



SEPA Direct Debit B2B Rulebook

2020 Change Request Public Consultation

EPC004-20 / Version 1.0 / Date issued: 12 March 2020

Public Consultation

2020 Change Requests for SDD B2B Rulebook



European Payments Council

European Payments Council AISBL

Cours Saint-Michel, 30 - B - 1040 Brussels

T +32 2 733 35 33

Entreprise N°0873.268.927

secretariat@epc-cep.eu

EPC004-20

Version 1.0

Date issued: 12 March 2020

The Single Euro Payments Area (SEPA) payment schemes, as set out in the SEPA Credit Transfer (SCT), the SEPA Instant Credit Transfer (SCT Inst), the SEPA Direct Debit Core (SDD Core) and the SEPA Direct Debit Business to Business (SDD B2B) rulebooks, evolve based on a transparent change management process adhered to by the European Payments Council (EPC). For details on the principles governing the EPC scheme change management process, we refer to sections 5, 6 and 7 in this document and the sources listed at the end of this page.

This SDD B2B 2020 Change Request Public Consultation Document (document EPC004-20) details change requests for possible modifications to be introduced into the next version of the SDD B2B rulebook. This public consultation document builds on change requests submitted by stakeholder representatives, banking communities and by EPC Working and Support Groups. The SDD B2B 2020 Change Request Public Consultation Document offers the analyses and recommendations of the EPC Scheme Evolution and Maintenance Working Group (SEMWG) on the way forward regarding individual change requests. A summary overview of the change requests and related recommendations by the SEMWG is provided in section 1 of this Change Request Public Consultation Document.

The EPC submits the SDD B2B 2020 Change Request Public Consultation Document for public consultation. The public consultation takes place between 12 March and 09 June 2020.

All scheme participants and stakeholders are encouraged to provide feedback on the possible changes to be introduced into the next version of the SDD B2B rulebook by completing the response template EPC008-20 and send it to change-request.EPC-scheme@epc-cep.eu by 09 June 2020 at 17h00 CET at the latest. The EPC will not consider any feedback received after this deadline.

Proposed changes detailed in this SDD B2B 2020 Change Request Public Consultation Document, which are broadly accepted by all scheme participants and stakeholders, and that are technically and legally feasible, will be taken forward, after approval by the Scheme Management Board (the EPC decision-making body in charge of the schemes' administration and evolution). Others will not be retained. The updated version of the SDD B2B rulebook will be published in November 2020 for implementation in November 2021. In accordance with industry best practice, payment service providers and their suppliers have a one-year lead time to address rulebook updates prior to such updates taking effect.

More information about the maintenance and the evolution of the SDD B2B scheme is available in Chapter 4 of the [Scheme Management Internal Rules \(The Internal Rules\)](#) being a binding Annex to the current applicable SDD B2B rulebook.

It should be noted that the EPC is under the legal obligation to ensure compliance of the SDD B2B rulebook with existing EU legislations or to any new EU legislation impacting the SDD B2B rulebook.



Therefore, the EPC reserves the right to make necessary changes to the SDD B2B rulebook at all times in order to ensure that the SDD B2B rulebook does comply with changes to existing EU legislation or with the entry into force of any new EU legislation.

Please refer to Annex 1 for the original detailed change requests. This document contains only a summary of each individual change request.



