



Report on Public Consultation 2014 – SEPA Direct Debit Business-to-Business (B2B)

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 B2B Rulebook to take effect in November 2015.
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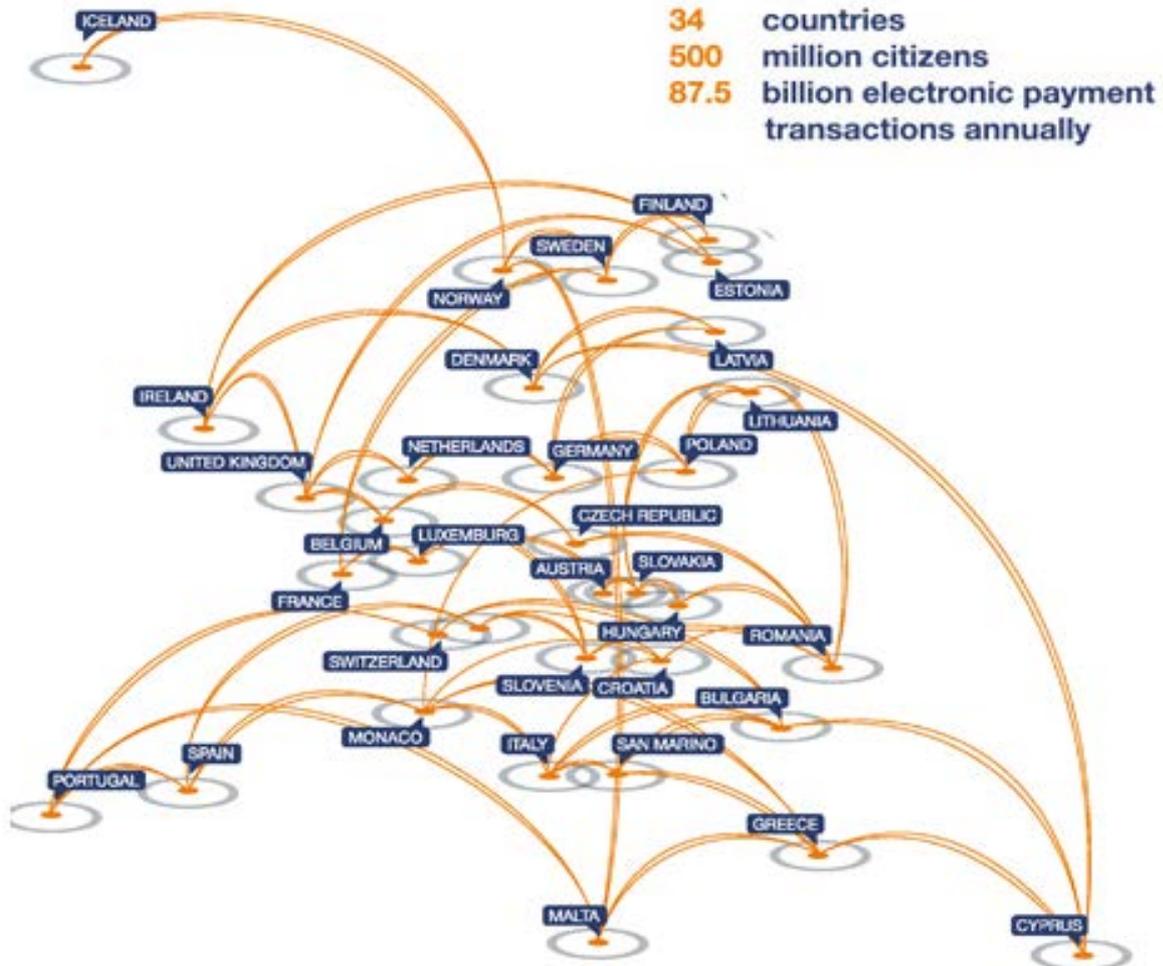
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Contents

Report on Public Consultation 2014 – SEPA Direct Debit Business-to-Business (B2B).....	1
1 Foreword: The Principles of SEPA Scheme Development.....	6
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)	6
1.2 SEPA payment scheme development: EPC scheme change management.....	7
2 Executive Summary	8
3 Overview of change requests submitted for public consultation in 2014	9
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:.....	9
3.2 Summary of Suggestions for Change and the proposed way forward as submitted for public consultation	10
3.3 Summary of changes which will be included in the next version of the SDD B2B Rulebook to align the rulebook with the SEPA Regulation or with any other relevant EU legislation (e.g., PSD).....	13
3.4 Contributors to the public consultation	13
4 Results in detail.....	14
4.1 # 13: Inclusion of new reason 'Unable to obtain debit authorization from Debtor' in attribute AT-R3 – 'The Reason Code for Non-Acceptance'	14
4.2 # 16: Block 4 - IBAN change by debtor - next recurrent SDD collection under an existing mandate to be presented as a First.....	18
4.3 # 17: Making storage location for additional customer-to-customer information available outside the payment transaction	21
4.4 # 18: Corrections on the definition of 'refusal by the Debtor'	25
4.5 # 22: End-to-End (E2E) identification optional instead of mandatory in C2B and Interbank Implementation Guidelines	26
4.6 # 24: Block 2 - Make sequence type FRST optional instead of mandatory	28
4.7 # 25: Deletion of all Creditor related reasons from attribute AT-24 ('Reason for amendment of the mandate')	32
4.8 # 26: Block 4 - Debtor amends IBAN on mandate - next recurrent SDD collection under an existing mandate to be presented as a First.....	34
4.9 # 27: Extra reasoncodes for white/blacklisting and other Debtor-driven reasons in AT-R3 'The Reason Code for Non-Acceptance'	37
4.10 # 28: This suggestion has been withdrawn by the contributor.....	39
4.11 # 29: Wording change on 'form of mandate' in section 5.7 "Obligations of a Creditor Bank"	40
4.12 # 30: Removal references to 'qualified electronic signature' in section 4.1 "The Mandate" and section 7 "Definitions"	41
4.13 # 38: Make pre-notification more convenient and optional	44
4.14 # 39: The unique mandate reference (AT-01) to become space insensitive	47
4.15 # 40: Clarifications for the use of the SDD collection sequence type and of the amendment indicator-49	49
4.16 # 41: Harmonising pain format in the customer-to-bank (C2B) xml interfaces	51
4.17 # 42: Block 3 - Adapt section 4.1 (The Mandate) of the SDD B2B Rulebook to the contents EPC clarification letter on electronic mandates (Letter EPC098-13).....	55
4.18 # 44: Block 3 - Mandate methods not restricted to paper mandate & EPC e-Mandate	58
4.19 # 45: Block 2 - Turn the current SDD sequence types into optional data sequence types	61
4.20 # 46: Extend SDD B2B collection return period to 3 Interbank Business Days.....	65
4.21 # 48: Block 3 - Mandate methods not restricted to paper mandate & EPC e-Mandate	68
4.22 # 50: Block 2 - Simplification of the mandate life cycle and collection sequence type	71
4.23 # 51: This suggestion has been withdrawn by the contributor	75
4.24 # 52: Block 3 - Mandate methods not restricted to paper mandate & EPC e-Mandate	76

4.25	# 54: Mandate methods not restricted to paper mandate & EPC e-Mandate	79
4.26	# 64: Make fields “Creditor Reference Party” and “Debtor Reference Party” more visible.....	82
4.27	# 65: Simplification of r-transaction codes and harmonization in their use.....	84
4.28	# 66: Add clarification on the use of attribute AT-25 (date of signing the Mandate).....	86
4.29	# 69: Create a specific reason code to highlight sequence error in SDD	87
4.30	# 71: Update of the Rulebook section 5.4 ‘Eligibility for Participation’	88
4.31	# 72: Block 3 - Mandate methods not restricted to paper mandate & EPC e-Mandate	89
4.32	# 74: Extend SDD B2B collection return period to 3 Interbank Business Days.....	92
4.33	# 75: Simplify the use of a shorter timeline for sending a pre-notification.....	95
4.34	# 76: Block 3 - Mandate methods not restricted to paper mandate & EPC e-Mandate	97
4.35	# 79: Block 4 - IBAN change by Debtor - next recurrent SDD collection under an existing mandate to be presented as a First	100
4.36	# 84: Make AT-59 'category purpose of the collection' mandatory instead of optional	103
4.37	# 86: Allow a last collection (final) with a zero amount for mandate cancellation purposes	104
4.38	# 88: Removal of SDD Mandate illustration in DS-01The Mandate	105
4.39	# 89: Extension of mandate amendment combinations in AT-24 ‘The Reason for Amendment of the Mandate’	106
4.40	# 90: Representation of a first collection after being returned.....	107
5	Changes pertaining to the impact of the SEPA Regulation or of any other EU Legislation.....	110
Annex I	111

