that a mandate should be any format of mandate acceptable for the debtor (consumers) and satisfying SEPA requirements. The charity or company and the consumer should be free to choose the format of the mandate (oral, written, digital).</p> <p>The seller or non-profit should be to free to offer the consumer various practical mandate formats from which he/she can choose. If the mandate format requirements for direct debit become too</p>

Contributor	Comment Received
	<p>complex, the consumer is likely not to purchase or donate. Retailers, particularly SMEs, could be seriously hurt. We remind you that a lot of companies make profit on the basis of traditional mandates. They will likely lose their consumers to Asian or American competitors offering more practical payment solutions. Likewise, without oral mandates, numerous charities would lose donations. Indeed, when tragic unforeseen disasters occur, oral mandates are a key method of payment for donors. Finally, if mandates are too complex, the consumer will use other methods of payments such as credit cards or internet “wallet” services thereby reducing the share of business of banks. FEDMA understands that banks require certain information and have to fulfil the requirements of the SEPA Regulation. However, the relation between the consumer and the seller or non-profit should not be affected by additional administrative requirements. So long as the seller or non-profit can communicate to the banks all the necessary information, guaranteeing the security of the payment, the format of the mandate should be irrelevant to the banks. Banks can monitor what their clients are doing and if necessary take action against an account holder whose credits are often challenged and must be refunded. For example, a bank could request those sellers and non-profits to maintain a fund to ensure repayment. FEDMA calls for pan European signature guidelines explaining how to use which signature (whether oral, electronic or written) in which circumstances. The oral mandate without requirement of written or e-signature should be allowed for all purchases or donations of small significance (i.e. maximum 100 euros) (similar reasoning as to the Consumer Rights Directive which may not be applied to purchases of small significance. For purchases or donations over 100 euros, oral mandates could still be valid without written or e-signature so long as the buyer or donor is informed in written of the details this financial operation (as in the UK).</p>
<p>Ingenico</p>	<p>The access to dematerialised mandate is definitely a requirement from the market and should be facilitated. The rulebook should make clear, as much as possible, what can be accepted as valid "legally binding method of signature" (examples: SMS code, Card 3D secure system, etc...). Also, the rulebook should define clearly what is meant by "electronic document".</p> <p>Proposed wording: "A Mandate may exist as a paper document which is physically signed by the Debtor. The paper mandate can be stored either as the original document or in any digitalised format subject to the national legal requirements. Alternatively, the Mandate may be an electronic document or <u>logged / registered consent</u> which is created <u>and signed using a legally binding method of signature"</u></p>
<p>Association of German Chambers of Commerce and Industry (DIHK)</p>	<p>Efficient and widely accepted payment methods are of crucial importance for the success of businesses. In this respect, it is important that current solutions for payment needs can be continued and that they are not hindered by new bureaucratic restrictions – especially in the dynamic area of e-commerce. For this reason, the Association of German Chambers of Commerce and Industry strongly supports the possibility to use any legally binding form for</p>

Contributor	Comment Received
	<p>authorizing an electronic direct debit mandate, rather than a formal restriction to a qualified electronic signature. To ensure the necessary clarity in this respect, we strongly support the EPC SPS WG recommendation to incorporate the EPC clarification letter on electronic mandates (Letter EPC098-13) into the SDD Core and SDD B2B rulebooks.</p>
<p>Club SEPA (represents software providers and consultants involved in SEPA project in France) http://www.clubsepa.eu/les-membres-du-club/</p>	<p>Additional comments: The EPC clarification letter is not sufficient to understand the electronic signature issue of a mandate. It should be made clear what the Debtor bank must do in the case of: - a two corner model i.e. a mandate signed by the Debtor on the Creditor web site or any other device such as mobile or, - a four corner model as described in the SDD rulebooks annex VII. What are the electronic elements of proof (e.g. an authorisation number) that can be sent by the Creditor to the Debtor Bank in case of ""a supposed unauthorised collection""?</p>
<p>Handelsverband Deutschland (HDE)</p>	<p>We welcome the incorporation of the EPC clarification letter on electronic mandates of October 2013 and the suggestion to delete the reference to the Qualified Electronic Signature.</p> <p>The compromise proposal of the SPS WG will, however, lead to new open questions which in the end even contradict to the note given by the SPS WG according to which the Rulebooks should be neutral about mandating and authorization methods. The revised wording of the Rulebooks must therefore mirror the wide variety of mandating methods in different jurisdictions.</p> <p>As we see it the wording of compromise proposal #30 (“legally binding method of signature”) falls short when it tries to describe the current set of online mandating methods. In particular, the term “signature” is interpreted differently in different SEPA jurisdictions. Thus, we propose the following new wording – based on proposal #30 of the SPS WG - with the aim of avoiding infringements of established mandating procedures:</p> <p>“A Mandate may exist as a paper document which is physically signed by the Debtor. The paper mandate can be stored either as the original document or in any digitalised format subject to the national legal requirements. Alternatively, the Mandate may be an electronic document or log file which is created and signed using based on a legally binding method of signature or consent with a Qualified Electronic Signature agreed between the Creditor and the Creditor Bank</p>
<p>Dutch Association of Large Billers (Verenigde Groot Incassanten (VGI))</p>	<p>Presently a vacuum is experienced with the acceptance of legally binding digital signatures. The banks in The Netherlands appear not to accept these digital signatures as sufficient for the signing of a Direct Debit Mandate.</p>
<p>European Multi channel and Online Trade Association (EMOTA)</p>	<p>While the Regulation on electronic identification and trust services does aim to harmonise the standards in this area and ensure cross-border recognition, the effect of such legislative initiatives will only</p>

Contributor	Comment Received
	<p>be felt in some years. Until then, the legal requirements and standards for the terms “signature” and “signed” differ greatly across the 28 EU Member States and internationally. The wording proposed could therefore generate legal uncertainty and constitute a barrier to the EU Digital Single Market.</p> <p>EMOTA would like to stress the need for the Rulebooks to reflect a technologically and competitive oriented market by introducing references to flexibility and electronic authentication mechanisms, or consent, in line with the level of risk for a specific transaction.</p> <p>Such an approach would facilitate the development and selling of new services and products online. The consent factor should include any of the types of documents referred to as durable media by the European Directives (e.g. Consumer Rights Directive, Article 2.10: emails, PDF, etc.) or oral mandates and telephone mandates, allowing consumer choice, which would greatly facilitate the collection of funds by companies and charities while ensuring a security level and cost level for the processing of the transaction in accordance with the level of risk.</p>
Citibank NA London branch	<p>Recommend the following are considered in this update:</p> <ul style="list-style-type: none"> - requirements for evidence of mandate (and how to provide) if not in paper format - any stipulation on transaction as to paper / online / phone etc. - incremental controls eg payer identification, account validation for online mandates
InterCard Germany	<p>We support the positions of BITKOM, Médecins sans Frontières and others, at least the EPC SPS WG recommendation should be implemented.</p>

4.21 # 45: Block 2 - Turn the current SDD sequence types into optional data sequence types

4.21.1 Description

This suggestion was made by the Spanish banking community.

The contributor proposes to make the sequence type of direct debits as an optional element in the next version of the Rulebook. It is stated that this change will make operations easier, improve interoperability and decrease the number of returns. The contributor considers this proposal absolutely necessary for the SDD Core D-1 scheme.

4.21.2 SPS WG analysis and recommendation

The SPS WG recommended taking forward the suggestion for change (**option b**) for the sequence type ‘First’ only.

The SPS WG considered that making all other sequence types optional could cause SDD collection processing issues for the Debtor Bank.

The SPS WG draws the attention to other change requests (see change requests with indication ‘Block 2’ i.e. the items # 33, 50, 62 and 87) suggesting either a simplification of the current range of sequence types, making certain sequence types optional or the elimination of a particular sequence type.

With regard to this specific block of change requests, the SPS WG recommended that the sequence type ‘First’ is no longer mandatory in the SDD Core and SDD B2B Rulebooks with an effective date in **November 2016**. This should allow all Scheme Participants and end-users of the two SDD Schemes sufficient time to prepare themselves for such change in November 2016 subject to support during this public consultation.

The respondent should indicate

1. If the respondent agrees that the sequence type ‘First’ should no longer be mandatory (Yes/No)
2. If answered with “Yes”, does the respondent support the effective date of November 2016 (Yes/No)?
3. If answered with “No” on question 2, the respondent should indicate an alternative date (e.g., November 2015, November 2017 or later).

4.21.3 Contributions and comments

The vast majority of EPC Scheme Participants via national banking communities and other contributors agreed with the SPS WG recommendation to make the sequence type ‘First’ no longer mandatory. A majority of EPC Scheme Participants via national banking communities and other contributors supported the effective date of November 2016. Numerous contributors highlighted their preference for November 2015 as effective date. Taking into consideration the requirement to allow for sufficient time to implement this modification, it was resolved that the SDD Core Rulebook version 9.0 to take effect in November 2016 will be modified as follows: The requirement to use the sequence type ‘FRST’ in a first of a recurrent series of Collections is no longer mandatory as of the effective date of November 2016 of the SEPA Core Direct Debit Rulebook version 9.0 (i.e. a first Collection can be identified in the same way as a subsequent Collection with the sequence type ‘RCUR”).

The following comments were received:

Contributor	Comment Received
STUZZA GmbH on behalf of the Austrian banking community	The Austrian Banking Community suggests to incorporate these change requests earlier in time - as of Nov. 2015.
Spanish banking community	Supports November 2015 instead of November 2016
Finnish banking community	Supports effective date of November 2016
Irish Payment Services Organisation	This is not an issue in Ireland and the existing sequence types are working well. This was an issue in the early part of migration but no

Contributor	Comment Received
	longer. Initial feedback from Creditors is that further IT development is unnecessary at this early stage.
Portuguese banking community	The Portuguese Banking Community supports the alternative date of November 2015.
French Banking Federation	<p>These requests are interesting and could make sense when the SEPA migration will totally be finished (including the niche products) and the SEPA payment systems more mature & stable.</p> <p>However it is necessary for the SPS WG as required, under the chapter 3.2.1 of the Internal Rules, to conduct research and carry out a cost-benefit analysis on the change accepted including developing a business case for approving these Change Requests.</p> <p>Moreover, the whole risk analysis on the debtor side has to be performed and approved by the consumer associations.</p> <p>As a consequence, the French banks will be ready to reopen the studies in 2016 which could lead to an implementation timeline not before the end of 2017 or 2018.</p>
Luxembourg Bankers' Association	Supports November 2016 - Details of what this means in practice need to be clearly defined as soon as possible
BITKOM e.V.	<p>It is very important to simplify the procedure. Therefore we support the recommendation of the EPC.</p> <p>The EPC should consider implementing the recommendation earlier than 2016.</p> <p>The simplification would save costs for both banks and corporates, therefore the sooner the implementation the better.</p>
Rewe Group	Definitely per Nov 2015 - and in a way so that the SeqTp is dropped completely or optional only
German Insurance Association (Gesamtverband der Deutschen Versicherungswirtschaft)	Please see comments on items 31, 49, 63 (: <i>We support a unique time cycle for all collections to simplify processes. D-1 is an adequate option. We support the earliest possible effective date.</i>)
Deutsche Telekom AG	<p>It is very important to simplify the procedure. Therefore we support the recommendation of the EPC.</p> <p>The EPC should consider implementing the recommendation earlier than 2016.</p> <p>The simplification would save costs for both banks and corporates, therefore the sooner the implementation the better.</p>
Dutch Payments Association (on behalf of Dutch banking community)	In favour of an operational starting date per November 2016 with important note: it must be sure that FRST-transaction may not be rejected
Febelfin (representing Belgian banking community)	<p>Timing: November 2016.</p> <p>If for some reason, this change is implemented but the change to Core D-1 is not implemented or only in a later stage, it is important to make sure that this change on sequence type implies that :</p> <ul style="list-style-type: none"> - using ""FIRST"" in the XML files is no longer mandatory - AND that everything can be sent at D-2. <p>(There is little added value of not having to mention ""FIRST"" if you still have to send a first transaction at J-5 and recurrent transactions at J-2)</p>
German Banking Industry Committee (GBIC) on behalf of the German banking	Answer to question 2: Yes; Answer to question 3: n/a

Contributor	Comment Received
community and Deutsche Bundesbank.	
European Payment Institutions Federation (EPIF)	Supports effective date of November 2016, not before 2016, There are material modifications for creditor and debtor PSP.
Seamless Remittance AB	2) Not supported, 3) November 2015
Italian banking association (ABI)	<p>The majority of the SDD Italian participants responding to the consultation agree with the CR/SPS recommendation.</p> <p>With regard to the questions n. 2 and n. 3, the majority of the respondents is in favour with the incorporation of the change request as of November 2016. Please note that a large minority of the respondents support the CR as of November 2015.</p>
UK Payments Council	<p>There was no consensus so the UK Payments Council is unable to endorse the SPS WG recommendation – Option B.</p> <p>It was noted that there appears to be considerable confusion in the market. UK Payments Council request that sequence types are clarified and simplified and not made optional.</p>
Insurance Europe	Please see comments on items 31, 49, 63
EQUENS SE	The introduction date November 2016 seems to be reasonable
Bank Association of Slovenia	Supports November 2016
AGES Maut System GmbH & Co. KG	<p>In respect to the BITKOM suggestion: If interpreted in the way ""MUST BE RCUR"" - we would reject the suggestion as it would inflict additional costs to the SEPA-Community. If interpreted in the way ""ALLOWED TO BE RCUR"" - we agree.</p> <p>There is no need in distinguishing various sequence-types, but sequence-types are an ongoing and prominent source for R-transactions against the will and intention of the debtor - inflicting substantial costs on companies and consumers, wasting resources needed elsewhere and thus spoiling the environment.</p> <p>+ YES ""FRST"" should no longer be mandatory + NO, November 2016 is too late + The earliest possible date should be chosen to speed up SEPA Core DDs</p>
Ingenico	<p>This is again an improvement simplifying the SDD rules. It is however a pity to implement this now, after the mandatory implementation of SDD. Now all solutions on the market, all creditors and banks have implemented the sequence type rules, and making it now optional, although simplifying the way the SDD works, will still provoke some issues for sure.</p> <p>November 2016 seems appropriate and manageable by all parties.</p>
Lithuanian SEPA Coordination Committee	<p>2. No. 3. We would be in favour of implementation date later than Nov 2016.</p>
Norwegian banking community	Support the effective date of 2016
Danish Bankers Association	Same argumentation as for the changes to SDD Core timecycle
Handelsverband Deutschland (HDE)	<p>It is very important to simplify the procedure. Therefore we support the recommendation of the EPC.</p> <p>The EPC should consider implementing the recommendation earlier than 2016.</p>

Contributor	Comment Received
	The simplification would save costs for both banks and corporates, therefore the sooner the implementation the better.
Dutch Association of Large Billers (Verenigde Groot Incassanten (VGI))	2. Yes. This Change is interpreted as making the sequence type "first" as the optional one. (e.g. all SDD transactions can be sent in using the sequence type "recurrent") This approach is not consistent with change # 26. (present a SDD after a changed IBAN as a first)
AITI - Italian Association of Corporate Treasurers	We prefer to have an early adoption in November 2015
Nordea Banking Group	Same argumentation as for the changes to timecycle above
EACT - European Association of Corporate Treasurers	We prefer to have an early adoption in November 2015
Citibank NA London branch	November 2016
ASSET (Spanish Association of CFOs)	Not agreed - Spanish Banking Community will support it in November 2015
InterCard Germany	We support the positions of BITKOM and the Spanish banking Community, at least the EPC SPS WG recommendation should be implemented.

4.22 # 47: Extend the permitted timespan for presenting a SDD Core reversal to 10 Bank Business Days

4.22.1 Description

This suggestion was made by Spanish banking community.

The contributor suggests extending the permitted timespan for presenting a SDD Core reversal from currently five to ten Bank Business Days. The current period of time of five Bank Business Days is considered to be too short for the Creditor to notice that his instructions should not have been presented.

4.22.2 SPS WG analysis and recommendation

The SPS WG recommended not taking forward the suggestion for change (**option e**).

The need to do a reversal is due to an error by the Creditor. Extending the timespan to 10 days in which a reversal can be done will cause conflicts with other r-transaction types. It is expected that the Creditor rectifies its error as soon as possible. The Debtor can rely on the refund r-transaction to claim back the funds or the Creditor may agree with the Debtor to recover the funds outside of the scheme (e. g. by credit transfer).

4.22.3 Contributions and comments

Views among contributors to the 2014 public consultation representing both the demand and supply sides were mixed. However, in consideration of the overall comments from a majority of EPC Scheme Participants via national banking communities and other contributors received, it was concluded that this suggestion cannot be part of the Scheme. Therefore, this change suggestion has not been included in the SDD Core Rulebook version 8.0.

The following comments were received:

Contributor	Comment Received
Spanish banking community	Option b. Our experience takes us to the conclusion that ASAP is often longer than 5 days.
Portuguese banking community	The Portuguese Banking Community defends that the scheme should extend the timespan to 8 weeks. The actual timespan is seen as too short for Creditor action. A great advantage, noted by Creditors, in extending the time period for issuing a Reversal, is that being inside the scheme, it prevents erroneous Refund claims that sometimes appear when the funds are sent to the Debtor outside of the scheme (e. g. by credit transfer). As for conflicts with other R-transactions, at present day the Reversal has the same time span of the Return and can also occur in the first five Bank Business days of a Refund period and there seems to be no conflict, as this R-transactions are mutual exclusive. So, we don't understand how extending the period of a Reversal can cause a conflict.
AGES Maut System GmbH & Co. KG	The repayment by SCT leaves the Creditor with a risk that the underlying SDD is also subject to an R-transaction initiated by the Debtor (voluntarily or accidentally). A conflict as mentioned by the SPS WG is not apparent. As this amendment only improves the current status in favour of the Debtor and as it is also positive for the Debtor, why should we block a WIN-WIN-situation?
AITI - Italian Association of Corporate Treasurers	We support the original request since five days could not be sufficient to process the Creditor's internal procedures to initiate a reversal. We suggest to incorporate it in the scheme (option b) since the experience

Contributor	Comment Received
	brings to the conclusion that the process for the Creditor to start a reversal is often longer than 5 days.
EACT - European Association of Corporate Treasurers	We support the original request since five days could not be sufficient to process the Creditor's internal procedures to initiate a reversal. We suggest to incorporate it in the scheme (option b) since the experience brings to the conclusion that the process for the Creditor to start a reversal is often longer than 5 days.
Citibank NA London branch	Similar ask and rationale to item #85. This request is driven by commercial requirements, and allows for the creditor address their own error, rather than impose the process / action on the payer. However, the priority must be to address recurrent issues in the market where certain payer banks are unable to recognise or process reversals, and in consequence create duplicate r-messages (returns, refunds)
ASSET (Spanish Association of CFOs)	We support the original request since five days could not be sufficient to process the Creditor's internal procedures to initiate a reversal. Option b the experience in Spain takes as to the conclusion that ASAP is often longer than 5 days.

4.23 # 48: Block 3 - Mandate methods not restricted to paper mandate & EPC e-Mandate

4.23.1 Description

This suggestion was made by the Fundraising Verband Austria.

The contributor suggests that section 4.1 (The Mandate) of the SDD Rulebook is adapted by clarifying that mandating methods are not restricted to physically signed paper documents and the e-Mandate in Annex VII. Such amendment should also be reflected in section 4.7.2 of the SDD Rulebook.

4.23.2 SPS WG analysis and recommendation

The SPS WG recommended that the contents of the EPC clarification letter on electronic mandates (Letter EPC098-13) should be incorporated into the Scheme (**option b**).

The SPS WG emphasizes that the SDD Scheme Rulebook is neutral about mandating methods as they are subject to the applicable law.

As other contributors have provided alternative rewording suggestions to this particular section (reference is made to the change requests 37, 44, 52, 53, 54, 55, 60, 72 and 76), the SPS WG proposes a change for SDD Scheme Rulebook section 4.1 based on change request #30 whereby the reference to 'qualified electronic signature' is taken out and replaced by the reference to a 'legally binding method of signature'.

As for the amendment suggestion in section 4.7.2, this section describes the mandate content itself, irrespective if it is a paper-based or an electronic mandate.

4.23.3 Contributions and comments

The vast majority of EPC Scheme Participants via national banking communities and other contributors to the 2014 public consultation supported the suggestion to amend the wording in section 4.1 ('The Mandate'). Taking into consideration the overall comments received, it was resolved to amend the wording in section 4.1 ('The Mandate') to read as follows in the SDD Core Rulebook version 8.0: "Alternatively, the Mandate may be an electronic document which is signed using a legally binding method of signature."

The EPC acknowledges that this clarification will not solve the issue of a legally binding signature in country "A" not being accepted in country "B". The EPC must however, stress that it cannot resolve through its Scheme Rulebooks legal issues at SEPA level relating to electronic mandates in the absence of clear, harmonised European legislation in this area.

The EPC points out that at its first meeting held in May 2014, the Euro Retail Payments Board (ERP)⁹ – established and chaired by the European Central Bank – identified electronic mandates as a key SEPA issue and decided to establish a specific working group dedicated to that topic. This ERP Working Group on pan-European electronic mandate solutions for SDDs – actively co-chaired by an Ecommerce Europe representative and an EPC representative – started its work in July 2014 and has planned a number of activities and meetings over the following months in order to produce a report to be submitted to the ERP in due course. The EPC looks forward to the outcome of the work of the ERP electronic mandate Working Group on pan-European electronic mandate solutions for SDDs and to the ensuing discussions at the ERP.

⁹ On 19 December 2013 the European Central Bank (ECB) announced the launch of the Euro Retail Payments Board (ERP). The ERP will "help foster the development of an integrated, innovative and competitive market for retail payments in euro in the EU". The ERP includes representatives of both the demand and supply sides of the euro payments market. They are joined by five representatives from the euro area national central banks and one representative from the non-euro area EU national central banks (all on a rotating basis). The ERP is chaired by the ECB. The European Commission is invited to join as an observer. (The EPC is a member of the ERP.) <http://www.ecb.europa.eu/paym/retpaym/governance/eu/html/index.en.html#erp>.

The following comments were received:

Contributor	Comment Received
Rewe Group	"Legally binding method of signature" as per which country? A Debtor is in Country A, the Creditor in Country B, and the PSPs may be in more countries. Which method is binding for all countries?
German Insurance Association (Gesamtverband der Deutschen Versicherungswirtschaft)	<p>The contents of the EPC clarification letter on electronic mandates are a first step in right direction. They are able to open the scheme for modern electronic mandating methods. But this step is not sufficient. In addition it is necessary to give creditors reliable guidelines for electronic mandating methods that will be accepted anyway by all debtor banks. The GDV has one major concern: In addition to the suggested opening of the Rulebooks we need guidelines that give legal certainty. If only the wide interpretation of valid mandating methods as described by the EPC's clarification letter would be included in the Rulebook, it would be legally uncertain whether debtor banks would always accept creditor banks' mandates and not return the payment claiming an unauthorized transaction.</p> <p>Therefore we are of the opinion that the clarification regarding electronic mandates must be supported by simultaneously adding guidelines on the issuing of electronic mandates, for example regarding authentication and data protection/data security.</p>
Dutch Payments Association (on behalf of Dutch banking community)	AND in addition to the clarification letter it must be emphasized that Debtor Banks must always validate (and approve) the e-mandate(s)
European Payment Institutions Federation (EPIF)	<p>We support the removal of the reference to the Qualified Electronic Signature. However, we fear the proposal does not entirely solve the legal uncertainty around the authorization of online SDD mandates.</p> <p>The reference to 'legally binding method of signature' of proposal #30 is problematic given the current lack of harmonization across the EU. The wording may lead to even further legal issues as the term "signature" is interpreted differently across the EU jurisdictions. Art 2281 of the Belgian Code Civil – for example – stipulates that "If a notification has to be served in writing to allow the sender to invoke it, a notification by telegram, telex, fax or electronic mail or any other means of telecommunications resulting in written receipt on the side of the recipient shall be considered to be a written notification."</p> <p>To ensure the new wording reflects the variety of electronic mandate methods allowed under domestic laws, we would recommend including a reference to binding methods of signature or consent: this would avoid frictions or disruptions in the EU cross-border environment.</p> <p>Finally, we are not sure why the words "agreed between the Creditor and the Creditor Bank" should be deleted from the text of Section 4.1. of the SDD Rulebook. As we understand it, proposal #30 suggests removal only of the reference to 'qualified electronic signature'. We would recommend keeping the reference to the agreement between</p>

Contributor	Comment Received
	<p>these parties as it is an important element not only for of electronic signatures but for all types of legal notifications.</p> <p>Suggested language in Section 4.1: A Mandate may exist as a paper document which is physically signed by the Debtor. The paper mandate can be stored either as the original document or in any digitalised format subject to the national legal requirements. Alternatively, the Mandate may be an electronic document which is created and signed using a legally binding method of signature or consent with a Qualified Electronic Signature agreed between the Creditor and the Creditor Bank.”</p>
<p>European Digital Media Association (EDiMA)</p>	<p>EDiMA supports the removal of the reference to the Qualified Electronic Signature. However, this will not solve the legal uncertainty around the authorization of online SDD mandates which is – as the SPS WG rightly points out – subject to applicable laws. The reference to “legally binding method of signature” of proposal #30 is problematic given the current lack of harmonization across the EU. This wording may even trigger additional legal questions as the term “signature” is interpreted differently across the EU jurisdictions. For instance, Art. 2281 of the Belgian Code Civil stipulates that “If a notification has to be served in writing to allow the sender to invoke it, a notification by telegram, telex, fax or electronic mail or any other means of telecommunications resulting in written receipt on the side of the recipient shall be considered to be a written notification.”</p> <p>To ensure that the new wording reflects the variety of electronic mandate methods allowed under domestic laws, EDiMA recommends including a reference to “binding methods of signature or consent”. This will avoid frictions or disruptions in the EU cross-border environment.</p> <p>Additionally, EDiMA disagrees with the deletion of the words “agreed between the Creditor and the Creditor Bank” from the text of Section 4.1. of the SDD Rulebook. It is our understanding that proposal #30 suggests removal only of the reference to “qualified electronic signature”.</p> <p>EDiMA recommends keeping the reference to the agreement between the Creditor and the Creditor Bank. This is an important element not only for of electronic signatures but for all types of legal notifications.</p> <p>Suggested language in Section 4.1: “A Mandate may exist as a paper document which is physically signed by the Debtor. The paper mandate can be stored either as the original document or in any digitalised format subject to the national legal requirements. Alternatively, the Mandate may be an electronic document which is created and signed using a legally binding method of signature or consent with a Qualified Electronic Signature agreed between the Creditor and the Creditor Bank.”</p>

Contributor	Comment Received
<p>Ärzte ohne Grenzen e.V. Germany, Ärzte ohne Grenzen Austria, European Fundraising Association, Fundraising Verband Austria, Coalition for Electronic SDD Mandates (Germany), Slovenian association for development of non-profit organisations</p>	<p>We welcome the incorporation of the EPC clarification letter on electronic mandates of October 2013 and the suggestion to delete the reference to the Qualified Electronic Signature.</p> <p>The compromise proposal of the SPS WG will, however, lead to new open questions which in the end even contradict to the note given by the SPS WG according to which the Rulebooks should be neutral about mandating and authorization methods. The revised wording of the Rulebooks must therefore mirror the wide variety of mandating methods in different jurisdictions.</p> <p>As we see it the wording of compromise proposal #30 (“legally binding method of signature”) falls short when it tries to describe the current set of online mandating methods. In particular, the term “signature” is interpreted differently in different SEPA jurisdictions. Thus, we propose the following new wording – based on proposal #30 of the SPS WG - with the aim of avoiding infringements of established mandating procedures:</p> <p>“A Mandate may exist as a paper document which is physically signed by the Debtor. The paper mandate can be stored either as the original document or in any digitalised format subject to the national legal requirements. Alternatively, the Mandate may be an electronic document or log file which is created and signed using based on a legally binding method of signature or consent with a Qualified Electronic Signature agreed between the Creditor and the Creditor Bank.”</p>
<p>UK Payments Council</p>	<p>The UK Payments Council supports the SPS WG recommendation – Option B.</p> <p>However, the UK is keen to see the results of the E-Mandate Working Group as it is not clear what options are available in each country across the SEPA area. More should be done to quickly publish clear rules for each country so that companies wishing to break into new markets know the rules for using paperless mandates in countries outside their home market. The current situation is proving to be a barrier to entry into new markets.</p> <p>The wording ““Legally binding method of acceptance”” would be better than signature. Signature is not really applicable in the case of telephone mandates; the community are of the view that ““acceptance”” would be better.</p> <p>Finally, we would question why the words “agreed between the Creditor and the Creditor Bank” should be deleted from Section 4.1 of the rulebook. We would recommend keeping the reference to the agreement between these parties as it is an important element not only for e-mandates, but all types of legal notifications.</p>
<p>Insurance Europe</p>	<p>The contents of the EPC clarification letter on electronic mandates are a first step in right direction. They are able to open the scheme for modern electronic mandating methods. But this step is not sufficient. In addition it is necessary to give creditors reliable guidelines for</p>

Contributor	Comment Received
	<p>electronic mandating methods that will be accepted anyway by all debtor banks. Insurance Europe has one major concern: In addition to the suggested opening of the Rulebooks we need guidelines that give legal certainty. If only the wide interpretation of valid mandating methods as described by the EPC's clarification letter would be included in the Rulebook, it would be legally uncertain whether debtor banks would always accept creditor banks' mandates and not return the payment claiming an unauthorized transaction.</p> <p>Therefore we are of the opinion that the clarification regarding electronic mandates must be supported by simultaneously adding guidelines on the issuing of electronic mandates, for example regarding authentication and data protection/data security.</p>
Insurance Ireland	<p>We support the inclusion of the contents of the EPC's clarification letter on mandates (Letter EPC098-13) in order to ensure the SEPA rulebook guidelines are consistent with how telemarketing operates in practice. However, we believe the new text should better reflect the EPC's letter which confirms that the signature methods as described in Section 4.1 are not exhaustive and that other mandate forms may be accepted. We propose, therefore, that the text in Section 4.1. should be amended to: <i>"A Mandate may exist as a paper document which is physically signed by the Debtor. (...) Alternatively, the Mandate may be an electronic document which is created and signed with a Qualified Electronic Signature agreed between the Creditor and the Creditor Bank. Other established mandating methods may be agreed between the Creditor and the Creditor Bank provided that they comply with the SEPA Regulation."</i></p>
Asociación Española de la Economía Digital (Adigital)	<p>There is a need to define a framework that can be used all over Europe for Digital Signature and that has to be ruled by the EPC. It's important to mention that legally binding methods like telephone mandates should be included also in this framework or at least an alternative to them since are commonly used.</p>
Federation of European Direct and Interactive Marketing (FEDMA)	<p>FEDMA supports the EPC SPS WG suggestion but considers it does not sufficiently respect the choice of the consumer.</p> <p>We recommend the following changes: <i>"It is up to the seller or non-profit to decide how the mandate should be given and agreed. The mandate can be oral, written, digital, or other. A Mandate, as a paper document, is physically signed by the Debtor. (...) The Mandate may be an electronic document or a logfile which is created and signed with a legally binding method of signature agreed between the Creditor and the Creditor Bank."</i></p> <p>FEDMA considers that a mandate should be any format of mandate acceptable for the debtor (consumers) and satisfying SEPA requirements. The charity or company and the consumer should be free to choose the format of the mandate (oral, written, digital).</p> <p>The seller or non-profit should be to free to offer the consumer various practical mandate formats from which he/she can choose. If the mandate format requirements for direct debit become too</p>

Contributor	Comment Received
	<p>complex, the consumer is likely not to purchase or donate. Retailers, particularly SMEs, could be seriously hurt. We remind you that a lot of companies make profit on the basis of traditional mandates. They will likely lose their consumers to Asian or American competitors offering more practical payment solutions. Likewise, without oral mandates, numerous charities would lose donations. Indeed, when tragic unforeseen disasters occur, oral mandates are a key method of payment for donors. Finally, if mandates are too complex, the consumer will use other methods of payments such as credit cards or internet “wallet” services thereby reducing the share of business of banks. FEDMA understands that banks require certain information and have to fulfil the requirements of the SEPA Regulation. However, the relation between the consumer and the seller or non-profit should not be affected by additional administrative requirements. So long as the seller or non-profit can communicate to the banks all the necessary information, guaranteeing the security of the payment, the format of the mandate should be irrelevant to the banks. Banks can monitor what their clients are doing and if necessary take action against an account holder whose credits are often challenged and must be refunded. For example, a bank could request those sellers and non-profits to maintain a fund to ensure repayment. FEDMA calls for pan European signature guidelines explaining how to use which signature (whether oral, electronic or written) in which circumstances. The oral mandate without requirement of written or e-signature should be allowed for all purchases or donations of small significance (i.e. maximum 100 euros) (similar reasoning as to the Consumer Rights Directive which may not be applied to purchases of small significance. For purchases or donations over 100 euros, oral mandates could still be valid without written or e-signature so long as the buyer or donor is informed in written of the details this financial operation (as in the UK).</p>
<p>Ingenico</p>	<p>The access to dematerialised mandate is definitely a requirement from the market and should be facilitated. The rulebook should make clear, as much as possible, what can be accepted as valid "legally binding method of signature" (examples: SMS code, Card 3D secure system, etc...). Also, the rulebook should define clearly what is meant by "electronic document".</p> <p>Proposed wording: "A Mandate may exist as a paper document which is physically signed by the Debtor. The paper mandate can be stored either as the original document or in any digitalised format subject to the national legal requirements. Alternatively, the Mandate may be an electronic document or <u>logged / registered consent</u> which is created <u>and signed using a legally binding method of signature"</u></p>
<p>Association of German Chambers of Commerce and Industry (DIHK)</p>	<p>Efficient and widely accepted payment methods are of crucial importance for the success of businesses. In this respect, it is important that current solutions for payment needs can be continued and that they are not hindered by new bureaucratic restrictions – especially in the dynamic area of e-commerce. For this reason, the Association of German Chambers of Commerce and Industry strongly supports the possibility to use any legally binding form for</p>

Contributor	Comment Received
	<p>authorizing an electronic direct debit mandate, rather than a formal restriction to a qualified electronic signature. To ensure the necessary clarity in this respect, we strongly support the EPC SPS WG recommendation to incorporate the EPC clarification letter on electronic mandates (Letter EPC098-13) into the SDD Core and SDD B2B rulebooks.</p>
<p>Club SEPA (represents software providers and consultants involved in SEPA project in France) http://www.clubsepa.eu/les-membres-du-club/</p>	<p>Additional comments: The EPC clarification letter is not sufficient to understand the electronic signature issue of a mandate. It should be made clear what the Debtor bank must do in the case of: - a two corner model i.e. a mandate signed by the Debtor on the Creditor web site or any other device such as mobile or, - a four corner model as described in the SDD rulebooks annex VII. What are the electronic elements of proof (e.g. an authorisation number) that can be sent by the Creditor to the Debtor Bank in case of ""a supposed unauthorised collection""?</p>
<p>Handelsverband Deutschland (HDE)</p>	<p>We welcome the incorporation of the EPC clarification letter on electronic mandates of October 2013 and the suggestion to delete the reference to the Qualified Electronic Signature.</p> <p>The compromise proposal of the SPS WG will, however, lead to new open questions which in the end even contradict to the note given by the SPS WG according to which the Rulebooks should be neutral about mandating and authorization methods. The revised wording of the Rulebooks must therefore mirror the wide variety of mandating methods in different jurisdictions.</p> <p>As we see it the wording of compromise proposal #30 (“legally binding method of signature”) falls short when it tries to describe the current set of online mandating methods. In particular, the term “signature” is interpreted differently in different SEPA jurisdictions. Thus, we propose the following new wording – based on proposal #30 of the SPS WG - with the aim of avoiding infringements of established mandating procedures:</p> <p>“A Mandate may exist as a paper document which is physically signed by the Debtor. The paper mandate can be stored either as the original document or in any digitalised format subject to the national legal requirements. Alternatively, the Mandate may be an electronic document or log file which is created and signed using based on a legally binding method of signature or consent with a Qualified Electronic Signature agreed between the Creditor and the Creditor Bank</p>
<p>Dutch Association of Large Billers (Verenigde Groot Incassanten (VGI))</p>	<p>Presently a vacuum is experienced with the acceptance of legally binding digital signatures. The banks in The Netherlands appear not to accept these digital signatures as sufficient for the signing of a Direct Debit Mandate.</p>
<p>European Multi channel and Online Trade Association (EMOTA)</p>	<p>While the Regulation on electronic identification and trust services does aim to harmonise the standards in this area and ensure cross-border recognition, the effect of such legislative initiatives will only</p>

Contributor	Comment Received
	<p>be felt in some years. Until then, the legal requirements and standards for the terms “signature” and “signed” differ greatly across the 28 EU Member States and internationally. The wording proposed could therefore generate legal uncertainty and constitute a barrier to the EU Digital Single Market.</p> <p>EMOTA would like to stress the need for the Rulebooks to reflect a technologically and competitive oriented market by introducing references to flexibility and electronic authentication mechanisms, or consent, in line with the level of risk for a specific transaction.</p> <p>Such an approach would facilitate the development and selling of new services and products online. The consent factor should include any of the types of documents referred to as durable media by the European Directives (e.g. Consumer Rights Directive, Article 2.10: emails, PDF, etc.) or oral mandates and telephone mandates, allowing consumer choice, which would greatly facilitate the collection of funds by companies and charities while ensuring a security level and cost level for the processing of the transaction in accordance with the level of risk.</p>
Citibank NA London branch	<p>Recommend the following are considered in this update:</p> <ul style="list-style-type: none"> - requirements for evidence of mandate (and how to provide) if not in paper format - any stipulation on transaction as to paper / online / phone etc. - incremental controls eg payer identification, account validation for online mandates
InterCard Germany	<p>We support the positions of BITKOM, Médecins sans Frontières and others, at least the EPC SPS WG recommendation should be implemented.</p>

4.24 # 49: Block 1 - SDD Core D-1 timecycle to become the standard timecycle for SDD Core

4.24.1 Description

This suggestion was made by Febelfin.

