

**CHANGE PROPOSAL SUBMISSION DOCUMENT
FOLLOWING THE 2018 PUBLIC CONSULTATION
ON SCT INST CHANGE REQUESTS**

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 SCT Inst rulebook to take effect in 17 November 2019.
Reason for Issue	Feedback to all stakeholders on the results of the 2018 public consultation
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1. FOREWORD: THE PRINCIPLES OF SEPA SCHEME DEVELOPMENT

The Single Euro Payments Area (SEPA) payment schemes, as set out in the SEPA Credit Transfer (SCT) and SEPA Direct Debit (SDD) rulebooks, evolve based on a transparent change management process adhered to by the European Payments Council (EPC).

This evolution reflects changes in market needs and updates of technical standards developed by international standardisation bodies, such as the International Organization for Standardization (ISO).

The principles governing the evolution of the SEPA schemes are set out in section three of the [SEPA Scheme Management Internal Rules](#) (SMIRs).

1.1. EPC rulebook release management - important notice to all SEPA stakeholders

The EPC publishes updated versions of the rulebooks at a minimum every two year in the month of November. In accordance with industry best practice, payment service providers (PSPs) and their suppliers therefore have sufficient lead time to address rulebook updates prior to such changes taking effect.

The 2019 versions of the SCT and SDD rulebooks will be published on 22 November 2018. Based on the established release management cycle, these versions will take effect on 17 November 2019 (SWIFT 2019 Standards Release live date).

1.2. SEPA payment scheme development: EPC scheme change management

The first step in the EPC scheme change management cycle is the **introduction of change requests** to the schemes by any interested party.

In consideration of the change requests received, the EPC Scheme Evolution and Maintenance Working Group (SEMWWG) develops a **public consultation document**, containing the change requests and the related SEMWWG recommendations, per EPC SEPA scheme rulebook.

The preparation of the public consultation documents involves the analysis of the change requests received which may include, as appropriate, an impact analysis. Based on this analysis, the SEMWWG issues a recommendation on how each change request should be handled.

All submitted change requests to modify the rulebooks received by the EPC are published through the public consultation documents on the EPC Website, permitting such a list to be openly viewed by all stakeholders. The public consultation documents are released for a **three-month public consultation** in the second quarter of the year.

From the moment the three-month public consultation has ended, the SEMWWG shall collect and consolidate the comments received from all EPC SEPA scheme participants and stakeholders during the public consultation. The SEMWWG then analyses the expressed support and the comments received for each change request. After that, it develops **change proposals** based on the level of support and comments received from the public consultation.

A change proposal as developed by the SEMWWG may bring together more than one change, developed from one or more change requests.

The SEMWWG consolidates the change proposals, along with each change request and the related comments received from the contributors during the public consultation, in the **change proposal submission document**.



The change proposal submission document is then submitted to the **EPC Scheme Management Board (SMB)**, the **Scheme End-User Forum (SEUF)** and the **EPC Scheme Technical Forum (ESTF)**.

The roles of the SEUF and the ESTF are described in section 4.4 of the SMIRs. The SEUF and the ESTF formulate their respective positions and address them to the SMB. The SMB will have its final decision-making deliberations in accordance with section 4.2.5 of the SMIRs.



2. EXECUTIVE SUMMARY

This Change Proposal Submission Document (EPC 124-18) describes that each stage of the 2018 SCT Inst rulebook change management cycle, from the initiation to the public consultation, has been properly completed in respect of each change request submitted.

The first step in the change management cycle has been the **introduction of change requests** to the SCT Inst scheme by any interested party. Deadline for receipt of such suggestions was 31 December 2017. The EPC received **15** change requests for major changes to be introduced into the SCT Inst rulebook.

The public consultation on possible modifications to be introduced into the 2019 SCT Inst rulebook to take effect in 17 November 2019 ran from 13 March until 10 June 2018.

The documents circulated for the public consultation were the document SCT Inst Rulebook 2018 Change Request Public Consultation Document (EPC 006-18) and the Response Template (EPC 010-18). Both documents have been made available on the [EPC Website](#).

This Change Proposal Submission Document contains for each change request:

- a) A summary of the change request;
- b) The SEMWG analysis and the recommendation given for the public consultation;
- c) The comments received during the public consultation;
- d) The SEMWG change proposal submitted to the SMB, the SEUF and the ESTF for their consideration;
- e) The SMB decision on each SEMWG change proposal.

The SMB took into account the position documents **EPC 146-18** and **EPC 145-18** from the SEUF and the ESTF respectively when making its decision on each change request and related SEMWG change proposal.

As a result of the 2018 SCT Inst rulebook change management process, the SCT Inst rulebook has been updated to include

- A third rulebook option for scheme participants if they wish to agree on a shorter hard time-out deadline among themselves;
- Clarifications on the concrete point in time where an SCT Inst instruction turns into an SCT Inst transaction, and that the current maximum amount applies to both SCT Inst instructions and SCT Inst transactions;
- A clarification on the obligation for the participants to comply with the mandatory Customer-to-Bank (C2B) Implementation Guidelines (IGs);
- A SCT Inst transaction containing an IBAN but not the related BIC can be transmitted by the Originator to the Originator Bank, even if one of the two SCT Inst scheme participants mentioned in that transaction is based in a non-EEA SEPA country;
- Inclusion of usage rules in the SCT Inst C2B IGs on how a Beneficiary can make a 'Repayment' to transfer back funds to the Originator;
- Several changes to the existing SCT Inst Recall and Request for Recall by the Originator (RFRO) procedures.



Overview of the 2018 change requests and the final SMB decision

Item	Change request title	SMB decision
1	Rulebook clarification to Mandatory Customer-to-Bank (C2B) Implementation Guidelines (IGs)	For inclusion in the 2019 SCT Inst Rulebook version 1.0.
2	Changes to the Recall procedure	For inclusion in the 2019 SCT Inst Rulebook version 1.0.
3	Changes to the 'Request for Recall by the Originator' (RFRO) procedure	For inclusion in the 2019 SCT Inst Rulebook version 1.0.
5	Extra SCT Inst option on the hard time-out deadline	For inclusion in the 2019 SCT Inst Rulebook version 1.0.
6	Rewording in section 2.5 on value limits (SCT Inst Instruction vs SCT Inst Transaction)	For inclusion in the 2019 SCT Inst Rulebook version 1.0.
13	Resolution of SCT Inst investigations within 2 hours after Time Stamp	Not to be included in the 2019 SCT Inst Rulebook version 1.0.
14	Use of labelled -Duplicate- SCT Inst Transaction message in case of no confirmation message for the initial SCT Inst Transaction	Not to be included in the 2019 SCT Inst Rulebook version 1.0.
17	Addition of a Repayment service	Not to be included in the 2019 SCT Inst Rulebook version 1.0.
20	Extension response deadline for Beneficiary Banks to a Request for Recall by the Originator (RFRO)	For inclusion in the 2019 SCT Inst Rulebook version 1.0.
21	Possibility for the Originator to request Beneficiary details following a negative answer to a Request for Recall by the Originator	Not to be included in the 2019 SCT Inst Rulebook version 1.0.
22	Procedure for handling hits due to CTF, Embargo and AML	Not to be included in the 2019 SCT Inst Rulebook version 1.0.
25	SEPA transaction processing based on IBAN-Only also for non-EEA SEPA countries	For inclusion in the 2019 SCT Inst Rulebook version 1.0.
26	Inclusion of SCT Inst Return procedure	Not to be included in the 2019 SCT Inst Rulebook version 1.0.
33	Clarifications on adherence conditions to the optional EPC schemes	Not to be included in the 2019 SCT Inst Rulebook version 1.0.
34	Use of aliases when making SCT Inst Instructions	Not to be included in the 2019 SCT Inst Rulebook version 1.0.