1 Foreword: The Principles of SEPA Scheme Development

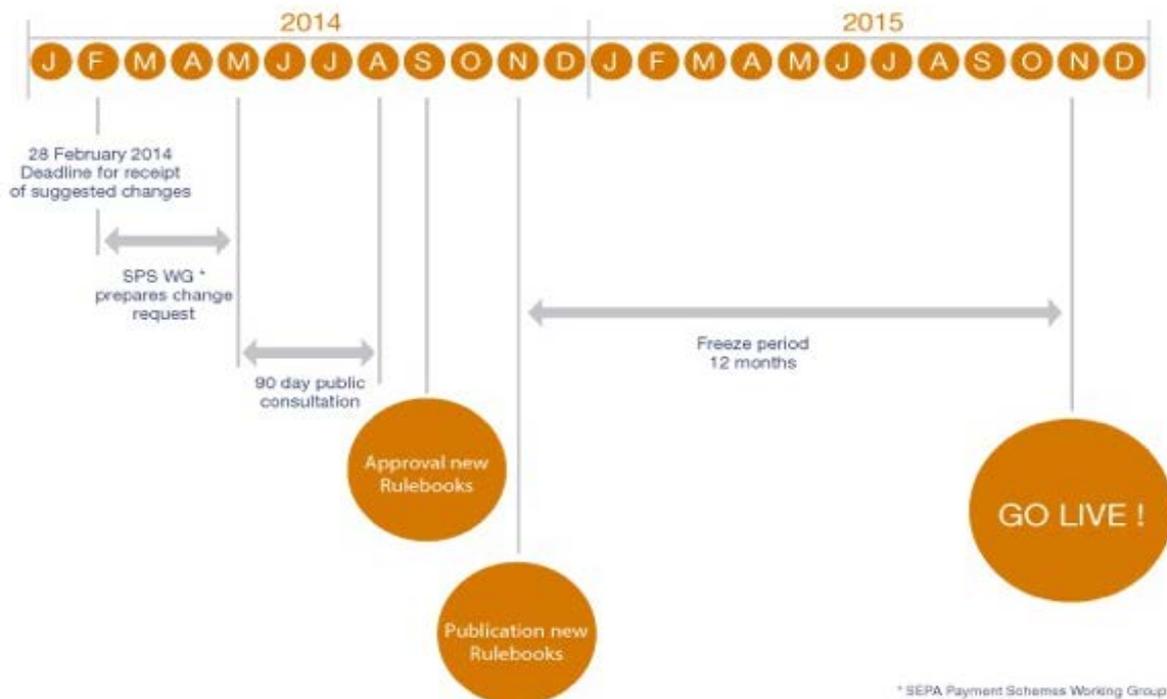
The Single Euro Payments Area (SEPA) payment schemes, as set out in the SEPA Credit Transfer (SCT) and SEPA Direct Debit (SDD) Rulebooks, evolve based on a transparent change management process adhered to by the European Payments Council (EPC). This evolution reflects changes in market needs and updates 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 B2B 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 B2B Rulebook Change Request Consultation Document (EPC099-14) and the Response Template (EPC110-14) available on the [EPC Website](#). This report (EPC188-14) contains the feedback received on the change requests submitted for public consultation.

As a result of this public consultation, the SDD B2B Rulebook version 6.0 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’ with a rewording in the description of attribute AT-R3 ‘The Reason Code for Non-Acceptance’.
- 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’
- Extend the explanation of reason code MD01 to “No Mandate or unable to obtain mandate confirmation from Debtor”

Furthermore, the SDD B2B Rulebook version 6.0 includes in the relevant Rulebook sections the announcement that the current 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 in November 2016 of the Rulebook version 7.0 (i.e. a first Collection can be identified in the same way as a subsequent Collection with the sequence type ‘RCUR’).

This change does not impact the creditors as they can continue providing the sequence type ‘FRST’ as implemented in their existing SDD B2B 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.
13	Inclusion of new reason 'Unable to obtain debit authorization from Debtor' in attribute AT-R3 – 'The Reason Code for Non-Acceptance'	Spanish banking community	Should be incorporated into the scheme - option b
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
22	End-to-End (E2E) identification optional instead of mandatory in C2B and Interbank Implementation Guidelines	Betalvereniging Nederland	Cannot be part of the existing scheme – option e
24	Block 2 - Make sequence type FRST optional instead of mandatory	Betalvereniging Nederland	Should be incorporated into the scheme as of Nov 2016 - option b
25	Deletion of all Creditor related reasons from attribute AT-24 ('Reason for amendment of the mandate')	Betalvereniging 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	Betalvereniging 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'	Betalvereniging 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.
38	Make pre-notification more convenient and optional	BITKOM	Cannot be part of the existing scheme – option e
39	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
40	Clarifications/guidance for the use of the SDD collection sequence type and the amendment indicator	BITKOM	Cannot be part of the existing scheme – option e
41	Harmonising pain format in the customer-to-bank (C2B) xml interfaces	BITKOM	No SPS WG recommendation defined
42	Block 3 - Adapt section 4.1 (The Mandate) of the SDD B2B 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
46	Extend SDD B2B collection return period to 3 Interbank Business Days	Spanish banking community	No SPS WG recommendation defined
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
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		
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
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

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
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
74	Extend SDD B2B collection return period to 3 Interbank Business Days	German Banking Industry Committee	No SPS WG recommendation defined
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
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
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
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 B2B 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 17 banks or banking communities and 16 other stakeholders.

The list of contributors can be found in Annex I.

4 Results in detail

4.1 # 13: Inclusion of new reason 'Unable to obtain debit authorization from Debtor' in attribute AT-R3 – 'The Reason Code for Non-Acceptance'

4.1.1 Description

This suggestion was made by the Spanish banking community.

It is proposed to include the following new reject/return reason in the attribute AT-R3 – The Reason Code for Non-Acceptance (Reject or Return): 'Unable to obtain debit authorization from Debtor'.

For SDD B2B, the Debtor must provide an authorization in order that the SDD B2B collection can eventually be executed. Sometimes, the Debtor Bank is not able to locate the Debtor in the short period of time determined in the SDD Rulebook and the collection is rejected or returned.

Currently, there appears to be no specific reject/return reason indicating that the Debtor Bank was unable to obtain debit authorization from the Debtor. This new code would clarify the reason for reject/ return and avoid the use of other codes that may not correspond.

4.1.2 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 proposes to extend the explanation of reason code MD01 to "No Mandate or unable to obtain debit authorization from Debtor".

4.1.3 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, the extension of the reason code description has been included in the SDD B2B Rulebook version 6.0 in accordance with the guidance document on SDD R-transaction reason codes (EPC173-14).

The following comments were received:

Contributor	Comment Received
STUZZA GmbH on behalf of the Austrian Banking Community	The reason code "No Mandate" already includes that Debtor Bank was not able to obtain debit authorisation from the debtor.
French Banking Federation	Nevertheless, as questioning the debtor upon receipt of the SDD transaction is not mandated by the scheme, such reason can only apply when the debtor bank performs a questioning service. This should be reflected in AT-R3 where 'Unable to obtain debit authorization from Debtor' should be completed as follows 'Unable to obtain debit authorization from Debtor (if the debtor bank performs such service. If not, the reason 'No Mandate' is to be used)
BITKOM e.V.	If a SDD-B2B is received by the debtor's bank there are basically 4 situations possible: 1. The debtor presents a copy of the mandate to his bank and the direct debit is accepted. 2. The debtor did not present a copy of the mandate to his bank. The debtor was contacted, he agreed and the direct debit is accepted. 3. There is no corresponding mandate, the debtor was contacted, he refused, and the direct debit is rejected with MD01. The creditor will check his books and presumably start a dunning procedure to get his money based on MD01. 4. There is no corresponding mandate, the debtor cannot be reached

Contributor	Comment Received
	<p>by debtor's bank (perhaps because absent for few days), and now the situation is unclear for the bank. With the current reason codes the bank must reject via MD01, but with this MD01 a good business relationship between creditor and debtor may be disturbed. The better way is to forward the unclear situation incl. decision to the creditor with a new reason code "unable to obtain authorization", so the creditor can decide the next steps: friendly reminder or dunning procedure.</p> <p>Should be incorporated into the scheme - option b</p>
<p>Deutsche Telekom AG</p>	<p>If a SDD-B2B is received by the debtor's bank there are basically 4 situations possible:</p> <ol style="list-style-type: none"> 1. The debtor presents a copy of the mandate to his bank and the direct debit is accepted. 2. The debtor did not present a copy of the mandate to his bank. The debtor was contacted, he agreed and the direct debit is accepted. 3. There is no corresponding mandate, the debtor was contacted, he refused, and the direct debit is rejected with MD01. The creditor will check his books and presumably start a dunning procedure to get his money based on MD01. 4. There is no corresponding mandate, the debtor cannot be reached by debtor's bank (perhaps because absent for few days), and now the situation is unclear for the bank. With the current reason codes the bank must reject via MD01, but with this MD01 a good business relationship between creditor and debtor may be disturbed. The better way is to forward the unclear situation incl. decision to the creditor with a new reason code "unable to obtain authorization", so the creditor can decide the next steps: friendly reminder or dunning procedure. <p>Should be incorporated into the scheme - option b</p>
<p>Febelfin (representing Belgian banking community)</p>	<p>No, see EPC document on reason codes</p>
<p>German Banking Industry Committee (GBIC) on behalf of the German banking community and Deutsche Bundesbank.</p>	<p>EPC should review the rule regarding possible representment of a collection when extending the definition of the reason code description.</p>
<p>Italian Banking Association (ABI)</p>	<p>The majority of the SDD B2B Italian participants disagree with SPS WG recommendation as the reason code MD01 is too general and they suggest to define a specific reason code.</p> <p>A significant minority of the SDD Italian participant agree with SPS WG recommendation.</p>
<p>RXPAY (publisher of software for payment and banking exchanges)</p>	<p>But watch part of privacy protection in some SEPA countries.</p>
<p>EQUENS SE</p>	<p>Equens doesn't see any reason for an additional reason code</p>
<p>Asociación Española de la Economía Digital (Adigital)</p>	<p>More Clarity and granularity on response codes are needed in general, so any approach to accomplish that is welcome.</p>
<p>AGES Maut System GmbH & Co. KG</p>	<p>This unpleasantly reminds me of a conversation I had with a lady from one of the largest (<i>Nationality of the Bank deleted by EPC</i>)</p>