It is proposed that the current SDD Core collection time cycle option D-1 becomes the single standard timeline in the SDD Core Scheme. It is stated that this would result in easier implementation at Creditor side and less complex situations at Creditor Bank side.

4.24.2 SPS WG analysis and recommendation

The SPS WG recommended that the suggestion should be incorporated into the Scheme (**option b**) with D-1/ D-1 becoming effective as standard collection timeline in **November 2016**.

The SPS WG draws the attention to other change requests (see change requests with indication ‘Block 1’ i.e. the items # 31 and 63) suggesting also changes to the SDD Core collection timeline D-5/ D-2.

With regard to this specific block of change requests, the SPS WG recommended that D-1/ D-1 becomes the standard SDD Core collection timeline with an effective date in **November 2016**. This should allow all Scheme Participants and end-users sufficient time to prepare themselves for such change in November 2016 subject to support during this public consultation.

The respondent is asked to indicate

1. If the respondent agrees with the standard collection timeline D-1/D-1 (Yes/No).
2. If answered with “Yes”, does the respondent support the effective date of November 2016 (Yes/No)?
3. If answered with “No” on question 2, the respondent should indicate an alternative date (e.g., November 2015, November 2017 or later).

4.24.3 Contributions and comments

The vast majority of EPC Scheme Participants via national banking communities and other contributors agreed with the SPS WG recommendation to make D-1 the standard collection timeline. A majority of EPC Scheme Participants via national banking communities and other contributors supported the effective date of November 2016. Numerous contributors highlighted their preference for November 2015 as effective date.

Taking into consideration the overall comments and the requirement to allow for sufficient time to implement this modification, it was resolved that the SDD Core Rulebook version 9.0 to take effect in November 2016 will be modified as follows: As of the effective date of November 2016 of the SEPA Core Direct Debit Rulebook version 9.0, all Collections presented for the first time, on a recurrent basis or as a one-off Collection can be presented up to 1 Inter-Bank Business Day (D-1).

The following comments were received:

Contributor	Comment Received
STUZZA GmbH on behalf of the Austrian Banking Community	The Austrian Banking Community suggests to incorporate D-1 as standard processing time cycle as of Nov. 2015.
Spanish banking community	Supports November 2015 instead of November 2016
Finnish banking community	Supports effective date of November 2016
Irish Payment Services Organisation	Timeline 2015 can be accommodated
Portuguese banking community	The Portuguese Banking Community supports the alternative date of November 2015.
French Banking Federation	These requests are interesting and could make sense when the SEPA migration will totally be finished (including the niche products) and the SEPA payment systems more mature & stable.

Contributor	Comment Received
	<p>However it is necessary for the SPS WG as required, under the chapter 3.2.1 of the Internal Rules, to conduct research and carry out a cost-benefit analysis on the change accepted including developing a business case for approving these Change Requests.</p> <p>Moreover, the whole risk analysis on the debtor side has to be performed and approved by the consumer associations.</p> <p>As a consequence, the French banks will be ready to reopen the studies in 2016 which could lead to an implementation timeline not before the end of 2017 or 2018.</p>
Luxembourg Bankers' Association	Supports November 2016
BITKOM e.V.	<p>It is very important to simplify the procedure. Therefore we support the recommendation of the EPC.</p> <p>The EPC should consider implementing the recommendation earlier than 2016.</p> <p>The simplification would save costs for both banks and corporates, therefore the sooner the implementation the better.</p>
Shahid Ali - Business Analyst	<p>Suggested is to target it by November 2015 rather 2016. Reason is 2016 seems too far and Party (Customer and Bank) which are currently started using CORE with more submission days will become use to of this and it will be challenging to change there way to lesser days. If it becomes part of Current Rule Book and Live Date is for November 2015, Party will have in mind they have to change it will be easy to make modification. As we are aware Germany and Spain has opted it and other want to join, if we make it late to adopt as part of CORE scheme, we will end up with 2 Scheme CORE and COR1 in market as those which started using CORE will not be ready for COR1.</p>
Rewe Group	Long overdue! Definitely per Nov 2015
German Insurance Association (Gesamtverband der Deutschen Versicherungswirtschaft)	We support a unique time cycle for all collections to simplify processes. D-1 is an adequate option. We support the earliest possible effective date.
Deutsche Telekom AG	<p>It is very important to simplify the procedure. Therefore we support the recommendation of the EPC.</p> <p>The EPC should consider implementing the recommendation earlier than 2016.</p> <p>The simplification would save costs for both banks and corporates, therefore the sooner the implementation the better.</p>
Dutch Payments Association (on behalf of Dutch banking community)	In favour of an operational starting date per November 2016 with important note: COR1 to be removed from scheme, if D-1/D-1 will be in place.
Febelfin (representing Belgian banking community)	Timing: November 2016
German Banking Industry Committee (GBIC) on behalf of the German banking community and Deutsche Bundesbank.	Answer to question 2: Yes; Answer to question 3: n/a
European Payment Institutions Federation (EPIF)	We propose November 2015. No reason to push back = not a big change, to date no use of the 5 days to deliver additional service to consumer.

Contributor	Comment Received
Seamless Remittance AB	2) Not supported, 3) November 2015
Italian banking association (ABI)	The SDD Italian participants' diverging views do not allow to take a clear position on this Change Request.
UK Payments Council	<p>While a majority of UK Payments Council members support the SPS WG recommendation – Option B – this is not unanimous.</p> <p>A number of large institutions support an effective date of November 2016 but a few advocate differing timelines, with some supporting 2015 and others 2017. Some concerns were raised about reducing the timeframe for dealing with new mandates and conducting initial set-up and due diligence processes.</p>
Insurance Europe	We support a unique time cycle for all collections to simplify processes. D-1 is an adequate option. We support the earliest possible effective date.
EQUENS SE	The introduction date November 2016 seems to be reasonable
AGES Maut System GmbH & Co. KG	<p>There is no need in distinguishing the handling time of various sequence-types, but sequence-types are an ongoing source for R-transactions against the will and intention of the debtor.</p> <p>+ YES - We agree and have also demanded D-1 to be the standard time-cycle - NO, November 2016 is too late + The earliest possible date should be chosen to speed up lame SEPA Core DD</p>
Ingenico	<p>This is an improvement going in the right direction for merchants and also simplifies SDD management. It is however a pity to implement this now, after the mandatory implementation of SDD. Now all solutions on the market, all creditors and banks have implemented the complex D+5/D+2 rules.</p> <p>November 2016 seems appropriate and manageable by all parties. Will the ""old"" D+5/D+2 still exist however?</p>
Lithuanian SEPA Coordination Committee	<p>2. No.</p> <p>3. We would be in favour of implementation date later than Nov 2016.</p>
Norwegian banking community	Support the effective date of 2016
Danish Bankers Association	<p>2015 Implementation will not be possible due to the extensive changes to systems and processes in both the financial sectors as well as the corporate customers.</p> <p>Due to the need from stakeholders to the simplification a 2017 implementation will not be perceived to take them seriously enough.</p>
Handelsverband Deutschland (HDE)	<p>It is very important to simplify the procedure. Therefore we support the recommendation of the EPC.</p> <p>The EPC should consider implementing the recommendation earlier than 2016.</p> <p>The simplification would save costs for both banks and corporates, therefore the sooner the implementation the better.</p>
Dutch Association of Large Billers (Verenigde Groot Incassanten (VGI))	<p>2. No.</p> <p>3. November 2015 or asap, however this will be subject to a cost benefit analysis.</p>

Contributor	Comment Received
AITI - Italian Association of Corporate Treasurers	We prefer to have an early adoption in November 2015
Nordea Banking Group	<p>2015 Implementation will not be possible to the extensive changes to systems and processes in both the financial sectors as well as the corporate customers.</p> <p>Due to the need from stakeholders to the simplification a 2017 implementation will not be perceived to take them seriously enough.</p>
EACT - European Association of Corporate Treasurers	We prefer to have an early adoption in November 2015
Citibank NA London branch	Support this recommendation to be delivered in November 2017 Rulebook updates. Recommend that confirmation whether it is proceeding is delivered well in advance (min 2 years notice). This is to accommodate the capacity as well as service implications for the shorter timelines, particularly on payer side receipt / validations Suggested approach that ""updates"" Core scheme rulebook with new clearing cycles of D-1. It should be very clear how this is to be implemented (eg alternative is reachability is mandatory - i.e. onus on payer banks primarily).
ASSET (Spanish Association of CFOs)	not agreed - Spanish Banking Community will support it in November 2015
InterCard Germany	We support the positions of Austria Stuzza and Febelfin, at least the EPC SPS WG recommendation should be implemented.

4.25 # 50: Block 2 - Simplification of the mandate life cycle and collection sequence type

4.25.1 Description

This suggestion was made by Febelfin.

The contributor suggests that the simplification of the mandate life cycle will help to reduce the number of r-messages and could contribute to the reputation of SDD.

It proposes that the use of ‘First’ as identification as sequence type becomes optional. The presentation of a collection under a new mandate could also start with ‘Recurrent’. The contributor indicates that the same timelines should be maintained for a collection based on a new or existing mandate. The sequence types ‘Final’ (EPC note: the sequence type is called ‘Last’ in the SDD Scheme Rulebooks) and ‘One Off’ would remain unchanged.

4.25.2 SPS WG analysis and recommendation

The SPS WG recommended that the suggestion should be incorporated into the Scheme (**option b**) with effective date in **November 2016**.

The SPS WG draws the attention to other change requests (see change requests with indication ‘Block 2’ i.e. the items # 33, 45, 62 and 87) suggesting either a simplification of the current range of sequence types, making certain sequence types optional or the elimination of a particular sequence type.

With regard to this specific block of change requests, the SPS WG recommended that the sequence type ‘First’ is no longer mandatory in the SDD Core and SDD B2B Rulebooks with an effective date in **November 2016**. This should allow all Scheme Participants and end-users of the two SDD Schemes sufficient time to prepare themselves for such change in November 2016 subject to support during this public consultation.

The respondent should indicate

1. If the respondent agrees that the sequence type ‘First’ should no longer be mandatory (Yes/No).
2. If answered with “Yes”, does the respondent support the effective date of November 2016 (Yes/No)?
3. If answered with “No” on question 2, the respondent should indicate an alternative date (e.g., November 2015, November 2017 or later).

4.25.3 Contributions and comments

The vast majority of EPC Scheme Participants via national banking communities and other contributors agreed with the SPS WG recommendation to make the sequence type ‘First’ no longer mandatory. A majority of EPC Scheme Participants via national banking communities and other contributors supported the effective date of November 2016. Numerous contributors highlighted their preference for November 2015 as effective date. Taking into consideration the overall comments and the requirement to allow for sufficient time to implement this modification, it was resolved that the SDD Core Rulebook version 9.0 to take effect in November 2016 will be modified as follows:

The requirement to use the sequence type ‘FRST’ in a first of a recurrent series of Collections is no longer mandatory as of the effective date of November 2016 of the SEPA Core Direct Debit Rulebook version 9.0 (i.e. a first Collection can be identified in the same way as a subsequent Collection with the sequence type ‘RCUR”).

The following comments were received:

Contributor	Comment Received
STUZZA GmbH on behalf of the Austrian banking community	The Austrian Banking Community suggests to incorporate these change requests earlier in time - as of Nov. 2015.

Contributor	Comment Received
Spanish banking community	Supports November 2015 instead of November 2016
Finnish banking community	Supports effective date of November 2016
Irish Payment Services Organisation	This is not an issue in Ireland and the existing sequence types are working well. This was an issue in the early part of migration but no longer. Initial feedback from Creditors is that further IT development is unnecessary at this early stage.
Portuguese banking community	The Portuguese Banking Community supports the alternative date of November 2015.
French Banking Federation	These requests are interesting and could make sense when the SEPA migration will totally be finished (including the niche products) and the SEPA payment systems more mature & stable. However it is necessary for the SPS WG as required, under the chapter 3.2.1 of the Internal Rules, to conduct research and carry out a cost-benefit analysis on the change accepted including developing a business case for approving these Change Requests. Moreover, the whole risk analysis on the debtor side has to be performed and approved by the consumer associations. As a consequence, the French banks will be ready to reopen the studies in 2016 which could lead to an implementation timeline not before the end of 2017 or 2018.
Luxembourg Bankers' Association	Supports November 2016 - Details of what this means in practice need to be clearly defined as soon as possible
BITKOM e.V.	It is very important to simplify the procedure. Therefore we support the recommendation of the EPC. The EPC should consider implementing the recommendation earlier than 2016. The simplification would save costs for both banks and corporates, therefore the sooner the implementation the better.
Rewe Group	Definitely per Nov 2015 - and in a way so that the SeqTp is dropped completely or optional only
German Insurance Association (Gesamtverband der Deutschen Versicherungswirtschaft)	Please see comments on items 31, 49, 63 (: <i>We support a unique time cycle for all collections to simplify processes. D-1 is an adequate option. We support the earliest possible effective date.</i>)
Deutsche Telekom AG	It is very important to simplify the procedure. Therefore we support the recommendation of the EPC. The EPC should consider implementing the recommendation earlier than 2016. The simplification would save costs for both banks and corporates, therefore the sooner the implementation the better.
Dutch Payments Association (on behalf of Dutch banking community)	In favour of an operational starting date per November 2016 with important note: it must be sure that FRST-transaction may not be rejected
Febelfin (representing Belgian banking community)	Timing: November 2016. If for some reason, this change is implemented but the change to Core D-1 is not implemented or only in a later stage, it is important to make sure that this change on sequence type implies that : - using ""FIRST"" in the XML files is no longer mandatory - AND that everything can be sent at D-2. (There is little added value of not having to mention ""FIRST"" if you still have to send a first transaction at J-5 and recurrent transactions at J-2)

Contributor	Comment Received
German Banking Industry Committee (GBIC) on behalf of the German banking community and Deutsche Bundesbank.	Answer to question 2: Yes; Answer to question 3: n/a
European Payment Institutions Federation (EPIF)	Supports effective date of November 2016, not before 2016, There are material modifications for creditor and debtor PSP.
Seamless Remittance AB	2) Not supported, 3) November 2015
Italian banking association (ABI)	<p>The majority of the SDD Italian participants responding to the consultation agree with the CR/SPS recommendation.</p> <p>With regard to the questions n. 2 and n. 3, the majority of the respondents is in favour with the incorporation of the change request as of November 2016. Please note that a large minority of the respondents support the CR as of November 2015.</p>
UK Payments Council	<p>There was no consensus so the UK Payments Council is unable to endorse the SPS WG recommendation – Option B.</p> <p>It was noted that there appears to be considerable confusion in the market. UK Payments Council request that sequence types are clarified and simplified and not made optional.</p>
Insurance Europe	Please see comments on items 31, 49, 63
EQUENS SE	The introduction date November 2016 seems to be reasonable
Bank Association of Slovenia	Supports November 2016
AGES Maut System GmbH & Co. KG	<p>In respect to the BITKOM suggestion: If interpreted in the way ""MUST BE RCUR"" - we would reject the suggestion as it would inflict additional costs to the SEPA-Community. If interpreted in the way ""ALLOWED TO BE RCUR"" - we agree.</p> <p>There is no need in distinguishing various sequence-types, but sequence-types are an ongoing and prominent source for R-transactions against the will and intention of the debtor - inflicting substantial costs on companies and consumers, wasting resources needed elsewhere and thus spoiling the environment.</p> <p>+ YES ""FRST"" should no longer be mandatory + NO, November 2016 is too late + The earliest possible date should be chosen to speed up SEPA Core DDs</p>
Ingenico	<p>This is again an improvement simplifying the SDD rules. It is however a pity to implement this now, after the mandatory implementation of SDD. Now all solutions on the market, all creditors and banks have implemented the sequence type rules, and making it now optional, although simplifying the way the SDD works, will still provoke some issues for sure.</p> <p>November 2016 seems appropriate and manageable by all parties.</p>
Lithuanian SEPA Coordination Committee	<p>2. No.</p> <p>3. We would be in favour of implementation date later than Nov 2016.</p>
Norwegian banking community	Support the effective date of 2016
Danish Bankers Association	Same argumentation as for the changes to SDD Core timecycle

Contributor	Comment Received
Handelsverband Deutschland (HDE)	It is very important to simplify the procedure. Therefore we support the recommendation of the EPC. The EPC should consider implementing the recommendation earlier than 2016. The simplification would save costs for both banks and corporates, therefore the sooner the implementation the better.
Dutch Association of Large Billers (Verenigde Groot Incassanten (VGI))	2. Yes. This Change is interpreted as making the sequence type "first" as the optional one. (e.g. all SDD transactions can be sent in using the sequence type "recurrent") This approach is not consistent with change # 26. (present a SDD after a changed IBAN as a first)
AITI - Italian Association of Corporate Treasurers	We prefer to have an early adoption in November 2015
Nordea Banking Group	Same argumentation as for the changes to timecycle above
EACT - European Association of Corporate Treasurers	We prefer to have an early adoption in November 2015
Citibank NA London branch	November 2016
ASSET (Spanish Association of CFOs)	Not agreed - Spanish Banking Community will support it in November 2015
InterCard Germany	We support the positions of BITKOM and the Spanish banking Community, at least the EPC SPS WG recommendation should be implemented.



4.26 # 51: This suggestion has been withdrawn by the contributor

4.26.1 Description

This suggestion has been withdrawn by the contributor.

4.27 # 52: Block 3 - Mandate methods not restricted to paper mandate & EPC e-Mandate

4.27.1 Description

This suggestion was made by Médecins Sans Frontières Austria.

The contributor suggests that section 4.1 (The Mandate) of the SDD Rulebook is adapted by clarifying that mandating methods are not restricted to physically signed paper documents and the e-Mandate in Annex VII. Such amendment should also be reflected in section 4.7.2 of the SDD Rulebook.

4.27.2 SPS WG analysis and recommendation

The SPS WG recommended that the contents of the EPC clarification letter on electronic mandates (Letter EPC098-13) should be incorporated into the Scheme (**option b**).

The SPS WG emphasizes that the SDD Scheme Rulebook is neutral about mandating methods as they are subject to the applicable law.

As other contributors have provided alternative rewording suggestions to this particular section (reference is made to the change requests 37, 44, 48, 53, 54, 55, 60, 72 and 76), the SPS WG proposes a change for SDD Scheme Rulebook section 4.1 based on change request #30 whereby the reference to 'qualified electronic signature' is taken out and replaced by the reference to a 'legally binding method of signature'.

As for the amendment suggestion in section 4.7.2, this section describes the mandate content itself, irrespective if it is a paper-based or an electronic mandate.

4.27.3 Contributions and comments

The vast majority of EPC Scheme Participants via national banking communities and other contributors to the 2014 public consultation supported the suggestion to amend the wording in section 4.1 ('The Mandate'). Taking into consideration the overall comments received, it was resolved to amend the wording in section 4.1 ('The Mandate') to read as follows in the SDD Core Rulebook version 8.0: "Alternatively, the Mandate may be an electronic document which is signed using a legally binding method of signature."

The EPC acknowledges that this clarification will not solve the issue of a legally binding signature in country "A" not being accepted in country "B". The EPC must however, stress that it cannot resolve through its Scheme Rulebooks legal issues at SEPA level relating to electronic mandates in the absence of clear, harmonised European legislation in this area.

The EPC points out that at its first meeting held in May 2014, the Euro Retail Payments Board (ERP)¹⁰ – established and chaired by the European Central Bank – identified electronic mandates as a key SEPA issue and decided to establish a specific working group dedicated to that topic. This ERP Working Group on pan-European electronic mandate solutions for SDDs – actively co-chaired by an Ecommerce Europe representative and an EPC representative – started its work in July 2014 and has planned a number of activities and meetings over the following months in order to produce a report to be submitted to the ERP in due course. The EPC looks forward to the outcome of the work of the ERP electronic mandate Working Group on pan-European electronic mandate solutions for SDDs and to the ensuing discussions at the ERP.

¹⁰ On 19 December 2013 the European Central Bank (ECB) announced the launch of the Euro Retail Payments Board (ERP). The ERP will "help foster the development of an integrated, innovative and competitive market for retail payments in euro in the EU". The ERP includes representatives of both the demand and supply sides of the euro payments market. They are joined by five representatives from the euro area national central banks and one representative from the non-euro area EU national central banks (all on a rotating basis). The ERP is chaired by the ECB. The European Commission is invited to join as an observer. (The EPC is a member of the ERP.) <http://www.ecb.europa.eu/paym/retpaym/governance/eu/html/index.en.html#erp>.

The following comments were received:

Contributor	Comment Received
Rewe Group	"Legally binding method of signature" as per which country? A Debtor is in Country A, the Creditor in Country B, and the PSPs may be in more countries. Which method is binding for all countries?
German Insurance Association (Gesamtverband der Deutschen Versicherungswirtschaft)	<p>The contents of the EPC clarification letter on electronic mandates are a first step in right direction. They are able to open the scheme for modern electronic mandating methods. But this step is not sufficient. In addition it is necessary to give creditors reliable guidelines for electronic mandating methods that will be accepted anyway by all debtor banks. The GDV has one major concern: In addition to the suggested opening of the Rulebooks we need guidelines that give legal certainty. If only the wide interpretation of valid mandating methods as described by the EPC's clarification letter would be included in the Rulebook, it would be legally uncertain whether debtor banks would always accept creditor banks' mandates and not return the payment claiming an unauthorized transaction.</p> <p>Therefore we are of the opinion that the clarification regarding electronic mandates must be supported by simultaneously adding guidelines on the issuing of electronic mandates, for example regarding authentication and data protection/data security.</p>
Dutch Payments Association (on behalf of Dutch banking community)	AND in addition to the clarification letter it must be emphasized that Debtor Banks must always validate (and approve) the e-mandate(s)
European Payment Institutions Federation (EPIF)	<p>We support the removal of the reference to the Qualified Electronic Signature. However, we fear the proposal does not entirely solve the legal uncertainty around the authorization of online SDD mandates.</p> <p>The reference to 'legally binding method of signature' of proposal #30 is problematic given the current lack of harmonization across the EU. The wording may lead to even further legal issues as the term "signature" is interpreted differently across the EU jurisdictions. Art 2281 of the Belgian Code Civil – for example – stipulates that "If a notification has to be served in writing to allow the sender to invoke it, a notification by telegram, telex, fax or electronic mail or any other means of telecommunications resulting in written receipt on the side of the recipient shall be considered to be a written notification."</p> <p>To ensure the new wording reflects the variety of electronic mandate methods allowed under domestic laws, we would recommend including a reference to binding methods of signature or consent: this would avoid frictions or disruptions in the EU cross-border environment.</p> <p>Finally, we are not sure why the words "agreed between the Creditor and the Creditor Bank" should be deleted from the text of Section 4.1. of the SDD Rulebook. As we understand it, proposal #30 suggests removal only of the reference to 'qualified electronic signature'. We would recommend keeping the reference to the agreement between</p>

Contributor	Comment Received
	<p>these parties as it is an important element not only for of electronic signatures but for all types of legal notifications.</p> <p>Suggested language in Section 4.1: A Mandate may exist as a paper document which is physically signed by the Debtor. The paper mandate can be stored either as the original document or in any digitalised format subject to the national legal requirements. Alternatively, the Mandate may be an electronic document which is created and signed using a legally binding method of signature or consent with a Qualified Electronic Signature agreed between the Creditor and the Creditor Bank.”</p>
<p>European Digital Media Association (EDiMA)</p>	<p>EDiMA supports the removal of the reference to the Qualified Electronic Signature. However, this will not solve the legal uncertainty around the authorization of online SDD mandates which is – as the SPS WG rightly points out – subject to applicable laws. The reference to “legally binding method of signature” of proposal #30 is problematic given the current lack of harmonization across the EU. This wording may even trigger additional legal questions as the term “signature” is interpreted differently across the EU jurisdictions. For instance, Art. 2281 of the Belgian Code Civil stipulates that “If a notification has to be served in writing to allow the sender to invoke it, a notification by telegram, telex, fax or electronic mail or any other means of telecommunications resulting in written receipt on the side of the recipient shall be considered to be a written notification.”</p> <p>To ensure that the new wording reflects the variety of electronic mandate methods allowed under domestic laws, EDiMA recommends including a reference to “binding methods of signature or consent”. This will avoid frictions or disruptions in the EU cross-border environment.</p> <p>Additionally, EDiMA disagrees with the deletion of the words “agreed between the Creditor and the Creditor Bank” from the text of Section 4.1. of the SDD Rulebook. It is our understanding that proposal #30 suggests removal only of the reference to “qualified electronic signature”.</p> <p>EDiMA recommends keeping the reference to the agreement between the Creditor and the Creditor Bank. This is an important element not only for of electronic signatures but for all types of legal notifications.</p> <p>Suggested language in Section 4.1: “A Mandate may exist as a paper document which is physically signed by the Debtor. The paper mandate can be stored either as the original document or in any digitalised format subject to the national legal requirements. Alternatively, the Mandate may be an electronic document which is created and signed using a legally binding method of signature or consent with a Qualified Electronic Signature agreed between the Creditor and the Creditor Bank.”</p>

Contributor	Comment Received
<p>Ärzte ohne Grenzen e.V. Germany, Ärzte ohne Grenzen Austria, European Fundraising Association, Fundraising Verband Austria, Coalition for Electronic SDD Mandates (Germany), Slovenian association for development of non-profit organisations</p>	<p>We welcome the incorporation of the EPC clarification letter on electronic mandates of October 2013 and the suggestion to delete the reference to the Qualified Electronic Signature.</p> <p>The compromise proposal of the SPS WG will, however, lead to new open questions which in the end even contradict to the note given by the SPS WG according to which the Rulebooks should be neutral about mandating and authorization methods. The revised wording of the Rulebooks must therefore mirror the wide variety of mandating methods in different jurisdictions.</p> <p>As we see it the wording of compromise proposal #30 (“legally binding method of signature”) falls short when it tries to describe the current set of online mandating methods. In particular, the term “signature” is interpreted differently in different SEPA jurisdictions. Thus, we propose the following new wording – based on proposal #30 of the SPS WG - with the aim of avoiding infringements of established mandating procedures:</p> <p>“A Mandate may exist as a paper document which is physically signed by the Debtor. The paper mandate can be stored either as the original document or in any digitalised format subject to the national legal requirements. Alternatively, the Mandate may be an electronic document or log file which is created and signed using based on a legally binding method of signature or consent with a Qualified Electronic Signature agreed between the Creditor and the Creditor Bank.”</p>
<p>UK Payments Council</p>	<p>The UK Payments Council supports the SPS WG recommendation – Option B.</p> <p>However, the UK is keen to see the results of the E-Mandate Working Group as it is not clear what options are available in each country across the SEPA area. More should be done to quickly publish clear rules for each country so that companies wishing to break into new markets know the rules for using paperless mandates in countries outside their home market. The current situation is proving to be a barrier to entry into new markets.</p> <p>The wording ““Legally binding method of acceptance”” would be better than signature. Signature is not really applicable in the case of telephone mandates; the community are of the view that ““acceptance”” would be better.</p> <p>Finally, we would question why the words “agreed between the Creditor and the Creditor Bank” should be deleted from Section 4.1 of the rulebook. We would recommend keeping the reference to the agreement between these parties as it is an important element not only for e-mandates, but all types of legal notifications.</p>
<p>Insurance Europe</p>	<p>The contents of the EPC clarification letter on electronic mandates are a first step in right direction. They are able to open the scheme for modern electronic mandating methods. But this step is not sufficient. In addition it is necessary to give creditors reliable guidelines for</p>

Contributor	Comment Received
	<p>electronic mandating methods that will be accepted anyway by all debtor banks. Insurance Europe has one major concern: In addition to the suggested opening of the Rulebooks we need guidelines that give legal certainty. If only the wide interpretation of valid mandating methods as described by the EPC's clarification letter would be included in the Rulebook, it would be legally uncertain whether debtor banks would always accept creditor banks' mandates and not return the payment claiming an unauthorized transaction.</p> <p>Therefore we are of the opinion that the clarification regarding electronic mandates must be supported by simultaneously adding guidelines on the issuing of electronic mandates, for example regarding authentication and data protection/data security.</p>
<p>Insurance Ireland</p>	<p>We support the inclusion of the contents of the EPC's clarification letter on mandates (Letter EPC098-13) in order to ensure the SEPA rulebook guidelines are consistent with how telemarketing operates in practice. However, we believe the new text should better reflect the EPC's letter which confirms that the signature methods as described in Section 4.1 are not exhaustive and that other mandate forms may be accepted. We propose, therefore, that the text in Section 4.1. should be amended to: <i>"A Mandate may exist as a paper document which is physically signed by the Debtor. (...) Alternatively, the Mandate may be an electronic document which is created and signed with a Qualified Electronic Signature agreed between the Creditor and the Creditor Bank. Other established mandating methods may be agreed between the Creditor and the Creditor Bank provided that they comply with the SEPA Regulation."</i></p>
<p>Asociación Española de la Economía Digital (Adigital)</p>	<p>There is a need to define a framework that can be used all over Europe for Digital Signature and that has to be ruled by the EPC. It's important to mention that legally binding methods like telephone mandates should be included also in this framework or at least an alternative to them since are commonly used.</p>
<p>Federation of European Direct and Interactive Marketing (FEDMA)</p>	<p>FEDMA supports the EPC SPS WG suggestion but considers it does not sufficiently respect the choice of the consumer.</p> <p>We recommend the following changes: <i>"It is up to the seller or non-profit to decide how the mandate should be given and agreed. The mandate can be oral, written, digital, or other. A Mandate, as a paper document, is physically signed by the Debtor. (...) The Mandate may be an electronic document or a logfile which is created and signed with a legally binding method of signature agreed between the Creditor and the Creditor Bank."</i></p> <p>FEDMA considers that a mandate should be any format of mandate acceptable for the debtor (consumers) and satisfying SEPA requirements. The charity or company and the consumer should be free to choose the format of the mandate (oral, written, digital).</p> <p>The seller or non-profit should be to free to offer the consumer various practical mandate formats from which he/she can choose. If the mandate format requirements for direct debit become too</p>