3. OVERVIEW OF CHANGE REQUESTS SUBMITTED FOR THE 2018 PUBLIC CONSULTATION

All change requests to the SCT Inst rulebook were reviewed by the SEMWG.

This section lists the change requests which were presented for public consultation along with the recommendation given by the SEMWG for each change request.

3.1. Possible recommendations for a change request

Each recommendation reflects one of the options detailed in points a) through f) below:

- a) The change request is **already provided for** in the scheme: no action is necessary for the EPC.
- b) The change request **should be incorporated into the scheme**: the change request becomes part of the scheme and the rulebook is amended accordingly.
- c) The change request **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 change request **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 change request **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 change request may be considered for the development of a **new scheme**:
 - The change request reflects major changes which cannot be integrated into an existing scheme;
 - To develop the change request further, i.e. to develop a new scheme, the following requirements should be met:
 - The benefits of the new scheme for payment end users are demonstrated prior to the launch of the development phase;
 - It is demonstrated that a sufficient number of stakeholders will make use of the new scheme;
 - A cost-benefit analysis is provided;

¹ A scheme participant is a PSP 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 complies with the SEPA Regulation or any other relevant regulation.

3.2. Summary of change requests and the expressed support following the public consultation

The two tables below express the level of support from the contributors to the EPC SEMWG recommendations presented during the public consultation. The list of contributors can be found in Annex I at the end of this document.

The tables summarise the responses from the (national communities of) scheme participants and the other contributors respectively for each change request. The contributors were requested to indicate in the response template if they support the SEMWG recommendation (“Yes”) or not (“No”). They also had the choice to express no position on the change request or on the SEMWG recommendation (“No Opinion”). **The number of “No Opinion” positions have not been taken into account when determining the level of support for each change request.**

For a few change requests, the SEMWG did not formulate a concrete recommendation. Instead the contributors were asked to express their comments. We refer to the section “Explicit public consultation comments received” for each concerned change request under section 4 of this document to know the concrete position from the contributors.

Please note that contributors may have expressed a “Yes”, a “No” or a “No Opinion” position without having provided further comments. The section “Explicit public consultation comments received” for each change request under section 4 will only report the explicit comments received from each contributor but not the “Yes”, a “No” or a “No Opinion” position itself of that contributor.



Table 1 Scheme participants: summary of change requests and the support expressed during the public consultation

Item	Change request title	Topic	EPC SEMWG recommendation	Count "Yes"	Count "No"	Count "No Opinion"
1	Rulebook clarification to Mandatory Customer-to-Bank (C2B) Implementation Guidelines (IGs)	Implementation Guidelines	Inclusion into the scheme (option b) as of Nov 2019	13	1	0
2	Changes to the Recall procedure	Recall procedure	Inclusion into the scheme (option b) as of Nov 2019	13	0	1
3	Changes to the 'Request for Recall by the Originator' (RFRO) procedure	RFRO procedure	Inclusion into the scheme (option b) as of Nov 2019	13	0	1
5	Extra SCT Inst option on the hard time-out deadline	SCT Inst options	Inclusion into the scheme (option b) as of Nov 2019	12	1	1
6	Rewording in section 2.5 on value limits (SCT Inst Instruction vs SCT Inst Transaction)	Maximum amount check	Inclusion into the scheme (option b) as of Nov 2019	14	0	0
13	Resolution of SCT Inst investigations within 2 hours after Time Stamp	Actions in case of missing confirmation message	Cannot be part of the existing scheme – option e	12	2	0
14	Use of labelled -Duplicate- SCT Inst Transaction message in case of no confirmation message for the initial SCT Inst Transaction	Actions in case of missing confirmation message	Cannot be part of the existing scheme – option e	12	2	0
17	Addition of a Repayment service	Repayment (SCT schemes)	Inclusion into the scheme (option b) as of Nov 2019	9	5	0
20	Extension response deadline for Beneficiary Banks to a Request for Recall by the Originator (RFRO)	RFRO procedure	Inclusion into the scheme (option b) as of Nov 2019	item a): 10 item b): 10	item a): 4 item b): 4	item a): 0 item b): 0
21	Possibility for the Originator to request Beneficiary details following a negative answer to a Request for Recall by the Originator (RFRO)	RFRO procedure	Cannot be part of the existing scheme – option e	item a): 10 item b): 10	item a): 4 item b): 4	item a): 0 item b): 0
22	Procedure for handling hits due to CTF, Embargo and AML	Regulatory hit handling	Cannot be part of the existing scheme – option e	12	2	0
25	SEPA transaction processing based on IBAN-Only also for non-EEA SEPA countries	IBAN-Only for non-EEA SEPA countries	Inclusion into the scheme (option b) as of Nov 2019	13	1	0
26	Inclusion of SCT Inst Return procedure	Returns (SCT Inst)	Cannot be part of the existing scheme – option e	13	1	0
33	Clarifications on adherence conditions to the optional EPC schemes	Optional EPC schemes	Cannot be part of the existing scheme – option e	13	1	0
34	Use of aliases when making SCT Inst Instructions	SCT Inst initiation	Cannot be part of the existing scheme – option e	13	1	0



Table 2 **Other contributors**: summary of change requests and the support expressed during the public consultation

Item	Contributor	Rulebook	Change request title	Topic	EPC SEMWG recommendation	Count "Yes"	Count "No"	Count "No Opinion"
1	EPC SEMWG	SCT Inst	Rulebook clarification to Mandatory Customer-to-Bank (C2B) Implementation Guidelines (IGs)	Implementation Guidelines	Inclusion into the scheme (option b) as of Nov 2019	3	0	3
2	EPC SEMWG	SCT Inst	Changes to the Recall procedure	Recall procedure	Inclusion into the scheme (option b) as of Nov 2019	4	0	2
3	EPC SEMWG	SCT Inst	Changes to the 'Request for Recall by the Originator' (RFRO) procedure	RFRO procedure	Inclusion into the scheme (option b) as of Nov 2019	4	0	2
5	EPC SEMWG	SCT Inst	Extra SCT Inst option on the hard time-out deadline	SCT Inst options	Inclusion into the scheme (option b) as of Nov 2019	3	0	3
6	EPC SEMWG	SCT Inst	Rewording in section 2.5 on value limits (SCT Inst Instruction vs SCT Inst Transaction)	Maximum amount check	Inclusion into the scheme (option b) as of Nov 2019	4	0	2
13	Deutsche Bank	SCT Inst	Resolution of SCT Inst investigations within 2 hours after Time Stamp	Actions in case of missing confirmation message	Cannot be part of the existing scheme – option e	3	0	3
14	Deutsche Bank	SCT Inst	Use of labelled -Duplicate- SCT Inst Transaction message in case of no confirmation message for the initial SCT Inst Transaction	Actions in case of missing confirmation message	Cannot be part of the existing scheme – option e	4	0	2
17	EuroCommerce	SCT Inst	Addition of a Repayment service	Repayment (SCT schemes)	Inclusion into the scheme (option b) as of Nov 2019	4	0	1
20	Dutch Payments Association	SCT Inst	Extension response deadline for Beneficiary Banks to a Request for Recall by the Originator (RFRO)	RFRO procedure	Inclusion into the scheme (option b) as of Nov 2019	item a): 4 item b): 4	item a): 0 item b): 0	item a): 2 item b): 2
21	Dutch Payments Association	SCT Inst	Possibility for the Originator to request Beneficiary details following a negative answer to a Request for Recall by the Originator (RFRO)	RFRO procedure	Cannot be part of the existing scheme – option e	item a): 3 item b): 3	item a): 2 item b): 2	item a): 1 item b): 1
22	Dutch Payments Association	SCT Inst	Procedure for handling hits due to CTF, Embargo and AML	Regulatory hit handling	Cannot be part of the existing scheme – option e	4	0	2
25	Payment Committee Switzerland	SCT Inst	SEPA transaction processing based on IBAN-Only also for non-EEA SEPA countries	IBAN-Only for non-EEA SEPA countries	Inclusion into the scheme (option b) as of Nov 2019	4	0	2
26	Deutsche Bank	SCT Inst	Inclusion of SCT Inst Return procedure	Returns (SCT Inst)	Cannot be part of the existing scheme – option e	3	0	3
33	equensWorldline	SCT Inst	Clarifications on adherence conditions to the optional EPC schemes	Optional EPC schemes	Cannot be part of the existing scheme – option e	4	0	2
34	Citibank	SCT Inst	Use of aliases when making SCT Inst Instructions	SCT Inst initiation	Cannot be part of the existing scheme – option e	4	0	2