Contributor	Comment Received
	<p>banks (I think it was <i>Name deleted by EPC</i>) during a conference in London in April 2013:</p> <p>She honestly wanted to ask the client for a debit authorisation for each and every SDD claiming this was Spanish banking practice. I asked her whether she meant ""mandate"" instead of ""direct debit"" but she insisted she really meant each SDD!!!!!! and that her bank planned to return any SDD unpaid in case the debtor did not come up with such authorisation immediately - thus completely perverting the SDD-B2B idea!</p> <p>Even if this CR was presented by <i>Name deleted by EPC</i> and not by <i>Name deleted by EPC</i>, the reasoning is exactly the same and should be resolutely rejected. Additionally, the reasoning of the officer of <i>Name deleted by EPC</i> for the CR trying to increase the rejection period from two to three working days also points in the same direction.</p> <p>Please note that we do not oppose to value added services of B2B-debtor banks towards their clients, giving them an extra-day to send a blockage of the direct debit. But it has to be absolutely clear that in case 1) such a blockage is not given by the debtor, 2) that there is no other restriction and 3) funds are available in the account, the debtor bank is supposed if not obliged to honour the SDD. Otherwise, this would no longer be a direct debit but an indirect debit.</p> <p>As we already do have the reason code ""no mandate"" - this is perfectly sufficient for the bank to indicate it has not been sufficiently authorised.</p> <p>After a mandate has been so established there is no need to ask the client for an authorisation for each SDD!</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>By adding such reason under the code MD01 for B2B, it will be clearer for creditor to activate an action with the debtor.</p>
<p>Handelsverband Deutschland (HDE)</p>	<p>If a SDD-B2B is received by the debtor's bank there are basically 4 situations possible:</p> <ol style="list-style-type: none"> 1. The debtor presents a copy of the mandate to his bank and the direct debit is accepted. 2. The debtor did not present a copy of the mandate to his bank. The debtor was contacted, he agreed and the direct debit is accepted. 3. There is no corresponding mandate, the debtor was contacted, he refused, and the direct debit is rejected with MD01. The creditor will check his books and presumably start a dunning procedure to get his money based on MD01. 4. There is no corresponding mandate, the debtor cannot be reached by debtor's bank (perhaps because absent for few days), and now the situation is unclear for the bank. With the current reason codes the

Contributor	Comment Received
	<p>bank must reject via MD01, but with this MD01 a good business relationship between creditor and debtor may be disturbed. The better way is to forward the unclear situation incl. decision to the creditor with a new reason code "unable to obtain authorization", so the creditor can decide the next steps: friendly reminder or dunning procedure.</p> <p>Should be incorporated into the scheme - option b</p>
<p>Dutch Association of Large Billers (Verenigde Groot Incassanten (VGI))</p>	<p>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.</p>

4.2 # 16: Block 4 - IBAN change by debtor - next recurrent SDD collection under an existing mandate to be presented as a First

4.2.1 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.

4.2.2 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.

4.2.3 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 B2B Rulebook version 6.0.

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.
Rewe Group	Due to item 45 ff. this doesn't make any sense
Deutsche Telekom AG	Needs to ensure that this is in line with the Block 2 recommendation by which the sequence "FRST" is no longer mandatory.
German Banking Industry Committee (GBIC) on behalf of the German banking	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

Contributor	Comment Received
community and Deutsche Bundesbank.	be aligned. 2. If the Change Request will be accepted the EPC should check if mandate amendment indicator "SMNDA" is still required.
Italian Banking Association (ABI)	SDD B2B Italian participants to the consultation disagree with SPS WG recommendation as the current SDD rulebooks 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 and create a database. In case of a debtor changes its IBAN at another PSP, the Rulebook clarifies that the next collection has to be First. Just two minor banks agree with the SPS working group recommendation.
RXPAY (publisher of software for payment and banking exchanges)	Be careful, there may be a conflict with item 24
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.
AGES Maut System GmbH & Co. KG	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.
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.
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.
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

Contributor	Comment Received
	<p>would be more convenient if all SEPA countries could use the CAI 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>AITI - Italian Association of Corporate Treasurers</p>	<p>Compatibility with change request regarding optionality of sequence type FIRST should be carefully evaluated. 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.</p> <p>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>Compatibility with change request regarding optionality of sequence type FIRST should be carefully evaluated. 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 1 does not proceed. However, this conflicts with the BLOCK 1 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"</p>
<p>ASSET (Spanish Association of CFOs)</p>	<p>Compatibility with change request regarding optionality of sequence type FIRST should be carefully evaluated. 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>

4.3 # 17: Making storage location for additional customer-to-customer information available outside the payment transaction

4.3.1 Description

This suggestion was made by the SPS WG.

The current SDD B2B 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 B2B collection message. The payment 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 B2B 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 B2B 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 B2B 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.

4.3.2 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**.

4.3.3 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 B2B Rulebook version 6.0.

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.
French Banking Federation	Option e
BITKOM e.V.	The change request should not be implemented on legal grounds and because of high costs.

Contributor	Comment Received
	<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. 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>
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. 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>
Dutch Payments Association (on behalf of Dutch banking community)	<p>DO NOT include as optional feature.</p> <p>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>
Italian Banking Association (ABI)	<p>The large majority of the SDD B2B Italian participants responding to the consultation disagree with SPS WG recommendation as the CR has a technical interbank impact against a low market demand.</p>
UK Payments Council	<p>The UK Payments Council supports the SPS WG recommendation - Option C.</p>

Contributor	Comment Received
	This is subject to the EPC ensuring compliance with relevant legislation in this area e.g. FATF Recommendation 16/the Funds Transfer Regulation.
AGES Maut System GmbH & Co. KG	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. Cannot be part of the existing scheme – option e
Club SEPA (represents software providers and consultants involved in SEPA project in France) http://www.clubsepa.eu/les-membres-du-club/	additional comment : It would be very important to specify how to carry these additional customer-to-customer information outside the SDD collection (format, characteres,...) if the fields used are optional, the documentation will have to express clearly the mandatory aspect for carrying such information between banks towards debtors.
BSK - Bankenes Standardiseringskontor, Norway	Use of optional fields should be harmonised for SCT and SDD
Danish Bankers Association	We strongly believe in the solution in order to be forward looking and accommodate the needs of customers. 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.
Handelsverband Deutschland (HDE)	The change request should not be implemented on legal grounds and because of high costs. The remittance information in a payment message turns up as the text on the account statement. 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... 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. Cannot be part of the existing scheme – option e
AITI - Italian Association of Corporate Treasurers	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

Contributor	Comment Received
	<p>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>
Nordea Banking Group	<p>We strongly believe in the solution in order to be forward looking and accommodate the needs of customers. 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>
EACT - European Association of Corporate Treasurers	<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>
Citibank NA London Branch	<p>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.</p>

4.4 # 18: Corrections on the definition of 'refusal by the Debtor'

4.4.1 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.

4.4.2 SPS WG analysis and recommendation

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

4.4.3 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 B2B Rulebook version 6.0.

The following comments were received:

Contributor	Comment Received
Italian Banking Association (ABI)	SDD Italian participants responding to the consultation agree with SPS WG recommendation. Please note that one bank with a significant % of payment volume disagree with SPS WG recommendation as the correction is considered superfluous.
Dutch Association of Large Billers (Verenigde Groot Incassanten (VGI))	Please provide for maximum usage of a standard and let the debtor bank always apply the r code which is communicated to the creditor.

4.5 # 22: 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 B2B Rulebook version 6.0.

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.
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.
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-



Contributor	Comment Received
	messages): the issue is with "Not provided" as non-unique input in this supposedly unique data field

4.6 # 24: Block 2 - Make sequence type FRST optional instead of mandatory

4.6.1 Description

This suggestion was made by the Betaalvereniging Nederland.

The contributor proposes to make the sequence type FRST optional instead of mandatory. The reason is that the registration of the mandate information at the Debtor Bank is a requirement before any B2B-transaction can be processed. A distinction between a FRST and a RCUR transaction would have no additional value as they are both initiated on “D-1” at the latest.

4.6.2 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 45 and 50) 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).

4.6.3 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 B2B Rulebook version 7.0 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 B2B Direct Debit Rulebook version 7.0 (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	We support November 2015
Finnish banking community	Supports effective date of November 2016
Portuguese banking community	The Portuguese Banking Community supports that sequence type FIRST should remain as mandatory as this functionality permits the Debtor Bank to easily validate with the Debtor the acceptance. The

Contributor	Comment Received
	implementation of a different form of validation will imply more costs to the Debtor Bank.
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
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)	Supports 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)	Supports effective date of November 2016. Not before 2016 = there are material modifications for creditor and debtor PSP.
Italian Banking Association (ABI)	The majority of the SDD B2B Italian participants responding to the consultation agrees with SPS WG recommendation and with the proposed effective date of November 2016 but they stress that the issue of the specific checks of mandate data related to the ""first"" sequence type should be properly addressed. A significant minority disagrees.

Contributor	Comment Received
RXPAY (publisher of software for payment and banking exchanges)	supports 1 & 2
UK Payments Council	<p>There was no consensus to endorse the SPS WG recommendation.</p> <p>It was noted that there appears to be considerable confusion in the market. UK Payments Council requests that sequence types are clarified and simplified and not made optional.</p>
Bank Association of Slovenia	YES -supports November 2016
AGES Maut System GmbH & Co. KG	<p>We expressly support the farther reaching change request of the Spanish banks to completely make all sequence types optional!</p> <p>SEPA will gain considerable speed and acceptance by eliminating superfluous administrative obstacle such as the sequence-types hindering the successful implementation of SEPA SDD-mandates, inflicting losses in time and money and hampering economic growth.</p> <p>Consequently we welcome and strongly support the recommendation of the WG.</p> <p>However, implementation should come as early as possible - even in 2014 - the sooner the better!</p> <p>In contrary to the assessment of the WG, we do not see that a long preparation period is needed to change a mandatory field into an optional one. Banks will only have to amend a pattern in the XML-templates and corporate could benefit immediately - but are not forced to do so.</p>
Ingenico	<p>This is 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>
BSK - Bankenes Standardiseringskontor, Norway	Support the effective date of 2016
Danish Bankers Association	<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>
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. 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")
AITI - Italian Association of Corporate Treasurers	We support the recommendation with incorporation in the schemes from 2015. Impacts on debtor bank duties and activities related to confirmation on validity of mandate described in Section 4.1 (obligation of the Debtor Bank to obtain confirmation from the Debtor on the B2B Mandate data received as part of the first Collection, before debiting the Debtor's account) should be carefully evaluated.
Nordea Banking Group	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.
EACT - European Association of Corporate Treasurers	We support the recommendation with incorporation in the schemes from 2015. Impacts on debtor bank duties and activities related to confirmation on validity of mandate described in Section 4.1 (obligation of the Debtor Bank to obtain confirmation from the Debtor on the B2B Mandate data received as part of the first Collection, before debiting the Debtor's account) should be carefully evaluated.
Citibank NA London Branch	Agree to recommendation, and timeline of November 2016. Please ensure alignment with BLOCK 4 change: if FRST optional should be optional everywhere (no need to use for mandate amendment either). The approach should be consistent
ASSET (Spanish Association of CFOs)	We support the recommendation with incorporation in the schemes from 2015. Impacts on debtor bank duties and activities related to confirmation on validity of mandate described in Section 4.1 (obligation of the Debtor Bank to obtain confirmation from the Debtor on the B2B Mandate data received as part of the first Collection, before debiting the Debtor's account) should be carefully evaluated.