Table of Contents

1	Executive Summary: Major Change Requests to the SDD B2B Rulebook.....	7
1.1	EPC Approach.....	7
1.2	Overview of Change Requests and Proposed Way Forward for Consideration by Respondents to the Public Consultation	8
1.3	Overview of Changes to Align the Next Version of the SDD B2B Rulebook with any Existing EU Legislation and with the Entry into Force of New EU Legislation.....	10
2	Detailed Analysis of Major Change Requests to the SDD B2B Rulebook.....	11
2.1	# 8: Change request has been withdrawn	11
2.1.1	Description	11
2.2	# 13: Removal of references to the e-Mandate operating model.....	12
2.2.1	Description	12
2.2.2	SEM WG analysis and recommendation.....	12
2.2.3	Rulebook impact	12
2.3	# 15: Change request has been withdrawn	13
2.3.1	Description	13
2.4	# 16: Alignment of all attribute numbers across all rulebooks.....	14
2.4.1	Description	14
2.4.2	SEM WG analysis and recommendation.....	14
2.4.3	Rulebook impact	14
2.5	# 17: Changes to EPC208-08 'EPC e-Operating Model detailed specifications'	15
2.5.1	Description	15
2.5.2	SEM WG analysis and recommendation.....	15
2.5.3	Rulebook impact	15
2.6	# 20: Migration to the 2019 version of the ISO 20022 messaging standard	16
2.6.1	Description	16
2.6.2	SEM WG analysis and recommendation.....	17
2.6.3	Rulebook impact	17
2.7	# 25: New r-transaction reason code.....	18
2.7.1	Description	18
2.7.2	SEM WG analysis and recommendation.....	18
2.7.3	Rulebook impact	18
2.8	# 35: Align the rulebook with the Funds Transfer Regulation	19



2.8.1	Description	19
2.8.2	SEMWG analysis and recommendation.....	19
2.8.3	Rulebook impact	19
2.9	# 43: Replacement of the term Bank with PSP and updated Customer definition	20
2.9.1	Description	20
2.9.2	SEMWG analysis and recommendation.....	20
2.9.3	Rulebook impact	20
2.10	# 45: New r-transaction reason code.....	21
2.10.1	Description.....	21
2.10.2	SEMWG analysis and recommendation	21
2.10.3	Rulebook impact.....	21
2.11	# 46: Change request has been withdrawn	22
2.11.1	Description.....	22
2.12	# 47: Change request has been withdrawn	23
2.12.1	Description.....	23
2.13	# 48: New r-transaction reason code.....	24
2.13.1	Description.....	24
2.13.2	SEMWG analysis and recommendation	24
2.13.3	Rulebook impact.....	24
3	Changes Pertaining to the Impact of the SEPA Regulation or any Other EU Legislation	25
4	Detailed Analysis of Minor Changes to the SDD B2B Rulebook.....	28
4.1	Change Requests.....	28
5	Principles Governing the Change Management Cycle.....	30
5.1	Change Request Public Consultation Document	30
5.2	Structure of the Change Request Public Consultation Document.....	30
6	Change Management Cycle in respect of Major Change Requests	31
6.1	Consideration of Change Requests	31
6.2	Change Request Public Consultation Document	31
6.3	SEMWG Recommendations	31
6.4	Public Consultation on the Change Requests	31
6.5	Next Steps	31
6.6	Further Information	32
7	Change Management Cycle in respect of Minor Change Requests.....	33



7.1	Publication of List of Minor Change Requests	33
7.2	Comments on the Minor Change Requests	33
7.3	Submission of the List of Minor Change Requests to the SMB	33
Annex 1 - Original Change Requests.....		34



1 Executive Summary: Major Change Requests to the SDD B2B Rulebook

1.1 EPC Approach

The principles governing the evolution of the Single Euro Payments Area (SEPA) payment schemes as set out in the SEPA Credit Transfer (SCT) and SEPA Direct Debit (SDD) rulebooks are detailed in the 'SEPA Scheme Management Internal Rules' (the Internal Rules). These Internal Rules are available for download on the European Payments Council ([EPC Website](#)). Sections 5, 6 and 7 in this SDD B2B 2020 Change Request Public Consultation Document detail the application of the Internal Rules in the EPC scheme change management process.

The Internal Rules make a difference between so called major and minor changes to the EPC rulebooks. A major change is a change that affects or proposes to alter the substance of the rulebooks and the schemes. Any change to chapters 5 and 6 of the rulebooks is always considered a major change. A minor change is a change of an uncontroversial and usually technical nature that facilitates the comprehension and use of the rulebooks.