3.3. Summary of changes for inclusion in the next version of the SCT Inst rulebook to be aligned with the SEPA Regulation or with any other relevant EU legislation

Ref.	Topic	Contributor	Way forward
No change items were identified at the time of the start of the public consultation that required a change to the rulebook due to any particular EU legislation. An overview of the regulatory changes is available in Chapter 5 of this document.			



4. MAJOR CHANGE REQUESTS DETAILS, THE RELATED PUBLIC CONSULTATION COMMENTS AND SEMWG CHANGE PROPOSAL

4.1. # 1: Rulebook clarification to Mandatory Customer-to-Bank (C2B) Implementation Guidelines (IGs)

4.1.1. Description

This change request was made by the SEMWG.

As of the version 1.0 of the 2017 rulebooks, the SCT and SDD scheme participants are obliged to accept at least but not exclusively Customer-to-Bank (C2B) SEPA payment message files based on the EPC's C2B Implementation Guidelines (IGs) defined for all four schemes.

However, there are scheme participants in the role of Originator Bank or Creditor Bank that do not offer at all the service of accepting and processing ISO 20022 XML message– based electronic bulk files of SCT instructions/ SDD collections for their Originators and Creditors.

An example is consumer-only oriented SCT participants or SDD scheme participants handling small volumes of SDD collections. The concerned consumers and professionals enter the SCT instructions and SDD collections respectively directly in the online banking portals of these scheme participants.

The SEMWG believes these EPC scheme participants should not be obliged to invest in tools to handle ISO 20022 XML message– based electronic C2B bulk payment files if none of their customers will ever use such method of transmitting SCT instructions/ SDD collections.

The change request proposes rewording in some very specific rulebook sections to reflect this reality. It clarifies which Originator Banks and Creditor Banks must comply with the mandatory C2B IGs of the respective EPC schemes.

4.1.2. SEMWG analysis and recommendation for the public consultation

The SEMWG suggests incorporating the change request into the scheme (**option b**) entering into effect as of **November 2019**.

4.1.3. SEMWG change proposal and explicit public consultation comments received

SEMWG change proposal

The vast majority of EPC scheme participants (via national communities or via individual comments) and other contributors to the 2018 public consultation supported the SEMWG recommendation that this change request can be part of the scheme.

Therefore, the SEMWG proposes to include this change request in the 2019 SCT Inst Rulebook version 1.0.



Explicit public consultation comments received

Contributor	Comments received
European Association of Corporate Treasurers (EACT)	<p>Yes - we agree with the principle that EPC scheme participants should not be obliged to invest in tools to handle ISO 20022 XML message– based electronic C2B bulk payment files they do not offer electronic interfaces for sending single SCT instructions/ SDD collections or bulk files with multiple payment SCT instructions/ SDD collections.</p> <p>We suggest anyway to carefully analyse the impact of PSD2 and that rewording for the concerned rulebook sections will have to be carefully chosen in order to align them with the PSD2 legal framework.</p>
Italian Association of Corporate Treasurers (AITI)	<p>Yes - AITI considers reasonable that EPC scheme participants should not be obliged to invest in tools to handle ISO 20022 XML message– based electronic C2B bulk payment files if they do not offer electronic interfaces for sending single SCT instructions/ SDD collections or bulk files with multiple payment SCT instructions/ SDD collections. AITI suggests anyway evaluate this topic in the light of the regulatory framework defined by PSD 2, and suggests to reword the concerned rulebook sections carefully in order to align them with the PSD2 legal framework.</p>

4.1.4. SMB decision

For inclusion in the 2019 SCT Inst rulebook.



4.2. # 2: Changes to the Recall procedure

4.2.1. Description

This change request was made by the SEMWG.

It highlights several issues which have been reported with respect to the SCT Recall procedure. Where applicable, these issues may also occur for Recalls made under the SCT Inst scheme.

It proposes concrete changes in both SCT rulebooks to resolve such issues and to harmonize as best as possible the Recall process description in both SCT rulebooks.

It further suggests including the possibility for a Request for Status Update in the Recall process of both SCT rulebooks. The feature is already included in the 'Request for a Recall by the Originator' (RFRO) process of both SCT rulebooks. It will be of further assistance to the Originator Bank to the benefit of the Originator in the exceptional case the Originator Bank has not received any response from the Beneficiary Bank after the Recall response deadline defined in both SCT rulebooks.

4.2.2. SEMWG analysis and recommendation for the public consultation

The SEMWG suggests incorporating the change request into the scheme (**option b**) entering into effect as of **November 2019**.

4.2.3. SEMWG change proposal and explicit public consultation comments received

SEMWG change proposal

The vast majority of EPC scheme participants (via national communities or via individual comments) and other contributors to the 2018 public consultation supported the SEMWG recommendation that this change request can be part of the scheme.

Therefore, the SEMWG proposes to include this change request in the 2019 SCT Inst Rulebook version 1.0.

Explicit public consultation comments received

Contributor	Comments received
French Banking Federation	Yes - the addition of the status update message is in line with what have been done for RFRO and Inquiries messages.
German Banking Industry Committee (GBIC) on behalf of the German banking community and Deutsche Bundesbank	Yes - It should be clarified in the RB that the Request for Status Update (AT-48) is part of a different message. (Similar clarification is needed for RFRO and Inquiry messages.) Remark: We propose to delete the restriction to one transaction per bulk message pacs.028 in the Request for Status Update (context SCT Recalls and SCT Inquiries.

4.2.4. SMB decision

For inclusion in the 2019 SCT Inst rulebook.



4.3. # 3: Changes to the 'Request for Recall by the Originator' (RFRO) procedure

4.3.1. Description

This change request was made by the SEMWG.

In analogy with the change request item # 02, the SEMWG reviewed the 'Request for Recall by the Originator' (RFRO) procedure considering that the following issues may occur although the rulebook requires either a positive or a negative response (note: the RFRO procedure becomes effective as of November 2018 only under both SCT schemes):

- The Beneficiary Bank does not respond to the RFRO request from the Originator Bank within the deadline defined in the SCT rulebooks because the Beneficiary Bank may have contacted the Beneficiary but did not receive a reply from the Beneficiary.
- The Beneficiary Bank may not reply with the appropriate positive message (pacs.004) but with a "ordinary" transfer message (pacs.008) which can cause reconciliation problems on the side of the Originator Bank

The SEMWG proposes concrete changes in both SCT rulebooks to prevent such issues and to harmonize as best as possible the RFRO process description in both SCT rulebooks.

Another change is to adapt the 'Remarks' section of the DS-07 'Request for Recall by the Originator Dataset' (SCT rulebook) and the DS-08 'Request for Recall by the Originator Dataset' (SCT Inst rulebook).