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 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 B2B Rulebook version 6.0.

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	<p>Should be incorporated into the scheme - option b</p> <p>The Mandate amendment data under B2B is completely useless as it is under CORE - as no Debtor Bank can rely that such data have any legally binding effect ofn the debtor, whose interests are to be protected by the debtor bank.</p> <p>However, the requirement of indicating such bibelot inflicts high costs on all parties, especially on the creditors. Additionally, no system like SAP is currently able to furnish the required amendment information in teh SDD-datasets.</p> <p>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.</p> <p>Deleting such useless burdens will reap economic benefits!</p>
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 B2B Rulebook version 6.0.

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.
Rewe Group	Due to item 45 ff. this doesn't make any sense
Deutsche Telekom AG	Needs to ensure that this is in line with the Block 2 recommendation by which the sequence "FRST" is no longer mandatory.
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.
Italian Banking Association (ABI)	SDD B2B Italian participants to the consultation disagree with SPS WG recommendation as the current SDD rulebooks is a sufficient guidance. Specifically when a debtor changes its IBAN at the same PSP, the sequence type is indifferent (first or recurrent), whereas

Contributor	Comment Received
	<p>when a debtor changes its IBAN at another PSP, the sequence type is very important because another PSP must check and create a database. In case of a debtor changes its IBAN at another PSP, the Rulebook clarifies that the next collection has to be First.</p> <p>Just two minor banks agree with the SPS working group recommendation.</p>
<p>RXPAY (publisher of software for payment and banking exchanges)</p>	<p>Be careful, there may be a conflict with item 24</p>
<p>UK Payments Council</p>	<p>No clear position.</p> <p>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.</p>
<p>AGES Maut System GmbH & Co. KG</p>	<p>This is not really an amendment to the current Rulebooks.</p> <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>
<p>Ingenico</p>	<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 opinion as the ""First"" sequence type will most probably become optional.</p>
<p>Shahid Ali - Business Analyst</p>	<p>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.</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 CAI 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>EACT - European Association of Corporate Treasurers</p>	<p>Compatibility with change request regarding optionality of sequence type FIRST should be carefully evaluated. Since we prefer to have type sequence optional since November 2015 there is no need to</p>

Contributor	Comment Received
	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 1 does not proceed. However, this conflicts with the BLOCK 1 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)	Compatibility with change request regarding optionality of sequence type FIRST should be carefully evaluated. 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.

4.9 # 27: Extra reasoncodes 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 reasoncodes 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.

Note: The SEPA Regulation does not apply to B2B collections in this context.

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 B2B Rulebook version 6.0.

The following comments were received:

Contributor	Comment Received
Portuguese banking community	The Portuguese Banking Community favours 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.
Rewe Group	"Special service offered by the Debtor bank" doesn't provide any information at all, and is as such not useful.
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. 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. One member felt that this was not already part of the scheme - and should therefore be handled as an option B - so that the change would be incorporated into the scheme.
EQUENS SE	Equens considers 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. Therefore we suggest Option b.

Contributor	Comment Received
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 a R transaction. The need is a clarification and usage's rules instead of new codes.
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 the underlying commercial relationship. We suggest to incorporate it in the scheme (option b)



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 B2B Rulebook version 6.0.

The following comments were received:

Contributor	Comment Received
Ingenico	Any clarification is welcome

4.12 # 30: 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 42, 44, 48, 52, 54, 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 B2B Rulebook version 6.0: "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)³ – 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.

³ 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?
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)
RXPAY (publisher of software for payment and banking exchanges)	Supports the content of the EPC clarification letter
UK Payments Council	<p>The UK Payments Council supports the SPS WG recommendation.</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>
Asociación Española de la Economía Digital (Adigital)	We think there is a need to define a framework that can be used all over Europe for Digital Signature and it has to be ruled by the EPC.
AGES Maut System GmbH & Co. KG	AGES welcomes easing the issuance and handling of electronic mandates but is itself not active in such businesses.
Ingenico	<p>The access to dematerialised mandate is definitely a requirement from the market and should be facilitated.</p> <p>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...).</p> <p>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 logged / registered consent which is created and signed using a legally binding method of signature””</p>

Contributor	Comment Received
Association of German Chambers of Commerce and Industry (DIHK)	<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>
Club SEPA (represents software providers and consultants involved in SEPA project in France) http://www.clubsepa.eu/les-membres-du-club/	<p>additional comment :</p> <p>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>
Dutch Association of Large Billers (Verenigde Groot Incassanten (VGI))	<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>
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

4.13 # 38: Make pre-notification more convenient and optional

4.13.1 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.

4.13.2 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.

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.

4.13.3 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 B2B Rulebook version 6.0.

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 billateral agreeemnt 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" - especially not in a B2B-environment. Germany has been using direct debits (including non-refundable B2Bs) 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	While the pre-notification is an important tool for accounts reconciliation in business setting; nevertheless, especially in a business settings, any agreement on pre-notification should be allowable and as such optional to suit the variety of business customers' needs which are simply not the same as consumer needs. The reference to consumer protection is no suitable argument in a B2B-Setting.

Contributor	Comment Received
AGES Maut System GmbH & Co. KG	<p>Should be incorporated into the scheme - option b</p> <p>The BITKOM-suggestion is much more elaborated as described in this template. We completely agree with BITKOM!</p> <p>If Debtor and Creditor agree not to exchange pre-notifications and they are happy with it - why not?</p> <p>Germany has a tremendous record of not pre-notified direct debits and it worked perfectly well. Today, Pre-Notification is the new SPAM.</p> <p>The ""Freedom of Contract""-Principle should prevail over just-too-eager-regulation. "</p>
Ingenico	<p>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.</p>
BSK - Bankenes Standardiseringskontor, Norway	<p>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.</p>
Handelsverband Deutschland (HDE)	<p>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</p>
AITI - Italian Association of Corporate Treasurers	<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, furthermore if the debtor is a business entity. 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.</p>
EACT - European Association of Corporate Treasurers	<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, furthermore if the debtor is a business entity. 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.</p>
Citibank NA London Branch	<p>worthwhile including more detail in the Rulebook on current flexibility/ options available on pre-notification</p>

Contributor	Comment Received
ASSET (Spanish Association of CFOs)	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, furthermore if the debtor is a business entity. 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.

4.14 # 39: The unique mandate reference (AT-01) to become space insensitive

4.14.1 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.

4.14.2 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.

4.14.3 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 B2B Rulebook version 6.0.

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
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. 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
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.
EQUENS SE	Equens adheres to the opinion of the German banking Community who proposes to add a recommendation to the SDD Core Scheme Rulebook (option b): The EPC should clarify that spaces should not

Contributor	Comment Received
	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.
AGES Maut System GmbH & Co. KG	Should be incorporated into the scheme - option b The BITKOM-suggestion is much more elaborated as described 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	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. 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.
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 remove 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,
Handelsverband Deutschland (HDE)	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
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

4.15 # 40: Clarifications for the use of the SDD collection sequence type and of the amendment indicator-

4.15.1 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.

4.15.2 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.

4.15.3 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 B2B Rulebook version 6.0.

The following comments were received:

Contributor	Comment Received
BITKOM e.V.	The use of the sequence type and of the amendment indicator is not exactly specified. Therefore the SPS WG made the CR 90. But this clarification covers not all possible cases. Should be incorporated into the scheme - option b
Deutsche Telekom AG	The use of the sequence type and of the amendment indicator is not exactly specified. Therefore the SPS WG made the CR 90. But this clarification covers not all possible cases. Should be incorporated into the scheme - option b
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. Therefore the SPS WG made the CR 90. But this clarification covers not all possible cases. 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



Contributor	Comment Received
	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?

4.16 # 41: Harmonising pain format in the customer-to-bank (C2B) xml interfaces

4.16.1 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 B2B 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.

4.16.2 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 does not propose a concrete recommendation for this change request for the public consultation.

4.16.3 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 B2B Rulebook version 6.0.

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 SDD⁴.

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

⁴ 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
	local/national requirements, different market practices or legal requirements and individual corporates' needs.
Finnish banking community	In favour
Portuguese banking community	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 to 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 B2B 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 B2B 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
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 B2B 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 the German banking community and Deutsche Bundesbank.	GBIC supports the SPS WG assessment of the change request and proposes to recommend the C2B messages based on the EPC data set 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.
Italian Banking Association (ABI)	SDD B2B participants responding to the consultation think that the harmonising pain format in the customer-to-bank xml interfaces is important to assure an integrated market. Nevertheless at the current

Contributor	Comment Received
	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)	Yes, 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>
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.
AGES Maut System GmbH & Co. KG	<p>The EPC should set up one additional format to be introduced by all banks that take part in the B2B-Scheme all over Europe. This would help improving standardisation and competition all over Europe.</p> <p>However, the local SEPA-Formats should be maintained for at least five years to amortise the expenditures already paid by the millions of creditors.</p> <p>Should be incorporated into the scheme - option b"</p>
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....
BSK - Bankenes Standardiseringskontor, Norway	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.