Contributor	Comment Received
	<p>complex, the consumer is likely not to purchase or donate. Retailers, particularly SMEs, could be seriously hurt. We remind you that a lot of companies make profit on the basis of traditional mandates. They will likely lose their consumers to Asian or American competitors offering more practical payment solutions. Likewise, without oral mandates, numerous charities would lose donations. Indeed, when tragic unforeseen disasters occur, oral mandates are a key method of payment for donors. Finally, if mandates are too complex, the consumer will use other methods of payments such as credit cards or internet “wallet” services thereby reducing the share of business of banks. FEDMA understands that banks require certain information and have to fulfil the requirements of the SEPA Regulation. However, the relation between the consumer and the seller or non-profit should not be affected by additional administrative requirements. So long as the seller or non-profit can communicate to the banks all the necessary information, guaranteeing the security of the payment, the format of the mandate should be irrelevant to the banks. Banks can monitor what their clients are doing and if necessary take action against an account holder whose credits are often challenged and must be refunded. For example, a bank could request those sellers and non-profits to maintain a fund to ensure repayment. FEDMA calls for pan European signature guidelines explaining how to use which signature (whether oral, electronic or written) in which circumstances. The oral mandate without requirement of written or e-signature should be allowed for all purchases or donations of small significance (i.e. maximum 100 euros) (similar reasoning as to the Consumer Rights Directive which may not be applied to purchases of small significance. For purchases or donations over 100 euros, oral mandates could still be valid without written or e-signature so long as the buyer or donor is informed in written of the details this financial operation (as in the UK).</p>
<p>Ingenico</p>	<p>The access to dematerialised mandate is definitely a requirement from the market and should be facilitated. The rulebook should make clear, as much as possible, what can be accepted as valid "legally binding method of signature" (examples: SMS code, Card 3D secure system, etc...). Also, the rulebook should define clearly what is meant by "electronic document".</p> <p>Proposed wording: "A Mandate may exist as a paper document which is physically signed by the Debtor. The paper mandate can be stored either as the original document or in any digitalised format subject to the national legal requirements. Alternatively, the Mandate may be an electronic document or <u>logged / registered consent</u> which is created <u>and signed using a legally binding method of signature"</u></p>
<p>Association of German Chambers of Commerce and Industry (DIHK)</p>	<p>Efficient and widely accepted payment methods are of crucial importance for the success of businesses. In this respect, it is important that current solutions for payment needs can be continued and that they are not hindered by new bureaucratic restrictions – especially in the dynamic area of e-commerce. For this reason, the Association of German Chambers of Commerce and Industry strongly supports the possibility to use any legally binding form for</p>

Contributor	Comment Received
	<p>authorizing an electronic direct debit mandate, rather than a formal restriction to a qualified electronic signature. To ensure the necessary clarity in this respect, we strongly support the EPC SPS WG recommendation to incorporate the EPC clarification letter on electronic mandates (Letter EPC098-13) into the SDD Core and SDD B2B rulebooks.</p>
<p>Club SEPA (represents software providers and consultants involved in SEPA project in France) http://www.clubsepa.eu/les-membres-du-club/</p>	<p>Additional comments: The EPC clarification letter is not sufficient to understand the electronic signature issue of a mandate. It should be made clear what the Debtor bank must do in the case of: - a two corner model i.e. a mandate signed by the Debtor on the Creditor web site or any other device such as mobile or, - a four corner model as described in the SDD rulebooks annex VII. What are the electronic elements of proof (e.g. an authorisation number) that can be sent by the Creditor to the Debtor Bank in case of ""a supposed unauthorised collection""?</p>
<p>Handelsverband Deutschland (HDE)</p>	<p>We welcome the incorporation of the EPC clarification letter on electronic mandates of October 2013 and the suggestion to delete the reference to the Qualified Electronic Signature.</p> <p>The compromise proposal of the SPS WG will, however, lead to new open questions which in the end even contradict to the note given by the SPS WG according to which the Rulebooks should be neutral about mandating and authorization methods. The revised wording of the Rulebooks must therefore mirror the wide variety of mandating methods in different jurisdictions.</p> <p>As we see it the wording of compromise proposal #30 (“legally binding method of signature”) falls short when it tries to describe the current set of online mandating methods. In particular, the term “signature” is interpreted differently in different SEPA jurisdictions. Thus, we propose the following new wording – based on proposal #30 of the SPS WG - with the aim of avoiding infringements of established mandating procedures:</p> <p>“A Mandate may exist as a paper document which is physically signed by the Debtor. The paper mandate can be stored either as the original document or in any digitalised format subject to the national legal requirements. Alternatively, the Mandate may be an electronic document or log file which is created and signed using based on a legally binding method of signature or consent with a Qualified Electronic Signature agreed between the Creditor and the Creditor Bank</p>
<p>Dutch Association of Large Billers (Verenigde Groot Incassanten (VGI))</p>	<p>Presently a vacuum is experienced with the acceptance of legally binding digital signatures. The banks in The Netherlands appear not to accept these digital signatures as sufficient for the signing of a Direct Debit Mandate.</p>
<p>European Multi channel and Online Trade Association (EMOTA)</p>	<p>While the Regulation on electronic identification and trust services does aim to harmonise the standards in this area and ensure cross-border recognition, the effect of such legislative initiatives will only</p>

Contributor	Comment Received
	<p>be felt in some years. Until then, the legal requirements and standards for the terms “signature” and “signed” differ greatly across the 28 EU Member States and internationally. The wording proposed could therefore generate legal uncertainty and constitute a barrier to the EU Digital Single Market.</p> <p>EMOTA would like to stress the need for the Rulebooks to reflect a technologically and competitive oriented market by introducing references to flexibility and electronic authentication mechanisms, or consent, in line with the level of risk for a specific transaction.</p> <p>Such an approach would facilitate the development and selling of new services and products online. The consent factor should include any of the types of documents referred to as durable media by the European Directives (e.g. Consumer Rights Directive, Article 2.10: emails, PDF, etc.) or oral mandates and telephone mandates, allowing consumer choice, which would greatly facilitate the collection of funds by companies and charities while ensuring a security level and cost level for the processing of the transaction in accordance with the level of risk.</p>
Citibank NA London branch	<p>Recommend the following are considered in this update:</p> <ul style="list-style-type: none"> - requirements for evidence of mandate (and how to provide) if not in paper format - any stipulation on transaction as to paper / online / phone etc. - incremental controls eg payer identification, account validation for online mandates
InterCard Germany	<p>We support the positions of BITKOM, Médecins sans Frontières and others, at least the EPC SPS WG recommendation should be implemented.</p>



4.28 # 53: Block 3 - Inclusion of principle of choice of authorization method for electronic direct debit mandates

4.28.1 Description

This suggestion was made by PayPal sarl.

The contributor suggests that section 4.1 (The Mandate) of the SDD Core Rulebook is adapted to the contents of the EPC clarification letter on electronic mandates (Letter EPC098-13) to include the principle of choice of authorization method for electronic direct debit mandates.

The change suggestion for EPC016-06 Version 7.0 section 4.1 is:

“...A Mandate may exist (i) as a paper document which is physically signed by the Debtor or (ii) ***in a digital format authorized in an electronic manner as agreed between the Creditor and the Debtor***. The paper mandate can be stored either as the original document or in any digitalized format subject to the national legal requirements. ~~Alternatively, the Mandate may be an electronic document which is created and signed with a Qualified Electronic Signature agreed between the Creditor and the Creditor Bank.~~”

4.28.2 SPS WG analysis and recommendation

The SPS WG recommended that the contents of the EPC clarification letter on electronic mandates (Letter EPC098-13) should be incorporated into the Scheme (**option b**).

The SPS WG emphasizes that the SDD Scheme Rulebook is neutral about authorization methods as they are subject to the applicable law.

As other contributors have provided alternative rewording suggestions to this particular section (reference is made to the change requests 37, 44, 48, 52, 54, 55, 60, 72 and 76), the SPS WG proposes a change for SDD Scheme Rulebook section 4.1 based on change request #30 whereby the reference to 'qualified electronic signature' is taken out and replaced by the reference to a 'legally binding method of signature'.

4.28.3 Contributions and comments

The vast majority of EPC Scheme Participants via national banking communities and other contributors to the 2014 public consultation supported the suggestion to amend the wording in section 4.1 ('The Mandate'). Taking into consideration the overall comments received, it was resolved to amend the wording in section 4.1 ('The Mandate') to read as follows in the SDD Core Rulebook version 8.0: “Alternatively, the Mandate may be an electronic document which is signed using a legally binding method of signature.”

The EPC acknowledges that this clarification will not solve the issue of a legally binding signature in country “A” not being accepted in country “B”. The EPC must however, stress that it cannot resolve through its Scheme Rulebooks legal issues at SEPA level relating to electronic mandates in the absence of clear, harmonised European legislation in this area.

The EPC points out that at its first meeting held in May 2014, the Euro Retail Payments Board (ERPB)¹¹ – established and chaired by the European Central Bank – identified electronic mandates as a key SEPA issue and decided to establish a specific working group dedicated to that topic. This ERPB Working Group on pan-European electronic mandate solutions for SDDs – actively co-chaired by an Ecommerce Europe representative and an EPC representative – started its work in July 2014 and has planned a number of activities and meetings over the following months in order to produce a report to be submitted to the ERPB in due course.

¹¹ On 19 December 2013 the European Central Bank (ECB) announced the launch of the Euro Retail Payments Board (ERPB). The ERPB will “help foster the development of an integrated, innovative and competitive market for retail payments in euro in the EU”. The ERPB includes representatives of both the demand and supply sides of the euro payments market. They are joined by five representatives from the euro area national central banks and one representative from the non-euro area EU national central banks (all on a rotating basis). The ERPB is chaired by the ECB. The European Commission is invited to join as an observer. (The EPC is a member of the ERPB.) <http://www.ecb.europa.eu/paym/retpaym/governance/eu/html/index.en.html#erpb>.

The EPC looks forward to the outcome of the work of the ERPB electronic mandate Working Group on pan-European electronic mandate solutions for SDDs and to the ensuing discussions at the ERPB.

The following comments were received:

Contributor	Comment Received
Rewe Group	"Legally binding method of signature" as per which country? A Debtor is in Country A, the Creditor in Country B, and the PSPs may be in more countries. Which method is binding for all countries?
German Insurance Association (Gesamtverband der Deutschen Versicherungswirtschaft)	<p>The contents of the EPC clarification letter on electronic mandates are a first step in right direction. They are able to open the scheme for modern electronic mandating methods. But this step is not sufficient. In addition it is necessary to give creditors reliable guidelines for electronic mandating methods that will be accepted anyway by all debtor banks. The GDV has one major concern: In addition to the suggested opening of the Rulebooks we need guidelines that give legal certainty. If only the wide interpretation of valid mandating methods as described by the EPC's clarification letter would be included in the Rulebook, it would be legally uncertain whether debtor banks would always accept creditor banks' mandates and not return the payment claiming an unauthorized transaction.</p> <p>Therefore we are of the opinion that the clarification regarding electronic mandates must be supported by simultaneously adding guidelines on the issuing of electronic mandates, for example regarding authentication and data protection/data security.</p>
Dutch Payments Association (on behalf of Dutch banking community)	AND in addition to the clarification letter it must be emphasized that Debtor Banks must always validate (and approve) the e-mandate(s)
European Payment Institutions Federation (EPIF)	<p>We support the removal of the reference to the Qualified Electronic Signature. However, we fear the proposal does not entirely solve the legal uncertainty around the authorization of online SDD mandates.</p> <p>The reference to 'legally binding method of signature' of proposal #30 is problematic given the current lack of harmonization across the EU. The wording may lead to even further legal issues as the term "signature" is interpreted differently across the EU jurisdictions. Art 2281 of the Belgian Code Civil – for example – stipulates that "If a notification has to be served in writing to allow the sender to invoke it, a notification by telegram, telex, fax or electronic mail or any other means of telecommunications resulting in written receipt on the side of the recipient shall be considered to be a written notification."</p> <p>To ensure the new wording reflects the variety of electronic mandate methods allowed under domestic laws, we would recommend including a reference to binding methods of signature or consent: this would avoid frictions or disruptions in the EU cross-border environment.</p> <p>Finally, we are not sure why the words "agreed between the Creditor and the Creditor Bank" should be deleted from the text of Section 4.1. of the SDD Rulebook. As we understand it, proposal #30 suggests</p>

Contributor	Comment Received
	<p>removal only of the reference to ‘qualified electronic signature’. We would recommend keeping the reference to the agreement between these parties as it is an important element not only for of electronic signatures but for all types of legal notifications.</p> <p>Suggested language in Section 4.1: A Mandate may exist as a paper document which is physically signed by the Debtor. The paper mandate can be stored either as the original document or in any digitalised format subject to the national legal requirements. Alternatively, the Mandate may be an electronic document which is created and signed using a legally binding method of signature or consent with a Qualified Electronic Signature agreed between the Creditor and the Creditor Bank.”</p>
<p>European Digital Media Association (EDiMA)</p>	<p>EDiMA supports the removal of the reference to the Qualified Electronic Signature. However, this will not solve the legal uncertainty around the authorization of online SDD mandates which is – as the SPS WG rightly points out – subject to applicable laws. The reference to “legally binding method of signature” of proposal #30 is problematic given the current lack of harmonization across the EU. This wording may even trigger additional legal questions as the term “signature” is interpreted differently across the EU jurisdictions. For instance, Art. 2281 of the Belgian Code Civil stipulates that “If a notification has to be served in writing to allow the sender to invoke it, a notification by telegram, telex, fax or electronic mail or any other means of telecommunications resulting in written receipt on the side of the recipient shall be considered to be a written notification.”</p> <p>To ensure that the new wording reflects the variety of electronic mandate methods allowed under domestic laws, EDiMA recommends including a reference to “binding methods of signature or consent”. This will avoid frictions or disruptions in the EU cross-border environment.</p> <p>Additionally, EDiMA disagrees with the deletion of the words “agreed between the Creditor and the Creditor Bank” from the text of Section 4.1. of the SDD Rulebook. It is our understanding that proposal #30 suggests removal only of the reference to “qualified electronic signature”.</p> <p>EDiMA recommends keeping the reference to the agreement between the Creditor and the Creditor Bank. This is an important element not only for of electronic signatures but for all types of legal notifications.</p> <p>Suggested language in Section 4.1: “A Mandate may exist as a paper document which is physically signed by the Debtor. The paper mandate can be stored either as the original document or in any digitalised format subject to the national legal requirements. Alternatively, the Mandate may be an electronic document which is created and signed using a legally binding method</p>

Contributor	Comment Received
<p>Ärzte ohne Grenzen e.V. Germany, Ärzte ohne Grenzen Austria, European Fundraising Association, Fundraising Verband Austria, Coalition for Electronic SDD Mandates (Germany), Slovenian association for development of non-profit organisations</p>	<p>of signature or consent with a Qualified Electronic Signature agreed between the Creditor and the Creditor Bank.”</p> <p>We welcome the incorporation of the EPC clarification letter on electronic mandates of October 2013 and the suggestion to delete the reference to the Qualified Electronic Signature.</p> <p>The compromise proposal of the SPS WG will, however, lead to new open questions which in the end even contradict to the note given by the SPS WG according to which the Rulebooks should be neutral about mandating and authorization methods. The revised wording of the Rulebooks must therefore mirror the wide variety of mandating methods in different jurisdictions.</p> <p>As we see it the wording of compromise proposal #30 (“legally binding method of signature”) falls short when it tries to describe the current set of online mandating methods. In particular, the term “signature” is interpreted differently in different SEPA jurisdictions. Thus, we propose the following new wording – based on proposal #30 of the SPS WG - with the aim of avoiding infringements of established mandating procedures:</p> <p>“A Mandate may exist as a paper document which is physically signed by the Debtor. The paper mandate can be stored either as the original document or in any digitalised format subject to the national legal requirements. Alternatively, the Mandate may be an electronic document or log file which is created and signed using based on a legally binding method of signature or consent with a Qualified Electronic Signature agreed between the Creditor and the Creditor Bank.”</p>
<p>UK Payments Council</p>	<p>The UK Payments Council supports the SPS WG recommendation – Option B.</p> <p>However, the UK is keen to see the results of the E-Mandate Working Group as it is not clear what options are available in each country across the SEPA area. More should be done to quickly publish clear rules for each country so that companies wishing to break into new markets know the rules for using paperless mandates in countries outside their home market. The current situation is proving to be a barrier to entry into new markets.</p> <p>The wording ““Legally binding method of acceptance”” would be better than signature. Signature is not really applicable in the case of telephone mandates; the community are of the view that ““acceptance”” would be better.</p> <p>Finally, we would question why the words “agreed between the Creditor and the Creditor Bank” should be deleted from Section 4.1 of the rulebook. We would recommend keeping the reference to the agreement between these parties as it is an important element not only for e-mandates, but all types of legal notifications.</p>
<p>Insurance Europe</p>	<p>The contents of the EPC clarification letter on electronic mandates are a first step in right direction. They are able to open the scheme for</p>

Contributor	Comment Received
	<p>modern electronic mandating methods. But this step is not sufficient. In addition it is necessary to give creditors reliable guidelines for electronic mandating methods that will be accepted anyway by all debtor banks. Insurance Europe has one major concern: In addition to the suggested opening of the Rulebooks we need guidelines that give legal certainty. If only the wide interpretation of valid mandating methods as described by the EPC's clarification letter would be included in the Rulebook, it would be legally uncertain whether debtor banks would always accept creditor banks' mandates and not return the payment claiming an unauthorized transaction.</p> <p>Therefore we are of the opinion that the clarification regarding electronic mandates must be supported by simultaneously adding guidelines on the issuing of electronic mandates, for example regarding authentication and data protection/data security.</p>
Insurance Ireland	<p>We support the inclusion of the contents of the EPC's clarification letter on mandates (Letter EPC098-13) in order to ensure the SEPA rulebook guidelines are consistent with how telemarketing operates in practice. However, we believe the new text should better reflect the EPC's letter which confirms that the signature methods as described in Section 4.1 are not exhaustive and that other mandate forms may be accepted. We propose, therefore, that the text in Section 4.1. should be amended to: <i>"A Mandate may exist as a paper document which is physically signed by the Debtor. (...) Alternatively, the Mandate may be an electronic document which is created and signed with a Qualified Electronic Signature agreed between the Creditor and the Creditor Bank. Other established mandating methods may be agreed between the Creditor and the Creditor Bank provided that they comply with the SEPA Regulation."</i></p>
Asociación Española de la Economía Digital (Adigital)	<p>There is a need to define a framework that can be used all over Europe for Digital Signature and that has to be ruled by the EPC. It's important to mention that legally binding methods like telephone mandates should be included also in this framework or at least an alternative to them since are commonly used.</p>
Federation of European Direct and Interactive Marketing (FEDMA)	<p>FEDMA supports the EPC SPS WG suggestion but considers it does not sufficiently respect the choice of the consumer.</p> <p>We recommend the following changes: <i>"It is up to the seller or non-profit to decide how the mandate should be given and agreed. The mandate can be oral, written, digital, or other. A Mandate, as a paper document, is physically signed by the Debtor. (...) The Mandate may be an electronic document or a logfile which is created and signed with a legally binding method of signature agreed between the Creditor and the Creditor Bank."</i></p> <p>FEDMA considers that a mandate should be any format of mandate acceptable for the debtor (consumers) and satisfying SEPA requirements. The charity or company and the consumer should be free to choose the format of the mandate (oral, written, digital).</p>

Contributor	Comment Received
	<p>The seller or non-profit should be free to offer the consumer various practical mandate formats from which he/she can choose. If the mandate format requirements for direct debit become too complex, the consumer is likely not to purchase or donate. Retailers, particularly SMEs, could be seriously hurt. We remind you that a lot of companies make profit on the basis of traditional mandates. They will likely lose their consumers to Asian or American competitors offering more practical payment solutions. Likewise, without oral mandates, numerous charities would lose donations. Indeed, when tragic unforeseen disasters occur, oral mandates are a key method of payment for donors. Finally, if mandates are too complex, the consumer will use other methods of payments such as credit cards or internet "wallet" services thereby reducing the share of business of banks. FEDMA understands that banks require certain information and have to fulfil the requirements of the SEPA Regulation. However, the relation between the consumer and the seller or non-profit should not be affected by additional administrative requirements. So long as the seller or non-profit can communicate to the banks all the necessary information, guaranteeing the security of the payment, the format of the mandate should be irrelevant to the banks. Banks can monitor what their clients are doing and if necessary take action against an account holder whose credits are often challenged and must be refunded. For example, a bank could request those sellers and non-profits to maintain a fund to ensure repayment. FEDMA calls for pan European signature guidelines explaining how to use which signature (whether oral, electronic or written) in which circumstances. The oral mandate without requirement of written or e-signature should be allowed for all purchases or donations of small significance (i.e. maximum 100 euros) (similar reasoning as to the Consumer Rights Directive which may not be applied to purchases of small significance. For purchases or donations over 100 euros, oral mandates could still be valid without written or e-signature so long as the buyer or donor is informed in written of the details this financial operation (as in the UK).</p>
<p>Ingenico</p>	<p>The access to dematerialised mandate is definitely a requirement from the market and should be facilitated. The rulebook should make clear, as much as possible, what can be accepted as valid "legally binding method of signature" (examples: SMS code, Card 3D secure system, etc...). Also, the rulebook should define clearly what is meant by "electronic document".</p> <p>Proposed wording: "A Mandate may exist as a paper document which is physically signed by the Debtor. The paper mandate can be stored either as the original document or in any digitalised format subject to the national legal requirements. Alternatively, the Mandate may be an electronic document or <u>logged / registered consent</u> which is created <u>and signed</u> using a legally binding method of signature"</p>
<p>Association of German Chambers of Commerce and Industry (DIHK)</p>	<p>Efficient and widely accepted payment methods are of crucial importance for the success of businesses. In this respect, it is important that current solutions for payment needs can be continued and that they are not hindered by new bureaucratic restrictions –</p>

Contributor	Comment Received
	<p>especially in the dynamic area of e-commerce. For this reason, the Association of German Chambers of Commerce and Industry strongly supports the possibility to use any legally binding form for authorizing an electronic direct debit mandate, rather than a formal restriction to a qualified electronic signature. To ensure the necessary clarity in this respect, we strongly support the EPC SPS WG recommendation to incorporate the EPC clarification letter on electronic mandates (Letter EPC098-13) into the SDD Core and SDD B2B rulebooks.</p>
<p>Club SEPA (represents software providers and consultants involved in SEPA project in France) http://www.clubsepa.eu/les-membres-du-club/</p>	<p>Additional comments: The EPC clarification letter is not sufficient to understand the electronic signature issue of a mandate. It should be made clear what the Debtor bank must do in the case of:</p> <ul style="list-style-type: none"> - a two corner model i.e. a mandate signed by the Debtor on the Creditor web site or any other device such as mobile or, - a four corner model as described in the SDD rulebooks annex VII. <p>What are the electronic elements of proof (e.g. an authorisation number) that can be sent by the Creditor to the Debtor Bank in case of ""a supposed unauthorised collection""?</p>
<p>Handelsverband Deutschland (HDE)</p>	<p>We welcome the incorporation of the EPC clarification letter on electronic mandates of October 2013 and the suggestion to delete the reference to the Qualified Electronic Signature.</p> <p>The compromise proposal of the SPS WG will, however, lead to new open questions which in the end even contradict to the note given by the SPS WG according to which the Rulebooks should be neutral about mandating and authorization methods. The revised wording of the Rulebooks must therefore mirror the wide variety of mandating methods in different jurisdictions.</p> <p>As we see it the wording of compromise proposal #30 (“legally binding method of signature”) falls short when it tries to describe the current set of online mandating methods. In particular, the term “signature” is interpreted differently in different SEPA jurisdictions. Thus, we propose the following new wording – based on proposal #30 of the SPS WG - with the aim of avoiding infringements of established mandating procedures:</p> <p>“A Mandate may exist as a paper document which is physically signed by the Debtor. The paper mandate can be stored either as the original document or in any digitalised format subject to the national legal requirements. Alternatively, the Mandate may be an electronic document or log file which is created and signed using based on a legally binding method of signature or consent with a Qualified Electronic Signature agreed between the Creditor and the Creditor Bank</p>
<p>Dutch Association of Large Billers (Verenigde Groot Incassanten (VGI))</p>	<p>Presently a vacuum is experienced with the acceptance of legally binding digital signatures. The banks in The Netherlands appear not to accept these digital signatures as sufficient for the signing of a Direct Debit Mandate.</p>

Contributor	Comment Received
<p>European Multi channel and Online Trade Association (EMOTA)</p>	<p>While the Regulation on electronic identification and trust services does aim to harmonise the standards in this area and ensure cross-border recognition, the effect of such legislative initiatives will only be felt in some years. Until then, the legal requirements and standards for the terms “signature” and “signed” differ greatly across the 28 EU Member States and internationally. The wording proposed could therefore generate legal uncertainty and constitute a barrier to the EU Digital Single Market.</p> <p>EMOTA would like to stress the need for the Rulebooks to reflect a technologically and competitive oriented market by introducing references to flexibility and electronic authentication mechanisms, or consent, in line with the level of risk for a specific transaction.</p> <p>Such an approach would facilitate the development and selling of new services and products online. The consent factor should include any of the types of documents referred to as durable media by the European Directives (e.g. Consumer Rights Directive, Article 2.10: emails, PDF, etc.) or oral mandates and telephone mandates, allowing consumer choice, which would greatly facilitate the collection of funds by companies and charities while ensuring a security level and cost level for the processing of the transaction in accordance with the level of risk.</p>
<p>Citibank NA London branch</p>	<p>Recommend the following are considered in this update:</p> <ul style="list-style-type: none"> - requirements for evidence of mandate (and how to provide) if not in paper format - any stipulation on transaction as to paper / online / phone etc. - incremental controls eg payer identification, account validation for online mandates
<p>InterCard Germany</p>	<p>We support the positions of BITKOM, Médecins sans Frontières and others, at least the EPC SPS WG recommendation should be implemented.</p>

4.29 # 54: Block 3 - Mandate methods not restricted to paper mandate & EPC e-Mandate

4.29.1 Description

This suggestion was made by European Fundraising Association.

The contributor suggests that section 4.1 (The Mandate) of the SDD Rulebook is adapted by clarifying that mandating methods are not restricted to physically signed paper documents and the e-Mandate in Annex VII. Such amendment should also be reflected in section 4.7.2 of the SDD Rulebook.

4.29.2 SPS WG analysis and recommendation

The SPS WG recommended that the contents of the EPC clarification letter on electronic mandates (Letter EPC098-13) should be incorporated into the Scheme (**option b**).

The SPS WG emphasizes that the SDD Scheme Rulebook is neutral about mandating methods as they are subject to the applicable law.

As other contributors have provided alternative rewording suggestions to this particular section (reference is made to the change requests 37, 44, 48, 52, 53, 55, 60, 72 and 76), the SPS WG proposes a change for SDD Scheme Rulebook section 4.1 based on change request #30 whereby the reference to 'qualified electronic signature' is taken out and replaced by the reference to a 'legally binding method of signature'.

As for the amendment suggestion in section 4.7.2, this section describes the mandate content itself, irrespective if it is a paper-based or an electronic mandate.

4.29.3 Contributions and comments

The vast majority of EPC Scheme Participants via national banking communities and other contributors to the 2014 public consultation supported the suggestion to amend the wording in section 4.1 ('The Mandate'). Taking into consideration the overall comments received, it was resolved to amend the wording in section 4.1 ('The Mandate') to read as follows in the SDD Core Rulebook version 8.0: "Alternatively, the Mandate may be an electronic document which is signed using a legally binding method of signature."

The EPC acknowledges that this clarification will not solve the issue of a legally binding signature in country "A" not being accepted in country "B". The EPC must however, stress that it cannot resolve through its Scheme Rulebooks legal issues at SEPA level relating to electronic mandates in the absence of clear, harmonised European legislation in this area.

The EPC points out that at its first meeting held in May 2014, the Euro Retail Payments Board (ERP)¹² – established and chaired by the European Central Bank – identified electronic mandates as a key SEPA issue and decided to establish a specific working group dedicated to that topic. This ERP Working Group on pan-European electronic mandate solutions for SDDs – actively co-chaired by an Ecommerce Europe representative and an EPC representative – started its work in July 2014 and has planned a number of activities and meetings over the following months in order to produce a report to be submitted to the ERP in due course. The EPC looks forward to the outcome of the work of the ERP electronic mandate Working Group on pan-European electronic mandate solutions for SDDs and to the ensuing discussions at the ERP.

¹² On 19 December 2013 the European Central Bank (ECB) announced the launch of the Euro Retail Payments Board (ERP). The ERP will "help foster the development of an integrated, innovative and competitive market for retail payments in euro in the EU". The ERP includes representatives of both the demand and supply sides of the euro payments market. They are joined by five representatives from the euro area national central banks and one representative from the non-euro area EU national central banks (all on a rotating basis). The ERP is chaired by the ECB. The European Commission is invited to join as an observer. (The EPC is a member of the ERP.) <http://www.ecb.europa.eu/paym/retpaym/governance/eu/html/index.en.html#erp>.

The following comments were received:

Contributor	Comment Received
Rewe Group	"Legally binding method of signature" as per which country? A Debtor is in Country A, the Creditor in Country B, and the PSPs may be in more countries. Which method is binding for all countries?
German Insurance Association (Gesamtverband der Deutschen Versicherungswirtschaft)	<p>The contents of the EPC clarification letter on electronic mandates are a first step in right direction. They are able to open the scheme for modern electronic mandating methods. But this step is not sufficient. In addition it is necessary to give creditors reliable guidelines for electronic mandating methods that will be accepted anyway by all debtor banks. The GDV has one major concern: In addition to the suggested opening of the Rulebooks we need guidelines that give legal certainty. If only the wide interpretation of valid mandating methods as described by the EPC's clarification letter would be included in the Rulebook, it would be legally uncertain whether debtor banks would always accept creditor banks' mandates and not return the payment claiming an unauthorized transaction.</p> <p>Therefore we are of the opinion that the clarification regarding electronic mandates must be supported by simultaneously adding guidelines on the issuing of electronic mandates, for example regarding authentication and data protection/data security.</p>
Dutch Payments Association (on behalf of Dutch banking community)	AND in addition to the clarification letter it must be emphasized that Debtor Banks must always validate (and approve) the e-mandate(s)
European Payment Institutions Federation (EPIF)	<p>We support the removal of the reference to the Qualified Electronic Signature. However, we fear the proposal does not entirely solve the legal uncertainty around the authorization of online SDD mandates.</p> <p>The reference to 'legally binding method of signature' of proposal #30 is problematic given the current lack of harmonization across the EU. The wording may lead to even further legal issues as the term "signature" is interpreted differently across the EU jurisdictions. Art 2281 of the Belgian Code Civil – for example – stipulates that "If a notification has to be served in writing to allow the sender to invoke it, a notification by telegram, telex, fax or electronic mail or any other means of telecommunications resulting in written receipt on the side of the recipient shall be considered to be a written notification."</p> <p>To ensure the new wording reflects the variety of electronic mandate methods allowed under domestic laws, we would recommend including a reference to binding methods of signature or consent: this would avoid frictions or disruptions in the EU cross-border environment.</p> <p>Finally, we are not sure why the words "agreed between the Creditor and the Creditor Bank" should be deleted from the text of Section 4.1. of the SDD Rulebook. As we understand it, proposal #30 suggests removal only of the reference to 'qualified electronic signature'. We would recommend keeping the reference to the agreement between</p>

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	<p>these parties as it is an important element not only for of electronic signatures but for all types of legal notifications.</p> <p>Suggested language in Section 4.1: A Mandate may exist as a paper document which is physically signed by the Debtor. The paper mandate can be stored either as the original document or in any digitalised format subject to the national legal requirements. Alternatively, the Mandate may be an electronic document which is created and signed using a legally binding method of signature or consent with a Qualified Electronic Signature agreed between the Creditor and the Creditor Bank.”</p>
<p>European Digital Media Association (EDiMA)</p>	<p>EDiMA supports the removal of the reference to the Qualified Electronic Signature. However, this will not solve the legal uncertainty around the authorization of online SDD mandates which is – as the SPS WG rightly points out – subject to applicable laws. The reference to “legally binding method of signature” of proposal #30 is problematic given the current lack of harmonization across the EU. This wording may even trigger additional legal questions as the term “signature” is interpreted differently across the EU jurisdictions. For instance, Art. 2281 of the Belgian Code Civil stipulates that “If a notification has to be served in writing to allow the sender to invoke it, a notification by telegram, telex, fax or electronic mail or any other means of telecommunications resulting in written receipt on the side of the recipient shall be considered to be a written notification.”</p> <p>To ensure that the new wording reflects the variety of electronic mandate methods allowed under domestic laws, EDiMA recommends including a reference to “binding methods of signature or consent”. This will avoid frictions or disruptions in the EU cross-border environment.</p> <p>Additionally, EDiMA disagrees with the deletion of the words “agreed between the Creditor and the Creditor Bank” from the text of Section 4.1. of the SDD Rulebook. It is our understanding that proposal #30 suggests removal only of the reference to “qualified electronic signature”.</p> <p>EDiMA recommends keeping the reference to the agreement between the Creditor and the Creditor Bank. This is an important element not only for of electronic signatures but for all types of legal notifications.</p> <p>Suggested language in Section 4.1: “A Mandate may exist as a paper document which is physically signed by the Debtor. The paper mandate can be stored either as the original document or in any digitalised format subject to the national legal requirements. Alternatively, the Mandate may be an electronic document which is created and signed using a legally binding method of signature or consent with a Qualified Electronic Signature agreed between the Creditor and the Creditor Bank.”</p>

Contributor	Comment Received
<p>Ärzte ohne Grenzen e.V. Germany, Ärzte ohne Grenzen Austria, European Fundraising Association, Fundraising Verband Austria, Coalition for Electronic SDD Mandates (Germany), Slovenian association for development of non-profit organisations</p>	<p>We welcome the incorporation of the EPC clarification letter on electronic mandates of October 2013 and the suggestion to delete the reference to the Qualified Electronic Signature.</p> <p>The compromise proposal of the SPS WG will, however, lead to new open questions which in the end even contradict to the note given by the SPS WG according to which the Rulebooks should be neutral about mandating and authorization methods. The revised wording of the Rulebooks must therefore mirror the wide variety of mandating methods in different jurisdictions.</p> <p>As we see it the wording of compromise proposal #30 (“legally binding method of signature”) falls short when it tries to describe the current set of online mandating methods. In particular, the term “signature” is interpreted differently in different SEPA jurisdictions. Thus, we propose the following new wording – based on proposal #30 of the SPS WG - with the aim of avoiding infringements of established mandating procedures:</p> <p>“A Mandate may exist as a paper document which is physically signed by the Debtor. The paper mandate can be stored either as the original document or in any digitalised format subject to the national legal requirements. Alternatively, the Mandate may be an electronic document or log file which is created and signed using based on a legally binding method of signature or consent with a Qualified Electronic Signature agreed between the Creditor and the Creditor Bank.”</p>
<p>UK Payments Council</p>	<p>The UK Payments Council supports the SPS WG recommendation – Option B.</p> <p>However, the UK is keen to see the results of the E-Mandate Working Group as it is not clear what options are available in each country across the SEPA area. More should be done to quickly publish clear rules for each country so that companies wishing to break into new markets know the rules for using paperless mandates in countries outside their home market. The current situation is proving to be a barrier to entry into new markets.</p> <p>The wording ““Legally binding method of acceptance”” would be better than signature. Signature is not really applicable in the case of telephone mandates; the community are of the view that ““acceptance”” would be better.</p> <p>Finally, we would question why the words “agreed between the Creditor and the Creditor Bank” should be deleted from Section 4.1 of the rulebook. We would recommend keeping the reference to the agreement between these parties as it is an important element not only for e-mandates, but all types of legal notifications.</p>
<p>Insurance Europe</p>	<p>The contents of the EPC clarification letter on electronic mandates are a first step in right direction. They are able to open the scheme for modern electronic mandating methods. But this step is not sufficient. In addition it is necessary to give creditors reliable guidelines for</p>