The final part of the change request is to extend the list of reasons for non-acceptance of the Request for Recall by the Originator compared to the list of reasons possible under the standard Recall procedure.

4.3.2. SEMWG analysis and recommendation for the public consultation

The SEMWG suggests incorporating the change request into the scheme (**option b**) entering into effect as of **November 2019**.

4.3.3. SEMWG change proposal and explicit public consultation comments received

SEMWG change proposal

The vast majority of EPC scheme participants (via national communities or via individual comments) and other contributors to the 2018 public consultation supported the SEMWG recommendation that this change request can be part of the scheme.

Therefore, the SEMWG proposes to include this change request in the 2019 SCT Inst Rulebook version 1.0.

Explicit public consultation comments received

No explicit comments have been submitted.

4.3.4. SMB decision

For inclusion in the 2019 SCT Inst rulebook.



4.4. # 5: Extra SCT Inst option on hard time-out deadline

4.4.1. Description

This change request was made by the SEMWG.

The 2017 SCT Inst rulebook version 1.1 foresees the following options:

- Use of a higher maximum amount per SCT Inst instruction than the default 15.000,00 EUR;
- Use of a shorter target maximum execution time than the default 10 seconds.

The suggestion is to include a third option for SCT Inst scheme participants to apply on a bilateral or on a multilateral basis a **hard time-out deadline** of less than the default 20 seconds.

As the current applicable SCT Inst rulebook already allows the specific option for a shorter target maximum execution time, SCT Inst scheme participants interested in this specific option will most likely want to combine it with a shorter hard time-out deadline.

4.4.2. SEMWG analysis and recommendation

The SEMWG suggests incorporating the change request into the scheme (option b) entering into effect as of November 2019.

4.4.3. SEMWG change proposal and explicit public consultation comments received

SEMWG change proposal

The vast majority of EPC scheme participants (via national communities or via individual comments) and other contributors to the 2018 public consultation supported the SEMWG recommendation that this change request can be part of the scheme.

Therefore, the SEMWG proposes to include this change request in the 2019 SCT Inst Rulebook version 1.0.

Explicit public consultation comments received

No explicit comments have been submitted.

4.4.4. SMB decision

For inclusion in the 2019 SCT Inst rulebook.



4.5. # 6: Rewording in section 2.5 on value limits (SCT Inst Instruction vs SCT Inst Transaction)

4.5.1. Description

This change request was made by the SEMWG.

The suggestion is to better specify the concrete point in time where an SCT Inst Instruction turns into an SCT Inst Transaction, and that the current maximum amount applies to both SCT Inst Instructions and SCT Inst Transactions.

The rulebook would also stipulate that only the SCT Inst scheme participants are formally expected to apply the maximum amount check on SCT Inst Instructions and on SCT Inst Transactions.

4.5.2. SEMWG analysis and recommendation

The SEMWG suggests incorporating the change request into the scheme (**option b**) entering into effect as of **November 2019**.

4.5.3. SEMWG change proposal and explicit public consultation comments received

SEMWG change proposal

The vast majority of EPC scheme participants (via national communities or via individual comments) and other contributors to the 2018 public consultation supported the SEMWG recommendation that this change request can be part of the scheme.

Therefore, the SEMWG proposes to include this change request in the 2019 SCT Inst Rulebook version 1.0.

Explicit public consultation comments received

No explicit comments have been submitted.

4.5.4. SMB decision

For inclusion in the 2019 SCT Inst rulebook.



4.6. # 13: Resolution of SCT Inst investigations within 2 hours after Time Stamp

4.6.1. Description

This change request was made by Deutsche Bank.

The contributor suggests obliging the Originator Bank and the Beneficiary Bank to solve SCT Inst inquiries within 2 hours after the time stamp of the original SCT Inst transaction. This time is to be split as follows:

- Any SCT Inst scheme participant who must initiate an inquiry will have to do so within 1 hour after the time stamp;
- Any SCT Inst scheme participant receiving an inquiry message on an SCT Inst transaction will have to respond within one hour after receipt of that inquiry message.

The contributor points out that such resolution timeline is of relevance in case of an Embargo Filtering hit and where additional information is required from the Originator Bank prior to making the funds available to the Beneficiary.

This obligation would ensure that the funds will be made available in case of Embargo Filtering hits within 2 hours at the latest, or the initial SCT Inst transaction is rejected if the additional information from the inquiry leads to the conclusion that the SCT Inst transaction has to be rejected.

4.6.2. SEMWG analysis and recommendation

The SEMWG recommends not taking forward the change request (**option e**).

The rulebook specifies that the Originator Bank must always receive a confirmation message within the timespan defined in the rulebook. For example, in case of a regulatory hit, the Beneficiary Bank has to decide either to reject the transaction outright or to send a positive confirmation back to the Originator Bank and further conducts its regulatory investigation.

4.6.3. SEMWG change proposal and explicit public consultation comments received

SEMWG change proposal

The vast majority of EPC scheme participants (via national communities or via individual comments) and other contributors to the 2018 public consultation supported the SEMWG recommendation that this change request cannot be part of the scheme.

Therefore, the SEMWG proposes not to include this change request in the 2019 SCT Inst Rulebook version 1.0.

Explicit public consultation comments received

No explicit comments have been submitted.

4.6.4. SMB decision

Not to be included in the 2019 SCT Inst rulebook.



4.7. # 14: Use of labelled -Duplicate- SCT Inst Transaction message in case of no confirmation message for the initial SCT Inst Transaction

4.7.1. Description

This change request was made by Deutsche Bank.

The contributor suggests that in case any party in the clearing chain (Originator Bank, the CSM of the Originator Bank, the CSM of the Beneficiary Bank) did not receive the positive or negative confirmation for a SCT Inst transaction from the next party in the chain within the time limits set by the scheme or by bilateral/multilateral agreement, then the party which misses the confirmation, should be enabled to send a "Duplicate Transaction", clearly marked as a duplicate of the original SCT Inst transaction.

Whoever receives this "Duplicate" and has not received the initial (original) SCT Inst transaction message should then act upon receipt of this second message as if it were the original SCT Inst transaction.

It would avoid the need for an SCT Inst transaction status investigation process, and thus facilitate the final execution and the making the funds available to the Beneficiary.

The time-out period would start anew from the point in time the duplicate SCT Inst transaction message was generated to allow subsequent action by the party, which has not received the original message.

4.7.2. SEMWG analysis and recommendation

The SEMWG recommends not taking forward the change request (**option e**).

The SCT Inst scheme applies very short timelines and foresees for the exceptional case whereby no confirmation message is received within the timespan defined in the rulebook, that the Originator Bank can already make use of the optional SCT Inst Transaction status investigation procedure (section 4.4). Therefore, the SEMWG does not see the need for the proposed "Duplicate" procedure.

4.7.3. SEMWG change proposal and explicit public consultation comments received

SEMWG change proposal

The vast majority of EPC scheme participants (via national communities or via individual comments) and other contributors to the 2018 public consultation supported the SEMWG recommendation that this change request cannot be part of the scheme.

Therefore, the SEMWG proposes not to include this change request in the 2019 SCT Inst Rulebook version 1.0.

Explicit public consultation comments received

Contributor	Comments received
European Central Bank	Yes - CR not clear in the way it should be implemented. It might entail deviation in time-out management and adds unnecessary and not beneficial complexity. This should not be supported as SEMWG also recommends.



Contributor	Comments received
German Banking Industry Committee (GBIC) on behalf of the German banking community and Deutsche Bundesbank	Yes - however one German Bank (non participant) supports the original proposal (= option c) and provides the following comment: "„Could avoid a scenario where the inquiry returns a negative reply and then requires a re-input.“"

4.7.4. SMB decision

Not to be included in the 2019 SCT Inst rulebook.