Contributor	Comment Received
	<p>""The scheme participants must accept the C2B messages based on the EPC data set described in its B2B IGs as a minimum requirement.""</p> <p>This should be incorporated into the scheme as of Nov. 2015.</p> <p>A second step could be the harmonisation of the statements.</p> <p>Should be incorporated into the scheme - option b</p>
Dutch Association of Large Billers (Verenigde Groot Incassanten (VGI))	<p>In general, from corporate point of view, a harmonised basic interface is desired. Implementation would contribute to the (perceived) intentions of the SEPA regulation.</p>
AITI - Italian Association of Corporate Treasurers	<p>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.</p>
Nordea Banking Group	<p>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.</p>
EACT - European Association of Corporate Treasurers	<p>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.</p>
Citibank NA London Branch	<p>the pain format has been customised by different markets: no issue if this is purely competitive (still transferable for use in other markets, with other banks), but in conflict with objective of SEPA if the customisation means the format is not transferrable</p>
ASSET (Spanish Association of CFOs)	<p>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)</p>



4.17 # 42: Block 3 - Adapt section 4.1 (The Mandate) of the SDD B2B Rulebook to the contents EPC clarification letter on electronic mandates (Letter EPC098-13)

4.17.1 Description

This suggestion was made by BITKOM e.V.

The contributor suggests that section 4.1 (The Mandate) of the SDD B2B Rulebook is adapted to the contents of the EPC clarification letter on electronic mandates (Letter EPC098-13).

4.17.2 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, 54, 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'.

4.17.3 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 B2B Rulebook version 6.0: "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.

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?

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 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
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)
RXPAY (publisher of software for payment and banking exchanges)	Supports the content of the EPC clarification letter
UK Payments Council	<p>The UK Payments Council supports the SPS WG recommendation.</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>
Asociación Española de la Economía Digital (Adigital)	We think there is a need to define a framework that can be used all over Europe for Digital Signature and it has to be ruled by the EPC.
AGES Maut System GmbH & Co. KG	AGES welcomes easing the issuance and handling of electronic mandates but is itself not active in such businesses.
Ingenico	<p>The access to dematerialised mandate is definitely a requirement from the market and should be facilitated.</p> <p>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...).</p> <p>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 logged / registered consent which is created and signed using a legally binding method of signature""</p>
Association of German Chambers of Commerce and Industry (DIHK)	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

Contributor	Comment Received
	<p>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 comment :</p> <p>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>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>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

4.18 # 44: Block 3 - Mandate methods not restricted to paper mandate & EPC e-Mandate

4.18.1 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.

4.18.2 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 42, 48, 52, 54, 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.

4.18.3 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 B2B Rulebook version 6.0: "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)⁶ – 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.

⁶ 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?
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)
RXPAY (publisher of software for payment and banking exchanges)	Supports the content of the EPC clarification letter
UK Payments Council	<p>The UK Payments Council supports the SPS WG recommendation.</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>
Asociación Española de la Economía Digital (Adigital)	We think there is a need to define a framework that can be used all over Europe for Digital Signature and it has to be ruled by the EPC.
AGES Maut System GmbH & Co. KG	AGES welcomes easing the issuance and handling of electronic mandates but is itself not active in such businesses.
Ingenico	<p>The access to dematerialised mandate is definitely a requirement from the market and should be facilitated.</p> <p>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...).</p> <p>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 logged / registered consent which is created and signed using a legally binding method of signature””</p>

Contributor	Comment Received
Association of German Chambers of Commerce and Industry (DIHK)	<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>
Club SEPA (represents software providers and consultants involved in SEPA project in France) http://www.clubsepa.eu/les-membres-du-club/	<p>additional comment :</p> <p>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>
Dutch Association of Large Billers (Verenigde Groot Incassanten (VGI))	<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>
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

4.19 # 45: Block 2 - Turn the current SDD sequence types into optional data sequence types

4.19.1 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.

4.19.2 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 24 and 50) 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 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).

4.19.3 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 B2B Rulebook version 7.0 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 B2B Direct Debit Rulebook version 7.0 (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	We support November 2015
Finnish banking community	Supports effective date of November 2016

Contributor	Comment Received
Portuguese banking community	The Portuguese Banking Community supports that sequence type FIRST should remain as mandatory as this functionality permits the Debtor Bank to easily validate with the Debtor the acceptance. The implementation of a different form of validation will imply more costs to the Debtor Bank.
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 Association Bankers'	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
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)	Supports 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)	Supports effective date of November 2016. Not before 2016 = there are material modifications for creditor and debtor PSP.
Italian Banking Association (ABI)	The majority of the SDD B2B Italian participants responding to the consultation agrees with SPS WG recommendation and with the proposed effective date of November 2016 but they stress that the issue of the specific checks of mandate data related to the ""first"" sequence type should be properly addressed. A significant minority disagrees.

Contributor	Comment Received
RXPAY (publisher of software for payment and banking exchanges)	supports 1 & 2
UK Payments Council	<p>There was no consensus to endorse the SPS WG recommendation.</p> <p>It was noted that there appears to be considerable confusion in the market. UK Payments Council requests that sequence types are clarified and simplified and not made optional.</p>
Bank Association of Slovenia	YES -supports November 2016
AGES Maut System GmbH & Co. KG	<p>We expressly support the farther reaching change request of the Spanish banks to completely make all sequence types optional!</p> <p>SEPA will gain considerable speed and acceptance by eliminating superfluous administrative obstacle such as the sequence-types hindering the successful implementation of SEPA SDD-mandates, inflicting losses in time and money and hampering economic growth.</p> <p>Consequently we welcome and strongly support the recommendation of the WG.</p> <p>However, implementation should come as early as possible - even in 2014 - the sooner the better!</p> <p>In contrary to the assessment of the WG, we do not see that a long preparation period is needed to change a mandatory field into an optional one. Banks will only have to amend a pattern in the XML-templates and corporate could benefit immediately - but are not forced to do so.</p>
Ingenico	<p>This is 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>
BSK - Bankenes Standardiseringskontor, Norway	Support the effective date of 2016
Danish Bankers Association	<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>
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. 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")
AITI - Italian Association of Corporate Treasurers	We support the recommendation with incorporation in the schemes from 2015. Impacts on debtor bank duties and activities related to confirmation on validity of mandate described in Section 4.1 (obligation of the Debtor Bank to obtain confirmation from the Debtor on the B2B Mandate data received as part of the first Collection, before debiting the Debtor's account) should be carefully evaluated.
Nordea Banking Group	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.
EACT - European Association of Corporate Treasurers	We support the recommendation with incorporation in the schemes from 2015. Impacts on debtor bank duties and activities related to confirmation on validity of mandate described in Section 4.1 (obligation of the Debtor Bank to obtain confirmation from the Debtor on the B2B Mandate data received as part of the first Collection, before debiting the Debtor's account) should be carefully evaluated.
Citibank NA London Branch	Agree to recommendation, and timeline of November 2016 Please ensure alignment with BLOCK 4 change: if FRST optional should be optional everywhere (no need to use for mandate amendment either). The approach should be consistent
ASSET (Spanish Association of CFOs)	We support the recommendation with incorporation in the schemes from 2015. Impacts on debtor bank duties and activities related to confirmation on validity of mandate described in Section 4.1 (obligation of the Debtor Bank to obtain confirmation from the Debtor on the B2B Mandate data received as part of the first Collection, before debiting the Debtor's account) should be carefully evaluated.

4.20 # 46: Extend SDD B2B collection return period to 3 Interbank Business Days

4.20.1 Description

This suggestion was made by the Spanish banking community.

The contributor proposes extending the current SDD B2B collection return period from 2 to 3 Interbank Business Days for the acceptance and management of the SDD B2B collection by the Debtor and the scheme participants.

It is stated that with the extension of the return time, SDD B2B scheme participants and Debtors would get enough time to manage and to give authorizations for SDD B2B collections which would mean a decrease in SDD B2B returns.

4.20.2 SPS WG analysis and recommendation

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

4.20.3 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 request has not been included in the SDD B2B Rulebook version 6.0.

The following comments were received:

Contributor	Comment Received
STUZZA GmbH on behalf of the Austrian Banking Community	The Austrian Banking Community supports the extension of the return period to 3 Interbank business days.
Spanish banking community	Option b - In addition to the Spanish banking community arguments, the longer return period of 3 interbank business days enables the debtor bank to agree with the debtor on necessary funding arrangements and to obtain debtor's confirmation when missing, prior to take the decision to return if absent. The mutual benefit for both, the debtor and the creditor justifies the additional day increasing the efficiency of the scheme.
Finnish banking community	Change is not supported.
Portuguese banking community	No. This is totally against of what should be a No Refund Scheme, including the certainty that the Creditor expects from using this scheme to make use of the funds as soon as possible.
French Banking Federation	Option b
Luxembourg Bankers' Association	We do not support this change request.
Dutch Payments Association (on behalf of Dutch banking community)	DO NOT extend this period. The B2B-scheme should provide certainty to the Creditor on funds received as soon as possible.
Febelfin (representing Belgian banking community)	The return period should remain at 2 days.
German Banking Industry Committee (GBIC) on behalf of the German banking	GBIC supports the original change request (option b).