Contributor	Comment Received
	<p>electronic mandating methods that will be accepted anyway by all debtor banks. Insurance Europe has one major concern: In addition to the suggested opening of the Rulebooks we need guidelines that give legal certainty. If only the wide interpretation of valid mandating methods as described by the EPC's clarification letter would be included in the Rulebook, it would be legally uncertain whether debtor banks would always accept creditor banks' mandates and not return the payment claiming an unauthorized transaction.</p> <p>Therefore we are of the opinion that the clarification regarding electronic mandates must be supported by simultaneously adding guidelines on the issuing of electronic mandates, for example regarding authentication and data protection/data security.</p>
Insurance Ireland	<p>We support the inclusion of the contents of the EPC's clarification letter on mandates (Letter EPC098-13) in order to ensure the SEPA rulebook guidelines are consistent with how telemarketing operates in practice. However, we believe the new text should better reflect the EPC's letter which confirms that the signature methods as described in Section 4.1 are not exhaustive and that other mandate forms may be accepted. We propose, therefore, that the text in Section 4.1. should be amended to: <i>"A Mandate may exist as a paper document which is physically signed by the Debtor. (...) Alternatively, the Mandate may be an electronic document which is created and signed with a Qualified Electronic Signature agreed between the Creditor and the Creditor Bank. Other established mandating methods may be agreed between the Creditor and the Creditor Bank provided that they comply with the SEPA Regulation."</i></p>
Asociación Española de la Economía Digital (Adigital)	<p>There is a need to define a framework that can be used all over Europe for Digital Signature and that has to be ruled by the EPC. It's important to mention that legally binding methods like telephone mandates should be included also in this framework or at least an alternative to them since are commonly used.</p>
Federation of European Direct and Interactive Marketing (FEDMA)	<p>FEDMA supports the EPC SPS WG suggestion but considers it does not sufficiently respect the choice of the consumer.</p> <p>We recommend the following changes: <i>"It is up to the seller or non-profit to decide how the mandate should be given and agreed. The mandate can be oral, written, digital, or other. A Mandate, as a paper document, is physically signed by the Debtor. (...) The Mandate may be an electronic document or a logfile which is created and signed with a legally binding method of signature agreed between the Creditor and the Creditor Bank."</i></p> <p>FEDMA considers that a mandate should be any format of mandate acceptable for the debtor (consumers) and satisfying SEPA requirements. The charity or company and the consumer should be free to choose the format of the mandate (oral, written, digital).</p> <p>The seller or non-profit should be to free to offer the consumer various practical mandate formats from which he/she can choose. If the mandate format requirements for direct debit become too</p>

Contributor	Comment Received
	<p>complex, the consumer is likely not to purchase or donate. Retailers, particularly SMEs, could be seriously hurt. We remind you that a lot of companies make profit on the basis of traditional mandates. They will likely lose their consumers to Asian or American competitors offering more practical payment solutions. Likewise, without oral mandates, numerous charities would lose donations. Indeed, when tragic unforeseen disasters occur, oral mandates are a key method of payment for donors. Finally, if mandates are too complex, the consumer will use other methods of payments such as credit cards or internet “wallet” services thereby reducing the share of business of banks. FEDMA understands that banks require certain information and have to fulfil the requirements of the SEPA Regulation. However, the relation between the consumer and the seller or non-profit should not be affected by additional administrative requirements. So long as the seller or non-profit can communicate to the banks all the necessary information, guaranteeing the security of the payment, the format of the mandate should be irrelevant to the banks. Banks can monitor what their clients are doing and if necessary take action against an account holder whose credits are often challenged and must be refunded. For example, a bank could request those sellers and non-profits to maintain a fund to ensure repayment. FEDMA calls for pan European signature guidelines explaining how to use which signature (whether oral, electronic or written) in which circumstances. The oral mandate without requirement of written or e-signature should be allowed for all purchases or donations of small significance (i.e. maximum 100 euros) (similar reasoning as to the Consumer Rights Directive which may not be applied to purchases of small significance. For purchases or donations over 100 euros, oral mandates could still be valid without written or e-signature so long as the buyer or donor is informed in written of the details this financial operation (as in the UK).</p>
<p>Ingenico</p>	<p>The access to dematerialised mandate is definitely a requirement from the market and should be facilitated. The rulebook should make clear, as much as possible, what can be accepted as valid "legally binding method of signature" (examples: SMS code, Card 3D secure system, etc...). Also, the rulebook should define clearly what is meant by "electronic document".</p> <p>Proposed wording: "A Mandate may exist as a paper document which is physically signed by the Debtor. The paper mandate can be stored either as the original document or in any digitalised format subject to the national legal requirements. Alternatively, the Mandate may be an electronic document or <u>logged / registered consent</u> which is created <u>and signed using a legally binding method of signature"</u></p>
<p>Association of German Chambers of Commerce and Industry (DIHK)</p>	<p>Efficient and widely accepted payment methods are of crucial importance for the success of businesses. In this respect, it is important that current solutions for payment needs can be continued and that they are not hindered by new bureaucratic restrictions – especially in the dynamic area of e-commerce. For this reason, the Association of German Chambers of Commerce and Industry strongly supports the possibility to use any legally binding form for</p>

Contributor	Comment Received
	<p>authorizing an electronic direct debit mandate, rather than a formal restriction to a qualified electronic signature. To ensure the necessary clarity in this respect, we strongly support the EPC SPS WG recommendation to incorporate the EPC clarification letter on electronic mandates (Letter EPC098-13) into the SDD Core and SDD B2B rulebooks.</p>
<p>Club SEPA (represents software providers and consultants involved in SEPA project in France) http://www.clubsepa.eu/les-membres-du-club/</p>	<p>Additional comments: The EPC clarification letter is not sufficient to understand the electronic signature issue of a mandate. It should be made clear what the Debtor bank must do in the case of: - a two corner model i.e. a mandate signed by the Debtor on the Creditor web site or any other device such as mobile or, - a four corner model as described in the SDD rulebooks annex VII. What are the electronic elements of proof (e.g. an authorisation number) that can be sent by the Creditor to the Debtor Bank in case of ""a supposed unauthorised collection""?</p>
<p>Handelsverband Deutschland (HDE)</p>	<p>We welcome the incorporation of the EPC clarification letter on electronic mandates of October 2013 and the suggestion to delete the reference to the Qualified Electronic Signature.</p> <p>The compromise proposal of the SPS WG will, however, lead to new open questions which in the end even contradict to the note given by the SPS WG according to which the Rulebooks should be neutral about mandating and authorization methods. The revised wording of the Rulebooks must therefore mirror the wide variety of mandating methods in different jurisdictions.</p> <p>As we see it the wording of compromise proposal #30 (“legally binding method of signature”) falls short when it tries to describe the current set of online mandating methods. In particular, the term “signature” is interpreted differently in different SEPA jurisdictions. Thus, we propose the following new wording – based on proposal #30 of the SPS WG - with the aim of avoiding infringements of established mandating procedures:</p> <p>“A Mandate may exist as a paper document which is physically signed by the Debtor. The paper mandate can be stored either as the original document or in any digitalised format subject to the national legal requirements. Alternatively, the Mandate may be an electronic document or log file which is created and signed using based on a legally binding method of signature or consent with a Qualified Electronic Signature agreed between the Creditor and the Creditor Bank</p>
<p>Dutch Association of Large Billers (Verenigde Groot Incassanten (VGI))</p>	<p>Presently a vacuum is experienced with the acceptance of legally binding digital signatures. The banks in The Netherlands appear not to accept these digital signatures as sufficient for the signing of a Direct Debit Mandate.</p>
<p>European Multi channel and Online Trade Association (EMOTA)</p>	<p>While the Regulation on electronic identification and trust services does aim to harmonise the standards in this area and ensure cross-border recognition, the effect of such legislative initiatives will only</p>

Contributor	Comment Received
	<p>be felt in some years. Until then, the legal requirements and standards for the terms “signature” and “signed” differ greatly across the 28 EU Member States and internationally. The wording proposed could therefore generate legal uncertainty and constitute a barrier to the EU Digital Single Market.</p> <p>EMOTA would like to stress the need for the Rulebooks to reflect a technologically and competitive oriented market by introducing references to flexibility and electronic authentication mechanisms, or consent, in line with the level of risk for a specific transaction.</p> <p>Such an approach would facilitate the development and selling of new services and products online. The consent factor should include any of the types of documents referred to as durable media by the European Directives (e.g. Consumer Rights Directive, Article 2.10: emails, PDF, etc.) or oral mandates and telephone mandates, allowing consumer choice, which would greatly facilitate the collection of funds by companies and charities while ensuring a security level and cost level for the processing of the transaction in accordance with the level of risk.</p>
Citibank NA London branch	<p>Recommend the following are considered in this update:</p> <ul style="list-style-type: none"> - requirements for evidence of mandate (and how to provide) if not in paper format - any stipulation on transaction as to paper / online / phone etc. - incremental controls eg payer identification, account validation for online mandates
InterCard Germany	<p>We support the positions of BITKOM, Médecins sans Frontières and others, at least the EPC SPS WG recommendation should be implemented.</p>



4.30 # 55: Block 3 - Inclusion of principle of choice of authorization method for electronic direct debit mandates (including telephone mandates)

4.30.1 Description

This suggestion was made by the European Payment Institutions Federation (EPIF).

The contributor suggests that section 4.1 (The Mandate) of the SDD Core Rulebook is adapted to the contents of the EPC clarification letter on electronic mandates (Letter EPC098-13) to include the principle of choice of authorization method for electronic direct debit mandates including telephone mandates.

4.30.2 SPS WG analysis and recommendation

The SPS WG recommended that the contents of the EPC clarification letter on electronic mandates (Letter EPC098-13) should be incorporated into the Scheme (**option b**).

The SPS WG emphasizes that the SDD Scheme Rulebook is neutral about authorization methods as they are subject to the applicable law.

As other contributors have provided alternative rewording suggestions to this particular section (reference is made to the change requests 37, 44, 48, 52, 53, 54, 60, 72 and 76), the SPS WG proposes a change for SDD Scheme Rulebook section 4.1 based on change request #30 whereby the reference to 'qualified electronic signature' is taken out and replaced by the reference to a 'legally binding method of signature'.

4.30.3 Contributions and comments

The vast majority of EPC Scheme Participants via national banking communities and other contributors to the 2014 public consultation supported the suggestion to amend the wording in section 4.1 ('The Mandate'). Taking into consideration the overall comments received, it was resolved to amend the wording in section 4.1 ('The Mandate') to read as follows in the SDD Core Rulebook version 8.0: "Alternatively, the Mandate may be an electronic document which is signed using a legally binding method of signature."

The EPC acknowledges that this clarification will not solve the issue of a legally binding signature in country "A" not being accepted in country "B". The EPC must however, stress that it cannot resolve through its Scheme Rulebooks legal issues at SEPA level relating to electronic mandates in the absence of clear, harmonised European legislation in this area.

The EPC points out that at its first meeting held in May 2014, the Euro Retail Payments Board (ERPB)¹³ – established and chaired by the European Central Bank – identified electronic mandates as a key SEPA issue and decided to establish a specific working group dedicated to that topic. This ERPB Working Group on pan-European electronic mandate solutions for SDDs – actively co-chaired by an Ecommerce Europe representative and an EPC representative – started its work in July 2014 and has planned a number of activities and meetings over the following months in order to produce a report to be submitted to the ERPB in due course. The EPC looks forward to the outcome of the work of the ERPB electronic mandate Working Group on pan-European electronic mandate solutions for SDDs and to the ensuing discussions at the ERPB.

The following comments were received:

¹³ On 19 December 2013 the European Central Bank (ECB) announced the launch of the Euro Retail Payments Board (ERPB). The ERPB will "help foster the development of an integrated, innovative and competitive market for retail payments in euro in the EU". The ERPB includes representatives of both the demand and supply sides of the euro payments market. They are joined by five representatives from the euro area national central banks and one representative from the non-euro area EU national central banks (all on a rotating basis). The ERPB is chaired by the ECB. The European Commission is invited to join as an observer. (The EPC is a member of the ERPB.) <http://www.ecb.europa.eu/paym/retpaym/governance/eu/html/index.en.html#erpb>.

Contributor	Comment Received
Rewe Group	"Legally binding method of signature" as per which country? A Debtor is in Country A, the Creditor in Country B, and the PSPs may be in more countries. Which method is binding for all countries?
German Insurance Association (Gesamtverband der Deutschen Versicherungswirtschaft)	<p>The contents of the EPC clarification letter on electronic mandates are a first step in right direction. They are able to open the scheme for modern electronic mandating methods. But this step is not sufficient. In addition it is necessary to give creditors reliable guidelines for electronic mandating methods that will be accepted anyway by all debtor banks. The GDV has one major concern: In addition to the suggested opening of the Rulebooks we need guidelines that give legal certainty. If only the wide interpretation of valid mandating methods as described by the EPC's clarification letter would be included in the Rulebook, it would be legally uncertain whether debtor banks would always accept creditor banks' mandates and not return the payment claiming an unauthorized transaction.</p> <p>Therefore we are of the opinion that the clarification regarding electronic mandates must be supported by simultaneously adding guidelines on the issuing of electronic mandates, for example regarding authentication and data protection/data security.</p>
Dutch Payments Association (on behalf of Dutch banking community)	AND in addition to the clarification letter it must be emphasized that Debtor Banks must always validate (and approve) the e-mandate(s)
European Payment Institutions Federation (EPIF)	<p>We support the removal of the reference to the Qualified Electronic Signature. However, we fear the proposal does not entirely solve the legal uncertainty around the authorization of online SDD mandates.</p> <p>The reference to 'legally binding method of signature' of proposal #30 is problematic given the current lack of harmonization across the EU. The wording may lead to even further legal issues as the term "signature" is interpreted differently across the EU jurisdictions. Art 2281 of the Belgian Code Civil – for example – stipulates that "If a notification has to be served in writing to allow the sender to invoke it, a notification by telegram, telex, fax or electronic mail or any other means of telecommunications resulting in written receipt on the side of the recipient shall be considered to be a written notification."</p> <p>To ensure the new wording reflects the variety of electronic mandate methods allowed under domestic laws, we would recommend including a reference to binding methods of signature or consent: this would avoid frictions or disruptions in the EU cross-border environment.</p> <p>Finally, we are not sure why the words "agreed between the Creditor and the Creditor Bank" should be deleted from the text of Section 4.1. of the SDD Rulebook. As we understand it, proposal #30 suggests removal only of the reference to 'qualified electronic signature'. We would recommend keeping the reference to the agreement between these parties as it is an important element not only for of electronic signatures but for all types of legal notifications.</p>

Contributor	Comment Received
	<p>Suggested language in Section 4.1: A Mandate may exist as a paper document which is physically signed by the Debtor. The paper mandate can be stored either as the original document or in any digitalised format subject to the national legal requirements. Alternatively, the Mandate may be an electronic document which is created and signed using a legally binding method of signature or consent with a Qualified Electronic Signature agreed between the Creditor and the Creditor Bank.”</p>
<p>European Digital Media Association (EDiMA)</p>	<p>EDiMA supports the removal of the reference to the Qualified Electronic Signature. However, this will not solve the legal uncertainty around the authorization of online SDD mandates which is – as the SPS WG rightly points out – subject to applicable laws. The reference to “legally binding method of signature” of proposal #30 is problematic given the current lack of harmonization across the EU. This wording may even trigger additional legal questions as the term “signature” is interpreted differently across the EU jurisdictions. For instance, Art. 2281 of the Belgian Code Civil stipulates that “If a notification has to be served in writing to allow the sender to invoke it, a notification by telegram, telex, fax or electronic mail or any other means of telecommunications resulting in written receipt on the side of the recipient shall be considered to be a written notification.”</p> <p>To ensure that the new wording reflects the variety of electronic mandate methods allowed under domestic laws, EDiMA recommends including a reference to “binding methods of signature or consent”. This will avoid frictions or disruptions in the EU cross-border environment.</p> <p>Additionally, EDiMA disagrees with the deletion of the words “agreed between the Creditor and the Creditor Bank” from the text of Section 4.1. of the SDD Rulebook. It is our understanding that proposal #30 suggests removal only of the reference to “qualified electronic signature”.</p> <p>EDiMA recommends keeping the reference to the agreement between the Creditor and the Creditor Bank. This is an important element not only for of electronic signatures but for all types of legal notifications.</p> <p>Suggested language in Section 4.1: “A Mandate may exist as a paper document which is physically signed by the Debtor. The paper mandate can be stored either as the original document or in any digitalised format subject to the national legal requirements. Alternatively, the Mandate may be an electronic document which is created and signed using a legally binding method of signature or consent with a Qualified Electronic Signature agreed between the Creditor and the Creditor Bank.”</p>
<p>Ärzte ohne Grenzen e.V. Germany,</p>	<p>We welcome the incorporation of the EPC clarification letter on electronic mandates of October 2013 and the suggestion to delete the reference to the Qualified Electronic Signature.</p>

Contributor	Comment Received
<p>Ärzte ohne Grenzen Austria, European Fundraising Association, Fundraising Verband Austria, Coalition for Electronic SDD Mandates (Germany), Slovenian association for development of non-profit organisations</p>	<p>The compromise proposal of the SPS WG will, however, lead to new open questions which in the end even contradict to the note given by the SPS WG according to which the Rulebooks should be neutral about mandating and authorization methods. The revised wording of the Rulebooks must therefore mirror the wide variety of mandating methods in different jurisdictions.</p> <p>As we see it the wording of compromise proposal #30 (“legally binding method of signature”) falls short when it tries to describe the current set of online mandating methods. In particular, the term “signature” is interpreted differently in different SEPA jurisdictions. Thus, we propose the following new wording – based on proposal #30 of the SPS WG - with the aim of avoiding infringements of established mandating procedures:</p> <p>“A Mandate may exist as a paper document which is physically signed by the Debtor. The paper mandate can be stored either as the original document or in any digitalised format subject to the national legal requirements. Alternatively, the Mandate may be an electronic document or log file which is created and signed using based on a legally binding method of signature or consent with a Qualified Electronic Signature agreed between the Creditor and the Creditor Bank.”</p>
<p>UK Payments Council</p>	<p>The UK Payments Council supports the SPS WG recommendation – Option B.</p> <p>However, the UK is keen to see the results of the E-Mandate Working Group as it is not clear what options are available in each country across the SEPA area. More should be done to quickly publish clear rules for each country so that companies wishing to break into new markets know the rules for using paperless mandates in countries outside their home market. The current situation is proving to be a barrier to entry into new markets.</p> <p>The wording ““Legally binding method of acceptance”” would be better than signature. Signature is not really applicable in the case of telephone mandates; the community are of the view that ““acceptance”” would be better.</p> <p>Finally, we would question why the words “agreed between the Creditor and the Creditor Bank” should be deleted from Section 4.1 of the rulebook. We would recommend keeping the reference to the agreement between these parties as it is an important element not only for e-mandates, but all types of legal notifications.</p>
<p>Insurance Europe</p>	<p>The contents of the EPC clarification letter on electronic mandates are a first step in right direction. They are able to open the scheme for modern electronic mandating methods. But this step is not sufficient. In addition it is necessary to give creditors reliable guidelines for electronic mandating methods that will be accepted anyway by all debtor banks. Insurance Europe has one major concern: In addition to the suggested opening of the Rulebooks we need guidelines that give</p>

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	<p>legal certainty. If only the wide interpretation of valid mandating methods as described by the EPC's clarification letter would be included in the Rulebook, it would be legally uncertain whether debtor banks would always accept creditor banks' mandates and not return the payment claiming an unauthorized transaction.</p> <p>Therefore we are of the opinion that the clarification regarding electronic mandates must be supported by simultaneously adding guidelines on the issuing of electronic mandates, for example regarding authentication and data protection/data security.</p>
Insurance Ireland	<p>We support the inclusion of the contents of the EPC's clarification letter on mandates (Letter EPC098-13) in order to ensure the SEPA rulebook guidelines are consistent with how telemarketing operates in practice. However, we believe the new text should better reflect the EPC's letter which confirms that the signature methods as described in Section 4.1 are not exhaustive and that other mandate forms may be accepted. We propose, therefore, that the text in Section 4.1. should be amended to: <i>"A Mandate may exist as a paper document which is physically signed by the Debtor. (...) Alternatively, the Mandate may be an electronic document which is created and signed with a Qualified Electronic Signature agreed between the Creditor and the Creditor Bank. Other established mandating methods may be agreed between the Creditor and the Creditor Bank provided that they comply with the SEPA Regulation."</i></p>
Asociación Española de la Economía Digital (Adigital)	<p>There is a need to define a framework that can be used all over Europe for Digital Signature and that has to be ruled by the EPC. It's important to mention that legally binding methods like telephone mandates should be included also in this framework or at least an alternative to them since are commonly used.</p>
Federation of European Direct and Interactive Marketing (FEDMA)	<p>FEDMA supports the EPC SPS WG suggestion but considers it does not sufficiently respect the choice of the consumer.</p> <p>We recommend the following changes: <i>"It is up to the seller or non-profit to decide how the mandate should be given and agreed. The mandate can be oral, written, digital, or other. A Mandate, as a paper document, is physically signed by the Debtor. (...) The Mandate may be an electronic document or a logfile which is created and signed with a legally binding method of signature agreed between the Creditor and the Creditor Bank."</i></p> <p>FEDMA considers that a mandate should be any format of mandate acceptable for the debtor (consumers) and satisfying SEPA requirements. The charity or company and the consumer should be free to choose the format of the mandate (oral, written, digital).</p> <p>The seller or non-profit should be to free to offer the consumer various practical mandate formats from which he/she can choose. If the mandate format requirements for direct debit become too complex, the consumer is likely not to purchase or donate. Retailers, particularly SMEs, could be seriously hurt. We remind you that a lot of companies make profit on the basis of traditional mandates. They</p>

Contributor	Comment Received
	<p>will likely lose their consumers to Asian or American competitors offering more practical payment solutions. Likewise, without oral mandates, numerous charities would lose donations. Indeed, when tragic unforeseen disasters occur, oral mandates are a key method of payment for donors. Finally, if mandates are too complex, the consumer will use other methods of payments such as credit cards or internet “wallet” services thereby reducing the share of business of banks. FEDMA understands that banks require certain information and have to fulfil the requirements of the SEPA Regulation. However, the relation between the consumer and the seller or non-profit should not be affected by additional administrative requirements. So long as the seller or non-profit can communicate to the banks all the necessary information, guaranteeing the security of the payment, the format of the mandate should be irrelevant to the banks. Banks can monitor what their clients are doing and if necessary take action against an account holder whose credits are often challenged and must be refunded. For example, a bank could request those sellers and non-profits to maintain a fund to ensure repayment. FEDMA calls for pan European signature guidelines explaining how to use which signature (whether oral, electronic or written) in which circumstances. The oral mandate without requirement of written or e-signature should be allowed for all purchases or donations of small significance (i.e. maximum 100 euros) (similar reasoning as to the Consumer Rights Directive which may not be applied to purchases of small significance. For purchases or donations over 100 euros, oral mandates could still be valid without written or e-signature so long as the buyer or donor is informed in written of the details this financial operation (as in the UK).</p>
<p>Ingenico</p>	<p>The access to dematerialised mandate is definitely a requirement from the market and should be facilitated. The rulebook should make clear, as much as possible, what can be accepted as valid "legally binding method of signature" (examples: SMS code, Card 3D secure system, etc...). Also, the rulebook should define clearly what is meant by "electronic document".</p> <p>Proposed wording: "A Mandate may exist as a paper document which is physically signed by the Debtor. The paper mandate can be stored either as the original document or in any digitalised format subject to the national legal requirements. Alternatively, the Mandate may be an electronic document or <u>logged / registered consent</u> which is created and signed using a legally binding method of signature"</p>
<p>Association of German Chambers of Commerce and Industry (DIHK)</p>	<p>Efficient and widely accepted payment methods are of crucial importance for the success of businesses. In this respect, it is important that current solutions for payment needs can be continued and that they are not hindered by new bureaucratic restrictions – especially in the dynamic area of e-commerce. For this reason, the Association of German Chambers of Commerce and Industry strongly supports the possibility to use any legally binding form for authorizing an electronic direct debit mandate, rather than a formal restriction to a qualified electronic signature. To ensure the necessary clarity in this respect, we strongly support the EPC SPS WG</p>

Contributor	Comment Received
	<p>recommendation to incorporate the EPC clarification letter on electronic mandates (Letter EPC098-13) into the SDD Core and SDD B2B rulebooks.</p>
<p>Club SEPA (represents software providers and consultants involved in SEPA project in France) http://www.clubsepa.eu/les-membres-du-club/</p>	<p>Additional comments: The EPC clarification letter is not sufficient to understand the electronic signature issue of a mandate. It should be made clear what the Debtor bank must do in the case of: - a two corner model i.e. a mandate signed by the Debtor on the Creditor web site or any other device such as mobile or, - a four corner model as described in the SDD rulebooks annex VII. What are the electronic elements of proof (e.g. an authorisation number) that can be sent by the Creditor to the Debtor Bank in case of ""a supposed unauthorised collection""?</p>
<p>Handelsverband Deutschland (HDE)</p>	<p>We welcome the incorporation of the EPC clarification letter on electronic mandates of October 2013 and the suggestion to delete the reference to the Qualified Electronic Signature.</p> <p>The compromise proposal of the SPS WG will, however, lead to new open questions which in the end even contradict to the note given by the SPS WG according to which the Rulebooks should be neutral about mandating and authorization methods. The revised wording of the Rulebooks must therefore mirror the wide variety of mandating methods in different jurisdictions.</p> <p>As we see it the wording of compromise proposal #30 (“legally binding method of signature”) falls short when it tries to describe the current set of online mandating methods. In particular, the term “signature” is interpreted differently in different SEPA jurisdictions. Thus, we propose the following new wording – based on proposal #30 of the SPS WG - with the aim of avoiding infringements of established mandating procedures:</p> <p>“A Mandate may exist as a paper document which is physically signed by the Debtor. The paper mandate can be stored either as the original document or in any digitalised format subject to the national legal requirements. Alternatively, the Mandate may be an electronic document or log file which is created and signed using based on a legally binding method of signature or consent with a Qualified Electronic Signature agreed between the Creditor and the Creditor Bank</p>
<p>Dutch Association of Large Billers (Verenigde Groot Incassanten (VGI))</p>	<p>Presently a vacuum is experienced with the acceptance of legally binding digital signatures. The banks in The Netherlands appear not to accept these digital signatures as sufficient for the signing of a Direct Debit Mandate.</p>
<p>European Multi channel and Online Trade Association (EMOTA)</p>	<p>While the Regulation on electronic identification and trust services does aim to harmonise the standards in this area and ensure cross-border recognition, the effect of such legislative initiatives will only be felt in some years. Until then, the legal requirements and standards for the terms “signature” and “signed” differ greatly across the 28 EU</p>

Contributor	Comment Received
	<p>Member States and internationally. The wording proposed could therefore generate legal uncertainty and constitute a barrier to the EU Digital Single Market.</p> <p>EMOTA would like to stress the need for the Rulebooks to reflect a technologically and competitive oriented market by introducing references to flexibility and electronic authentication mechanisms, or consent, in line with the level of risk for a specific transaction.</p> <p>Such an approach would facilitate the development and selling of new services and products online. The consent factor should include any of the types of documents referred to as durable media by the European Directives (e.g. Consumer Rights Directive, Article 2.10: emails, PDF, etc.) or oral mandates and telephone mandates, allowing consumer choice, which would greatly facilitate the collection of funds by companies and charities while ensuring a security level and cost level for the processing of the transaction in accordance with the level of risk.</p>
Citibank NA London branch	<p>Recommend the following are considered in this update:</p> <ul style="list-style-type: none"> - requirements for evidence of mandate (and how to provide) if not in paper format - any stipulation on transaction as to paper / online / phone etc. - incremental controls eg payer identification, account validation for online mandates
InterCard Germany	<p>We support the positions of BITKOM, Médecins sans Frontières and others, at least the EPC SPS WG recommendation should be implemented.</p>

4.31 # 56: Change in pre-notification requirements in case of one-off SDDs

4.31.1 Description

This suggestion was made by the European Payment Institutions Federation (EPIF).

The contributor proposes that in the case of a one-off collection, the pre-notification can be provided at the same time of the mandate. It is stated that the Rulebook does not provide details about how the pre-notification requirements can be satisfied in the case of a one-off SDD collected immediately after the authorisation given by the Debtor.

4.31.2 SPS WG analysis and recommendation

The SPS WG considered that the change suggestion is already provided for in the Scheme (**option a**). The SDD Core Rulebook already specifies in PT-04.02 that the Creditor and the Debtor may agree on another time-line for the sending of the pre-notification.

4.31.3 Contributions and comments

The vast majority of EPC Scheme Participants via national banking communities and other contributors to the 2014 public consultation supported the SPS WG recommendation that this suggestion is already provided for in the Scheme. Therefore, this change suggestion has not been included in the SDD Core Rulebook version 8.0.

The following comments were received:

Contributor	Comment Received
Spanish banking community	It should not be part of the scheme since it is not an interbank issue and there are no "consequences" for non compliance. The way Creditor will notify to Debtor upcoming collections is subject to bilateral agreement and not part of the scheme.
Citibank NA London branch	worthwhile clarifying this rationale in the Rulebook
ASSET (Spanish Association of CFOs)	It should not be part of the scheme since it is not an interbank issue and there are no "consequences" for non-compliance. The way Creditor will notify to Debtor upcoming collections is subject to bilateral agreement and not part of the scheme.
InterCard Germany	Shortened Pre-notification times for one time COR1 direct debits should be simplified.

4.32 # 57: Protection measures against abusive refund claim for an unauthorised transaction

4.32.1 Description

This suggestion was made by the European Payment Institutions Federation (EPIF).

The suggestion relates to changes to process steps PT-04.21 and PT04.24 for a refund claim for an unauthorised transaction. The contributor suggests the need for a delivery acknowledgement from the Creditor Bank to the Debtor Bank. Without such acknowledgement, the Debtor Bank would not be entitled to send a Refund claim.

4.32.2 SPS WG analysis and recommendation

The SPS WG recommended not taking forward the suggestion for change (**option e**).

The suggestion relates to changes to the process steps for handling unauthorised transactions. In this scenario the Debtor Bank has to follow PT-04.21 (*The Debtor Bank accepts or rejects the Request for Refund - requests Mandate Copy from Creditor Bank*) in the SDD Scheme Rulebook. As it concerns an investigation, the Debtor Bank needs to ensure that the request is addressed correctly to the Creditor Bank.

The Debtor Bank can use a wide variety of communication channels to contact the investigation department from the Creditor Bank about the refund request (see PT04.21).

It is considered that no formal delivery acknowledgement from the Creditor Bank is needed in the Rulebook as it is the sole responsibility of the Creditor Bank to provide an answer on the Debtor Bank's investigation request within the timelines described in the Rulebook.

4.32.3 Contributions and comments

Views among contributors to the 2014 public consultation representing both the demand and supply sides were mixed. However, in consideration of the overall comments from a majority of EPC Scheme Participants via national banking communities and other contributors received, it was concluded that this suggestion cannot be part of the Scheme. Therefore, this change suggestion has not been included in the SDD Core Rulebook version 8.0.

The following comments were received:

Contributor	Comment Received
European Payment Institutions Federation (EPIF)	Debtor banks are currently not compliant with the rulebook process at this stage. We recommend SPS WG to measure accuracy of the PT-04.21 in order to effectively close or not this subject. We note the publication of Reason codes for R-transactions re-outlining the timings and process which may improve the usage and practices.
UK Payments Council	The UK Payments Council has no clear consensus. We agree with the SPS WG comment that there are a variety of communication channels available to the Debtor Bank to contact the Creditor Bank's investigations department. We think the EPC should explore the change request proposal further to obtain a better understanding of the perceived underlying issue.
Asociación Española de la Economía Digital (Adigital)	There is a need to control abusive actions under a well-defined framework and not make it up to the creditor and debtor agreements.
AITI - Italian Association of Corporate Treasurers	We support the original change request since add clarity in the management of the claim for an unauthorized transaction. Ways to address the claim to debtor bank (swift, email) already have delivery acknowledgement functionalities). We suggest to incorporate it in the scheme (option b)

Contributor	Comment Received
EACT - European Association of Corporate Treasurers	We support the original change request since add clarity in the management of the claim for an unauthorized transaction. Ways to address the claim to debtor bank (swift, email) already have delivery acknowledgement functionalities). We suggest to incorporate it in the scheme (option b)
Citibank NA London branch	There is a need for improved controls around this process or the "unauthorised transaction" can become automatic. don't agree the solution must be creditor bank acknowledgement but process does need to be refined, improve controls
ASSET (Spanish Association of CFOs)	We support the original change request since add clarity in the management of the claim for an unauthorized transaction. Ways to address the claim to debtor bank (swift, email) already have delivery acknowledgement functionalities)

4.33 # 58: Annex VII e-Mandates: alternative to the signature field for the Debtor to provide consent to the e-Mandate

4.33.1 Description

This suggestion was made by the European Payment Institutions Federation (EPIF). The contributor proposes to include alternatives to the signature field for the Debtor to provide consent to the e-Mandate in Annex VII.