4.8. # 17: Addition of a Repayment service

4.8.1. Description

This change request was made by EuroCommerce.

(note from the EPC: even though the change request itself exclusively refers to the SCT Inst scheme, the EPC has included this request also in the 2018 SCT rulebook change management cycle to harmonize as best as possible both SCT rulebooks in case this change request would be supported).

Currently the SCT rulebooks define that when the Beneficiary's account has already been credited and the Beneficiary wishes to return the funds, it can only do this by initiating a new SCT (Inst) transaction.

The contributor points out that payers purchasing goods or services at merchant points of sale often change their mind, return the goods or refine their requirements post event. The contributor believes that payers should be entitled to obtain a refund through the original payment method seamlessly whilst ensuring a consistent user experience.

The contributor therefore proposes to include an automated refund service in the SCT Inst scheme to enable the Beneficiary to promptly reimburse/refund the Originator, either in full or in part. Only the Beneficiary would be able to initiate such refund transaction.

As the Beneficiary may not receive the information on the IBAN of the Originator in the bank-to-customer credit transfer data set, the refund transaction should refer to the payment reference of the initial SCT Inst transaction which the Beneficiary has received from the Beneficiary Bank. With this reference, the Beneficiary Bank can retrieve all necessary details of the initial SCT Inst transaction to reimburse the Originator.

4.8.2. SEMWG analysis and recommendation for the public consultation

The SEMWG suggests incorporating the change request into the scheme (**option b**).

The SEMWG proposal is to include clarifications in the IGs through new usage rules, and in the Clarification Paper of the SCT and SCT Inst rulebooks how to execute such repayment.

4.8.3. SEMWG change proposal and explicit public consultation comments received

SEMWG change proposal

A majority of EPC scheme participants (via national communities or via individual comments) and a vast majority of other contributors to the 2018 public consultation supported the SEMWG recommendation that this change request can be part of the scheme.

As the SEMWG recommendation for the public consultation was to include clarifications in the IGs and in the Clarification Paper of the SCT and SCT Inst rulebooks, the SEMWG considers that nothing needs to be changed or added in the 2019 SCT Inst Rulebook version 1.0 itself (**option a**). A Repayment is technically considered as a new SCT Inst transaction.



The SEMWG proposes to include usage rules in the Customer-to-Bank IGs for electronically bundled SCT Inst transactions in ISO 20022 XML format when the Beneficiary wants to initiate a Repayment for an earlier settled SCT Inst transaction, and to provide guidance in the Clarification Paper of the SCT and SCT Inst rulebooks. This will also include the case in which the Beneficiary has not received the IBAN of the Originator in the earlier settled SCT Inst transaction.

Therefore, the SEMWG proposes not to include this change request in the 2019 SCT Inst Rulebook version 1.0.

Explicit public consultation comments received

Contributor	Comments received
Bank Association of Slovenia	No - option e - cannot be part of the scheme.
Dutch Payments Association	<p>No - we propose option e. This should not be considered as part of the Rulebook.</p> <p>We fully support EPC to include this in the Clarification Paper of the SCT and SCT Inst Rulebooks.</p>
equensWorldline	No - This is a very specific case (Point of sale). In our opinion the PSP could offer this to its Beneficiary clients as an extra service (creating new Instant Payment for repaying) outside of the SCT Inst payment scheme.
European Association of Corporate Treasurers (EACT)	Yes - We support the change request. We suggest anyway to limit the usage of such a service to the refund of the initial SCT transaction.
European Automated Clearing House Association (EACHA)	<p>Yes - we support this proposal and have identified the same issue. However, the detail of the proposed change in section 2.8 of the consultation document is not fully clear.</p> <p>We think there are a number of options. The usage rules for the pacs.004 could be changed to allow partial as well as full refunds. There would also presumably need to be a specific reason code. It would also be possible to use a pacs.008. If this is used, there would need to be a standardised information field to refer to the original transaction plus a refund reason code. We would appreciate further clarification from EPC on this point.</p>
Finance Finland	No - This should be c), optional feature that the beneficiary bank could offer to the beneficiary according to common standard. Interbank this would be a normal SCT.



Contributor	Comments received
French Banking Federation	<p>Yes - a repayment service would be extremely convenient for the reimbursement procedure related to "Customer to Merchant" use case. In France Originator IBAN cannot be provided to the beneficiary as it is considered as a private data.</p> <p>Consequently, it is necessary to clearly identify the repayment as such in the initiation message and to provide clear information allowing the bank of the merchant to find the original payment (i.e. the IBAN of the originator of the initial payment).</p> <p>In any case, this service rendered by the beneficiary bank should remain optional.</p>
German Banking Industry Committee (GBIC) on behalf of the German banking community and Deutsche Bundesbank	<p>Yes - However 880 German scheme participants are of the opinion that this proposal is already covered by the scheme (=option a) and therefore consider the proposal as a clarification only.</p>
Italian Association of Corporate Treasurers (AITI)	<p>Yes - AITI supports the change request. We suggest anyway to limit the usage of such a service to the refund of the initial SCT transaction only.</p>
Italian Banking Association	<p>Yes - please take into consideration the following comments:</p> <ul style="list-style-type: none"> - in order to keep aligned SCT and SCT Inst Rulebooks one bank suggests to include this CR also in SCT Inst Rulebook; - One Bank remarks that this CR requires other specific rules (ex. IBAN of the Originator unknown to the Beneficiary, refund amount not greater than the original one...etc.).
Spanish Banking Community	<p>No - option c. In any case it should not be understood as being part of the rulebook but IG's usage rules and clarification papers.</p>
STUZZA Austria	<p>Yes - from our point of view this service will be very important to make SCT Inst attractive as payment form in the e-commerce business. The repayment service should be configured in a way that it is user-friendly, and the involved parties can easily match the repayment with the original payment.</p>

4.8.4. SMB decision

Not to be included in the 2019 SCT Inst rulebook.



Just one remark is to be added in the rulebook dataset DS-01 Customer-to-Bank SEPA Credit Transfer Information specifying in which circumstances the Beneficiary can provide an alternative identifier to the IBAN of the account of the Originator.

Instead, usage rules will be included in the Customer-to-Bank IGs for electronically bundled SCT Inst transactions in ISO 20022 XML format when the Beneficiary wants to initiate a Repayment for an earlier settled SCT Inst transaction, and further guidance will be provided in the Clarification Paper of the SCT and SCT Inst rulebooks (see EPC 131-17). This will include the case in which the Beneficiary has not received the IBAN of the account of the Originator in the earlier settled SCT Inst transaction.



4.9. # 20: Extension response deadline for Beneficiary Banks to a Request for Recall by the Originator (RFRO)

4.9.1. Description

This change request was made by the Dutch Payments Association.

The contributor suggests extending the period for Beneficiary Banks from 10 to 15 Banking Business Days after the receipt of the Request for Recall by the Originator (RFRO), for providing either a positive or negative answer to the Originator Bank.

Extending the period to respond increases the likelihood for Beneficiary Banks to receive, if needed, the proper authorization from the Beneficiaries for debiting their account in time.

This change would prevent (unnecessary) negative answers to Originator Banks caused by Beneficiaries who are not able to provide their proper authorization for debiting their account to the Beneficiary Bank in time. The quality of the outcome of the RFRO process would improve substantially.

4.9.2. SEMWG analysis and recommendation

This change would prevent unnecessary negative answers to Originator Banks caused by Beneficiaries who are not able to provide their proper authorization for debiting their account to the Beneficiary Bank in time. The quality of the outcome of the RFRO procedure would improve substantially.