Contributor	Comment Received
community and Deutsche Bundesbank.	
Italian Banking Association (ABI)	<p>The large majority of the SDD B2B Italian participants responding to the consultation do not give their opinion on this change request.</p> <p>Please note that banks representing a low rate of payment volume agree with the proposal but suggest to consider the stakeholders' view that mostly use SDD B2B scheme.</p>
RXPAY (publisher of software for payment and banking exchanges)	We agree with this request.
UK Payments Council	No clear position.
EQUENS SE	Option b
Bank Association of Slovenia	Is not supported
AGES Maut System GmbH & Co. KG	<p>This unpleasantly reminds me of a conversation I had with a lady from one of the largest Spanish banks (I think it was <i>Name deleted by EPC</i>) during a conference in London in April 2013:</p> <p>She honestly wanted to ask the client for a debit authorisation for each and every SDD claiming this was Spanish banking practice. I asked her whether she meant ""mandate"" instead of ""direct debit"" but she insisted she really meant each SDD!!!!!! and that her bank planned to return any SDD unpaid in case the debtor did not come up with such authorisation immediately - thus completely perverting the SDD-B2B idea!</p> <p>Coincidence or not, the reasoning of the officer of <i>Name deleted by EPC</i> for the CR exactly points in the same direction.</p> <p>Even if we can understand that two IBBDs is somewhat short if the mandate has not yet been initiated and there might be things to be discussed between the debtor and his bank, we absolutely fail to understand why this should be done with each single direct debit after the mandate has thus been set-up.</p> <p>Please note that we do not oppose to value added services of B2B-debtor banks towards their clients, giving them an extra-day to send a blockage of the direct debit. But it has to be absolutely clear that in case such a blockage is not given by the debtor, that there is no other restriction and if funds are available in the account, the debtor bank is supposed if not obliged to honour the SDD. Otherwise, this would no longer be a direct debit but an indirect debit.</p> <p>As we already do have the reason code ""no mandate"" - this is perfectly sufficient for the bank to indicate it has not been sufficiently authorised.</p> <p>This idea has absolutely to be rejected!</p>
Ingenico	<p>Ingenico approves this suggestion.</p> <p>However, the most important thing in our opinion is that this return delay, be it 2 or 3 days, remains the same across the SEPA region. This is preferable to a situation where this would be 2 days in some countries and 3 days elsewhere.</p>
BSK - Bankenes Standardiseringskontor, Norway	No opinion

Contributor	Comment Received
Danish Bankers Association	We cannot support the request. The proposed change conflict with the fundamental of an agile, swift and reliable transaction.
Handelsverband Deutschland (HDE)	no opinion
AITI - Italian Association of Corporate Treasurers	We do not support the request since a longer return time span implies a longer uncertainty for the creditor regarding the finalization of the collection. Considering that in the B2B scheme returns must be executed by the Debtor Bank as soon as possible and ideally by day D.
Nordea Banking Group	We cannot support the request. The proposed change conflict with the fundamental of an agile, swift and reliable transaction.
EACT - European Association of Corporate Treasurers	We do not support the request since a longer return time span implies a longer uncertainty for the creditor regarding the finalization of the collection. Considering that in the B2B scheme returns must be executed by the Debtor Bank as soon as possible and ideally by day D.
Citibank NA London Branch	Per Rulebook, B2B mandates should be lodged in advance of first collection, validation / response should be as standard within pre-settlement period, and this preauthorises ongoing payments. Any Services offered by payer bank should be in line with standard clearing and not require additional time to accommodate. Market preference is that pre-settlement rejects is the norm, and post-settlement returns used as exception. Extending return period makes this less efficient for all concerned, where B2B scheme characteristic is to achieve greater efficiency / automation
ASSET (Spanish Association of CFOs)	We do not support the request since a longer return time span implies a longer uncertainty for the creditor regarding the finalization of the collection. Considering that in the B2B scheme returns must be executed by the Debtor Bank as soon as possible and ideally by day D.

4.21 # 48: Block 3 - Mandate methods not restricted to paper mandate & EPC e-Mandate

4.21.1 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.

4.21.2 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 42, 44, 52, 54, 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.

4.21.3 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 B2B Rulebook version 6.0: "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)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 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.

⁷ 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?
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)
RXPAY (publisher of software for payment and banking exchanges)	Supports the content of the EPC clarification letter
UK Payments Council	<p>The UK Payments Council supports the SPS WG recommendation.</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>
Asociación Española de la Economía Digital (Adigital)	We think there is a need to define a framework that can be used all over Europe for Digital Signature and it has to be ruled by the EPC.
AGES Maut System GmbH & Co. KG	AGES welcomes easing the issuance and handling of electronic mandates but is itself not active in such businesses.
Ingenico	<p>The access to dematerialised mandate is definitely a requirement from the market and should be facilitated.</p> <p>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...).</p> <p>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 logged / registered consent which is created and signed using a legally binding method of signature””</p>

Contributor	Comment Received
Association of German Chambers of Commerce and Industry (DIHK)	<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>
Club SEPA (represents software providers and consultants involved in SEPA project in France) http://www.clubsepa.eu/les-membres-du-club/	<p>additional comment :</p> <p>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>
Dutch Association of Large Billers (Verenigde Groot Incassanten (VGI))	<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>
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

4.22 # 50: Block 2 - Simplification of the mandate life cycle and collection sequence type

4.22.1 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.

4.22.2 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 24 and 45) 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 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).

4.22.3 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 B2B Rulebook version 7.0 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 B2B Direct Debit Rulebook version 7.0 (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	We support November 2015
Finnish banking community	Supports effective date of November 2016

Contributor	Comment Received
Portuguese banking community	The Portuguese Banking Community supports that sequence type FIRST should remain as mandatory as this functionality permits the Debtor Bank to easily validate with the Debtor the acceptance. The implementation of a different form of validation will imply more costs to the Debtor Bank.
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 Association Bankers'	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
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)	Supports 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)	Supports effective date of November 2016. Not before 2016 = there are material modifications for creditor and debtor PSP.
Italian Banking Association (ABI)	The majority of the SDD B2B Italian participants responding to the consultation agrees with SPS WG recommendation and with the proposed effective date of November 2016 but they stress that the issue of the specific checks of mandate data related to the ""first"" sequence type should be properly addressed. A significant minority disagrees.

Contributor	Comment Received
RXPAY (publisher of software for payment and banking exchanges)	supports 1 & 2
UK Payments Council	<p>There was no consensus to endorse the SPS WG recommendation.</p> <p>It was noted that there appears to be considerable confusion in the market. UK Payments Council requests that sequence types are clarified and simplified and not made optional.</p>
Bank Association of Slovenia	YES -supports November 2016
AGES Maut System GmbH & Co. KG	<p>We expressly support the farther reaching change request of the Spanish banks to completely make all sequence types optional!</p> <p>SEPA will gain considerable speed and acceptance by eliminating superfluous administrative obstacle such as the sequence-types hindering the successful implementation of SEPA SDD-mandates, inflicting losses in time and money and hampering economic growth.</p> <p>Consequently we welcome and strongly support the recommendation of the WG.</p> <p>However, implementation should come as early as possible - even in 2014 - the sooner the better!</p> <p>In contrary to the assessment of the WG, we do not see that a long preparation period is needed to change a mandatory field into an optional one. Banks will only have to amend a pattern in the XML-templates and corporate could benefit immediately - but are not forced to do so.</p>
Ingenico	<p>This is 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>
BSK - Bankenes Standardiseringskontor, Norway	Support the effective date of 2016
Danish Bankers Association	<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>
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. 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")
AITI - Italian Association of Corporate Treasurers	We support the recommendation with incorporation in the schemes from 2015. Impacts on debtor bank duties and activities related to confirmation on validity of mandate described in Section 4.1 (obligation of the Debtor Bank to obtain confirmation from the Debtor on the B2B Mandate data received as part of the first Collection, before debiting the Debtor's account) should be carefully evaluated.
Nordea Banking Group	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.
EACT - European Association of Corporate Treasurers	We support the recommendation with incorporation in the schemes from 2015. Impacts on debtor bank duties and activities related to confirmation on validity of mandate described in Section 4.1 (obligation of the Debtor Bank to obtain confirmation from the Debtor on the B2B Mandate data received as part of the first Collection, before debiting the Debtor's account) should be carefully evaluated.
Citibank NA London Branch	Agree to recommendation, and timeline of November 2016 Please ensure alignment with BLOCK 4 change: if FRST optional should be optional everywhere (no need to use for mandate amendment either). The approach should be consistent
ASSET (Spanish Association of CFOs)	We support the recommendation with incorporation in the schemes from 2015. Impacts on debtor bank duties and activities related to confirmation on validity of mandate described in Section 4.1 (obligation of the Debtor Bank to obtain confirmation from the Debtor on the B2B Mandate data received as part of the first Collection, before debiting the Debtor's account) should be carefully evaluated.



4.23 # 51: This suggestion has been withdrawn by the contributor

4.23.1 Description

This suggestion has been withdrawn by the contributor.

4.24 # 52: Block 3 - Mandate methods not restricted to paper mandate & EPC e-Mandate

4.24.1 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.

4.24.2 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 42, 44, 48, 54, 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.

4.24.3 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 B2B Rulebook version 6.0: "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?
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)
RXPAY (publisher of software for payment and banking exchanges)	Supports the content of the EPC clarification letter
UK Payments Council	<p>The UK Payments Council supports the SPS WG recommendation.</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>
Asociación Española de la Economía Digital (Adigital)	We think there is a need to define a framework that can be used all over Europe for Digital Signature and it has to be ruled by the EPC.
AGES Maut System GmbH & Co. KG	AGES welcomes easing the issuance and handling of electronic mandates but is itself not active in such businesses.
Ingenico	<p>The access to dematerialised mandate is definitely a requirement from the market and should be facilitated.</p> <p>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...).</p> <p>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 logged / registered consent which is created and signed using a legally binding method of signature””</p>

Contributor	Comment Received
Association of German Chambers of Commerce and Industry (DIHK)	<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>
Club SEPA (represents software providers and consultants involved in SEPA project in France) http://www.clubsepa.eu/les-membres-du-club/	<p>additional comment :</p> <p>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>
Dutch Association of Large Billers (Verenigde Groot Incassanten (VGI))	<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>
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

4.25 # 54: Mandate methods not restricted to paper mandate & EPC e-Mandate

4.25.1 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.

4.25.2 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 42, 44, 48, 52, 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.