4.33.2 SPS WG analysis and recommendation

The SPS WG recommended not taking forward the suggestion for change (**option e**). Annex VII is an electronic mandate solution requiring the involvement of the Debtor Bank to come to a validation of electronic mandate by the Debtor. The SPS WG assumes that the change suggestion focuses on electronic mandate solutions with no involvement of the Debtor Bank. Therefore the change suggestion falls outside the scope of the EPC e-Mandate solution in Annex VII. The SPS WG further likes to draw the attention to the Letter EPC098-13 in case Creditors wish to use other electronic mandate solutions.

4.33.3 Contributions and comments

The vast majority of EPC Scheme Participants via national banking communities and other contributors to the 2014 public consultation supported the SPS WG recommendation that this suggestion cannot be part of the Scheme. Therefore, this change suggestion has not been included in the SDD Core Rulebook version 8.0.

The following comments were received:

Contributor	Comment Received
Asociación Española de la Economía Digital (Adigital)	For the specific change request we suggest to decline but the question it rises is still very valid. Enrollment in e-mandates should be mandatory for electronic signature validation, but in order to do that there is a need to build a framework where the digital signatures procedures and cases need to be defined.
Ingenico	The change request as presented is not sufficiently clear and detailed to be taken into account.
AITI - Italian Association of Corporate Treasurers	We agree that alternative e-mandate solutions not involving debtor bank fall outside EPC developed e-mandate solution
EACT - European Association of Corporate Treasurers	We agree that alternative e-mandate solutions not involving debtor bank fall outside EPC developed e-mandate solution
ASSET (Spanish Association of CFOs)	We agree that alternative e-mandate solutions not involving debtor bank fall outside EPC developed e-mandate solution

4.34 # 59: Annex VII e-Mandates: additional business rule for the storage of the e-Mandate date by Creditor

4.34.1 Description

This suggestion was made by the European Payment Institutions Federation (EPIF). The contributor suggests adding a new section in Annex VII about how the Creditor needs to store the e-Mandate.

4.34.2 SPS WG analysis and recommendation

The SPS WG considered that the change suggestion is already provided for in the Scheme (**option a**). The storage of a mandate (irrespective if it is a paper-based or an electronic mandate) is already covered as a general rule in the Rulebook (e.g., section 3.1, 4.1, process step PT-01.03).

4.34.3 Contributions and comments

The vast majority of EPC Scheme Participants via national banking communities and other contributors to the 2014 public consultation supported the SPS WG recommendation that this suggestion is already provided for in the Scheme. Therefore, this change suggestion has not been included in the SDD Core Rulebook version 8.0.

The following comments were received:

Contributor	Comment Received
Asociación Española de la Economía Digital (Adigital)	Only to point out that the Annex VII is not clear enough.
Club SEPA (represents software providers and consultants involved in SEPA project in France) http://www.clubsepa.eu/les-membres-du-club/	Additional comment: it is important to distinguish paper-based mandate / electronic mandate / e-mandate.
Citibank NA London branch	worthwhile clarifying this rationale in the Rulebook: date of signing should be clarified where there is no "signature"



4.35 # 60: Block 3 - Mandate methods not to be restricted to paper mandate and EPC e-Mandate

4.35.1 Description

This suggestion was made by ACE European Group Limited.

The contributor suggests that section 4.1 (The Mandate) of the SDD Core Scheme Rulebook is adapted to the contents of the EPC clarification letter on electronic mandates (Letter EPC098-13). This amendment is suggested to be taken up as well in section 4.7.2 of the Rulebook.

4.35.2 SPS WG analysis and recommendation

The SPS WG recommended that the contents of the EPC clarification letter on electronic mandates (Letter EPC098-13) should be incorporated into the Scheme (**option b**).

As other contributors have provided alternative rewording suggestions to this particular section (reference is made to the change requests 37, 44, 48, 52, 53, 54, 55, 72 and 76), the SPS WG proposes a change for SDD Scheme Rulebook section 4.1 based on change request #30 whereby the reference to 'qualified electronic signature' is taken out and replaced by the reference to a 'legally binding method of signature'.

As for the amendment suggestion in section 4.7.2, this section describes the mandate content itself, irrespective if it is a paper-based or an electronic mandate.

4.35.3 Contributions and comments

The vast majority of EPC Scheme Participants via national banking communities and other contributors to the 2014 public consultation supported the suggestion to amend the wording in section 4.1 ('The Mandate'). Taking into consideration the overall comments received, it was resolved to amend the wording in section 4.1 ('The Mandate') to read as follows in the SDD Core Rulebook version 8.0: "Alternatively, the Mandate may be an electronic document which is signed using a legally binding method of signature."

The EPC acknowledges that this clarification will not solve the issue of a legally binding signature in country "A" not being accepted in country "B". The EPC must however, stress that it cannot resolve through its Scheme Rulebooks legal issues at SEPA level relating to electronic mandates in the absence of clear, harmonised European legislation in this area.

The EPC points out that at its first meeting held in May 2014, the Euro Retail Payments Board (ERP)¹⁴ – established and chaired by the European Central Bank – identified electronic mandates as a key SEPA issue and decided to establish a specific working group dedicated to that topic. This ERP Working Group on pan-European electronic mandate solutions for SDDs – actively co-chaired by an Ecommerce Europe representative and an EPC representative – started its work in July 2014 and has planned a number of activities and meetings over the following months in order to produce a report to be submitted to the ERP in due course. The EPC looks forward to the outcome of the work of the ERP electronic mandate Working Group on pan-European electronic mandate solutions for SDDs and to the ensuing discussions at the ERP.

¹⁴ On 19 December 2013 the European Central Bank (ECB) announced the launch of the Euro Retail Payments Board (ERP). The ERP will "help foster the development of an integrated, innovative and competitive market for retail payments in euro in the EU". The ERP includes representatives of both the demand and supply sides of the euro payments market. They are joined by five representatives from the euro area national central banks and one representative from the non-euro area EU national central banks (all on a rotating basis). The ERP is chaired by the ECB. The European Commission is invited to join as an observer. (The EPC is a member of the ERP.) <http://www.ecb.europa.eu/paym/retpaym/governance/eu/html/index.en.html#erp>.

The following comments were received:

Contributor	Comment Received
Rewe Group	"Legally binding method of signature" as per which country? A Debtor is in Country A, the Creditor in Country B, and the PSPs may be in more countries. Which method is binding for all countries?
German Insurance Association (Gesamtverband der Deutschen Versicherungswirtschaft)	<p>The contents of the EPC clarification letter on electronic mandates are a first step in right direction. They are able to open the scheme for modern electronic mandating methods. But this step is not sufficient. In addition it is necessary to give creditors reliable guidelines for electronic mandating methods that will be accepted anyway by all debtor banks. The GDV has one major concern: In addition to the suggested opening of the Rulebooks we need guidelines that give legal certainty. If only the wide interpretation of valid mandating methods as described by the EPC's clarification letter would be included in the Rulebook, it would be legally uncertain whether debtor banks would always accept creditor banks' mandates and not return the payment claiming an unauthorized transaction.</p> <p>Therefore we are of the opinion that the clarification regarding electronic mandates must be supported by simultaneously adding guidelines on the issuing of electronic mandates, for example regarding authentication and data protection/data security.</p>
Dutch Payments Association (on behalf of Dutch banking community)	AND in addition to the clarification letter it must be emphasized that Debtor Banks must always validate (and approve) the e-mandate(s)
European Payment Institutions Federation (EPIF)	<p>We support the removal of the reference to the Qualified Electronic Signature. However, we fear the proposal does not entirely solve the legal uncertainty around the authorization of online SDD mandates.</p> <p>The reference to 'legally binding method of signature' of proposal #30 is problematic given the current lack of harmonization across the EU. The wording may lead to even further legal issues as the term "signature" is interpreted differently across the EU jurisdictions. Art 2281 of the Belgian Code Civil – for example – stipulates that "If a notification has to be served in writing to allow the sender to invoke it, a notification by telegram, telex, fax or electronic mail or any other means of telecommunications resulting in written receipt on the side of the recipient shall be considered to be a written notification."</p> <p>To ensure the new wording reflects the variety of electronic mandate methods allowed under domestic laws, we would recommend including a reference to binding methods of signature or consent: this would avoid frictions or disruptions in the EU cross-border environment.</p> <p>Finally, we are not sure why the words "agreed between the Creditor and the Creditor Bank" should be deleted from the text of Section 4.1. of the SDD Rulebook. As we understand it, proposal #30 suggests removal only of the reference to 'qualified electronic signature'. We would recommend keeping the reference to the agreement between</p>

Contributor	Comment Received
	<p>these parties as it is an important element not only for of electronic signatures but for all types of legal notifications.</p> <p>Suggested language in Section 4.1: A Mandate may exist as a paper document which is physically signed by the Debtor. The paper mandate can be stored either as the original document or in any digitalised format subject to the national legal requirements. Alternatively, the Mandate may be an electronic document which is created and signed using a legally binding method of signature or consent with a Qualified Electronic Signature agreed between the Creditor and the Creditor Bank.”</p>
<p>European Digital Media Association (EDiMA)</p>	<p>EDiMA supports the removal of the reference to the Qualified Electronic Signature. However, this will not solve the legal uncertainty around the authorization of online SDD mandates which is – as the SPS WG rightly points out – subject to applicable laws. The reference to “legally binding method of signature” of proposal #30 is problematic given the current lack of harmonization across the EU. This wording may even trigger additional legal questions as the term “signature” is interpreted differently across the EU jurisdictions. For instance, Art. 2281 of the Belgian Code Civil stipulates that “If a notification has to be served in writing to allow the sender to invoke it, a notification by telegram, telex, fax or electronic mail or any other means of telecommunications resulting in written receipt on the side of the recipient shall be considered to be a written notification.”</p> <p>To ensure that the new wording reflects the variety of electronic mandate methods allowed under domestic laws, EDiMA recommends including a reference to “binding methods of signature or consent”. This will avoid frictions or disruptions in the EU cross-border environment.</p> <p>Additionally, EDiMA disagrees with the deletion of the words “agreed between the Creditor and the Creditor Bank” from the text of Section 4.1. of the SDD Rulebook. It is our understanding that proposal #30 suggests removal only of the reference to “qualified electronic signature”.</p> <p>EDiMA recommends keeping the reference to the agreement between the Creditor and the Creditor Bank. This is an important element not only for of electronic signatures but for all types of legal notifications.</p> <p>Suggested language in Section 4.1: “A Mandate may exist as a paper document which is physically signed by the Debtor. The paper mandate can be stored either as the original document or in any digitalised format subject to the national legal requirements. Alternatively, the Mandate may be an electronic document which is created and signed using a legally binding method of signature or consent with a Qualified Electronic Signature agreed between the Creditor and the Creditor Bank.”</p>

Contributor	Comment Received
<p>Ärzte ohne Grenzen e.V. Germany, Ärzte ohne Grenzen Austria, European Fundraising Association, Fundraising Verband Austria, Coalition for Electronic SDD Mandates (Germany), Slovenian association for development of non-profit organisations</p>	<p>We welcome the incorporation of the EPC clarification letter on electronic mandates of October 2013 and the suggestion to delete the reference to the Qualified Electronic Signature.</p> <p>The compromise proposal of the SPS WG will, however, lead to new open questions which in the end even contradict to the note given by the SPS WG according to which the Rulebooks should be neutral about mandating and authorization methods. The revised wording of the Rulebooks must therefore mirror the wide variety of mandating methods in different jurisdictions.</p> <p>As we see it the wording of compromise proposal #30 (“legally binding method of signature”) falls short when it tries to describe the current set of online mandating methods. In particular, the term “signature” is interpreted differently in different SEPA jurisdictions. Thus, we propose the following new wording – based on proposal #30 of the SPS WG - with the aim of avoiding infringements of established mandating procedures:</p> <p>“A Mandate may exist as a paper document which is physically signed by the Debtor. The paper mandate can be stored either as the original document or in any digitalised format subject to the national legal requirements. Alternatively, the Mandate may be an electronic document or log file which is created and signed using based on a legally binding method of signature or consent with a Qualified Electronic Signature agreed between the Creditor and the Creditor Bank.”</p>
<p>UK Payments Council</p>	<p>The UK Payments Council supports the SPS WG recommendation – Option B.</p> <p>However, the UK is keen to see the results of the E-Mandate Working Group as it is not clear what options are available in each country across the SEPA area. More should be done to quickly publish clear rules for each country so that companies wishing to break into new markets know the rules for using paperless mandates in countries outside their home market. The current situation is proving to be a barrier to entry into new markets.</p> <p>The wording ““Legally binding method of acceptance”” would be better than signature. Signature is not really applicable in the case of telephone mandates; the community are of the view that ““acceptance”” would be better.</p> <p>Finally, we would question why the words “agreed between the Creditor and the Creditor Bank” should be deleted from Section 4.1 of the rulebook. We would recommend keeping the reference to the agreement between these parties as it is an important element not only for e-mandates, but all types of legal notifications.</p>
<p>Insurance Europe</p>	<p>The contents of the EPC clarification letter on electronic mandates are a first step in right direction. They are able to open the scheme for modern electronic mandating methods. But this step is not sufficient. In addition it is necessary to give creditors reliable guidelines for</p>

Contributor	Comment Received
	<p>electronic mandating methods that will be accepted anyway by all debtor banks. Insurance Europe has one major concern: In addition to the suggested opening of the Rulebooks we need guidelines that give legal certainty. If only the wide interpretation of valid mandating methods as described by the EPC's clarification letter would be included in the Rulebook, it would be legally uncertain whether debtor banks would always accept creditor banks' mandates and not return the payment claiming an unauthorized transaction.</p> <p>Therefore we are of the opinion that the clarification regarding electronic mandates must be supported by simultaneously adding guidelines on the issuing of electronic mandates, for example regarding authentication and data protection/data security.</p>
Insurance Ireland	<p>We support the inclusion of the contents of the EPC's clarification letter on mandates (Letter EPC098-13) in order to ensure the SEPA rulebook guidelines are consistent with how telemarketing operates in practice. However, we believe the new text should better reflect the EPC's letter which confirms that the signature methods as described in Section 4.1 are not exhaustive and that other mandate forms may be accepted. We propose, therefore, that the text in Section 4.1. should be amended to: <i>"A Mandate may exist as a paper document which is physically signed by the Debtor. (...) Alternatively, the Mandate may be an electronic document which is created and signed with a Qualified Electronic Signature agreed between the Creditor and the Creditor Bank. Other established mandating methods may be agreed between the Creditor and the Creditor Bank provided that they comply with the SEPA Regulation."</i></p>
Asociación Española de la Economía Digital (Adigital)	<p>There is a need to define a framework that can be used all over Europe for Digital Signature and that has to be ruled by the EPC. It's important to mention that legally binding methods like telephone mandates should be included also in this framework or at least an alternative to them since are commonly used.</p>
Federation of European Direct and Interactive Marketing (FEDMA)	<p>FEDMA supports the EPC SPS WG suggestion but considers it does not sufficiently respect the choice of the consumer.</p> <p>We recommend the following changes: <i>"It is up to the seller or non-profit to decide how the mandate should be given and agreed. The mandate can be oral, written, digital, or other. A Mandate, as a paper document, is physically signed by the Debtor. (...) The Mandate may be an electronic document or a logfile which is created and signed with a legally binding method of signature agreed between the Creditor and the Creditor Bank."</i></p> <p>FEDMA considers that a mandate should be any format of mandate acceptable for the debtor (consumers) and satisfying SEPA requirements. The charity or company and the consumer should be free to choose the format of the mandate (oral, written, digital).</p> <p>The seller or non-profit should be to free to offer the consumer various practical mandate formats from which he/she can choose. If the mandate format requirements for direct debit become too</p>

Contributor	Comment Received
	<p>complex, the consumer is likely not to purchase or donate. Retailers, particularly SMEs, could be seriously hurt. We remind you that a lot of companies make profit on the basis of traditional mandates. They will likely lose their consumers to Asian or American competitors offering more practical payment solutions. Likewise, without oral mandates, numerous charities would lose donations. Indeed, when tragic unforeseen disasters occur, oral mandates are a key method of payment for donors. Finally, if mandates are too complex, the consumer will use other methods of payments such as credit cards or internet “wallet” services thereby reducing the share of business of banks. FEDMA understands that banks require certain information and have to fulfil the requirements of the SEPA Regulation. However, the relation between the consumer and the seller or non-profit should not be affected by additional administrative requirements. So long as the seller or non-profit can communicate to the banks all the necessary information, guaranteeing the security of the payment, the format of the mandate should be irrelevant to the banks. Banks can monitor what their clients are doing and if necessary take action against an account holder whose credits are often challenged and must be refunded. For example, a bank could request those sellers and non-profits to maintain a fund to ensure repayment. FEDMA calls for pan European signature guidelines explaining how to use which signature (whether oral, electronic or written) in which circumstances. The oral mandate without requirement of written or e-signature should be allowed for all purchases or donations of small significance (i.e. maximum 100 euros) (similar reasoning as to the Consumer Rights Directive which may not be applied to purchases of small significance. For purchases or donations over 100 euros, oral mandates could still be valid without written or e-signature so long as the buyer or donor is informed in written of the details this financial operation (as in the UK).</p>
<p>Ingenico</p>	<p>The access to dematerialised mandate is definitely a requirement from the market and should be facilitated. The rulebook should make clear, as much as possible, what can be accepted as valid "legally binding method of signature" (examples: SMS code, Card 3D secure system, etc...). Also, the rulebook should define clearly what is meant by "electronic document".</p> <p>Proposed wording: "A Mandate may exist as a paper document which is physically signed by the Debtor. The paper mandate can be stored either as the original document or in any digitalised format subject to the national legal requirements. Alternatively, the Mandate may be an electronic document or <u>logged / registered consent</u> which is created <u>and signed</u> using a legally binding method of signature"</p>
<p>Association of German Chambers of Commerce and Industry (DIHK)</p>	<p>Efficient and widely accepted payment methods are of crucial importance for the success of businesses. In this respect, it is important that current solutions for payment needs can be continued and that they are not hindered by new bureaucratic restrictions – especially in the dynamic area of e-commerce. For this reason, the Association of German Chambers of Commerce and Industry strongly supports the possibility to use any legally binding form for</p>

Contributor	Comment Received
	<p>authorizing an electronic direct debit mandate, rather than a formal restriction to a qualified electronic signature. To ensure the necessary clarity in this respect, we strongly support the EPC SPS WG recommendation to incorporate the EPC clarification letter on electronic mandates (Letter EPC098-13) into the SDD Core and SDD B2B rulebooks.</p>
<p>Club SEPA (represents software providers and consultants involved in SEPA project in France) http://www.clubsepa.eu/les-membres-du-club/</p>	<p>Additional comments: The EPC clarification letter is not sufficient to understand the electronic signature issue of a mandate. It should be made clear what the Debtor bank must do in the case of: - a two corner model i.e. a mandate signed by the Debtor on the Creditor web site or any other device such as mobile or, - a four corner model as described in the SDD rulebooks annex VII. What are the electronic elements of proof (e.g. an authorisation number) that can be sent by the Creditor to the Debtor Bank in case of ""a supposed unauthorised collection""?</p>
<p>Handelsverband Deutschland (HDE)</p>	<p>We welcome the incorporation of the EPC clarification letter on electronic mandates of October 2013 and the suggestion to delete the reference to the Qualified Electronic Signature.</p> <p>The compromise proposal of the SPS WG will, however, lead to new open questions which in the end even contradict to the note given by the SPS WG according to which the Rulebooks should be neutral about mandating and authorization methods. The revised wording of the Rulebooks must therefore mirror the wide variety of mandating methods in different jurisdictions.</p> <p>As we see it the wording of compromise proposal #30 (“legally binding method of signature”) falls short when it tries to describe the current set of online mandating methods. In particular, the term “signature” is interpreted differently in different SEPA jurisdictions. Thus, we propose the following new wording – based on proposal #30 of the SPS WG - with the aim of avoiding infringements of established mandating procedures:</p> <p>“A Mandate may exist as a paper document which is physically signed by the Debtor. The paper mandate can be stored either as the original document or in any digitalised format subject to the national legal requirements. Alternatively, the Mandate may be an electronic document or log file which is created and signed using based on a legally binding method of signature or consent with a Qualified Electronic Signature agreed between the Creditor and the Creditor Bank</p>
<p>Dutch Association of Large Billers (Verenigde Groot Incassanten (VGI))</p>	<p>Presently a vacuum is experienced with the acceptance of legally binding digital signatures. The banks in The Netherlands appear not to accept these digital signatures as sufficient for the signing of a Direct Debit Mandate.</p>
<p>European Multi channel and Online Trade Association (EMOTA)</p>	<p>While the Regulation on electronic identification and trust services does aim to harmonise the standards in this area and ensure cross-border recognition, the effect of such legislative initiatives will only</p>

Contributor	Comment Received
	<p>be felt in some years. Until then, the legal requirements and standards for the terms “signature” and “signed” differ greatly across the 28 EU Member States and internationally. The wording proposed could therefore generate legal uncertainty and constitute a barrier to the EU Digital Single Market.</p> <p>EMOTA would like to stress the need for the Rulebooks to reflect a technologically and competitive oriented market by introducing references to flexibility and electronic authentication mechanisms, or consent, in line with the level of risk for a specific transaction.</p> <p>Such an approach would facilitate the development and selling of new services and products online. The consent factor should include any of the types of documents referred to as durable media by the European Directives (e.g. Consumer Rights Directive, Article 2.10: emails, PDF, etc.) or oral mandates and telephone mandates, allowing consumer choice, which would greatly facilitate the collection of funds by companies and charities while ensuring a security level and cost level for the processing of the transaction in accordance with the level of risk.</p>
Citibank NA London branch	<p>Recommend the following are considered in this update:</p> <ul style="list-style-type: none"> - requirements for evidence of mandate (and how to provide) if not in paper format - any stipulation on transaction as to paper / online / phone etc. - incremental controls eg payer identification, account validation for online mandates
InterCard Germany	<p>We support the positions of BITKOM, Médecins sans Frontières and others, at least the EPC SPS WG recommendation should be implemented.</p>

4.36 # 61: Reduction of the unconditional refund right period in case of legally signed digital mandate or valid e-mandate

4.36.1 Description

This suggestion was made by Connective NV.

The contributor suggests reducing the unconditional refund right period in case the creditor sends a copy of a legally signed digital mandate or a valid e-mandate to the Debtor Bank.

4.36.2 SPS WG analysis and recommendation

The SPS WG recommended not taking forward the suggestion for change (**option e**).

The principle of the 8 weeks refund right is based on the principle of the Payment Services Directive (PSD) as a single easy-to-use rule to ensure the largest possible market acceptance by debtors as a trusted payment instrument. The Rulebook describes the refund rules for collections irrespective if the collection is based on a paper or electronic mandate. Annex VII describing the EPC e-Mandate solution is based on the general rules of the SDD Core Rulebook (including rules on refunds).

4.36.3 Contributions and comments

The vast majority of EPC Scheme Participants via national banking communities and other contributors to the 2014 public consultation supported the SPS WG recommendation that this suggestion cannot be part of the Scheme. Therefore, this change suggestion has not been included in the SDD Core Rulebook version 8.0.

The following comments were received:

Contributor	Comment Received
Ingenico	The ability for the merchant to have a better insurance level against potential refunds can be important for certain use cases / industries. Although the change request is maybe not detailed enough, it suggests interesting propositions that should be studied further (for example when an e-mandate has been signed through the debtor bank website, ...)
AITI - Italian Association of Corporate Treasurers	The proposal does not comply with current PSD provisions regarding refund rights for authorized transactions. The legal validity of the mandate guaranteed by any form (digital signature or valid e-mandate) does not impact to refunds for authorized transactions.
EACT - European Association of Corporate Treasurers	The proposal does not comply with current PSD provisions regarding refund rights for authorized transactions. The legal validity of the mandate guaranteed by any form (digital signature or valid e-mandate) does not impact to refunds for authorized transactions.
Citibank NA London branch	The unconditional refund right, given that it is allowed regardless of circumstances, good / service type, approach to mandate etc is a key concern for creditors. It needs to be addressed for the future and long term success of the SEPA DD scheme. Changing the period for refund does not remove the payer right to refund, or the inherent protection, but it would improve the short term accuracy of cash flows for the collector, help manage the risks in this respect, and help with ability to do repeat business on that basis.
ASSET (Spanish Association of CFOs)	The reduction of the unconditionality of the refund right would make sense from the creditor's point of view, but we do appreciate that the 8 week rule is now an established practice. Furthermore the proposal does not comply with current PSD provisions regarding refund rights



Contributor	Comment Received
	for authorized transactions. ASSET thinks that any reduction of the unconditional refund right period is good for corporates. We don't agreed whit recommendation and we support the original change suggestion.

4.37 # 62: Block 2 - Remove or simplify the FRST and RCUR sequence type process

4.37.1 Description

This suggestion was made by the Association Française des Trésoriers d’Entreprises. The contributor proposes to simplify the SDD process and suggests one of the following solutions:

- Removal of the distinction first vs. recurrent
- Abolition of check sequence
- At the minimum the Scheme Participant should not reject a ‘first’ for sequencing errors, even if a ‘first’ has already been issued

4.37.2 SPS WG analysis and recommendation

The SPS WG recommended that the suggestion should be incorporated into the Scheme (**option b**) with effective date in **November 2016**.

The SPS WG draws the attention to other change requests (see change requests with indication ‘Block 2’ i.e. the items # 33, 45, 50 and 87) suggesting either a simplification of the current range of sequence types, making certain sequence types optional or the elimination of a particular sequence type.

With regard to this specific block of change requests, the SPS WG recommended that the sequence type ‘First’ is no longer mandatory in the SDD Core and SDD B2B Rulebooks with an effective date in **November 2016**. This should allow all Scheme Participants and end-users of the two SDD Schemes sufficient time to prepare themselves for such change in November 2016 subject to support during this public consultation.

The respondent should indicate

1. If the respondent agrees that the sequence type ‘First’ should no longer be mandatory (Yes/No).
2. If answered with “Yes”, does the respondent support the effective date of November 2016 (Yes/No)?
3. If answered with “No” on question 2, the respondent should indicate an alternative date (e.g., November 2015, November 2017 or later).

4.37.3 Contributions and comments

The vast majority of EPC Scheme Participants via national banking communities and other contributors agreed with the SPS WG recommendation to make the sequence type ‘First’ no longer mandatory. A majority of EPC Scheme Participants via national banking communities and other contributors supported the effective date of November 2016. Numerous contributors highlighted their preference for November 2015 as effective date. Taking into consideration the overall comments and the requirement to allow for sufficient time to implement this modification, it was resolved that the SDD Core Rulebook version 9.0 to take effect in November 2016 will be modified as follows:

The requirement to use the sequence type ‘FRST’ in a first of a recurrent series of Collections is no longer mandatory as of the effective date of November 2016 of the SEPA Core Direct Debit Rulebook version 9.0 (i.e. a first Collection can be identified in the same way as a subsequent Collection with the sequence type ‘RCUR’).

The following comments were received:

Contributor	Comment Received
STUZZA GmbH on behalf of the Austrian banking community	The Austrian Banking Community suggests to incorporate these change requests earlier in time - as of Nov. 2015.
Spanish banking community	Supports November 2015 instead of November 2016
Finnish banking community	Supports effective date of November 2016

Contributor	Comment Received
Irish Payment Services Organisation	This is not an issue in Ireland and the existing sequence types are working well. This was an issue in the early part of migration but no longer. Initial feedback from Creditors is that further IT development is unnecessary at this early stage.
Portuguese banking community	The Portuguese Banking Community supports the alternative date of November 2015.
French Banking Federation	These requests are interesting and could make sense when the SEPA migration will totally be finished (including the niche products) and the SEPA payment systems more mature & stable. However it is necessary for the SPS WG as required, under the chapter 3.2.1 of the Internal Rules, to conduct research and carry out a cost-benefit analysis on the change accepted including developing a business case for approving these Change Requests. Moreover, the whole risk analysis on the debtor side has to be performed and approved by the consumer associations. As a consequence, the French banks will be ready to reopen the studies in 2016 which could lead to an implementation timeline not before the end of 2017 or 2018.
Luxembourg Bankers' Association	Supports November 2016 - Details of what this means in practice need to be clearly defined as soon as possible
BITKOM e.V.	It is very important to simplify the procedure. Therefore we support the recommendation of the EPC. The EPC should consider implementing the recommendation earlier than 2016. The simplification would save costs for both banks and corporates, therefore the sooner the implementation the better.
Rewe Group	Definitely per Nov 2015 - and in a way so that the SeqTp is dropped completely or optional only
German Insurance Association (Gesamtverband der Deutschen Versicherungswirtschaft)	Please see comments on items 31, 49, 63 (: <i>We support a unique time cycle for all collections to simplify processes. D-1 is an adequate option. We support the earliest possible effective date.</i>)
Deutsche Telekom AG	It is very important to simplify the procedure. Therefore we support the recommendation of the EPC. The EPC should consider implementing the recommendation earlier than 2016. The simplification would save costs for both banks and corporates, therefore the sooner the implementation the better.
Dutch Payments Association (on behalf of Dutch banking community)	In favour of an operational starting date per November 2016 with important note: it must be sure that FRST-transaction may not be rejected
Febelfin (representing Belgian banking community)	Timing: November 2016. If for some reason, this change is implemented but the change to Core D-1 is not implemented or only in a later stage, it is important to make sure that this change on sequence type implies that : - using ""FIRST"" in the XML files is no longer mandatory - AND that everything can be sent at D-2. (There is little added value of not having to mention ""FIRST"" if you still have to send a first transaction at J-5 and recurrent transactions at J-2)
German Banking Industry Committee (GBIC) on behalf of	Answer to question 2: Yes; Answer to question 3: n/a

Contributor	Comment Received
the German banking community and Deutsche Bundesbank.	
European Payment Institutions Federation (EPIF)	Supports effective date of November 2016, not before 2016, There are material modifications for creditor and debtor PSP.
Seamless Remittance AB	2) Not supported, 3) November 2015
Italian banking association (ABI)	<p>The majority of the SDD Italian participants responding to the consultation agree with the CR/SPS recommendation.</p> <p>With regard to the questions n. 2 and n. 3, the majority of the respondents is in favour with the incorporation of the change request as of November 2016. Please note that a large minority of the respondents support the CR as of November 2015.</p>
UK Payments Council	<p>There was no consensus so the UK Payments Council is unable to endorse the SPS WG recommendation – Option B.</p> <p>It was noted that there appears to be considerable confusion in the market. UK Payments Council request that sequence types are clarified and simplified and not made optional.</p>
Insurance Europe	Please see comments on items 31, 49, 63
EQUENS SE	The introduction date November 2016 seems to be reasonable
Bank Association of Slovenia	Supports November 2016
AGES Maut System GmbH & Co. KG	<p>In respect to the BITKOM suggestion: If interpreted in the way ""MUST BE RCUR"" - we would reject the suggestion as it would inflict additional costs to the SEPA-Community. If interpreted in the way ""ALLOWED TO BE RCUR"" - we agree.</p> <p>There is no need in distinguishing various sequence-types, but sequence-types are an ongoing and prominent source for R-transactions against the will and intention of the debtor - inflicting substantial costs on companies and consumers, wasting resources needed elsewhere and thus spoiling the environment.</p> <p>+ YES ""FRST"" should no longer be mandatory + NO, November 2016 is too late + The earliest possible date should be chosen to speed up SEPA Core DDs</p>
Ingenico	<p>This is again an improvement simplifying the SDD rules. It is however a pity to implement this now, after the mandatory implementation of SDD. Now all solutions on the market, all creditors and banks have implemented the sequence type rules, and making it now optional, although simplifying the way the SDD works, will still provoke some issues for sure.</p> <p>November 2016 seems appropriate and manageable by all parties.</p>
Lithuanian SEPA Coordination Committee	<p>2. No. 3. We would be in favour of implementation date later than Nov 2016.</p>
Norwegian banking community	Support the effective date of 2016
Danish Bankers Association	Same argumentation as for the changes to SDD Core timecycle
Handelsverband Deutschland (HDE)	It is very important to simplify the procedure. Therefore we support the recommendation of the EPC.

Contributor	Comment Received
	<p>The EPC should consider implementing the recommendation earlier than 2016.</p> <p>The simplification would save costs for both banks and corporates, therefore the sooner the implementation the better.</p>
Dutch Association of Large Billers (Verenigde Groot Incassanten (VGI))	<p>2. Yes.</p> <p>This Change is interpreted as making the sequence type "first" as the optional one. (e.g. all SDD transactions can be sent in using the sequence type "recurrent") This approach is not consistent with change # 26. (present a SDD after a changed IBAN as a first)</p>
AITI - Italian Association of Corporate Treasurers	We prefer to have an early adoption in November 2015
Nordea Banking Group	Same argumentation as for the changes to timecycle above
EACT - European Association of Corporate Treasurers	We prefer to have an early adoption in November 2015
Citibank NA London branch	November 2016
ASSET (Spanish Association of CFOs)	Not agreed - Spanish Banking Community will support it in November 2015
InterCard Germany	We support the positions of BITKOM and the Spanish banking Community, at least the EPC SPS WG recommendation should be implemented.

4.38 # 63: Block 1 - SDD Core D-1 to become a mandatory SDD Scheme

4.38.1 Description

This suggestion was made by the Association Française des Trésoriers d’Entreprises. It is proposed that the current SDD Core collection time cycle option D-1 becomes a mandatory SDD Scheme. It is stated that creditors located in several European countries face a heterogeneous situation in SEPA as they cannot benefit from SDD Core D-1 in all European countries and have to manage different schemes in different countries. Making this scheme mandatory in all SEPA countries will harmonize payment processing in Europe. This SDD D-1 scheme would also ease the implementation of the SDD One-Off collection.

4.38.2 SPS WG analysis and recommendation

The SPS WG recommended that the suggestion should be incorporated into the current SDD Core Scheme (**option b**) with D-1/ D-1 becoming effective as standard collection timeline in **November 2016**.

The SPS WG draws the attention to other change requests (see change requests with indication ‘Block 1’ i.e. the items # 31 and 49) suggesting also changes to the SDD Core collection timeline D-5/ D-2.

With regard to this specific block of change requests, the SPS WG recommended that D-1/ D-1 becomes the standard SDD Core collection timeline with an effective date in **November 2016**. This should allow all Scheme Participants and end-users sufficient time to prepare themselves for such change in November 2016 subject to support during this public consultation.