To achieve as much as possible consistency between similar types of exception handling, the SEMWG recommends extending the maximum period for Beneficiary Banks to respond to a **SCT Inst Recall** procedure from 10 to 15 Banking Business Days. This measure will increase the quality of the outcome of the SCT Inst Recall procedure.

The SEMWG suggests incorporating the change request **both for SCT Inst Recall and RFRO** into the scheme (**option b**) entering into effect as of **November 2019**.

Each stakeholder taking part in the public consultation of the 2018 SCT Inst rulebook change management cycle, is invited to indicate if:

- a) It supports the change request related to the RFRO procedure
- b) It is in favour to extend the response deadline for Beneficiary Banks for a SCT Inst Recall procedure from 10 to 15 Banking Business Days

4.9.3. SEMWG change proposal and explicit public consultation comments received

SEMWG change proposal

The vast majority of EPC scheme participants (via national communities or via individual comments) and other contributors to the 2018 public consultation supported the SEMWG recommendation that this change request can be part of the scheme.

Therefore, the SEMWG proposes to include this change request for the RFRO **and** the Recall procedures in the 2019 SCT Inst Rulebook version 1.0.



Explicit public consultation comments received

Contributor	Comments received
Bank Association of Slovenia	Item a): NO Item b): NO Existing 10 business days are enough.
European Central Bank	Item a): NO Item b): NO For both options we are not supporting this CR. We would prefer to see the figures of lack of responses in 10 business days from the beneficiary bank before extending such a limit.
Finance Denmark	Item a): NO Item b): NO The Danish community does not support this suggestion but would prefer such r-scenarios to be corrected asap after the actual incident within the present timeline.
German Banking Industry Committee (GBIC) on behalf of the German banking community and Deutsche Bundesbank	Item a): YES Item b): YES The support of this CR is under the condition that the same response deadlines will be applied to both, the Recall procedure and to the RFRO procedure.
Italian Banking Association	Item a): YES Item b): YES It's important that this CR is included also in the SCT scheme.

4.9.4. SMB decision

For inclusion in the 2019 SCT Inst rulebook.



4.10. # 21: Possibility for the Originator to request Beneficiary details following a negative answer to a Request for Recall by the Originator

4.10.1. Description

This change request was made by the Dutch Payments Association and relates to the Request for Recall by the Originator (RFRO) procedure.

The contributor suggests expanding the possibility of appeal for the Originator if a negative answer to the Request for Recall is received from the Beneficiary Bank.

If the Beneficiary Bank is obliged to provide a negative answer, nowadays the communicated decision from the Beneficiary, regarding the concerned initial Credit Transfer, is final from the perspective of the Originator Bank as well as the Beneficiary Bank.

However, the Originator can (still) disagree with this communicated decision and might wish to contact the Beneficiary directly, to take legal action. Since the Originator has no access to the correct contact details of the Beneficiary, the Originator Bank can ask for the correct contact details (Name, Address, Place) of the Beneficiary via the Beneficiary Bank.

After this request the Beneficiary Bank can provide the Originator Bank with the requested contact details (Name, Address, Place). However, the (non-intended) Beneficiary always can submit a well-founded objection to this provision of the requested contact details (Name, Address, Place) to the Beneficiary Bank. The Beneficiary Bank will inform the Originator Bank as soon as possible about this objection.

4.10.2. SEMWG analysis and recommendation

The SEMWG recommends not taking forward the change request (**option e**). It sees national data protection obstacles in several countries to share such information about the Beneficiary.

With such national limitations in sharing personal data in mind and taking the assumption that such procedure would be based on ISO 20022 messages, the SEMWG is concerned about the uneven balance between the implementation costs of such procedure and the number of such requests filed by Originators.

Each stakeholder taking part in the public consultation of the 2018 SCT Inst rulebook change management cycle, is invited to indicate if:

- a) It supports the change request related to the RFRO procedure
- b) It is in favour to apply this change request as well to the **Recall** procedure

4.10.3. SEMWG change proposal and explicit public consultation comments received

SEMWG change proposal

The vast majority of EPC scheme participants (via national communities or via individual comments) and a majority of other contributors to the 2018 public consultation supported the SEMWG recommendation that this change request cannot be part of the scheme.

Therefore, the SEMWG proposes not to include this change request in the 2019 SCT Inst Rulebook version 1.0.



Explicit public consultation comments received

Contributor	Comments received
Bank Association of Slovenia	Item a): NO Item b): NO Existing 10 business days are enough.
Dutch Payments Association	Item a): NO - option b Item b): NO - option b This change request should be incorporated into the scheme; option b. The proposed change already caters for the objection by the Beneficiary to share this information, the Rulebook could also provide the Beneficiary PSP with the option to object to share this information in case national data protection laws and regulations prohibit sharing this information. Furthermore, PSPs must comply with PSD2 art. 88.3: 3. However, the payer's payment service provider shall make reasonable efforts to recover the funds involved in the payment transaction. The payee's payment service provider shall cooperate in those efforts also by communicating to the payer's payment service provider all relevant information for the collection of funds. In the event that the collection of funds under the first subparagraph is not possible, the payer's payment service provider shall provide to the payer, upon written request, all information available to the payer's payment service provider and relevant to the payer in order for the payer to file a legal claim to recover the funds. In case the payer, ultimately, wants to file a legal claim to recover the funds, he needs Beneficiary details. When the RFRO does not cater for sharing this information, other means of communication are required (such as MT199) to request this information once the RFRO has been completed. This is considered a very inefficient way of working.
European Association of Corporate Treasurers (EACT)	Item a): NO Item b): NO We support the change request, since in the case of negative RFRO or Recall due to errors in ownership of the current account credited, the Originator have no alternatives to trace and contact the beneficiary. In case of negative authorization from the beneficiary to disclosure its data, contact data of the beneficiary bank could be returned.
European Central Bank	Item a): YES Item b): YES



Contributor	Comments received
	For both options we are not supporting this CR. As pointed out by SEMWG, it would entail high costs for the expected benefits. In addition, sensitive information could breach regulation on data protection.
French Banking Federation	Item a): YES Item b): YES Doesn't make sense for the Recall procedure neither.
German Banking Industry Committee (GBIC) on behalf of the German banking community and Deutsche Bundesbank	Item a): NO Item b): NO We support the Dutch proposal. The change proposal should become part of the scheme. The support of this CR is under the condition that it will be applied to both, the Request for Recall and the RFRO.
Italian Association of Corporate Treasurers (AITI)	Item a): NO Item b): NO AITI supports the change request, since in the case of negative RFRO or Recall due to errors in ownership of the current account credited, the Originator could have no alternatives to trace and contact the beneficiary, especially if it has no relationships with it. In case of negative authorization from the beneficiary to disclosure its data, at least contact data of the beneficiary bank could be returned.
Norwegian Banking Community	Item a): YES Item b): YES We support the recommendation from SEMWG that this cannot be part of the existing scheme, since this involves sharing personal data (sensitive data). This means No for both item a and b.

4.10.4. SMB decision

Not to be included in the 2019 SCT Inst rulebook.



4.11. # 22: Procedure for handling hits due to CTF, Embargo and AML

4.11.1. Description

This change request was made by the Dutch Payments Association.

The contributor points out that the Beneficiary Bank can be faced with the following situation:

- It has a potential hit for a CTF, Embargo or AML reason;
- It does not reject the SCT Inst transaction; and
- The immediate confirmation to the Originator and the Beneficiary is required;

The Originator would receive a confirmation that the SCT Inst Transaction is successful, but the Funds are not (directly) Made Available to the Beneficiary. The Beneficiary Bank will then investigate, outside the time window for a regular SCT Inst transaction, whether the potential hit is a true hit.