4.25.3 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 B2B Rulebook version 6.0: "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?
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)
RXPAY (publisher of software for payment and banking exchanges)	Supports the content of the EPC clarification letter
UK Payments Council	<p>The UK Payments Council supports the SPS WG recommendation.</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>
Asociación Española de la Economía Digital (Adigital)	We think there is a need to define a framework that can be used all over Europe for Digital Signature and it has to be ruled by the EPC.
AGES Maut System GmbH & Co. KG	AGES welcomes easing the issuance and handling of electronic mandates but is itself not active in such businesses.
Ingenico	<p>The access to dematerialised mandate is definitely a requirement from the market and should be facilitated.</p> <p>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...).</p> <p>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 logged / registered consent which is created and signed using a legally binding method of signature””</p>

Contributor	Comment Received
Association of German Chambers of Commerce and Industry (DIHK)	<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>
Club SEPA (represents software providers and consultants involved in SEPA project in France) http://www.clubsepa.eu/les-membres-du-club/	<p>additional comment :</p> <p>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>
Dutch Association of Large Billers (Verenigde Groot Incassanten (VGI))	<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>
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

4.26 # 64: Make fields “Creditor Reference Party” and “Debtor Reference Party” more visible

4.26.1 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 B2B 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 for the counterparty.

4.26.2 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.

4.26.3 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 B2B Rulebook version 6.0.

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 B2B 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 B2B 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).

4.27 # 65: Simplification of r-transaction codes and harmonization in their use

4.27.1 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.

4.27.2 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 codes 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.

4.27.3 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 suggestion cannot be part of the Scheme. Therefore, this change suggestion has not been included in the SDD B2B Rulebook version 6.0.

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. Should be incorporated into the scheme - option b
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. Should be incorporated into the scheme - option b
European Payment Institutions Federation (EPIF)	EPC analysis is expected, and potentially recommendations for more harmonized use of these codes. We note the EPC publication on the guidance on reason codes for R-transactions which may further this.
UK Payments Council	The UK Payments Council supports the SPS WG recommendation. 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 reasons codes.
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. Should be incorporated into the scheme - option b
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

Contributor	Comment Received
	and costs. We have provided "the Betaalvereniging Nederland" a proposal to extend the ISO code list and additional required changes in descriptions.
AITI - Italian Association of Corporate Treasurers	We support the original change suggestion.
EACT - European Association of Corporate Treasurers	We support the original change suggestion.
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.

4.28 # 66: Add clarification on the use of attribute AT-25 (date of signing the Mandate)

4.28.1 Description

*SPS WG note: the contributor proposed this change suggestion **only** for the SDD Core Rulebook. However, this change suggestion is also relevant for the SDD B2B Rulebook. Therefore the SPS WG has taken over this change suggestion in the set of change requests for the SDD B2B Rulebook.*

This suggestion was made by Laya Healthcare.

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

4.28.2 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.

4.28.3 Contributions and comments

The vast majority of EPC Scheme Participants via national banking communities and other contributors to the 2014 public consultation supported the SPS WG recommendation that this suggestion can be part of the Scheme. Therefore, this change suggestion has been included in the SDD B2B Rulebook version 6.0.

The following comments were received:

Contributor	Comment Received
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.

4.29 # 69: Create a specific reason code to highlight sequence error in SDD

4.29.1 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.

4.29.2 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.

4.29.3 Contributions and comments

The vast majority of EPC Scheme Participants via national banking communities and other contributors to the 2014 public consultation supported the SPS WG recommendation that this suggestion is already provided for in the Scheme. Therefore, this change suggestion has not been included in the SDD B2B Rulebook version 6.0.

The following comments were received:

Contributor	Comment Received
Febelfin (representing Belgian banking community)	Yes, see EPC document on reason codes
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 more granularity.
AGES Maut System GmbH & Co. KG	Even if we embrace such an improve for now, the aim is clear - to get rid of the sequence types at the end!
Dutch Association of Large Billers (Verenigde Groot Incassanten (VGI))	Regarding Change # 27 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 as mentioned in the B2C Scheme
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

4.30 # 71: Update of the Rulebook section 5.4 ‘Eligibility for Participation’

4.30.1 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.

4.30.2 SPS WG analysis and recommendation

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

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 SPS WG recommendation that this suggestion can be part of the Scheme. Therefore, this change suggestion has been included in the SDD B2B Rulebook version 6.0.

The following comments were received:

No specific comments had been raised.

4.31 # 72: Block 3 - Mandate methods not restricted to paper mandate & EPC e-Mandate

4.31.1 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.

4.31.2 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 42, 44, 48, 52, 54 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.

4.31.3 Contributions and comments

The vast majority of EPC Scheme Participants via national banking communities and other contributors to the 2014 public consultation supported the 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 B2B Rulebook version 6.0: "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?
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)
RXPAY (publisher of software for payment and banking exchanges)	Supports the content of the EPC clarification letter
UK Payments Council	<p>The UK Payments Council supports the SPS WG recommendation.</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>
Asociación Española de la Economía Digital (Adigital)	We think there is a need to define a framework that can be used all over Europe for Digital Signature and it has to be ruled by the EPC.
AGES Maut System GmbH & Co. KG	AGES welcomes easing the issuance and handling of electronic mandates but is itself not active in such businesses.
Ingenico	<p>The access to dematerialised mandate is definitely a requirement from the market and should be facilitated.</p> <p>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...).</p> <p>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 logged / registered consent which is created and signed using a legally binding method of signature””</p>

Contributor	Comment Received
Association of German Chambers of Commerce and Industry (DIHK)	<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>
Club SEPA (represents software providers and consultants involved in SEPA project in France) http://www.clubsepa.eu/les-membres-du-club/	<p>additional comment :</p> <p>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>
Dutch Association of Large Billers (Verenigde Groot Incassanten (VGI))	<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>
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

4.32 # 74: Extend SDD B2B collection return period to 3 Interbank Business Days

4.32.1 Description

This suggestion was made by the German Banking Industry Committee.

The contributor proposes extending the current SDD B2B collection return period from 2 to 3 Interbank Business Days for the acceptance and management of the SDD B2B collection by the Debtor and the scheme participants.

It is stated that a longer return period of 3 Interbank Business Days enables the Debtor Bank to agree with the Debtor on necessary funding arrangements or to obtain a missing Debtor confirmation on the mandate-related information (MRI). This would avoid a return of the collection especially if the Due Date or one of the two subsequent Interbank Business Days of a SDD B2B collection is a national or regional banking or public holiday.

4.32.2 SPS WG analysis and recommendation

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

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 request has not been included in the SDD B2B Rulebook version 6.0.

The following comments were received:

Contributor	Comment Received
STUZZA GmbH on behalf of the Austrian Banking Community	See response to item 46; The Austrian Banking Community supports the extension of the return period to 3 Interbank business days.
Spanish banking community	Option b - See comments for number 46. It is the same change request.
Finnish banking community	Change is not supported.
Portuguese banking community	This is totally against of what should be a No Refund Scheme, including the certainty that the Creditor expects from using this scheme to make use of the funds as soon as possible.
French Banking Federation	Option b
Luxembourg Bankers' Association	We do not support this change request.
Dutch Payments Association (on behalf of Dutch banking community)	DO NOT extend this period. The B2B-scheme should provide certainty to the Creditor on funds received as soon as possible.
Febelfin (representing Belgian banking community)	see feedback on item 46
German Banking Industry Committee (GBIC) on behalf of the German banking community and Deutsche Bundesbank.	GBIC supports the original change request (option b).

Contributor	Comment Received
Italian Banking Association (ABI)	SDD B2B Italian participants responding to the consultation do not give their opinion on this change request. Please note that banks representing a low rate of payment volume agree with the proposal but suggest to consider the stakeholders' view that mostly use SDD B2B scheme.
RXPAY (publisher of software for payment and banking exchanges)	We totally agree with this request.
UK Payments Council	No clear position.
EQUENS SE	Option b
Bank Association of Slovenia	Is not supported
AGES Maut System GmbH & Co. KG	In View of CR 46 of the <i>Name deleted by EPC</i> , we very much fear that allowing a longer period will open "additional services" of banks preventing a speedy settlement of claims braking SEPA and costing time and money. In addition, we are not convinced that the number of R-transactions would then be reduced and this is our opinion even if we have a share of more than 95 % B2B and only below 5 % COR and draw several hundred thousand of SDDS in about 13 different European countries. Apart from that we ask ourselves why this has not been an issue in the last five years! Therefore, we suggest to decline the suggestion of the German Banking Industry Committee.
Ingenico	See answers on item #46
BSK - Bankenes Standardiseringskontor, Norway	No opinion
Danish Bankers Association	We cannot support the request. The proposed change conflict with the fundamental of an agile, swift and reliable transaction.
Handelsverband Deutschland (HDE)	no opinion
AITI - Italian Association of Corporate Treasurers	We do not support the request since a longer return time span implies a longer uncertainty for the creditor regarding the finalization of the collection. Considering that in the B2B scheme returns must be executed by the Debtor Bank as soon as possible and ideally by day D.
Nordea Banking Group	We cannot support the request. The proposed change conflict with the fundamental of an agile, swift and reliable transaction.
EACT - European Association of Corporate Treasurers	We do not support the request since a longer return time span implies a longer uncertainty for the creditor regarding the finalization of the collection. Considering that in the B2B scheme returns must be executed by the Debtor Bank as soon as possible and ideally by day D.
Citibank NA London Branch	Per Rulebook, B2B mandates should be lodged in advance of first collection, validation / response should be as standard within pre-settlement period, and this preauthorises ongoing payments. Any Services offered by payer bank should be in line with standard clearing and not require additional time to accommodate. Market preference is that pre-settlement rejects is the norm, and post-



Contributor	Comment Received
	settlement returns used as exception. Extending return period makes this less efficient for all concerned, where B2B scheme characteristic is to achieve greater efficiency / automation

4.33 # 75: Simplify the use of a shorter timeline for sending a pre-notification

4.33.1 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.

4.33.2 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.

4.33.3 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 B2B Rulebook version 6.0.