The respondent is asked to indicate

1. If the respondent agrees with the standard collection timeline D-1/D-1 (Yes/No).
2. If answered with “Yes”, does the respondent support the effective date of November 2016 (Yes/No)?
3. If answered with “No” on question 2, the respondent should indicate an alternative date (e.g., November 2015, November 2017 or later).

4.38.3 Contributions and comments

The vast majority of EPC Scheme Participants via national banking communities and other contributors agreed with the SPS WG recommendation to make D-1 the standard collection timeline. A majority of EPC Scheme Participants via national banking communities and other contributors supported the effective date of November 2016. Numerous contributors highlighted their preference for November 2015 as effective date.

Taking into consideration the overall comments and the requirement to allow for sufficient time to implement this modification, it was resolved that the SDD Core Rulebook version 9.0 to take effect in November 2016 will be modified as follows: As of the effective date of November 2016 of the SEPA Core Direct Debit Rulebook version 9.0, all Collections presented for the first time, on a recurrent basis or as a one-off Collection can be presented up to 1 Inter-Bank Business Day (D-1).

The following comments were received:

Contributor	Comment Received
STUZZA GmbH on behalf of the Austrian Banking Community	The Austrian Banking Community suggests to incorporate D-1 as standard processing time cycle as of Nov. 2015.
Spanish banking community	Supports November 2015 instead of November 2016
Finnish banking community	Supports effective date of November 2016
Irish Payment Services Organisation	Timeline 2015 can be accommodated
Portuguese banking community	The Portuguese Banking Community supports the alternative date of November 2015.

Contributor	Comment Received
French Banking Federation	<p>These requests are interesting and could make sense when the SEPA migration will totally be finished (including the niche products) and the SEPA payment systems more mature & stable.</p> <p>However it is necessary for the SPS WG as required, under the chapter 3.2.1 of the Internal Rules, to conduct research and carry out a cost-benefit analysis on the change accepted including developing a business case for approving these Change Requests.</p> <p>Moreover, the whole risk analysis on the debtor side has to be performed and approved by the consumer associations.</p> <p>As a consequence, the French banks will be ready to reopen the studies in 2016 which could lead to an implementation timeline not before the end of 2017 or 2018.</p>
Luxembourg Bankers' Association	Supports November 2016
BITKOM e.V.	<p>It is very important to simplify the procedure. Therefore we support the recommendation of the EPC.</p> <p>The EPC should consider implementing the recommendation earlier than 2016.</p> <p>The simplification would save costs for both banks and corporates, therefore the sooner the implementation the better.</p>
Shahid Ali - Business Analyst	<p>Suggested is to target it by November 2015 rather 2016. Reason is 2016 seems too far and Party (Customer and Bank) which are currently started using CORE with more submission days will become use to of this and it will be challenging to change there way to lesser days. If it becomes part of Current Rule Book and Live Date is for November 2015, Party will have in mind they have to change it will be easy to make modification. As we are aware Germany and Spain has opted it and other want to join, if we make it late to adopt as part of CORE scheme, we will end up with 2 Scheme CORE and COR1 in market as those which started using CORE will not be ready for COR1.</p>
Rewe Group	Long overdue! Definitely per Nov 2015
German Insurance Association (Gesamtverband der Deutschen Versicherungswirtschaft)	We support a unique time cycle for all collections to simplify processes. D-1 is an adequate option. We support the earliest possible effective date.
Deutsche Telekom AG	<p>It is very important to simplify the procedure. Therefore we support the recommendation of the EPC.</p> <p>The EPC should consider implementing the recommendation earlier than 2016.</p> <p>The simplification would save costs for both banks and corporates, therefore the sooner the implementation the better.</p>
Dutch Payments Association (on behalf of Dutch banking community)	In favour of an operational starting date per November 2016 with important note: COR1 to be removed from scheme, if D-1/D-1 will be in place.
Febelfin (representing Belgian banking community)	Timing: November 2016
German Banking Industry Committee (GBIC) on behalf of the German banking community and Deutsche Bundesbank.	Answer to question 2: Yes; Answer to question 3: n/a

Contributor	Comment Received
European Payment Institutions Federation (EPIF)	We propose November 2015. No reason to push back = not a big change, to date no use of the 5 days to deliver additional service to consumer.
Seamless Remittance AB	2) Not supported, 3) November 2015
Italian banking association (ABI)	The SDD Italian participants' diverging views do not allow to take a clear position on this Change Request.
UK Payments Council	<p>While a majority of UK Payments Council members support the SPS WG recommendation – Option B – this is not unanimous.</p> <p>A number of large institutions support an effective date of November 2016 but a few advocate differing timelines, with some supporting 2015 and others 2017. Some concerns were raised about reducing the timeframe for dealing with new mandates and conducting initial set-up and due diligence processes.</p>
Insurance Europe	We support a unique time cycle for all collections to simplify processes. D-1 is an adequate option. We support the earliest possible effective date.
EQUENS SE	The introduction date November 2016 seems to be reasonable
AGES Maut System GmbH & Co. KG	<p>There is no need in distinguishing the handling time of various sequence-types, but sequence-types are an ongoing source for R-transactions against the will and intention of the debtor.</p> <p>+ YES - We agree and have also demanded D-1 to be the standard time-cycle - NO, November 2016 is too late + The earliest possible date should be chosen to speed up lame SEPA Core DD</p>
Ingenico	<p>This is an improvement going in the right direction for merchants and also simplifies SDD management. It is however a pity to implement this now, after the mandatory implementation of SDD. Now all solutions on the market, all creditors and banks have implemented the complex D+5/D+2 rules.</p> <p>November 2016 seems appropriate and manageable by all parties. Will the ""old"" D+5/D+2 still exist however?</p>
Lithuanian SEPA Coordination Committee	<p>2. No. 3. We would be in favour of implementation date later than Nov 2016.</p>
Norwegian banking community	Support the effective date of 2016
Danish Bankers Association	<p>2015 Implementation will not be possible due to the extensive changes to systems and processes in both the financial sectors as well as the corporate customers.</p> <p>Due to the need from stakeholders to the simplification a 2017 implementation will not be perceived to take them seriously enough.</p>
Handelsverband Deutschland (HDE)	<p>It is very important to simplify the procedure. Therefore we support the recommendation of the EPC.</p> <p>The EPC should consider implementing the recommendation earlier than 2016.</p> <p>The simplification would save costs for both banks and corporates, therefore the sooner the implementation the better.</p>

Contributor	Comment Received
Dutch Association of Large Billers (Verenigde Groot Incassanten (VGI))	2. No. 3. November 2015 or asap, however this will be subject to a cost benefit analysis.
AITI - Italian Association of Corporate Treasurers	We prefer to have an early adoption in November 2015
Nordea Banking Group	2015 Implementation will not be possible to the extensive changes to systems and processes in both the financial sectors as well as the corporate customers. Due to the need from stakeholders to the simplification a 2017 implementation will not be perceived to take them seriously enough.
EACT - European Association of Corporate Treasurers	We prefer to have an early adoption in November 2015
Citibank NA London branch	Support this recommendation to be delivered in November 2017 Rulebook updates. Recommend that confirmation whether it is proceeding is delivered well in advance (min 2 years notice). This is to accommodate the capacity as well as service implications for the shorter timelines, particularly on payer side receipt / validations Suggested approach that ""updates"" Core scheme rulebook with new clearing cycles of D-1. It should be very clear how this is to be implemented (eg alternative is reachability is mandatory - i.e. onus on payer banks primarily).
ASSET (Spanish Association of CFOs)	not agreed - Spanish Banking Community will support it in November 2015
InterCard Germany	We support the positions of Austria Stuzza and Febelfin, at least the EPC SPS WG recommendation should be implemented.

4.39 # 64: Make fields “Creditor Reference Party” and “Debtor Reference Party” more visible

4.39.1 Description

This suggestion was made by the Association Française des Trésoriers d’Entreprises.

It is expected that companies will implement centralized payment and collection factories. With such a centralized company issuing SEPA Direct Debit Core on behalf of its subsidiaries; this will mean that the transaction will be initiated from an account of the centralized company but the ultimate Creditor (EPC note: The rulebook term is “Creditor Reference Party”) or ultimate Debtor (EPC note: “Debtor Reference Party”) will be its subsidiaries.

In such a case, the Debtor will not be able to identify the ultimate Creditor because its identity is posted in the “ultimate Creditor” field which is not posted in a visible manner (or vice versa). Only the identity of the account holder, in that case the centralizing company, is posted in a clear manner.

It is suggested to make the field “Ultimate Creditor” and “Ultimate Debtor” more visible by the counterparty.

4.39.2 SPS WG analysis and recommendation

The SPS WG considered that the change suggestion is already provided for in the Scheme (**option a**). The dataset DS-01 (Mandate) and DS-02 (Dematerialised Mandate) allow the possibility to specify the Reference Party details of the Creditor and/ or the Debtor. Reference is made to the attributes AT-15, 37, 38 and 39.

When these attributes are present in DS-01 and DS-02, they can then be provided with the collection DS-03 and DS-04 to the Debtor Bank.

4.39.3 Contributions and comments

The vast majority of EPC Scheme Participants via national banking communities and other contributors to the 2014 public consultation supported the SPS WG recommendation that this suggestion is already provided for in the Scheme. Therefore, this change suggestion has not been included in the SDD Core Rulebook version 8.0.

The following comments were received:

Contributor	Comment Received
German Banking Industry Committee (GBIC) on behalf of the German banking community and Deutsche Bundesbank.	The EPC should review the SDD Core Scheme Rulebook if the relevant chapters are precise enough with regard to the SPS WG assessment. A clarification on the transport of the the reference party data through the payment chain could be added to the SDD Core Scheme Rulebook.
Ingenico	The scheme rulebooks already provide everything needed. Now the easy access to those reference party details should be part of the requirements of beneficiary companies towards their Payment Service Providers.
AITI - Italian Association of Corporate Treasurers	We support the original change suggestion and propose to make the attributes mandatory in DS-06 (if present in DS-04). We suggest to incorporate it in the scheme (option b)
EACT - European Association of Corporate Treasurers	We support the original change suggestion and propose to make the attributes mandatory in DS-06 (if present in DS-04). We suggest to incorporate it in the scheme (option b)
Citibank NA London branch	suggest that IF these fields are present on the original transaction they must be included on any subsequent (r-messages) by the counterparty, and not "dropped"

Contributor	Comment Received
ASSET (Spanish Association of CFOs)	We support the original change suggestion and propose to make the attributes mandatory in DS-06 (if present in DS-04).

4.40 # 65: Simplification of r-transaction codes and harmonization in their use

4.40.1 Description

This suggestion was made by the Association Française des Trésoriers d'Entreprises.

The contributor suggests a simplification and reduction of r-transaction codes, by defining clear rules for the use of each code as this would help harmonization.

The contributor notes a high number of r-transaction codes and considers some of them redundant. It also reports a heterogeneous use of these codes by the Scheme Participants.

4.40.2 SPS WG analysis and recommendation

The SPS WG recommended not taking forward the suggestion for change (**option e**). The change request does neither specify which concrete reason codes should disappear nor suggest code simplifications.

After the SEPA migration completion end July 2014, the EPC will investigate what reason codes are actually used and if they are used appropriately. Based on this analysis, the EPC will then be able to review if the current set of reason codes still fits the needs.

4.40.3 Contributions and comments

Views among contributors to the 2014 public consultation representing both the demand and supply sides were mixed. However, in consideration of the overall comments from a majority of EPC Scheme Participants via national banking communities and other contributors received, it was concluded that this suggestion cannot be part of the Scheme. Therefore, this change suggestion has not been included in the SDD Core Rulebook version 8.0.

The following comments were received:

Contributor	Comment Received
BITKOM e.V.	The EPC is asked to carry out the review in the near future so that the results can be incorporated into the scheme as of Nov. 2015.
German Insurance Association (Gesamtverband der Deutschen Versicherungswirtschaft)	We support the original change request insofar as it proposes a harmonization in the use of r-transaction codes. The current use is very heterogeneous or incorrect. So the given r-codes are not reliable for subsequent processes. We appreciate the EPC guidance (EPC173-14) on this item. But we fear that guidance will not be sufficient to really harmonize the use. We prefer a binding provision within the Rulebook.
Deutsche Telekom AG	The EPC is asked to carry out the review in the near future so that the results can be incorporated into the scheme as of Nov. 2015.
European Payment Institutions Federation (EPIF)	EPC analysis is expected, and potentially recommendations for more harmonized use of these codes. We note the publication of guidance on reason codes for r-transactions which may further this.
UK Payments Council	The UK Payments Council supports the SPS WG recommendation - Option E. However, it was suggested that the EPC take greater account of the work undertaken by EBA Clearing's SMART Group. At present there is confusion and mis-understanding on the usage of reason codes.
Insurance Europe	We support the original change request insofar as it proposes a harmonization in the use of r-transaction codes. The current use is

Contributor	Comment Received
	very heterogeneous or incorrect. So the given r-codes are not reliable for subsequent processes. We appreciate the EPC guidance (EPC173-14) on this item. But we fear that guidance will not be sufficient to really harmonize the use. We prefer a binding provision within the Rulebook.
AGES Maut System GmbH & Co. KG	Please carry out a review so that the results can be incorporated into the scheme a.s.a.p.
Ingenico	The change request as presented is not sufficiently clear and detailed to be taken into account.
Handelsverband Deutschland (HDE)	The EPC is asked to carry out the review in the near future so that the results can be incorporated into the scheme as of Nov. 2015.
Dutch Association of Large Billers (Verenigde Groot Incassanten (VGI))	In order to support Straight Trough Processing it is necessary to have one unique code per r-message type. If a code represent more than one scenario automated STP is no longer possible which increases risks and costs. We have provided "the Betaalvereniging Nederland" a proposal to extend the ISO code list and additional required changes in descriptions. Requires also adherence to the agreement to report the debtor bank based (standard) r code.
AITI - Italian Association of Corporate Treasurers	We support the original change suggestion.
EACT - European Association of Corporate Treasurers	We support the original change suggestion.
Citibank NA London branch	if anything require more reason codes, greater clarification on appropriate usage
ASSET (Spanish Association of CFOs)	We support the original change suggestion. Since the issue is relevant and has already been evidenced at the SCT/SDD post migration WG of ERPB, we propose to address it at CSF for deep analysis and implementation in 2016.

4.41 # 66: Add clarification on the use of attribute AT-25 (date of signing the Mandate)

4.41.1 Description

This suggestion was made by Laya Healthcare.

It is suggested to clarify in the SDD Core Rulebook whether or not the date provided in AT-25 (date of signing the Mandate) should remain the original date of signing the mandate.

4.41.2 SPS WG analysis and recommendation

The SPS WG recommended that the suggestion for change should be incorporated into the scheme (**option b**). The SPS WG recommendation is to reword AT-25 by specifying that the date refers to the date on which the initial mandate had been signed and that the value of this attribute remains unchanged for the mandate lifecycle.

4.41.3 Contributions and comments

The vast majority of EPC Scheme Participants via national banking communities and other contributors to the 2014 public consultation supported the SPS WG recommendation that this suggestion can be part of the Scheme. Therefore, this change suggestion has been included in the SDD Core Rulebook version 8.0.

The following comments were received:

Contributor	Comment Received
European Payment Institutions Federation (EPIF)	No = in case of a mandate signed in a legacy format, a date may not have been collected. In this case, we may have the right to consider that the signature date is not later than the first time it is used for a SEPA collection (regulation 260/2012, art 7).
Italian banking association (ABI)	Please note that one bank with a significant % of payment volume disagree with SPS WG recommendation as the clarification is considered superfluous
AITI - Italian Association of Corporate Treasurers	Implementation of the amendment should take into consideration the different implications of a variation in the date of signature. A new date of signature could imply a new mandate. Anyway, some clarification is needed.
EACT - European Association of Corporate Treasurers	Implementation of the amendment should take into consideration the different implications of a variation in the date of signature. A new date of signature could imply a new mandate. Anyway, some clarification is needed.
ASSET (Spanish Association of CFOs)	Implementation of the amendment should take into consideration the different implications of a variation in the date of signature. A new date of signature could imply a new mandate. Anyway, some clarification is needed.

4.42 # 68: Introduction of minimum standards to be applied during the mandate creation process (irrespective of the adopted solution)

4.42.1 Description

This suggestion was made by Sentenial Ltd.

It is proposed that the Rulebook includes a minimum standard for mandates which must be applied irrespective of the solution adopted. Following aspects are suggested to be part of these standards:

- All bank account details entered by the Debtor must be modulus checked at the IBAN and, where possible, at the BBAN level. For paperless options this must be carried out whilst the Debtor is completing the mandate process.
- The SEPA statement on refund rights must be either displayed to the Debtor for on-line mandates or form part of the text given to the Debtor for call centre operations.
- The Creditor's name and SEPA Creditor Identity must be displayed for on-line mandates.
- Once accepted by the Debtor, a copy of the mandate must be sent to the Debtor. The mandate sent must include the Creditor details, the debit scheme type as well as the UMR. Delivery of the mandate can be via any appropriate mechanism including post or e-mail.
- The Creditor must retain a printable copy of the completed mandate as well as recording how and when the mandate was delivered to the debtor after the process was completed.

4.42.2 SPS WG analysis and recommendation

The SPS WG recommended not taking forward the suggestion for change (**option e**). The SDD Rulebook remains completely neutral to the technical solution for concluding a mandate and describes generic mandate requirements. Some concrete elements of the change request are requirements in the relations Creditor-Creditor Bank and Creditor-Debtor which fall outside the scope of the SDD Rulebook (Rulebook obligations focus on the interbank sphere).

4.42.3 Contributions and comments

The vast majority of EPC Scheme Participants via national banking communities and other contributors to the 2014 public consultation supported the SPS WG recommendation that this suggestion cannot be part of the Scheme. Therefore, this change suggestion has not been included in the SDD Core Rulebook version 8.0.

The following comments were received:

Contributor	Comment Received
Citibank NA London branch	Block 3 changes should explicitly advise that whether paper or not, the same standards must apply. Mandate information/validation is not purely remit of respective banks and their customer.

4.43 # 69: Create a specific reason code to highlight sequence error in SDD

4.43.1 Description

This suggestion was made by Payments Advisory Group.

It is suggested that one specific reason in the scheme and messages is created for a sequence error in direct debit transactions, which will be mandatory for the Debtor Bank to use in case they reject a transaction for this reason.

It appears that it cannot always be correctly communicated to the Creditor whether a SDD collection had been subject to a pre-settlement reject or a post-settlement return. Current practice seems to indicate that Debtor Banks do not react with the same reason codes to these situations and that there is no guaranteed unique way of identifying these kinds of errors.

4.43.2 SPS WG analysis and recommendation

The SPS WG considered that the change suggestion is already provided for in the Scheme (**option a**). The SPS WG refers to reason code AG02 in the bank-to-bank Implementation Guidelines (IGs) and to attribute AT-R3 in the SDD Scheme Rulebook which cover this reason scenario.

4.43.3 Contributions and comments

The vast majority of EPC Scheme Participants via national banking communities and other contributors to the 2014 public consultation supported the SPS WG recommendation that this suggestion is already provided for in the Scheme. Therefore, this change suggestion has not been included in the SDD Core Rulebook version 8.0.

The following comments were received:

Contributor	Comment Received
Spanish banking community	Should "First" be optional as proposed no change related to the sequence element is to be included meanwhile. No change should be included for the usage of "First" eventhough the optionality could be effective after 2015.
European Payment Institutions Federation (EPIF)	AG02 code is not used. We rather experienced MD01 code, which is very difficult to understand. Clarification on AG01 is expected. We note the EPC publication on the guidance on reason codes for R-transactions which may improve the usage.
UK Payments Council	UK Payments Council supports the SPS WG recommendation – Option A – although it needs greater enforcement. We see some inter-linkages with the Block 2 change request.
Asociación Española de la Economía Digital (Adigital)	There is a general need to cover better the reply codes with deeper granularity level.
Club SEPA (represents software providers and consultants involved in SEPA project in France) http://www.clubsepa.eu/les-membres-du-club/	Additional comment: this code already exists with AG02: so why creating a new one?
Dutch Association of Large Billers (Verenigde Groot Incassanten (VGI))	Regarding Change # 26 what will be the used R message in the new situation? AG02 seems incorrect. How to define the correct sequence type if that becomes optional. As suggested by means of changes # 33, 35, 45, 50, 62, 87

Contributor	Comment Received
Citibank NA London branch	This approach is not used consistently in the market, so should be explicitly clarified. However, depending on ultimate approach re FRST vs. RCUR this becomes less of an issue

4.44 # 71: Update of the Rulebook section 5.4 ‘Eligibility for Participation’

4.44.1 Description

This suggestion was made by the EPC Legal Support Group (LSG). The suggestion covers an update in the category descriptions of Scheme applicants which are deemed automatically to be eligible under Rulebook section 5.4 on eligibility for participation. Among other changes, this suggestion includes banks authorised by the Central Bank of San Marino.

4.44.2 SPS WG analysis and recommendation

The SPS WG recommended that the suggestion should be incorporated into the Scheme (**option b**).

4.44.3 Contributions and comments

The vast majority of EPC Scheme Participants via national banking communities and other contributors to the 2014 public consultation supported the SPS WG recommendation that this suggestion can be part of the Scheme. Therefore, this change suggestion has been included in the SDD Core Rulebook version 8.0.

The following comments were received:

No specific comments had been raised.

4.45 # 72: Block 3 - Mandate methods not restricted to paper mandate & EPC e-Mandate

4.45.1 Description

This suggestion was made by WWF Deutschland.

The contributor suggests that section 4.1 (The Mandate) of the SDD Rulebook is adapted by clarifying that mandating methods are not restricted to physically signed paper documents and the e-Mandate in Annex VII. Such amendment should also be reflected in section 4.7.2 of the SDD Rulebook.

4.45.2 SPS WG analysis and recommendation

The SPS WG recommended that the contents of the EPC clarification letter on electronic mandates (Letter EPC098-13) should be incorporated into the Scheme (**option b**).

The SPS WG emphasizes that the SDD Scheme Rulebook is neutral about mandating methods as they are subject to the applicable law.

As other contributors have provided alternative rewording suggestions to this particular section (reference is made to the change requests 37, 44, 48, 52, 53, 54, 55, 60 and 76) the SPS WG proposes a change for SDD Scheme Rulebook section 4.1 based on change request #30 whereby the reference to 'qualified electronic signature' is taken out and replaced by the reference to a 'legally binding method of signature'.

As for the amendment suggestion in section 4.7.2, this section describes the mandate content itself, irrespective if it is a paper-based or an electronic mandate.

4.45.3 Contributions and comments

The vast majority of EPC Scheme Participants via national banking communities and other contributors to the 2014 public consultation supported the suggestion to amend the wording in section 4.1 ('The Mandate'). Taking into consideration the overall comments received, it was resolved to amend the wording in section 4.1 ('The Mandate') to read as follows in the SDD Core Rulebook version 8.0: "Alternatively, the Mandate may be an electronic document which is signed using a legally binding method of signature."

The EPC acknowledges that this clarification will not solve the issue of a legally binding signature in country "A" not being accepted in country "B". The EPC must however, stress that it cannot resolve through its Scheme Rulebooks legal issues at SEPA level relating to electronic mandates in the absence of clear, harmonised European legislation in this area.

The EPC points out that at its first meeting held in May 2014, the Euro Retail Payments Board (ERPb)¹⁵ – established and chaired by the European Central Bank – identified electronic mandates as a key SEPA issue and decided to establish a specific working group dedicated to that topic. This ERPb Working Group on pan-European electronic mandate solutions for SDDs – actively co-chaired by an Ecommerce Europe representative and an EPC representative – started its work in July 2014 and has planned a number of activities and meetings over the following months in order to produce a report to be submitted to the ERPb in due course. The EPC looks forward to the outcome of the work of the ERPb electronic mandate Working Group on pan-European electronic mandate solutions for SDDs and to the ensuing discussions at the ERPb.

¹⁵ On 19 December 2013 the European Central Bank (ECB) announced the launch of the Euro Retail Payments Board (ERPb). The ERPb will "help foster the development of an integrated, innovative and competitive market for retail payments in euro in the EU". The ERPb includes representatives of both the demand and supply sides of the euro payments market. They are joined by five representatives from the euro area national central banks and one representative from the non-euro area EU national central banks (all on a rotating basis). The ERPb is chaired by the ECB. The European Commission is invited to join as an observer. (The EPC is a member of the ERPb.) <http://www.ecb.europa.eu/paym/retpaym/governance/eu/html/index.en.html#erp>.

The following comments were received:

Contributor	Comment Received
Rewe Group	"Legally binding method of signature" as per which country? A Debtor is in Country A, the Creditor in Country B, and the PSPs may be in more countries. Which method is binding for all countries?
German Insurance Association (Gesamtverband der Deutschen Versicherungswirtschaft)	<p>The contents of the EPC clarification letter on electronic mandates are a first step in right direction. They are able to open the scheme for modern electronic mandating methods. But this step is not sufficient. In addition it is necessary to give creditors reliable guidelines for electronic mandating methods that will be accepted anyway by all debtor banks. The GDV has one major concern: In addition to the suggested opening of the Rulebooks we need guidelines that give legal certainty. If only the wide interpretation of valid mandating methods as described by the EPC's clarification letter would be included in the Rulebook, it would be legally uncertain whether debtor banks would always accept creditor banks' mandates and not return the payment claiming an unauthorized transaction.</p> <p>Therefore we are of the opinion that the clarification regarding electronic mandates must be supported by simultaneously adding guidelines on the issuing of electronic mandates, for example regarding authentication and data protection/data security.</p>
Dutch Payments Association (on behalf of Dutch banking community)	AND in addition to the clarification letter it must be emphasized that Debtor Banks must always validate (and approve) the e-mandate(s)
European Payment Institutions Federation (EPIF)	<p>We support the removal of the reference to the Qualified Electronic Signature. However, we fear the proposal does not entirely solve the legal uncertainty around the authorization of online SDD mandates.</p> <p>The reference to 'legally binding method of signature' of proposal #30 is problematic given the current lack of harmonization across the EU. The wording may lead to even further legal issues as the term "signature" is interpreted differently across the EU jurisdictions. Art 2281 of the Belgian Code Civil – for example – stipulates that "If a notification has to be served in writing to allow the sender to invoke it, a notification by telegram, telex, fax or electronic mail or any other means of telecommunications resulting in written receipt on the side of the recipient shall be considered to be a written notification."</p> <p>To ensure the new wording reflects the variety of electronic mandate methods allowed under domestic laws, we would recommend including a reference to binding methods of signature or consent: this would avoid frictions or disruptions in the EU cross-border environment.</p> <p>Finally, we are not sure why the words "agreed between the Creditor and the Creditor Bank" should be deleted from the text of Section 4.1. of the SDD Rulebook. As we understand it, proposal #30 suggests removal only of the reference to 'qualified electronic signature'. We would recommend keeping the reference to the agreement between</p>

Contributor	Comment Received
	<p>these parties as it is an important element not only for of electronic signatures but for all types of legal notifications.</p> <p>Suggested language in Section 4.1: A Mandate may exist as a paper document which is physically signed by the Debtor. The paper mandate can be stored either as the original document or in any digitalised format subject to the national legal requirements. Alternatively, the Mandate may be an electronic document which is created and signed using a legally binding method of signature or consent with a Qualified Electronic Signature agreed between the Creditor and the Creditor Bank.”</p>
<p>European Digital Media Association (EDiMA)</p>	<p>EDiMA supports the removal of the reference to the Qualified Electronic Signature. However, this will not solve the legal uncertainty around the authorization of online SDD mandates which is – as the SPS WG rightly points out – subject to applicable laws. The reference to “legally binding method of signature” of proposal #30 is problematic given the current lack of harmonization across the EU. This wording may even trigger additional legal questions as the term “signature” is interpreted differently across the EU jurisdictions. For instance, Art. 2281 of the Belgian Code Civil stipulates that “If a notification has to be served in writing to allow the sender to invoke it, a notification by telegram, telex, fax or electronic mail or any other means of telecommunications resulting in written receipt on the side of the recipient shall be considered to be a written notification.”</p> <p>To ensure that the new wording reflects the variety of electronic mandate methods allowed under domestic laws, EDiMA recommends including a reference to “binding methods of signature or consent”. This will avoid frictions or disruptions in the EU cross-border environment.</p> <p>Additionally, EDiMA disagrees with the deletion of the words “agreed between the Creditor and the Creditor Bank” from the text of Section 4.1. of the SDD Rulebook. It is our understanding that proposal #30 suggests removal only of the reference to “qualified electronic signature”.</p> <p>EDiMA recommends keeping the reference to the agreement between the Creditor and the Creditor Bank. This is an important element not only for of electronic signatures but for all types of legal notifications.</p> <p>Suggested language in Section 4.1: “A Mandate may exist as a paper document which is physically signed by the Debtor. The paper mandate can be stored either as the original document or in any digitalised format subject to the national legal requirements. Alternatively, the Mandate may be an electronic document which is created and signed using a legally binding method of signature or consent with a Qualified Electronic Signature agreed between the Creditor and the Creditor Bank.”</p>

Contributor	Comment Received
<p>Ärzte ohne Grenzen e.V. Germany, Ärzte ohne Grenzen Austria, European Fundraising Association, Fundraising Verband Austria, Coalition for Electronic SDD Mandates (Germany), Slovenian association for development of non-profit organisations</p>	<p>We welcome the incorporation of the EPC clarification letter on electronic mandates of October 2013 and the suggestion to delete the reference to the Qualified Electronic Signature.</p> <p>The compromise proposal of the SPS WG will, however, lead to new open questions which in the end even contradict to the note given by the SPS WG according to which the Rulebooks should be neutral about mandating and authorization methods. The revised wording of the Rulebooks must therefore mirror the wide variety of mandating methods in different jurisdictions.</p> <p>As we see it the wording of compromise proposal #30 (“legally binding method of signature”) falls short when it tries to describe the current set of online mandating methods. In particular, the term “signature” is interpreted differently in different SEPA jurisdictions. Thus, we propose the following new wording – based on proposal #30 of the SPS WG - with the aim of avoiding infringements of established mandating procedures:</p> <p>“A Mandate may exist as a paper document which is physically signed by the Debtor. The paper mandate can be stored either as the original document or in any digitalised format subject to the national legal requirements. Alternatively, the Mandate may be an electronic document or log file which is created and signed using based on a legally binding method of signature or consent with a Qualified Electronic Signature agreed between the Creditor and the Creditor Bank.”</p>
<p>UK Payments Council</p>	<p>The UK Payments Council supports the SPS WG recommendation – Option B.</p> <p>However, the UK is keen to see the results of the E-Mandate Working Group as it is not clear what options are available in each country across the SEPA area. More should be done to quickly publish clear rules for each country so that companies wishing to break into new markets know the rules for using paperless mandates in countries outside their home market. The current situation is proving to be a barrier to entry into new markets.</p> <p>The wording ““Legally binding method of acceptance”” would be better than signature. Signature is not really applicable in the case of telephone mandates; the community are of the view that ““acceptance”” would be better.</p> <p>Finally, we would question why the words “agreed between the Creditor and the Creditor Bank” should be deleted from Section 4.1 of the rulebook. We would recommend keeping the reference to the agreement between these parties as it is an important element not only for e-mandates, but all types of legal notifications.</p>
<p>Insurance Europe</p>	<p>The contents of the EPC clarification letter on electronic mandates are a first step in right direction. They are able to open the scheme for modern electronic mandating methods. But this step is not sufficient. In addition it is necessary to give creditors reliable guidelines for</p>

Contributor	Comment Received
	<p>electronic mandating methods that will be accepted anyway by all debtor banks. Insurance Europe has one major concern: In addition to the suggested opening of the Rulebooks we need guidelines that give legal certainty. If only the wide interpretation of valid mandating methods as described by the EPC's clarification letter would be included in the Rulebook, it would be legally uncertain whether debtor banks would always accept creditor banks' mandates and not return the payment claiming an unauthorized transaction.</p> <p>Therefore we are of the opinion that the clarification regarding electronic mandates must be supported by simultaneously adding guidelines on the issuing of electronic mandates, for example regarding authentication and data protection/data security.</p>
Insurance Ireland	<p>We support the inclusion of the contents of the EPC's clarification letter on mandates (Letter EPC098-13) in order to ensure the SEPA rulebook guidelines are consistent with how telemarketing operates in practice. However, we believe the new text should better reflect the EPC's letter which confirms that the signature methods as described in Section 4.1 are not exhaustive and that other mandate forms may be accepted. We propose, therefore, that the text in Section 4.1. should be amended to: <i>"A Mandate may exist as a paper document which is physically signed by the Debtor. (...) Alternatively, the Mandate may be an electronic document which is created and signed with a Qualified Electronic Signature agreed between the Creditor and the Creditor Bank. Other established mandating methods may be agreed between the Creditor and the Creditor Bank provided that they comply with the SEPA Regulation."</i></p>
Asociación Española de la Economía Digital (Adigital)	<p>There is a need to define a framework that can be used all over Europe for Digital Signature and that has to be ruled by the EPC. It's important to mention that legally binding methods like telephone mandates should be included also in this framework or at least an alternative to them since are commonly used.</p>
Federation of European Direct and Interactive Marketing (FEDMA)	<p>FEDMA supports the EPC SPS WG suggestion but considers it does not sufficiently respect the choice of the consumer.</p> <p>We recommend the following changes: <i>"It is up to the seller or non-profit to decide how the mandate should be given and agreed. The mandate can be oral, written, digital, or other. A Mandate, as a paper document, is physically signed by the Debtor. (...) The Mandate may be an electronic document or a logfile which is created and signed with a legally binding method of signature agreed between the Creditor and the Creditor Bank."</i></p> <p>FEDMA considers that a mandate should be any format of mandate acceptable for the debtor (consumers) and satisfying SEPA requirements. The charity or company and the consumer should be free to choose the format of the mandate (oral, written, digital).</p> <p>The seller or non-profit should be to free to offer the consumer various practical mandate formats from which he/she can choose. If the mandate format requirements for direct debit become too</p>