To enable the Originator Bank to inform the Originator adequately upon request, the Originator Bank must be notified of the fact that the Beneficiary Bank further investigates the SCT Inst transaction. For such notification from the Beneficiary Bank to the Originator Bank, the contributor suggests two possible solutions:

- A. Introduce the option in the SCT Inst rulebook to send a 'Pending' status as reply. This 'Pending' status informs the Originator Bank that the Beneficiary Bank has been confronted with a potential hit. Settlement of the SCT Inst transaction will be triggered by this 'Pending' status message (in line with a positive confirmation message) to allow the Beneficiary Bank to fulfil its legal obligations.

When the Beneficiary Bank has concluded the investigation, the Pending status message will be followed by a confirmation message (either positive or negative) enabling the Beneficiary Bank to inform the Originator Bank whether the Funds have been finally Made Available to the Beneficiary.

- B. Introduce the usage rule to include a Reason Code in the positive confirmation message (DS-03) from the Beneficiary Bank to the Originator Bank indicating that the Beneficiary Bank has been confronted with a potential hit. Settlement of the SCT Inst transaction will not be impacted.

In this option there will be no final formal confirmation whether the Funds are finally Made Available to the Beneficiary.

In both options, when the investigation results in a true hit, and the Funds may have to be returned to the Originator, the Beneficiary Bank will do so by a SCT Inst transaction for the same amount with reference to the original transaction.

4.11.2. SEMWG analysis and recommendation

The SEMWG recommends not taking forward the change request (**option e**).

4.11.3. SEMWG change proposal and explicit public consultation comments received

SEMWG change proposal

The vast majority of EPC scheme participants (via national communities or via individual comments) and other contributors to the 2018 public consultation supported the SEMWG recommendation that this change request cannot be part of the scheme.



Therefore, the SEMWG proposes not to include this change request in the 2019 SCT Inst Rulebook version 1.0.

Explicit public consultation comments received

Contributor	Comments received
Dutch Payments Association	No - We propose option b (no support SEMWG) The negative impact on the end user of a rejected SCT Inst trx is considered bigger than the negative impact on the end user of a SCT Inst trx that has been credited to the Beneficiary's account with a delay.
European Central Bank	Yes - We do not support the CR as a pending status is against the spirit of the SCT Inst.
French Banking Federation	Yes - we do not support the CR #22. In case of a potential hit after the beneficiary bank has applied its sanction screening lists, we think that a reject of the transaction (returned message to the payment system and the ordering bank) would be the best option. Such rule prevents an asymmetry of information between the ordering and the beneficiary clients and is fully compliant with the SCT INST scheme. We admit that this "black or white" process could create a few more rejects but it is thought to be more acceptable and manageable from a scheme participant and client point of view than for the current proposal.

4.11.4. SMB decision

Not to be included in the 2019 SCT Inst rulebook.



4.12. # 25: SEPA transaction processing based on IBAN-Only also for non-EEA SEPA countries

4.12.1. Description

This change request was made by the Payment Committee Switzerland.

The actual version of the rulebooks and implementation guidelines request that the BIC code is mandatory if a bank is located in a non-EEA SEPA country or territory.

The contributor proposes

- To allow bank customers in SEPA countries to use <<IBAN-only>> also for banks located in non-EEA SEPA countries or territories. The request is to delete the obligation that BIC is mandatory for non-EEA SEPA countries or territories in all EPC rulebooks and implementation guidelines.
- If (for any reason) it is not possible to allow bank customers in SEPA countries to use <<IBAN-only>> for all non-EEA SEPA countries or territories the change request should be interpreted to allow <<IBAN-Only>> for payments from/to Switzerland.

The change request explains in detail the arguments for dropping the EPC rulebook rule of IBAN+BIC for transactions to and from non-EEA SEPA countries.

4.12.2. SEMWG analysis and recommendation for the public consultation

The SEMWG suggests incorporating the change request into the scheme (**option b**).

If a SCT scheme participant can support the acceptance and the processing of a SCT instruction from the Originator containing an IBAN but not the related BIC, even if one of the two SCT scheme participants covered by that SCT instruction is based in a non-EEA SEPA country, it is allowed to do so and to communicate this service to its customers.

4.12.3. SEMWG change proposal and explicit public consultation comments received

SEMWG change proposal

The vast majority of EPC scheme participants (via national communities or via individual comments) and other contributors to the 2018 public consultation supported the SEMWG recommendation that this change request can be part of the scheme.

Therefore, the SEMWG proposes to include this change request in the 2019 SCT Inst Rulebook version 1.0.

Explicit public consultation comments received

Contributor	Comments received
French Banking Federation	Yes - we support this CR as long as the EEA located PSP still have the possibility to require the beneficiary Bank BIC from its customer (the originator).



Contributor	Comments received
	To allow end-to-end STP cross-border transactions processing between PSP based in EEA and non-EEA countries, PSP in the EEA need to be able to always derive a BIC from an IBAN for an account managed in an non-EEA country. If not, BIC of the receiving party should continue to be asked. A prerequisite to IBAN-only transaction processing also for non-EEA countries is to always have at least one reliable register in order to derive one BIC from an IBAN.

4.12.4. SMB decision

For inclusion in the 2019 SCT Inst rulebook.



4.13. # 26: Inclusion of SCT Inst Return procedure

4.13.1. Description

This change request was made by Deutsche Bank.

The contributor suggests including a Return procedure (i.e. after the settlement of an SCT Inst transaction) in the SCT Inst rulebook.

Even though such process would be used for settled SCT Inst transactions which eventually caused a CTF, Embargo or AML hit, this procedure would also be useful for other reasons.

4.13.2. SEMWG analysis and recommendation

The SEMWG recommends not taking forward the change request (**option e**).

The Beneficiary Bank must send a new SCT Inst transaction as the initial SCT transaction was successfully settled.

4.13.3. SEMWG change proposal and explicit public consultation comments received

SEMWG change proposal

The vast majority of EPC scheme participants (via national communities or via individual comments) and other contributors to the 2018 public consultation supported the SEMWG recommendation that this change request cannot be part of the scheme.

Therefore, the SEMWG proposes not to include this change request in the 2019 SCT Inst Rulebook version 1.0.

Explicit public consultation comments received

Contributor	Comments received
European Central Bank	Yes - there is already an efficient alternative, i.e. the usage of a standard pacs.008. Moreover, this appears to be a completely new transaction as the original one was successfully settled.

4.13.4. SMB decision

Not to be included in the 2019 SCT Inst rulebook.



4.14. # 33: Clarifications on adherence conditions to the optional EPC schemes

4.14.1. Description

This change request was made by equensWorldline.

The SCT Inst scheme is an optional scheme. Currently, PSPs are not obliged by law, national or any EU regulation to offer payments following this payment scheme. However, in the rulebook there is no clear statement whether the adherence to the SCT scheme is a precondition for the adherence to the SCT Inst scheme.

Until now, payment service providers had adhered to the “basic schemes” (SCT and SDD Core) and afterwards some had adhered optionally to the SDD B2B scheme. In the future, it is possible for some payment service providers to decide strategically to offer exclusively SCT Inst services. The payment service providers should be provided with clarity about the adherence of these schemes.

The document “Guide for Adherence to the SEPA Credit Transfer Scheme, the SEPA Instant Credit Transfer Scheme and the SEPA Direct Debit Schemes”, (EPC012-17 v.1.0) does neither provide the clarity whether a participant can offer exclusively optional SEPA schemes and not “core” schemes to the market.

Therefore, the contributor suggests that the SCT Inst rulebook must include a clear statement regarding the above-mentioned possibility. Alternatively, a reference to the Guide Adherence could help, if the clarification is made in the guide adherence instead.