The following comments were received:

Contributor	Comment Received
Spanish banking community	See comments for number 38. It is the same change request.
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 doesn't fit at all to the request.
Deutsche Telekom AG	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
German Banking Industry Committee (GBIC) on behalf of the German banking community and Deutsche Bundesbank.	GBIC is in favour of the original change request (option b). GBIC fully supports and confirms the SPS WG assessment that the sending 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.
AGES Maut System GmbH & Co. KG	The wordings are both very similar and the new one is not really simplifying a lot. There is no need to change the wording.

Contributor	Comment Received
	<p>However, a clarification that any period allowing the debtor to be informed before D-date is negotiable between Creditor and Debtor would be helpful for some smaller creditors who are still faced with relatively large administrative needs for SEPA.</p> <p>Additionally we like to point out that even a complete waiver of the need/duty to pre-notify is desirable for debtors and creditors alike.</p>
Ingenico	The current rulebook offers enough flexibility on the topic
Handelsverband Deutschland (HDE)	<p>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.</p> <p>Should be incorporated into the scheme - option b</p>
AITI - Italian Association of Corporate Treasurers	<p>In order to prevent claims related to non-properly executed pre-notification, shorter timelines have to be agreed between creditor and debtor, particularly in the B2B environment.</p> <p>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.</p>
EACT - European Association of Corporate Treasurers	<p>In order to prevent claims related to non-properly executed pre-notification, shorter timelines have to be agreed between creditor and debtor, particularly in the B2B environment.</p> <p>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.</p>
ASSET (Spanish Association of CFOs)	<p>In order to prevent claims related to non-properly executed pre-notification, shorter timelines have to be agreed between creditor and debtor, particularly in the B2B environment.</p> <p>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.</p>

4.34 # 76: Block 3 - Mandate methods not restricted to paper mandate & EPC e-Mandate

4.34.1 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.

4.34.2 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 42, 44, 48, 52, 54 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.

4.34.3 Contributions and comments

The vast majority of EPC Scheme Participants via national banking communities and other contributors to the 2014 public consultation supported the 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 B2B Rulebook version 6.0: "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. 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.

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 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?
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)
RXPAY (publisher of software for payment and banking exchanges)	Supports the content of the EPC clarification letter
UK Payments Council	<p>The UK Payments Council supports the SPS WG recommendation.</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>
Asociación Española de la Economía Digital (Adigital)	We think there is a need to define a framework that can be used all over Europe for Digital Signature and it has to be ruled by the EPC.
AGES Maut System GmbH & Co. KG	AGES welcomes easing the issuance and handling of electronic mandates but is itself not active in such businesses.
Ingenico	<p>The access to dematerialised mandate is definitely a requirement from the market and should be facilitated.</p> <p>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...).</p> <p>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 logged / registered consent which is created and signed using a legally binding method of signature””</p>

Contributor	Comment Received
Association of German Chambers of Commerce and Industry (DIHK)	<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>
Club SEPA (represents software providers and consultants involved in SEPA project in France) http://www.clubsepa.eu/les-membres-du-club/	<p>additional comment :</p> <p>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>
Dutch Association of Large Billers (Verenigde Groot Incassanten (VGI))	<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>
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

4.35 # 79: Block 4 - IBAN change by Debtor - next recurrent SDD collection under an existing mandate to be presented as a First

4.35.1 Description

SPS WG note: the contributor proposed this change suggestion **only** for the SDD Core Rulebook. However, this change suggestion is also relevant for the SDD B2B Rulebook. Therefore the SPS WG has taken over this change suggestion in the set of change requests for the SDD B2B Rulebook.

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).

4.35.2 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.

4.35.3 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 B2B Rulebook version 6.0.

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.
Rewe Group	Due to item 45 ff. this doesn't make any sense
Deutsche Telekom AG	Needs to ensure that this is in line with the Block 2 recommendation by which the sequence "FRST" is no longer mandatory.
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.
Italian Banking Association (ABI)	SDD B2B Italian participants to the consultation disagree with SPS WG recommendation as the current SDD rulebooks is a sufficient guidance. Specifically when a debtor changes its IBAN at the same PSP, the sequence type is indifferent (first or recurrent), whereas

Contributor	Comment Received
	<p>when a debtor changes its IBAN at another PSP, the sequence type is very important because another PSP must check and create a database. In case of a debtor changes its IBAN at another PSP, the Rulebook clarifies that the next collection has to be First.</p> <p>Just two minor banks agree with the SPS working group recommendation.</p>
<p>RXPAY (publisher of software for payment and banking exchanges)</p>	<p>Be careful, there may be a conflict with item 24</p>
<p>UK Payments Council</p>	<p>No clear position.</p> <p>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.</p>
<p>AGES Maut System GmbH & Co. KG</p>	<p>This is not really an amendment to the current Rulebooks.</p> <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>
<p>Ingenico</p>	<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 opinion as the ""First"" sequence type will most probably become optional.</p>
<p>Shahid Ali - Business Analyst</p>	<p>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.</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 CAI 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>EACT - European Association of Corporate Treasurers</p>	<p>Compatibility with change request regarding optionality of sequence type FIRST should be carefully evaluated. Since we prefer to have type sequence optional since November 2015 there is no need to</p>

Contributor	Comment Received
	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 1 does not proceed. However, this conflicts with the BLOCK 1 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)	Compatibility with change request regarding optionality of sequence type FIRST should be carefully evaluated. 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.

4.36 # 84: Make AT-59 'category purpose of the collection' mandatory instead of optional

4.36.1 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.

4.36.2 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.

4.36.3 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 B2B Rulebook version 6.0.

The following comments were received:

Contributor	Comment Received
Spanish banking community	We propose 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	The UK Payments Council supports the SPS WG recommendation – Option E. 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.
EQUENS SE	Option b

4.37 # 86: Allow a last collection (final) with a zero amount for mandate cancellation purposes

4.37.1 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.

4.37.2 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.

4.37.3 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 B2B Rulebook version 6.0.

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, and 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.
BSK - Bankenes Standardiseringskontor, Norway	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).

4.38 # 88: Removal of SDD Mandate illustration in DS-01 The Mandate

4.38.1 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.

4.38.2 SPS WG analysis and recommendation

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

4.38.3 Contributions and comments

The vast majority of 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 B2B Rulebook version 6.0.

The following comments were received:

Contributor	Comment Received
Italian Banking Association (ABI)	The large majority of the SDD B2B Italian participants responding to the consultation agree with SPS WG recommendation. 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	The UK Payments Council supports the SPS WG recommendation. 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

4.39 # 89: Extension of mandate amendment combinations in AT-24 ‘The Reason for Amendment of the Mandate’

4.39.1 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~~*

4.39.2 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.

4.39.3 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 can be part of the Scheme. Therefore, this change suggestion has been included in the SDD B2B Rulebook version 6.0.

The following comments were received:

Contributor	Comment Received
AGES Maut System GmbH & Co. KG	<p>Amendment informations -also under B2B SDD- are a complete waste of time, invented by software engineers who want to sell their products on an over-complex SEPA.</p> <p>XML-datalines issued by the creditor have no legal meaning in the relation between the debtor and his bank. That's why debtor banks cannot rely on them and why no-one needs them!</p> <p>The EPC should refrain from such temptations.</p>

4.40 # 90: Representation of a first collection after being returned

4.40.1 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.

4.40.2 SPS WG analysis and recommendation

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

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 B2B Rulebook version 6.0.

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	Not supported, if requires changes in the bank. The change 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)	SDD B2B Italian participants responding to the consultation disagree with CR and SPS WG recommendation. The CR could be supported only if the CR B-2 n° 24 is accepted. Otherwise, if the difference

Contributor	Comment Received
	between "first" and "recurrent" remains, the representation of a first collection after being returned should be "first".
RXPAY (publisher of software for payment and banking exchanges)	Be careful, there may be a conflict with item 24
UK Payments Council	<p>The UK Payments Council supports the SPS WG recommendation.</p> <p>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.</p>
AGES Maut System GmbH & Co. KG	<p>Unfortunately under B2B, as welcome as the idea is, we do not believe that a representation as a RCUR will help in case the initial SDD was rejected (for example as the debtor bank had not yet entered the mandate in their data systems) as the bank is still waiting for a FRST-SDD. You would have to enter into the deepest logic-programming of about 5,000 bank-data-systems.... would cause high costs and time pressure..... and would still miss many of them.</p> <p>We appreciate the efforts made by the EPC but only a complete disregard/ignorance in view of the sequence type will solve this problem satisfactorily.</p>
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
Club SEPA (represents software providers and consultants involved in SEPA project in France) http://www.clubsepa.eu/les-membres-du-club/	<p>Additional comment:</p> <p>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.</p>
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	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.



Contributor	Comment Received
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 of tackling the issue and taking things forward, in cooperation with end users.



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
Banking communities or individual banks	<ol style="list-style-type: none"> 1. Bank Association of Slovenia 2. BSK - Bankenes Standardiseringskontor, Norway 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. Italian Banking Association (ABI) 11. Luxembourg Bankers' Association 12. Portuguese banking community 13. Spanish banking community 14. STUZZA GmbH on behalf of the Austrian Banking Community 15. UK Payments Council
Other stakeholders	<ol style="list-style-type: none"> 1. AGES Maut System GmbH & Co. KG 2. AITI - Italian Association of Corporate Treasurers 3. Asociación Española de l'Economía Digital (Adigital) 4. ASSET (Spanish Association of CFOs) 5. Association of German Chambers of Commerce and Industry (DIHK) 6. BITKOM e.V. 7. Citibank NA London Branch 8. Club SEPA (represents software providers and consultants involved in SEPA project in France) 9. Deutsche Telekom AG 10. Dutch Association of Large Billers (Verenigde Groot Incassanten (VGI)) 11. EACT - European Association of Corporate Treasurers 12. EQUENS SE 13. Handelsverband Deutschland (HDE) 14. Ingenico 15. Nordea Banking Group 16. Rewe Group 17. RXPAY (publisher of software for payment and banking exchanges) 18. Shahid Ali