Contributor	Comment Received
	<p>complex, the consumer is likely not to purchase or donate. Retailers, particularly SMEs, could be seriously hurt. We remind you that a lot of companies make profit on the basis of traditional mandates. They will likely lose their consumers to Asian or American competitors offering more practical payment solutions. Likewise, without oral mandates, numerous charities would lose donations. Indeed, when tragic unforeseen disasters occur, oral mandates are a key method of payment for donors. Finally, if mandates are too complex, the consumer will use other methods of payments such as credit cards or internet “wallet” services thereby reducing the share of business of banks. FEDMA understands that banks require certain information and have to fulfil the requirements of the SEPA Regulation. However, the relation between the consumer and the seller or non-profit should not be affected by additional administrative requirements. So long as the seller or non-profit can communicate to the banks all the necessary information, guaranteeing the security of the payment, the format of the mandate should be irrelevant to the banks. Banks can monitor what their clients are doing and if necessary take action against an account holder whose credits are often challenged and must be refunded. For example, a bank could request those sellers and non-profits to maintain a fund to ensure repayment. FEDMA calls for pan European signature guidelines explaining how to use which signature (whether oral, electronic or written) in which circumstances. The oral mandate without requirement of written or e-signature should be allowed for all purchases or donations of small significance (i.e. maximum 100 euros) (similar reasoning as to the Consumer Rights Directive which may not be applied to purchases of small significance. For purchases or donations over 100 euros, oral mandates could still be valid without written or e-signature so long as the buyer or donor is informed in written of the details this financial operation (as in the UK).</p>
<p>Ingenico</p>	<p>The access to dematerialised mandate is definitely a requirement from the market and should be facilitated. The rulebook should make clear, as much as possible, what can be accepted as valid "legally binding method of signature" (examples: SMS code, Card 3D secure system, etc...). Also, the rulebook should define clearly what is meant by "electronic document".</p> <p>Proposed wording: "A Mandate may exist as a paper document which is physically signed by the Debtor. The paper mandate can be stored either as the original document or in any digitalised format subject to the national legal requirements. Alternatively, the Mandate may be an electronic document or <u>logged / registered consent</u> which is created <u>and signed using a legally binding method of signature"</u></p>
<p>Association of German Chambers of Commerce and Industry (DIHK)</p>	<p>Efficient and widely accepted payment methods are of crucial importance for the success of businesses. In this respect, it is important that current solutions for payment needs can be continued and that they are not hindered by new bureaucratic restrictions – especially in the dynamic area of e-commerce. For this reason, the Association of German Chambers of Commerce and Industry strongly supports the possibility to use any legally binding form for</p>

Contributor	Comment Received
	<p>authorizing an electronic direct debit mandate, rather than a formal restriction to a qualified electronic signature. To ensure the necessary clarity in this respect, we strongly support the EPC SPS WG recommendation to incorporate the EPC clarification letter on electronic mandates (Letter EPC098-13) into the SDD Core and SDD B2B rulebooks.</p>
<p>Club SEPA (represents software providers and consultants involved in SEPA project in France) http://www.clubsepa.eu/les-membres-du-club/</p>	<p>Additional comments: The EPC clarification letter is not sufficient to understand the electronic signature issue of a mandate. It should be made clear what the Debtor bank must do in the case of: - a two corner model i.e. a mandate signed by the Debtor on the Creditor web site or any other device such as mobile or, - A four corner model as described in the SDD rulebooks annex VII. What are the electronic elements of proof (e.g. an authorisation number) that can be sent by the Creditor to the Debtor Bank in case of ""a supposed unauthorised collection""?</p>
<p>Handelsverband Deutschland (HDE)</p>	<p>We welcome the incorporation of the EPC clarification letter on electronic mandates of October 2013 and the suggestion to delete the reference to the Qualified Electronic Signature.</p> <p>The compromise proposal of the SPS WG will, however, lead to new open questions which in the end even contradict to the note given by the SPS WG according to which the Rulebooks should be neutral about mandating and authorization methods. The revised wording of the Rulebooks must therefore mirror the wide variety of mandating methods in different jurisdictions.</p> <p>As we see it the wording of compromise proposal #30 (“legally binding method of signature”) falls short when it tries to describe the current set of online mandating methods. In particular, the term “signature” is interpreted differently in different SEPA jurisdictions. Thus, we propose the following new wording – based on proposal #30 of the SPS WG - with the aim of avoiding infringements of established mandating procedures:</p> <p>“A Mandate may exist as a paper document which is physically signed by the Debtor. The paper mandate can be stored either as the original document or in any digitalised format subject to the national legal requirements. Alternatively, the Mandate may be an electronic document or log file which is created and signed using based on a legally binding method of signature or consent with a Qualified Electronic Signature agreed between the Creditor and the Creditor Bank</p>
<p>Dutch Association of Large Billers (Verenigde Groot Incassanten (VGI))</p>	<p>Presently a vacuum is experienced with the acceptance of legally binding digital signatures. The banks in The Netherlands appear not to accept these digital signatures as sufficient for the signing of a Direct Debit Mandate.</p>
<p>European Multi channel and Online Trade Association (EMOTA)</p>	<p>While the Regulation on electronic identification and trust services does aim to harmonise the standards in this area and ensure cross-border recognition, the effect of such legislative initiatives will only</p>

Contributor	Comment Received
	<p>be felt in some years. Until then, the legal requirements and standards for the terms “signature” and “signed” differ greatly across the 28 EU Member States and internationally. The wording proposed could therefore generate legal uncertainty and constitute a barrier to the EU Digital Single Market.</p> <p>EMOTA would like to stress the need for the Rulebooks to reflect a technologically and competitive oriented market by introducing references to flexibility and electronic authentication mechanisms, or consent, in line with the level of risk for a specific transaction.</p> <p>Such an approach would facilitate the development and selling of new services and products online. The consent factor should include any of the types of documents referred to as durable media by the European Directives (e.g. Consumer Rights Directive, Article 2.10: emails, PDF, etc.) or oral mandates and telephone mandates, allowing consumer choice, which would greatly facilitate the collection of funds by companies and charities while ensuring a security level and cost level for the processing of the transaction in accordance with the level of risk.</p>
Citibank NA London branch	<p>Recommend the following are considered in this update:</p> <ul style="list-style-type: none"> - requirements for evidence of mandate (and how to provide) if not in paper format - any stipulation on transaction as to paper / online / phone etc. - incremental controls eg payer identification, account validation for online mandates
InterCard Germany	<p>We support the positions of BITKOM, Médecins sans Frontières and others, at least the EPC SPS WG recommendation should be implemented.</p>

4.46 # 75: Simplify the use of a shorter timeline for sending a pre-notification

4.46.1 Description

This suggestion was made by the German Banking Industry Committee.

It is proposed to rephrase the requirement of a pre-notification in the SDD Rulebook. It would be considered as sufficient when the Creditor Bank obliges the Creditor to pre-notify the Debtor before the due date of a collection according to the stipulations in the SDD Rulebook section 5.7 ‘Obligations of a Creditor Bank’. Any timeline for a pre-notification should be considered and no formal agreement of such a timeline should be a Scheme requirement between the Creditor and the Debtor.

Rewording in this sense is proposed in section 4.3.4 and process step PT04.02.

4.46.2 SPS WG analysis and recommendation

The SPS WG recommended not taking forward the suggestion for change (**option e**).

Pre-notification is very important for the Debtor to be informed about and to react to an upcoming collection. It is a consumer protection measure. Therefore an agreement between the Creditor and the Debtor is required in case a shorter pre-notification is desired. The SDD Rulebook does not prescribe how the pre-notification should be agreed upon and how the notification itself should be done as various pre-notification means do exist or can be further developed.

4.46.3 Contributions and comments

Views among contributors to the 2014 public consultation representing both the demand and supply sides were mixed. However, in consideration of the overall comments from a majority of EPC Scheme Participants via national banking communities and other contributors received, it was concluded that this suggestion cannot be part of the Scheme. Therefore, this change suggestion has not been included in the SDD Core Rulebook version 8.0.

The following comments were received:

Contributor	Comment Received
Spanish banking community	It should not be part of the scheme since it is not an interbank issue and there are no "consequences" for non-compliance. The way Creditor will notify to Debtor upcoming collections is subject to bilateral agreement and not part of the scheme.
BITKOM e.V.	Any appropriate timeline for a pre-notification that is characterised according to consumer rights should be considered and no formal agreement of such a timeline should be a Scheme requirement between the Creditor and the Debtor. Should be incorporated into the scheme - option b
Rewe Group	The SPS WG assessment is nothing but a text module, and does not fit at all to the request.
German Insurance Association (Gesamtverband der Deutschen Versicherungswirtschaft)	We support the original change request. The agreement between creditor and debtor relating to a shorter timeline for pre-notifications is very difficult to conclude in continuing obligations (e.g. insurance policies).
Deutsche Telekom AG	The possibility to simplify the pre-notification including an "opt-out" clause based on an agreement by and with the debtor should not be prevented by the scheme. Should be incorporated into the scheme - option b
German Banking Industry Committee (GBIC) on behalf of	GBIC is in favour of the original change request (option b). GBIC fully supports and confirms the SPS WG assessment that the sending

Contributor	Comment Received
the German banking community and Deutsche Bundesbank.	of a Pre-notification is an obligation of the Creditor to inform the Debtor before settlement about the details of an upcoming direct debit collection. However as the timeline impacted the underlying business between the Creditor and Debtor the SDD Core Scheme Rulebook should be neutral on any timeline regarding the sending of the Pre-notification.
Insurance Europe	We support the original change request. The agreement between creditor and debtor relating to a shorter timeline for pre-notifications is very difficult to conclude in continuing obligations (e.g. insurance policies).
AGES Maut System GmbH & Co. KG	As the consumer is entitled to an eight week reject-period, the pre-notification is not really that important for consumer-protection. Given that no true indication is given in the Rulebooks about how soon a pre-notification can be made, we advocate to allow a pre-notification period of at least one calendar day and to allow to include a visible space in the mandate for it. Should be incorporated into the scheme - option b
Ingenico	The current rulebook offers enough flexibility on the topic
Handelsverband Deutschland (HDE)	Any appropriate timeline for a pre-notification that is characterised according to consumer rights should be considered and no formal agreement of such a timeline should be a Scheme requirement between the Creditor and the Debtor. Should be incorporated into the scheme - option b
AITI - Italian Association of Corporate Treasurers	In order to prevent claims related to non-properly executed pre-notification, shorter timelines have to be agreed between creditor and debtor. Pre-notification process should not be part of the scheme since it is not an interbank issue. The ways the Creditor will notify to the Debtor the upcoming collections are subject to bilateral agreement.
EACT - European Association of Corporate Treasurers	In order to prevent claims related to non-properly executed pre-notification, shorter timelines have to be agreed between creditor and debtor. Pre-notification process should not be part of the scheme since it is not an interbank issue. The ways the Creditor will notify to the Debtor the upcoming collections are subject to bilateral agreement.
ASSET (Spanish Association of CFOs)	In order to prevent claims related to non-properly executed pre-notification, shorter timelines have to be agreed between creditor and debtor
InterCard Germany	This should be simplified, especially for one-off CDMG SDDs (e.g. ELV): It should be enough to specify the due date at the mandate generation, without the existing typical additional sentence: "The due date period is shortened to one day." This sentence just consumes valuable paper unnecessarily. "Save the trees"

4.47 # 76: Block 3 - Mandate methods not restricted to paper mandate & EPC e-Mandate

4.47.1 Description

This suggestion was made by Coalition for Electronic SDD Mandates (Germany).

The contributor suggests that section 4.1 (The Mandate) of the SDD Rulebook is adapted by clarifying that mandating methods are not restricted to physically signed paper documents and the e-Mandate in Annex VII. Such amendment should also be reflected in section 4.7.2 of the SDD Rulebook.

4.47.2 SPS WG analysis and recommendation

The SPS WG recommended that the contents of the EPC clarification letter on electronic mandates (Letter EPC098-13) should be incorporated into the Scheme (**option b**).

The SPS WG emphasizes that the SDD Scheme Rulebook is neutral about mandating methods as they are subject to the applicable law.

As other contributors have provided alternative rewording suggestions to this particular section (reference is made to the change requests 37, 44, 48, 52, 53, 54, 55, 60 and 72), the SPS WG proposes a change for SDD Scheme Rulebook section 4.1 based on change request #30 whereby the reference to 'qualified electronic signature' is taken out and replaced by the reference to a 'legally binding method of signature'.

As for the amendment suggestion in section 4.7.2, this section describes the mandate content itself, irrespective if it is a paper-based or an electronic mandate.

4.47.3 Contributions and comments

The vast majority of EPC Scheme Participants via national banking communities and other contributors to the 2014 public consultation supported the suggestion to amend the wording in section 4.1 ('The Mandate'). Taking into consideration the overall comments received, it was resolved to amend the wording in section 4.1 ('The Mandate') to read as follows in the SDD Core Rulebook version 8.0: "Alternatively, the Mandate may be an electronic document which is signed using a legally binding method of signature."

The EPC acknowledges that this clarification will not solve the issue of a legally binding signature in country "A" not being accepted in country "B". The EPC must however, stress that it cannot resolve through its Scheme Rulebooks legal issues at SEPA level relating to electronic mandates in the absence of clear, harmonised European legislation in this area.

The EPC points out that at its first meeting held in May 2014, the Euro Retail Payments Board (ERPb)¹⁶ – established and chaired by the European Central Bank – identified electronic mandates as a key SEPA issue and decided to establish a specific working group dedicated to that topic. This ERPb Working Group on pan-European electronic mandate solutions for SDDs – actively co-chaired by an Ecommerce Europe representative and an EPC representative – started its work in July 2014 and has planned a number of activities and meetings over the following months in order to produce a report to be submitted to the ERPb in due course. The EPC looks forward to the outcome of the work of the ERPb electronic mandate Working Group on pan-European electronic mandate solutions for SDDs and to the ensuing discussions at the ERPb.

¹⁶ On 19 December 2013 the European Central Bank (ECB) announced the launch of the Euro Retail Payments Board (ERPb). The ERPb will "help foster the development of an integrated, innovative and competitive market for retail payments in euro in the EU". The ERPb includes representatives of both the demand and supply sides of the euro payments market. They are joined by five representatives from the euro area national central banks and one representative from the non-euro area EU national central banks (all on a rotating basis). The ERPb is chaired by the ECB. The European Commission is invited to join as an observer. (The EPC is a member of the ERPb.) <http://www.ecb.europa.eu/paym/retpaym/governance/eu/html/index.en.html#erpb>.

The following comments were received:

Contributor	Comment Received
Rewe Group	"Legally binding method of signature" as per which country? A Debtor is in Country A, the Creditor in Country B, and the PSPs may be in more countries. Which method is binding for all countries?
German Insurance Association (Gesamtverband der Deutschen Versicherungswirtschaft)	<p>The contents of the EPC clarification letter on electronic mandates are a first step in right direction. They are able to open the scheme for modern electronic mandating methods. But this step is not sufficient. In addition it is necessary to give creditors reliable guidelines for electronic mandating methods that will be accepted anyway by all debtor banks. The GDV has one major concern: In addition to the suggested opening of the Rulebooks we need guidelines that give legal certainty. If only the wide interpretation of valid mandating methods as described by the EPC's clarification letter would be included in the Rulebook, it would be legally uncertain whether debtor banks would always accept creditor banks' mandates and not return the payment claiming an unauthorized transaction.</p> <p>Therefore we are of the opinion that the clarification regarding electronic mandates must be supported by simultaneously adding guidelines on the issuing of electronic mandates, for example regarding authentication and data protection/data security.</p>
Dutch Payments Association (on behalf of Dutch banking community)	AND in addition to the clarification letter it must be emphasized that Debtor Banks must always validate (and approve) the e-mandate(s)
European Payment Institutions Federation (EPIF)	<p>We support the removal of the reference to the Qualified Electronic Signature. However, we fear the proposal does not entirely solve the legal uncertainty around the authorization of online SDD mandates.</p> <p>The reference to 'legally binding method of signature' of proposal #30 is problematic given the current lack of harmonization across the EU. The wording may lead to even further legal issues as the term "signature" is interpreted differently across the EU jurisdictions. Art 2281 of the Belgian Code Civil – for example – stipulates that "If a notification has to be served in writing to allow the sender to invoke it, a notification by telegram, telex, fax or electronic mail or any other means of telecommunications resulting in written receipt on the side of the recipient shall be considered to be a written notification."</p> <p>To ensure the new wording reflects the variety of electronic mandate methods allowed under domestic laws, we would recommend including a reference to binding methods of signature or consent: this would avoid frictions or disruptions in the EU cross-border environment.</p> <p>Finally, we are not sure why the words "agreed between the Creditor and the Creditor Bank" should be deleted from the text of Section 4.1. of the SDD Rulebook. As we understand it, proposal #30 suggests removal only of the reference to 'qualified electronic signature'. We would recommend keeping the reference to the agreement between</p>

Contributor	Comment Received
	<p>these parties as it is an important element not only for of electronic signatures but for all types of legal notifications.</p> <p>Suggested language in Section 4.1: A Mandate may exist as a paper document which is physically signed by the Debtor. The paper mandate can be stored either as the original document or in any digitalised format subject to the national legal requirements. Alternatively, the Mandate may be an electronic document which is created and signed using a legally binding method of signature or consent with a Qualified Electronic Signature agreed between the Creditor and the Creditor Bank.”</p>
<p>European Digital Media Association (EDiMA)</p>	<p>EDiMA supports the removal of the reference to the Qualified Electronic Signature. However, this will not solve the legal uncertainty around the authorization of online SDD mandates which is – as the SPS WG rightly points out – subject to applicable laws. The reference to “legally binding method of signature” of proposal #30 is problematic given the current lack of harmonization across the EU. This wording may even trigger additional legal questions as the term “signature” is interpreted differently across the EU jurisdictions. For instance, Art. 2281 of the Belgian Code Civil stipulates that “If a notification has to be served in writing to allow the sender to invoke it, a notification by telegram, telex, fax or electronic mail or any other means of telecommunications resulting in written receipt on the side of the recipient shall be considered to be a written notification.”</p> <p>To ensure that the new wording reflects the variety of electronic mandate methods allowed under domestic laws, EDiMA recommends including a reference to “binding methods of signature or consent”. This will avoid frictions or disruptions in the EU cross-border environment.</p> <p>Additionally, EDiMA disagrees with the deletion of the words “agreed between the Creditor and the Creditor Bank” from the text of Section 4.1. of the SDD Rulebook. It is our understanding that proposal #30 suggests removal only of the reference to “qualified electronic signature”.</p> <p>EDiMA recommends keeping the reference to the agreement between the Creditor and the Creditor Bank. This is an important element not only for of electronic signatures but for all types of legal notifications.</p> <p>Suggested language in Section 4.1: “A Mandate may exist as a paper document which is physically signed by the Debtor. The paper mandate can be stored either as the original document or in any digitalised format subject to the national legal requirements. Alternatively, the Mandate may be an electronic document which is created and signed using a legally binding method of signature or consent with a Qualified Electronic Signature agreed between the Creditor and the Creditor Bank.”</p>

Contributor	Comment Received
<p>Ärzte ohne Grenzen e.V. Germany, Ärzte ohne Grenzen Austria, European Fundraising Association, Fundraising Verband Austria, Coalition for Electronic SDD Mandates (Germany), Slovenian association for development of non-profit organisations</p>	<p>We welcome the incorporation of the EPC clarification letter on electronic mandates of October 2013 and the suggestion to delete the reference to the Qualified Electronic Signature.</p> <p>The compromise proposal of the SPS WG will, however, lead to new open questions which in the end even contradict to the note given by the SPS WG according to which the Rulebooks should be neutral about mandating and authorization methods. The revised wording of the Rulebooks must therefore mirror the wide variety of mandating methods in different jurisdictions.</p> <p>As we see it the wording of compromise proposal #30 (“legally binding method of signature”) falls short when it tries to describe the current set of online mandating methods. In particular, the term “signature” is interpreted differently in different SEPA jurisdictions. Thus, we propose the following new wording – based on proposal #30 of the SPS WG - with the aim of avoiding infringements of established mandating procedures:</p> <p>“A Mandate may exist as a paper document which is physically signed by the Debtor. The paper mandate can be stored either as the original document or in any digitalised format subject to the national legal requirements. Alternatively, the Mandate may be an electronic document or log file which is created and signed using based on a legally binding method of signature or consent with a Qualified Electronic Signature agreed between the Creditor and the Creditor Bank.”</p>
<p>UK Payments Council</p>	<p>The UK Payments Council supports the SPS WG recommendation – Option B.</p> <p>However, the UK is keen to see the results of the E-Mandate Working Group as it is not clear what options are available in each country across the SEPA area. More should be done to quickly publish clear rules for each country so that companies wishing to break into new markets know the rules for using paperless mandates in countries outside their home market. The current situation is proving to be a barrier to entry into new markets.</p> <p>The wording ““Legally binding method of acceptance”” would be better than signature. Signature is not really applicable in the case of telephone mandates; the community are of the view that ““acceptance”” would be better.</p> <p>Finally, we would question why the words “agreed between the Creditor and the Creditor Bank” should be deleted from Section 4.1 of the rulebook. We would recommend keeping the reference to the agreement between these parties as it is an important element not only for e-mandates, but all types of legal notifications.</p>
<p>Insurance Europe</p>	<p>The contents of the EPC clarification letter on electronic mandates are a first step in right direction. They are able to open the scheme for modern electronic mandating methods. But this step is not sufficient. In addition it is necessary to give creditors reliable guidelines for</p>

Contributor	Comment Received
	<p>electronic mandating methods that will be accepted anyway by all debtor banks. Insurance Europe has one major concern: In addition to the suggested opening of the Rulebooks we need guidelines that give legal certainty. If only the wide interpretation of valid mandating methods as described by the EPC's clarification letter would be included in the Rulebook, it would be legally uncertain whether debtor banks would always accept creditor banks' mandates and not return the payment claiming an unauthorized transaction.</p> <p>Therefore we are of the opinion that the clarification regarding electronic mandates must be supported by simultaneously adding guidelines on the issuing of electronic mandates, for example regarding authentication and data protection/data security.</p>
Insurance Ireland	<p>We support the inclusion of the contents of the EPC's clarification letter on mandates (Letter EPC098-13) in order to ensure the SEPA rulebook guidelines are consistent with how telemarketing operates in practice. However, we believe the new text should better reflect the EPC's letter which confirms that the signature methods as described in Section 4.1 are not exhaustive and that other mandate forms may be accepted. We propose, therefore, that the text in Section 4.1. should be amended to: <i>"A Mandate may exist as a paper document which is physically signed by the Debtor. (...) Alternatively, the Mandate may be an electronic document which is created and signed with a Qualified Electronic Signature agreed between the Creditor and the Creditor Bank. Other established mandating methods may be agreed between the Creditor and the Creditor Bank provided that they comply with the SEPA Regulation."</i></p>
Asociación Española de la Economía Digital (Adigital)	<p>There is a need to define a framework that can be used all over Europe for Digital Signature and that has to be ruled by the EPC. It's important to mention that legally binding methods like telephone mandates should be included also in this framework or at least an alternative to them since are commonly used.</p>
Federation of European Direct and Interactive Marketing (FEDMA)	<p>FEDMA supports the EPC SPS WG suggestion but considers it does not sufficiently respect the choice of the consumer.</p> <p>We recommend the following changes: <i>"It is up to the seller or non-profit to decide how the mandate should be given and agreed. The mandate can be oral, written, digital, or other. A Mandate, as a paper document, is physically signed by the Debtor. (...) The Mandate may be an electronic document or a logfile which is created and signed with a legally binding method of signature agreed between the Creditor and the Creditor Bank."</i></p> <p>FEDMA considers that a mandate should be any format of mandate acceptable for the debtor (consumers) and satisfying SEPA requirements. The charity or company and the consumer should be free to choose the format of the mandate (oral, written, digital).</p> <p>The seller or non-profit should be to free to offer the consumer various practical mandate formats from which he/she can choose. If the mandate format requirements for direct debit become too</p>

Contributor	Comment Received
	<p>complex, the consumer is likely not to purchase or donate. Retailers, particularly SMEs, could be seriously hurt. We remind you that a lot of companies make profit on the basis of traditional mandates. They will likely lose their consumers to Asian or American competitors offering more practical payment solutions. Likewise, without oral mandates, numerous charities would lose donations. Indeed, when tragic unforeseen disasters occur, oral mandates are a key method of payment for donors. Finally, if mandates are too complex, the consumer will use other methods of payments such as credit cards or internet “wallet” services thereby reducing the share of business of banks. FEDMA understands that banks require certain information and have to fulfil the requirements of the SEPA Regulation. However, the relation between the consumer and the seller or non-profit should not be affected by additional administrative requirements. So long as the seller or non-profit can communicate to the banks all the necessary information, guaranteeing the security of the payment, the format of the mandate should be irrelevant to the banks. Banks can monitor what their clients are doing and if necessary take action against an account holder whose credits are often challenged and must be refunded. For example, a bank could request those sellers and non-profits to maintain a fund to ensure repayment. FEDMA calls for pan European signature guidelines explaining how to use which signature (whether oral, electronic or written) in which circumstances. The oral mandate without requirement of written or e-signature should be allowed for all purchases or donations of small significance (i.e. maximum 100 euros) (similar reasoning as to the Consumer Rights Directive which may not be applied to purchases of small significance. For purchases or donations over 100 euros, oral mandates could still be valid without written or e-signature so long as the buyer or donor is informed in written of the details this financial operation (as in the UK).</p>
<p>Ingenico</p>	<p>The access to dematerialised mandate is definitely a requirement from the market and should be facilitated. The rulebook should make clear, as much as possible, what can be accepted as valid "legally binding method of signature" (examples: SMS code, Card 3D secure system, etc...). Also, the rulebook should define clearly what is meant by "electronic document".</p> <p>Proposed wording: "A Mandate may exist as a paper document which is physically signed by the Debtor. The paper mandate can be stored either as the original document or in any digitalised format subject to the national legal requirements. Alternatively, the Mandate may be an electronic document or <u>logged / registered consent</u> which is created <u>and signed using a legally binding method of signature"</u></p>
<p>Association of German Chambers of Commerce and Industry (DIHK)</p>	<p>Efficient and widely accepted payment methods are of crucial importance for the success of businesses. In this respect, it is important that current solutions for payment needs can be continued and that they are not hindered by new bureaucratic restrictions – especially in the dynamic area of e-commerce. For this reason, the Association of German Chambers of Commerce and Industry strongly supports the possibility to use any legally binding form for</p>

Contributor	Comment Received
	<p>authorizing an electronic direct debit mandate, rather than a formal restriction to a qualified electronic signature. To ensure the necessary clarity in this respect, we strongly support the EPC SPS WG recommendation to incorporate the EPC clarification letter on electronic mandates (Letter EPC098-13) into the SDD Core and SDD B2B rulebooks.</p>
<p>Club SEPA (represents software providers and consultants involved in SEPA project in France) http://www.clubsepa.eu/les-membres-du-club/</p>	<p>Additional comments: The EPC clarification letter is not sufficient to understand the electronic signature issue of a mandate. It should be made clear what the Debtor bank must do in the case of: - a two corner model i.e. a mandate signed by the Debtor on the Creditor web site or any other device such as mobile or, - a four corner model as described in the SDD rulebooks annex VII. What are the electronic elements of proof (e.g. an authorisation number) that can be sent by the Creditor to the Debtor Bank in case of ""a supposed unauthorised collection""?</p>
<p>Handelsverband Deutschland (HDE)</p>	<p>We welcome the incorporation of the EPC clarification letter on electronic mandates of October 2013 and the suggestion to delete the reference to the Qualified Electronic Signature.</p> <p>The compromise proposal of the SPS WG will, however, lead to new open questions which in the end even contradict to the note given by the SPS WG according to which the Rulebooks should be neutral about mandating and authorization methods. The revised wording of the Rulebooks must therefore mirror the wide variety of mandating methods in different jurisdictions.</p> <p>As we see it the wording of compromise proposal #30 (“legally binding method of signature”) falls short when it tries to describe the current set of online mandating methods. In particular, the term “signature” is interpreted differently in different SEPA jurisdictions. Thus, we propose the following new wording – based on proposal #30 of the SPS WG - with the aim of avoiding infringements of established mandating procedures:</p> <p>“A Mandate may exist as a paper document which is physically signed by the Debtor. The paper mandate can be stored either as the original document or in any digitalised format subject to the national legal requirements. Alternatively, the Mandate may be an electronic document or log file which is created and signed using based on a legally binding method of signature or consent with a Qualified Electronic Signature agreed between the Creditor and the Creditor Bank</p>
<p>Dutch Association of Large Billers (Verenigde Groot Incassanten (VGI))</p>	<p>Presently a vacuum is experienced with the acceptance of legally binding digital signatures. The banks in The Netherlands appear not to accept these digital signatures as sufficient for the signing of a Direct Debit Mandate.</p>
<p>European Multi channel and Online Trade Association (EMOTA)</p>	<p>While the Regulation on electronic identification and trust services does aim to harmonise the standards in this area and ensure cross-border recognition, the effect of such legislative initiatives will only</p>

Contributor	Comment Received
	<p>be felt in some years. Until then, the legal requirements and standards for the terms “signature” and “signed” differ greatly across the 28 EU Member States and internationally. The wording proposed could therefore generate legal uncertainty and constitute a barrier to the EU Digital Single Market.</p> <p>EMOTA would like to stress the need for the Rulebooks to reflect a technologically and competitive oriented market by introducing references to flexibility and electronic authentication mechanisms, or consent, in line with the level of risk for a specific transaction.</p> <p>Such an approach would facilitate the development and selling of new services and products online. The consent factor should include any of the types of documents referred to as durable media by the European Directives (e.g. Consumer Rights Directive, Article 2.10: emails, PDF, etc.) or oral mandates and telephone mandates, allowing consumer choice, which would greatly facilitate the collection of funds by companies and charities while ensuring a security level and cost level for the processing of the transaction in accordance with the level of risk.</p>
Citibank NA London branch	<p>Recommend the following are considered in this update:</p> <ul style="list-style-type: none"> - requirements for evidence of mandate (and how to provide) if not in paper format - any stipulation on transaction as to paper / online / phone etc. - incremental controls eg payer identification, account validation for online mandates
InterCard Germany	<p>We support the positions of BITKOM, Médecins sans Frontières and others, at least the EPC SPS WG recommendation should be implemented.</p>

4.48 # 77: End-to-end identification value to be mandatory and unique for the creditor in the customer-to-bank and bank-to-bank messages

4.48.1 Description

This suggestion was made by Worldline.

The contributor suggests making the end-to-end (E2E) identification value to be mandatory and unique for the Creditor in the message PAIN.008 to the Creditor Bank (customer-to-bank IGs) and in the message PACS.001 (interbank IGs).

Currently, when the creditor does not supply an E2E identification value to the Creditor Bank, then the Creditor Bank fills the field with “NOT PROVIDED”. However, such wording is not unique. Without such clear E2E identification value, it is impossible to process automatically the status report and the R-transactions.

4.48.2 SPS WG analysis and recommendation

The SPS WG recommended not taking forward the suggestion for change (**option e**).

The SPS WG understands that “NOT PROVIDED” is not a unique value. On the other hand, ISO has defined this field to be mandatory. If the Creditor does not provide any data at all for this mandatory field, the Creditor Bank can only complete this field with “NOT PROVIDED”.

4.48.3 Contributions and comments

The vast majority of EPC Scheme Participants via national banking communities and other contributors to the 2014 public consultation supported the SPS WG recommendation that this suggestion cannot be part of the Scheme. Therefore, this change suggestion has not been included in the SDD Core Rulebook version 8.0.

The following comments were received:

Contributor	Comment Received
Luxembourg Bankers' Association	We understand that this change request refers to PAIN.008 and PACS.003
European Payment Institutions Federation (EPIF)	We support the idea of having a mandatory and unique value. "Not Provided" will be difficult to reconcile for return/refund.
EQUENS SE	Either the pain rule or the pacs rule should be changed in the ISO 20022 specification
AGES Maut System GmbH & Co. KG	SPS WG is absolutely right on this. "Unique" is an absolute wording. What if another creditor uses the same ref or if after 20 years the numbers restart again? Who is to blame? Is he liable?
Ingenico	A unique E2E ID should really become the rule. This eases up so much the processing and reconciliation.
Citibank NA London branch	Agree end to end identification should be mandatory and unique as the only reference that can be, and is consistently carried through on all messages. it is the ONLY way to uniquely identify a transaction and maintain full audit trail on it

4.49 # 78: Clarification about concrete date to calculate as of when a mandate is obsolete (36 month period)

4.49.1 Description

This suggestion was made by Worldline.

The contributor suggests including clarifications in the SDD Core Rulebook about the concrete starting point of the 36 months period before a SDD mandate becomes obsolete. There appears to be two interpretations about this starting point:

- Mandate is obsolete if no issuing of a SDD collection after 36 months from the previous one
- Mandate is obsolete if no collection takes place based on the mandate after 36 months from the signature date of the mandate

4.49.2 SPS WG analysis and recommendation

The SPS WG considered that the change suggestion is already provided for in the Scheme (**option a**). Section 4.2 of the Rulebook specifies that if a Creditor does not present a collection under a mandate for a period of 36 months (starting from the date of the latest collection presented, even if rejected, returned or refunded), the Creditor must cancel the mandate and is no longer allowed to initiate collections based on this cancelled mandate. This rule is also repeated in the description section of PT-04.21 and PT-04.24.

4.49.3 Contributions and comments

The vast majority of EPC Scheme Participants via national banking communities and other contributors to the 2014 public consultation supported the SPS WG recommendation that this suggestion is already provided for in the Scheme. Therefore, this change suggestion has not been included in the SDD Core Rulebook version 8.0.

The following comments were received:

Contributor	Comment Received
Club SEPA (represents software providers and consultants involved in SEPA project in France) http://www.clubsepa.eu/les-membres-du-club/	additional comment : it is important to clarify the different kinds of date: obsolete mandate for SDD, expired mandate for ONE OFF. Furthermore we can be surprised that a mandate is always valid even if no SDD is issued : it means that mandates can be valid 5 years after the signature without SDD issued. Maybe it would be more secure for debtor to limit the validity period of a mandate if no SDD is issued.
Citibank NA London branch	Mandate should not expire only when the creditor stops "trying" to collect against it, should be a count from last successful collection. If payer cancels and creditor does not update systems there should be an expiry of mandate in any case. Payer should not have to take further action indefinitely into future to prevent / claim refund

4.50 # 79: Block 4 - IBAN change by Debtor - next recurrent SDD collection under an existing mandate to be presented as a First

4.50.1 Description

This suggestion was made by Worldline.

The suggestion is when the Debtor reports an IBAN change for an existing mandate whereby this mandate is used for recurrent SDD collections, the next recurrent SDD collection should be presented as a FRST (and not as RCUR).