4.14.2. SEMWG analysis and recommendation

The SEMWG recommends not taking forward the change request (**option e**).

There are four independent schemes and they do not have any relation or dependency to each other.

4.14.3. SEMWG change proposal and explicit public consultation comments received

SEMWG change proposal

The vast majority of EPC scheme participants (via national communities or via individual comments) and other contributors to the 2018 public consultation supported the SEMWG recommendation that this change request cannot be part of the scheme.

Therefore, the SEMWG proposes not to include this change request in the 2019 SCT Inst Rulebook version 1.0.

Explicit public consultation comments received

Contributor	Comments received
European Central Bank	Yes - we agree with the SEMWG that all four EPC schemes are independent.

4.14.4. SMB decision

Not to be included in the 2019 SCT Inst rulebook.



4.15. # 34: Use of aliases when making SCT Inst Instructions

4.15.1. Description

This change request was made by Citibank.

The contributor suggests introducing a dropdown feature in the SCT Inst instruction initiation channels to enable Originators to make SCT Inst instructions by just specifying an alias for the IBAN of the Beneficiary (e.g., a mobile number\email ID or any other National ID of the Beneficiary).

With this, the Originator does not need to remember and to provide each time the IBAN of the Beneficiary which effectively means faster payment submission.

4.15.2. SEMWG analysis and recommendation

The SEMWG recommends not taking forward the change request (**option e**).

The scope of the SCT Inst scheme lies pre-dominantly in the cooperative domain of the interbank space.

The range of SCT Inst instruction initiation channels and the types of aliases or shortcuts offered to Originators for these channels, is part of the commercial i.e. competitive SCT Inst service of each SCT Inst scheme participant.

4.15.3. SEMWG change proposal and explicit public consultation comments received

SEMWG change proposal

The vast majority of EPC scheme participants (via national communities or via individual comments) and other contributors to the 2018 public consultation supported the SEMWG recommendation that this change request cannot be part of the scheme.

Therefore, the SEMWG proposes not to include this change request in the 2019 SCT Inst Rulebook version 1.0.

Explicit public consultation comments received

Contributor	Comments received
European Central Bank	Yes - we agree with the SEMWG that usage of aliases is part of the competition in the offer of Instant Payments.
German Banking Industry Committee (GBIC) on behalf of the German banking community and Deutsche Bundesbank	Yes - However one German Bank (non participant) supports the original proposal (= option c) and provides the following comment: „The use of "Alias" is requested by ECB as well as by the market. This means that at least in the customer to bank file format (MIG) the EPC should open up and possibly define the use of alternative IDs (e.g. Phone Number, e-mail address etc.). The cooperative space comes into play when the corresponding IBAN will have to be derived from the Alias.”



4.15.4. SMB decision

Not to be included in the 2019 SCT Inst rulebook.



5. CHANGES PERTAINING TO THE IMPACT OF THE SEPA REGULATION OR OF ANY OTHER EU LEGISLATION (“REGULATORY CHANGE PROPOSAL SUBMISSION DOCUMENT”³)

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.

For this rulebook change management cycle, no changes were deemed required at the start of the public consultation.

During the public consultation itself, no new regulatory and payment scheme oversight matters were brought to the attention of the EPC.

In September 2018, ECB/ Eurosystem finalised its major incident reporting framework for payment schemes and retail payment systems which enters into force on 01 January 2019. Payment schemes (including the EPC SEPA schemes) and retail payment systems are requested to classify and report major payment incidents to their respective lead overseer in accordance with the requirements and definitions in the new framework.

This affects the definition of the term “Major Incident” in each EPC SEPA scheme rulebook. Therefore, the below-mentioned change has a regulatory nature.

Section 4.2.9 of the SMIRs prescribes the procedure for a Change for Regulatory Reasons. This section should be considered as a Regulatory Change Proposal Submission Document. The SEMWG presents a Regulatory Change Proposal in the table below. Given its regulatory nature, this Proposal requires only a review and approval from the SMB.

Section	Description	Reason for change
Change Proposal resulting from the Eurosystem major incident reporting framework for payment schemes and retail payment systems		
7	Complete replacement of the definition of the term “Major Incidents” into: According to the ECB / Eurosystem’s “major incident reporting framework for payment schemes and retail payment systems” (also referred to herein as ‘the Framework’) an incident should be understood as “operational or security incident” in the case of “a singular event or a series of linked events unplanned by ... the scheme’s governance authority which has or will probably have an adverse impact on the integrity, availability, confidentiality, authenticity and/or continuity of payment-related services”.	The EPC as payment scheme owner has to comply with Eurosystem major incident reporting framework for payment schemes and retail payment systems finalised in September 2018.

³ This section 5 contains the so-called Regulatory Change Proposal Submission Document as referred to in Section 4.2.9 of the Scheme Management Internal Rules (SMIRs)



Section	Description	Reason for change
7	Incidents that fulfil either one or more criteria at the 'higher impact level' or three or more criteria at the 'lower impact level' should be classified as 'major' according to the Framework. The assessment of materiality of an operational or security incident shall be carried out by the Participant based on the detailed criteria and kept updated by the EPC in document EPC190-18.	



6. CHANGE MANAGEMENT PROCESS IN RESPECT OF MINOR CHANGES

6.1. Publication of list of minor changes

The SEMWG had identified certain minor changes which it considered necessary for the SCT Inst rulebook.

The SEMWG is required under the SMIRs to publish a list of minor changes on the EPC website and to ensure that the list may be viewed by all stakeholders.

This obligation had been met by the publication of the SCT Inst Rulebook 2018 Change Request Public Consultation Document (EPC 006-18) on 13 March 2018, and in particular the provisions under section 4 of that document noting certain changes as 'minor' in this specific document.

6.2. Comments on the minor changes during the public consultation

All stakeholders had the opportunity to submit comments on the list of minor changes covered in the SCT Inst Rulebook 2018 Change Request Public Consultation Document.

6.3. Submission of the list of minor changes to the SMB

The list of minor changes had been submitted to the SMB via this SCT Inst Change Proposal Submission Document in accordance with section 4.2.5 of the SMIRs.

6.4. Minor changes taken up in the SCT Inst rulebook to take effect in 17 November 2019

Section	Description	Reason for change	Type of Change
Section 0.1	The reference [12] should now refer to the document EPC012-17	Instead of a scheme adherence guide per scheme, a single adherence guide for all EPC schemes has been published	CLAR
Section 2.6	Add as 2 nd paragraph: Reachability is a major assumption on which the Scheme is based and is therefore a key success factor for the Scheme.	To ensure alignment with the wording in the SCT rulebook.	CLAR
Section 4.4	Replace the term "SCT Inst status inquiry message" into "SCT Inst Transaction status investigation message"	To use one and the same term for this SCT Inst process	CHAN



ANNEX I

Comments were received from the following contributors during the public consultation.

Input from:	List of contributors
Individual PSPs and (national) communities of PSPs	<ol style="list-style-type: none">1. Bank Association of Slovenia2. Dutch Payments Association3. Finance Denmark4. Finance Finland5. French Banking Federation6. German Banking Industry Committee (GBIC) on behalf of the German banking community and Deutsche Bundesbank7. Italian Banking Association8. Luxembourg Bankers' Association9. Nordea Bank Group10. Norwegian Banking Community11. OP Financial Group12. Portuguese Banking Community13. Spanish Banking Community14. Stuzza Austria
Other stakeholders	<ol style="list-style-type: none">1. Bitkom e.V.2. equensWorldline3. European Association of Corporate Treasurers (EACT)4. European Automated Clearing House Association (EACHA)5. European Central Bank6. Italian Association of Corporate Treasurers (AITI)