4.50.2 SPS WG analysis and recommendation

The SPS WG recommended that the suggestion should be incorporated into the Scheme (**option b**).

Other contributors have provided a similar change request with the indication 'Block 4' (i.e. the items # 16 and 26).

If this change suggestion is supported, the following business rule will be added in the description under process step PT-02.02 in section 4.6.2: in case the Debtor informs the Creditor of a change of IBAN (whether held in the same Debtor Bank or in another Debtor Bank), the next collection under an existing mandate should be presented as a 'first' SDD collection to this new IBAN.

4.50.3 Contributions and comments

A majority of EPC Scheme Participants via national banking communities and other contributors to the 2014 public consultation supported the SPS WG recommendation that this suggestion can be part of the Scheme. However, numerous contributors did not support the change suggestion. In consideration of the overall comments received, it was concluded that this suggestion cannot be part of the Scheme. Therefore, this change suggestion has not been included in the SDD Core Rulebook version 8.0.

The following comments were received:

Contributor	Comment Received
STUZZA GmbH on behalf of the Austrian banking community	Not necessary when change requests 33, 45, 50, 62, 87 will be incorporated as of Nov. 2015, respectively 2016. There is no need for transitional arrangements.
Spanish banking community	Option e - Should "First" be optional as proposed no change related to the sequence element is to be included meanwhile. No change should be included for the usage of "First" even though the optionality could be effective after 2015.
Finnish banking community	It would require system changes in the bank only for the period until November 2016, when the sequence type First will be removed.
Irish Payment Services Organisation	This change become superfluous if the change requests 44, 45, 50, 62, 87 are approved. There will be no need to use FRST so this change request should be withdrawn if those changes listed are approved.
Shahid Ali - Business Analyst	No need to give exceptional treatment to Debtor Account change. As Debtor Account, Creditor Scheme Change are considered as Amendment, then it should be taken care under single umbrella of Amendment and should not repeat the FRST, as already sequence type is complex and it will add further complexity.
Rewe Group	Due to item 33 ff. this doesn't make any sense
German Insurance Association (Gesamtverband der Deutschen Versicherungswirtschaft)	In our understanding this change is only valid on an interim basis until the complete elimination of sequence types (see Block 2).

Contributor	Comment Received
	Should that be the case we support the proposal but prefer the complete elimination (unique time cycle).
Deutsche Telekom AG	This should take into account the Block 2 recommendation where FRST will only be optional in the future.
German Banking Industry Committee (GBIC) on behalf of the German banking community and Deutsche Bundesbank.	GBIC supports the original change request (option b) under the following conditions: 1. In case that the Block 2 Change Request Sequence Type "FRST" is successful both Effectiveness Dates should be aligned. 2. If the Change Request will be accepted the EPC should check if mandate amendment indicator "SMNDA" is still required.
European Payment Institutions Federation (EPIF)	We also note that Block 2 change requests, if approved, would eliminate the use of FRST and RCUR and would remove this request, make it a 'redundant' request.
Italian banking association (ABI)	SDD Italian participants to the consultation disagree with SPS WG recommendation as the current SDD rulebook is a sufficient guidance. Specifically when a debtor changes its IBAN at the same PSP, the sequence type is indifferent (first or recurrent), whereas when a debtor changes its IBAN at another PSP, the sequence type is very important because another PSP must check the mandate. In case of a debtor changing its IBAN at another PSP, the Rulebook clarifies that the next collection has to be "First".
RXPAY (publisher of software for payment and banking exchanges)	be careful, there may be a conflict with items 33 , 45 , 50 , 62 and 87
UK Payments Council	No clear position. We are unclear as to how the Block 4 change fits with the Block 2 proposals, especially if a D-1 collection time (Block 1 proposal) is adopted. In addition, taking account of the move to IBAN only, we note that a change to the BIC may not be immediately obvious.
Insurance Europe	In our understanding this change is only valid on an interim basis until the complete elimination of sequence types (see Block 2). Should that be the case we support the proposal but prefer the complete elimination (unique time cycle).
EQUENS SE	EQUENS adheres to the opinion of the German banking community: GERMAN community: supports the original change request (option b) under the following conditions: 1. In case that the Block 2 Change Request Sequence Type "FRST" is successful both Effectiveness Dates should be aligned. 2. If the Change Request will be accepted the EPC should check if mandate amendment indicator "SMNDA" is still required.
Bank Association of Slovenia	We propose that frequency is not obligatory any more
AGES Maut System GmbH & Co. KG	As stated in the left columns, this is not really an amendment to the current Rulebooks. However, we understand that there have been severe and problematic issues where FRST-SDDs were rejected by Debtor banks when - from their point of view - only a change in the IBAN but not in the BIC has occurred and the bank did not require/expect the amendment indicator to be set and FRST to be in place. Given that most commentators and the SPS WG welcome making the sequence type optional, this amendment is superfluous.

Contributor	Comment Received
Ingenico	This suggestion goes in the direction of further simplification / consistence of the Scheme rules. However, linked to Block of suggestions n°2, this change request becomes voided in our opining as the ""First"" sequence type will most probably become optional.
Club SEPA (represents software providers and consultants involved in SEPA project in France) http://www.clubsepa.eu/les-membres-du-club/	Additional comments: The rule to apply must be clearly stated. In case of a change of IBAN, the Creditor will indicate in the amended collection with a sequence set at FIRST the original IBAN and the new IBAN. The Creditor bank will derive the BIC from the IBANs: it must be defined very clearly if the abbreviation SMNDA must be exchanged in interbank space and in consequence if SMNDA must be provided by the creditor to his bank. This means between banks the current rule only change regarding the collection sequence both on the creditor and the interbank spaces. Furthermore concerning the change of IBAN, it would be more convenient if all SEPA countries could use the CAI ¹⁷ protocol through acmt.022 to communicate any change of IBAN. At least, each stakeholder translates notion of BIC as he wants: either BIC 8 or BIC 11.
Dutch Association of Large Billers (Verenigde Groot Incassanten (VGI))	However it seems to be inconsistent to the changes which request for the optional usage of first and recurrent sequence types. See remark mentioned with change # 69
AITI - Italian Association of Corporate Treasurers	Since we prefer to have type sequence optional since November 2015 there is no need to amend the scheme. Cannot be part of the existing scheme – option e. In the light of future optionality of sequence types, in order to avoid further investments to be done by Corporates, no changes should be included for the usage of "First" even though the optionality will be effective later than 2015.
EACT - European Association of Corporate Treasurers	Since we prefer to have type sequence optional since November 2015 there is no need to amend the scheme. Cannot be part of the existing scheme – option e. In the light of future optionality of sequence types, in order to avoid further investments to be done by Corporates, no changes should be included for the usage of "First" even though the optionality will be effective later than 2015.
Citibank NA London branch	Agree to this as a more consistent approach IF BLOCK 2 does not proceed. However, this conflicts with the BLOCK 2 proposal supported by EPC/SPS to make FRST / RCUR interchangeable / FRST not mandatory. If FRST does not need to be used for the first collection in Business as usual flows, it should not need to be used for "change.
ASSET (Spanish Association of CFOs)	Option e - Should "First" be optional as proposed no change related to the sequence element is to be included meanwhile. No change should be included for the usage of "First" even though the optionality could be effective after 2015.

¹⁷ See clarification under footnote 3

4.51 # 84: Make AT-59 'category purpose of the collection' mandatory instead of optional

4.51.1 Description

This suggestion was made by the Portuguese banking community.

The proposal is to make the category purpose of the collection mandatory as it appears to help the Debtor Bank and the Creditor Bank to identify correctly the purpose of the SDD collection. It would improve collection market practices.

4.51.2 SPS WG analysis and recommendation

The SPS WG recommended not taking forward the suggestion for change (**option e**). Depending on the agreement between the Creditor and the Creditor Bank, the category purpose can be forwarded to the Debtor Bank and the Debtor. Reference is made to the rules applied in DS-04. Therefore the SPS WG recommended that this attribute remains optional.

4.51.3 Contributions and comments

The vast majority of EPC Scheme Participants via national banking communities and other contributors to the 2014 public consultation supported the SPS WG recommendation that this suggestion cannot be part of the Scheme. Therefore, this change suggestion has not been included in the SDD Core Rulebook version 8.0.

The following comments were received:

Contributor	Comment Received
Spanish banking community	option b
Portuguese banking community	The identification of payment reasons, thanks to the availability of specific data fields, allows on a very positive way to indicate collection types such as utilities, for example, allowing the banks to apply special processing rules.
UK Payments Council	At this point making the change mandatory would be premature. However, requests to report on the purpose of payment is a growing requirement and Payments Council feel that a watching brief should be maintained to assess any business issues that arise.

4.52 # 85: Extend the permitted timespan for presenting a SDD Core reversal from 5 business days to up to 8 weeks

4.52.1 Description

This suggestion was made by the Portuguese banking community.

The contributor suggests extending the permitted timespan for presenting a SDD Core reversal from currently five Bank Business Days to up to 8 weeks from the settlement date of the SDD collection.

The current period of time of five Bank Business Days is considered to be too short for the Creditor to notice that his instructions should not have been presented. When after the five Bank Business days the Creditor realizes that a collection should not have been processed, the Creditor must ask the Debtor to request an authorised refund, because he can no longer send a reversal.

4.52.2 SPS WG analysis and recommendation

The SPS WG recommended not taking forward the suggestion for change (**option e**).

The need to do a reversal is due to an error by the Creditor. Extending the timespan to eight weeks in which a reversal can be done will cause conflicts with other r-transaction types. It is expected that the Creditor rectifies its error as soon as possible. The Debtor can rely on the refund r-transaction to claim back the funds or the Creditor may agree with the Debtor to recover the funds outside of the scheme (e. g. by credit transfer).

4.52.3 Contributions and comments

The vast majority of EPC Scheme Participants via national banking communities and other contributors to the 2014 public consultation supported the SPS WG recommendation that this suggestion cannot be part of the Scheme. Therefore, this change suggestion has not been included in the SDD Core Rulebook version 8.0.

The following comments were received:

Contributor	Comment Received
Portuguese banking community	The Portuguese Banking Community sustains that the scheme should extend the timespan to 8 weeks. The actual timespan is seen as too short for Creditor action. A great advantage, noted by Creditors, in extending the time period for issuing a Reversal, is that being inside the scheme, it prevents erroneous Refund claims that sometimes appear when the funds are sent to the Debtor outside of the scheme (e. g. by credit transfer). As for conflicts with other R-transactions, at present day the Reversal has the same timespan of the Return and can also occur in the first five Bank Business days of a Refund period and there seems to be no conflict, as this R-transactions are mutual exclusive. So, we don't understand how extending the period of a Reversal can cause a conflict.
AGES Maut System GmbH & Co. KG	Eight weeks is very long! Let's start with the ten days mentioned in CR 47 from Spain in the first place.
Ingenico	In case of error, the creditor still has the possibility to issue a SCT
AITI - Italian Association of Corporate Treasurers	We support the original request since five days could not be sufficient to process the Creditor's internal procedures to initiate a reversal (see item 47). We suggest to incorporate it in the scheme (option b) since the experience brings to the conclusion that the process for the Creditor to start a reversal is often longer than 5 days.
EACT - European Association of Corporate Treasurers	We support the original request since five days could not be sufficient to process the Creditor's internal procedures to initiate a reversal (see item 47). We suggest to incorporate it in the scheme (option b) since

Contributor	Comment Received
	the experience brings to the conclusion that the process for the Creditor to start a reversal is often longer than 5 days.
Citibank NA London branch	Similar ask and rationale to item #47. This request is driven by commercial requirements, and allows for the creditor address their own error, rather than impose the process / action on the payer. However, the priority must be to address recurrent issues in the market where certain payer banks are unable to recognise or process reversals, and in consequence create duplicate r-messages (returns, refunds)
ASSET (Spanish Association of CFOs)	We support the original request since five days could not be sufficient to process the Creditor's internal procedures to initiate a reversal (see item 47).The experience in Spain takes as to the conclusion that ASAP is often longer than 5 days.

4.53 # 86: Allow a last collection (final) with a zero amount for mandate cancellation purposes

4.53.1 Description

This suggestion was made by the Portuguese banking community.

The proposal is to allow a last collection with a zero amount with the purpose to cancel a mandate that has generated a series of recurrent collections. It allows the Creditor to inform the Debtor, the Creditor Bank and the Debtor Bank about a mandate cancellation. In case of a mandate cancellation without any amount due for the Creditor to receive or for the Debtor to pay, currently the Creditor has no means of communicating this cancellation to the Debtor, the Creditor Bank and/or the Debtor Bank.

4.53.2 SPS WG analysis and recommendation

The SPS WG recommended not taking forward the suggestion for change (**option e**). For technical reasons, a SDD collection needs to have at least 1 eurocent as transaction amount. The SDD collection cannot be interpreted as a message.

4.53.3 Contributions and comments

The vast majority of EPC Scheme Participants via national banking communities and other contributors to the 2014 public consultation supported the SPS WG recommendation that this suggestion cannot be part of the Scheme. Therefore, this change suggestion has not been included in the SDD Core Rulebook version 8.0.

The following comments were received:

Contributor	Comment Received
Portuguese banking community	It allows a mandate cancellation when there is any amount due for the Creditor to receive or for the Debtor to pay. Currently the Creditor has no means of communicating this kind of cancellation inside the scheme to the Debtor, the Creditor Bank and/or the Debtor Bank. This would allow all involved parties (DB,CB,D,C) to take the necessary actions and even AOS, related to a mandate cancellation when there any amount due.
UK Payments Council	The UK Payments Council supports the SPS WG recommendation – Option E. We would like to flag that this may cause technical problems for many institutions.
EQUENS SE	Could be an interesting additional service for service providers. Option d.
AGES Maut System GmbH & Co. KG	Sequence types should be abolished completely and -when we are not mistaken- FNAL-SDDs will only exist under credit/deposit arrangements. IF a FNAL-DD is not sent - who cares?
Ingenico	There is no arm to the debtor or creditor is the mandate is not formally cancelled by then not used during 36 months.
Norwegian banking community	Scheme should be considered revised
Citibank NA London branch	Suggest sequence is clarified for FNAL / cancelled mandates (eg if mandate is cancelled, and an amount is owing, is collector allowed to generate a FNAL for that transaction).

4.54 # 87: Block 2 - Eliminate the rule of using the sequence type 'First' in a series of recurrent collections

4.54.1 Description

This suggestion was made by the Portuguese banking community.

The purpose of this suggestion is to eliminate the rule of using the sequence type 'First' in a series of recurrent collections. It is stated that the actual procedure is often seen as complex and subject to misinterpretation by both Creditors and Debtors, especially for cross border transactions whereby the first collection is rejected.

4.54.2 SPS WG analysis and recommendation

The SPS WG recommended that the suggestion should be incorporated into the Scheme (**option b**) with effective date in **November 2016**.

The SPS WG draws the attention to other change requests (see change requests with indication 'Block 2' i.e. the items # 33, 45, 50 and 62) suggesting either a simplification of the current range of sequence types, making certain sequence types optional or the elimination of a particular sequence type.

With regard to this specific block of change requests, the SPS WG recommended that the sequence type 'First' is no longer mandatory in the SDD Core and SDD B2B Rulebooks with an effective date in **November 2016**. This should allow all Scheme Participants and end-users of the two SDD Schemes sufficient time to prepare themselves for such change in November 2016 subject to support during this public consultation.

The respondent should indicate

1. If the respondent agrees that the sequence type 'First' should no longer be mandatory (Yes/No).
2. If answered with "Yes", does the respondent support the effective date of November 2016 (Yes/No)?
3. If answered with "No" on question 2, the respondent should indicate an alternative date (e.g., November 2015, November 2017 or later).

4.54.3 Contributions and comments

The vast majority of EPC Scheme Participants via national banking communities and other contributors agreed with the SPS WG recommendation to make the sequence type 'First' no longer mandatory. A majority of EPC Scheme Participants via national banking communities and other contributors supported the effective date of November 2016. Numerous contributors highlighted their preference for November 2015 as effective date. Taking into consideration the overall comments and the requirement to allow for sufficient time to implement this modification, it was resolved that the SDD Core Rulebook version 9.0 to take effect in November 2016 will be modified as follows:

The requirement to use the sequence type 'FRST' in a first of a recurrent series of Collections is no longer mandatory as of the effective date of November 2016 of the SEPA Core Direct Debit Rulebook version 9.0 (i.e. a first Collection can be identified in the same way as a subsequent Collection with the sequence type 'RCUR').

The following comments were received:

Contributor	Comment Received
STUZZA GmbH on behalf of the Austrian banking community	The Austrian Banking Community suggests to incorporate these change requests earlier in time - as of Nov. 2015.
Spanish banking community	Supports November 2015 instead of November 2016
Finnish banking community	Supports effective date of November 2016
Irish Payment Services Organisation	This is not an issue in Ireland and the existing sequence types are working well. This was an issue in the early part of migration but no

Contributor	Comment Received
	longer. Initial feedback from Creditors is that further IT development is unnecessary at this early stage.
Portuguese banking community	The Portuguese Banking Community supports the alternative date of November 2015.
French Banking Federation	<p>These requests are interesting and could make sense when the SEPA migration will totally be finished (including the niche products) and the SEPA payment systems more mature & stable.</p> <p>However it is necessary for the SPS WG as required, under the chapter 3.2.1 of the Internal Rules, to conduct research and carry out a cost-benefit analysis on the change accepted including developing a business case for approving these Change Requests.</p> <p>Moreover, the whole risk analysis on the debtor side has to be performed and approved by the consumer associations.</p> <p>As a consequence, the French banks will be ready to reopen the studies in 2016 which could lead to an implementation timeline not before the end of 2017 or 2018.</p>
Luxembourg Bankers' Association	Supports November 2016 - Details of what this means in practice need to be clearly defined as soon as possible
BITKOM e.V.	<p>It is very important to simplify the procedure. Therefore we support the recommendation of the EPC.</p> <p>The EPC should consider implementing the recommendation earlier than 2016.</p> <p>The simplification would save costs for both banks and corporates, therefore the sooner the implementation the better.</p>
Rewe Group	Definitely per Nov 2015 - and in a way so that the SeqTp is dropped completely or optional only
German Insurance Association (Gesamtverband der Deutschen Versicherungswirtschaft)	Please see comments on items 31, 49, 63 (: <i>We support a unique time cycle for all collections to simplify processes. D-1 is an adequate option. We support the earliest possible effective date.</i>)
Deutsche Telekom AG	<p>It is very important to simplify the procedure. Therefore we support the recommendation of the EPC.</p> <p>The EPC should consider implementing the recommendation earlier than 2016.</p> <p>The simplification would save costs for both banks and corporates, therefore the sooner the implementation the better.</p>
Dutch Payments Association (on behalf of Dutch banking community)	In favour of an operational starting date per November 2016 with important note: it must be sure that FRST-transaction may not be rejected
Febelfin (representing Belgian banking community)	<p>Timing: November 2016.</p> <p>If for some reason, this change is implemented but the change to Core D-1 is not implemented or only in a later stage, it is important to make sure that this change on sequence type implies that :</p> <ul style="list-style-type: none"> - using ""FIRST"" in the XML files is no longer mandatory - AND that everything can be sent at D-2. <p>(There is little added value of not having to mention ""FIRST"" if you still have to send a first transaction at J-5 and recurrent transactions at J-2)</p>
German Banking Industry Committee (GBIC) on behalf of the German banking	Answer to question 2: Yes; Answer to question 3: n/a

Contributor	Comment Received
community and Deutsche Bundesbank.	
European Payment Institutions Federation (EPIF)	Supports effective date of November 2016, not before 2016, There are material modifications for creditor and debtor PSP.
Seamless Remittance AB	2) Not supported, 3) November 2015
Italian banking association (ABI)	<p>The majority of the SDD Italian participants responding to the consultation agree with the CR/SPS recommendation.</p> <p>With regard to the questions n. 2 and n. 3, the majority of the respondents is in favour with the incorporation of the change request as of November 2016. Please note that a large minority of the respondents support the CR as of November 2015.</p>
UK Payments Council	<p>There was no consensus so the UK Payments Council is unable to endorse the SPS WG recommendation – Option B.</p> <p>It was noted that there appears to be considerable confusion in the market. UK Payments Council request that sequence types are clarified and simplified and not made optional.</p>
Insurance Europe	Please see comments on items 31, 49, 63
EQUENS SE	The introduction date November 2016 seems to be reasonable
Bank Association of Slovenia	Supports November 2016
AGES Maut System GmbH & Co. KG	<p>In respect to the BITKOM suggestion: If interpreted in the way ""MUST BE RCUR"" - we would reject the suggestion as it would inflict additional costs to the SEPA-Community. If interpreted in the way ""ALLOWED TO BE RCUR"" - we agree.</p> <p>There is no need in distinguishing various sequence-types, but sequence-types are an ongoing and prominent source for R-transactions against the will and intention of the debtor - inflicting substantial costs on companies and consumers, wasting resources needed elsewhere and thus spoiling the environment.</p> <p>+ YES ""FRST"" should no longer be mandatory</p> <p>+ NO, November 2016 is too late</p> <p>+ The earliest possible date should be chosen to speed up SEPA Core DDs</p>
Ingenico	<p>This is again an improvement simplifying the SDD rules. It is however a pity to implement this now, after the mandatory implementation of SDD. Now all solutions on the market, all creditors and banks have implemented the sequence type rules, and making it now optional, although simplifying the way the SDD works, will still provoke some issues for sure.</p> <p>November 2016 seems appropriate and manageable by all parties.</p>
Lithuanian SEPA Coordination Committee	<p>2. No.</p> <p>3. We would be in favour of implementation date later than Nov 2016.</p>
Norwegian banking community	Support the effective date of 2016
Danish Bankers Association	Same argumentation as for the changes to SDD Core timecycle
Handelsverband Deutschland (HDE)	<p>It is very important to simplify the procedure. Therefore we support the recommendation of the EPC.</p> <p>The EPC should consider implementing the recommendation earlier than 2016.</p>

Contributor	Comment Received
	The simplification would save costs for both banks and corporates, therefore the sooner the implementation the better.
Dutch Association of Large Billers (Verenigde Groot Incassanten (VGI))	2. Yes. This Change is interpreted as making the sequence type "first" as the optional one. (e.g. all SDD transactions can be sent in using the sequence type "recurrent") This approach is not consistent with change # 26. (present a SDD after a changed IBAN as a first)
AITI - Italian Association of Corporate Treasurers	We prefer to have an early adoption in November 2015
Nordea Banking Group	Same argumentation as for the changes to timecycle above
EACT - European Association of Corporate Treasurers	We prefer to have an early adoption in November 2015
Citibank NA London branch	November 2016
ASSET (Spanish Association of CFOs)	Not agreed - Spanish Banking Community will support it in November 2015
InterCard Germany	We support the positions of BITKOM and the Spanish banking Community, at least the EPC SPS WG recommendation should be implemented.

4.55 # 88: Removal of SDD Mandate illustration in DS-01 The Mandate

4.55.1 Description

This suggestion was made by the SPS WG.

Both SDD Rulebooks contain an illustration of the SDD Mandate in section 4.7.2. (DS-01 The Mandate). The EPC has also made available on the EPC website the document ‘Guidelines for the appearance of Mandates’ (EPC392-08).

As section 4.7.2 in both SDD Scheme Rulebooks specifies that the SDD Schemes do not standardise the format of the Mandate, it is suggested to take the concerned SDD mandate illustrations out of the two SDD Rulebooks and to include them in the document EPC392-08.

A single document that covers both guidelines for SDD Mandate appearances and SDD Mandate illustrations whereby this document is separated from the SDD Rulebooks, puts the EPC in a better position to publish updated guidelines and/or new mandate illustrations at any moment than through updated SDD Rulebooks which have to follow a strict change management process.

This document will be taken up in the reference list of Section 0.1 of the SDD Rulebook.

4.55.2 SPS WG analysis and recommendation

The SPS WG suggested incorporating the suggestion into the Scheme (**option b**).

4.55.3 Contributions and comments

The vast majority of EPC Scheme Participants via national banking communities and other contributors to the 2014 public consultation supported the SPS WG recommendation that this suggestion can be part of the Scheme. Therefore, this change suggestion has been included in the SDD Core Rulebook version 8.0.

The following comments were received:

Contributor	Comment Received
Italian banking association (ABI)	Please note that some banks with a low rate of payment volume consider very useful to keep the SDD Mandate illustration into the Rulebook.
UK Payments Council	However, it would be useful to add sample B2B mandates in the document EPC392-08 ‘Guidelines for the appearance of Mandates’. It only contains sample Core mandates at the moment.
AGES Maut System GmbH & Co. KG	The guidelines for the appearance of mandates need to be thoroughly reviewed as they are not helpful at all. Simply adding documents to it only worsens it.
Citibank NA London branch	Agree to this IF a separate document is published with guidelines and sample mandates / illustrations. this should not be removed without replacing it with specific guidelines, and including reference to those guidelines in the Rulebook

4.56 # 89: Extension of mandate amendment combinations in AT-24 ‘The Reason for Amendment of the Mandate’

4.56.1 Description

This suggestion was made by the SPS WG.

The SDD Rulebook describes under section 4.6.2 the process steps for a mandate amendment. Attribute AT-24 gives the Creditor and/or the Debtor the possibility to report a number of mandate amendment reasons:

The attribute AT-24 currently permits only a combined amendment for AT-01 (the Creditor defining a new unique Mandate reference) with AT-02 (new Creditor Identifier Information).

However, in reality Creditors can take over customer portfolios and related mandates whereby just the attributes AT-02 and AT-03 (The Name of the Creditor) have to be amended. Simultaneous changes may also occur for AT-01, AT-02 and AT-03 combined.

The suggestion is to extend the combination of possible mandate amendments under AT-24:

- Change of AT-01 (the Creditor defining a new unique Mandate reference)
- Change of AT-02 (new Creditor Identifier Information)
- Change of AT-03 (The Name of the Creditor)
- Change 1 of AT-07 (the Debtor specifying another account to be debited in the same bank)
- Change 2 of AT-07 (the Debtor specifying another account to be debited in another bank)
- *Change of a combination between the attributes AT-01, AT-02 and/or AT-03 ~~Change of AT-01 and change of AT-02~~*

4.56.2 SPS WG analysis and recommendation

The SPS WG suggested incorporating the suggestion into the Scheme (**option b**).

This change will allow Creditors to send more combinations of mandate amendment reasons in just one SDD message.

4.56.3 Contributions and comments

The vast majority of EPC Scheme Participants via national banking communities and other contributors to the 2014 public consultation supported the SPS WG recommendation that this suggestion can be part of the Scheme. Therefore, this change suggestion has been included in the SDD Core Rulebook version 8.0.

The following comments were received:

Contributor	Comment Received
German Insurance Association (Gesamtverband der Deutschen Versicherungswirtschaft)	An extension of mandate amendment combinations is not necessary in practice and makes processes more complex. Instead we prefer a simplification of processes.
Insurance Europe	An extension of mandate amendment combinations is not necessary in practice and makes processes more complex. Instead we prefer a simplification of processes.
AGES Maut System GmbH & Co. KG	Amendment information -especially under CORE SDD- are a complete waste of time, invented by software engineers who want to sell their products on an over-complex SEPA. The EPC should refrain from such temptations.

4.57 # 90: Representation of a first collection after being returned

4.57.1 Description

This suggestion was made by the SPS WG.

The SDD Rulebook describes in process step PT-04.08 ‘Debtor Bank Sends Rejected Collections back to the CSM’ that when a first of a recurrent series of direct debit collections is **rejected**, the collection, when represented after correction, must be presented as a **first** of a recurrent series of direct debits respecting the longer time-line for these collections.

However the SDD Rulebook appears not to explicitly specify how a collection needs to be represented when it has been the **first** of a recurrent series of direct debit collections and had been **returned**.

The suggestion is to add the following sentence in process step PT-04.10 ‘Debtor Bank Sends Returned Collection Back to the CSM’:

‘...The Debtor Bank sends the returned Collection back to the CSM. When a returned Collection is a first of a recurrent series of direct debits, the Collection, when represented after correction, must be presented as a recurrent Collection.’

The aim of this extra sentence is to clearly prescribe how a first collection that has been returned, needs to be represented after correction.

4.57.2 SPS WG analysis and recommendation

The SPS WG recommended that the suggestion should be incorporated into the Scheme (**option b**).

4.57.3 Contributions and comments

Views among contributors to the 2014 public consultation representing both the demand and supply sides were mixed. However, in consideration of the overall comments from a majority of EPC Scheme Participants via national banking communities and other contributors received, it was concluded that this suggestion cannot be part of the Scheme. Therefore, this change suggestion has not been included in the SDD Core Rulebook version 8.0.

The following comments were received:

Contributor	Comment Received
STUZZA GmbH on behalf of the Austrian banking community	Not necessary when change requests 33, 45, 50, 62, 87 will be incorporated as of Nov. 2015, respectively 2016. There is no need for transitional arrangements.
Spanish banking community	Option e -Should "First" be optional as proposed no change related to the sequence element is to be included meanwhile. No change should be included for the usage of "First" even though the optionality could be effective after 2015.
Finnish banking community	No, it requires changes in the bank. The request becomes obsolete in 2016.
Rewe Group	drop the SeqTp and the problem is gone
German Banking Industry Committee (GBIC) on behalf of the German banking community and Deutsche Bundesbank.	GBIC supports the original change request (option b) under the following condition: In case that the Block 2 Change Request Sequence Type "FRST" is successful both Effectiveness Dates should be aligned.
Italian banking association (ABI)	Please note that if the difference between ""First"" and ""recurrent"" sequence type is removed (as SDD Italian respondents suggest) this change request is no longer relevant.

Contributor	Comment Received
RXPAY (publisher of software for payment and banking exchanges)	Be careful, there may be a conflict with items 33 , 45 , 50 , 62 and 87
UK Payments Council	The UK Payments Council supports the SPS WG recommendation - Option B. However, this is dependent on how the changes relating to sequence type of Direct Debits is introduced. If these are implemented then this change could be removed.
AGES Maut System GmbH & Co. KG	This only applies to CORE DDs - under B2B-SDDs this will not work. Obviously also under CORE the best way would be to make the sequence type optional and to completely disregard any entry.
Club SEPA (represents software providers and consultants involved in SEPA project in France) http://www.clubsepa.eu/les-membres-du-club/	Additional comment: To be able to represent a first collection, it is necessary for the Creditor to identify if the collection was Rejected or Returned. There are today different ways to do so depending from one bank to another. In order to avoid mini SEPAs, it is suggested that EPC defines a unique way to distinguish. Specific domestic codes should not be allowed in a SEPA message.
Dutch Association of Large Billers (Verenigde Groot Incassanten (VGI))	Seems to be inconsistent to the changes which request for the optional usage of first and recurrent sequence types. See remark mentioned with change # 69.
AITI - Italian Association of Corporate Treasurers	Since we prefer to have type sequence optional since November 2015 there is no need to amend the scheme. Cannot be part of the existing scheme – option e. Considering future optionality of sequence types no change should be included for the usage of "First" even though the optionality will be effective later than 2015.
EACT - European Association of Corporate Treasurers	Since we prefer to have type sequence optional since November 2015 there is no need to amend the scheme. Cannot be part of the existing scheme – option e. Considering future optionality of sequence types no change should be included for the usage of "First" even though the optionality will be effective later than 2015.
Citibank NA London branch	Conflicts with objective/ design of Block 2 items. Please ensure consistent approach with FRST/RCUR (either FRST is no longer needed anywhere, or it is used consistently). If FRST is to continue to be mandatory for first collections then agree with this update.
ASSET (Spanish Association of CFOs)	Option e -Should "First" be optional as proposed no change related to the sequence element is to be included meanwhile. No change should be included for the usage of "First" even though the optionality could be effective after 2015.



5 Changes pertaining to the impact of the SEPA Regulation or of any other EU Legislation

As the EPC is under the legal obligation to ensure compliance of the rulebooks with the SEPA Regulation or of any other EU legislation, proposed changes to the rulebooks under this section are not subject to public consultation. They are included in this document for information but the contributors to this public consultation are welcome to comment on these changes.

For this release management cycle, no changes were deemed required.

Annex I

Responses were received from the following contributors.

Input from:	List of contributors
<p>Banking communities or individual banks</p>	<ol style="list-style-type: none"> 1. Bank Association of Slovenia 2. Citibank NA London branch 3. Danish Bankers Association 4. Dutch Payments Association (on behalf of Dutch banking community) 5. European Payment Institutions Federation (EPIF) 6. Febelfin (representing Belgian banking community) 7. Finnish banking community 8. French Banking Federation 9. German Banking Industry Committee (GBIC) on behalf of the German banking community and Deutsche Bundesbank. 10. Irish Payment Services Organization 11. Italian banking association (ABI) 12. Luxembourg Bankers' Association 13. Nordea Banking Group 14. Norwegian banking community 15. Portuguese banking community 16. Spanish banking community 17. STUZZA GmbH on behalf of the Austrian banking community 18. UK Payments Council

Input from:	List of contributors
<p>Other stakeholders</p>	<ol style="list-style-type: none"> 1. AGES Maut System GmbH & Co. KG 2. AITI - Italian Association of Corporate Treasurers 3. Ärzte ohne Grenzen Austria 4. Ärzte ohne Grenzen e.V. Germany 5. Asociación Española de l'Economía Digital (Adigital) 6. ASSET (Spanish Association of CFOs) 7. Association of German Chambers of Commerce and Industry (DIHK) 8. BITKOM e.V. 9. Club SEPA (represents software providers and consultants involved in SEPA project in France) 10. Coalition for Electronic SDD Mandates (Germany) 11. Deutsche Telekom AG 12. Dutch Association of Large Billers (Verenigde Groot Incassanten (VGI) 13. EACT - European Association of Corporate Treasurers 14. EQUENS SE 15. European Digital Media Association (EDiMA) 16. European Fundraising Association 17. European Multi channel and Online Trade Association (EMOTA) 18. Federation of European Direct and Interactive Marketing (FEDMA) 19. Fundraising Verband Austria 20. German Insurance Association (Gesamtverband der Deutschen Versicherungswirtschaft) 21. Handelsverband Deutschland (HDE) 22. Ingenico 23. Insurance Europe 24. Insurance Ireland 25. InterCard Germany 26. Lithuanian SEPA Coordination Committee 27. Rewe Group 28. RXPAY (publisher of software for payment and banking exchanges) 29. Seamless Remittance AB 30. Shahid Ali 31. Slovenian association for development of non-profit organisations