This executive summary of the SDD B2B 2020 Change Request Public Consultation Document highlights change requests for major changes to the SDD B2B rulebook received in this scheme change management cycle. Change requests for minor changes to the SDD B2B rulebook are set out in section 4 of this Change Request Public Consultation Document. All change requests to the SDD B2B rulebook are submitted for public consultation between 12 March and 09 June 2020. Information on how to share feedback with the EPC is included on the cover page of this Change Request Public Consultation Document.

The EPC received **13** change requests for major changes to be introduced into the SDD B2B rulebook. The change requests submitted to the EPC are included in Annex 1 to this document.

A first change request is to migrate all ISO 20022 XML-based messages under the rulebook to the 2019 version of the ISO 20022 messaging standard in November 2022. Another change request suggests aligning all attribute numbers across all four EPC SEPA payment scheme rulebooks in November 2022.

With respect to the current rulebook references to the e-Mandate operating model, one change request suggests removing all these references. Another change request instead proposes to update the e-Mandate operating model.

Various contributors suggest new r-transaction reason codes related to SDD B2B collection blocking option that Debtors may set up.

Several change requests propose terminology changes in the rulebook: the replacement of the term 'Bank' with 'PSP' and an updated definition of the term 'Customer'. Another change request points out that there is a need to align the rulebook with the EU Funds Transfer Regulation.

All change requests to the SDD B2B rulebook received were reviewed by the EPC Scheme Evolution and Maintenance Working Group (SEMWG). These change requests include the recommendation of the SEMWG regarding each of these change requests unless the SEMWG is not able to provide a recommendation for the public consultation. Each recommendation reflects one of the options detailed in items 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 would become part of the scheme and the rulebook would be amended accordingly.
- c) The change request – should be included in the scheme as an **optional feature**:



- The new feature is optional and the rulebook would 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 would not be included in the rulebook or in the implementation guidelines released by the EPC with regard to the rulebook;
 - 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 enough communities, in a future version of the rulebook.
- e) The change request **cannot** be part of the existing scheme for one of the following reasons:
- 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 must 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 enough 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.

1.2 Overview of Change Requests and Proposed Way Forward for Consideration by Respondents to the Public Consultation

The below table lists all the received change requests which are submitted for public consultation. The SEMWG has issued a recommendation on the way forward about each change request. The reasons underlying each recommendation are detailed in section 2. The final decision whether a change request will be incorporated into the rulebook is however subject to the outcome of the public consultation.

The contributors to this public consultation are requested to indicate whether they agree with the recommendation of the SEMWG on the way forward.

In case the contributors do not agree with the SEMWG recommendation, they are requested to indicate in the comments section of the response template EPC008-20 their preferred way forward (e.g., support of the original change request, selecting another option).

¹ A scheme participant is a payment service provider which has formally adhered to an EPC SEPA payment 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



Furthermore, any additional comments are welcome in the comments section.

Change Request item	Topic	Contributor	Recommendation of the SEMWG on the proposed way forward. The final decision is subject to the outcome of the public consultation.
8	Change request has been withdrawn	EPC SEMWG	Withdrawn
13	Removal of references to the e-Mandate operating model	EPC SEMWG	Should be incorporated into the scheme - option b
15	Change request has been withdrawn	EPC SEMWG	Withdrawn
16	Alignment of all attribute numbers across all EPC SEPA payment scheme rulebooks	EPC SEMWG	Should be incorporated into the scheme as of November 2022 - option b
17	Changes to EPC208-08 'EPC e-Operating Model detailed specifications'	Multicert	Cannot be part of the existing scheme - option e
20	Migration to the 2019 version of the ISO 20022 messaging standard	EPC SEMWG	Should be incorporated into the scheme as of November 2022 - option b
25	New r-transaction reason code	Dutch Payments Association	No SEMWG recommendation defined
35	Align the rulebook with the Funds Transfer Regulation	Banking & Payments Federation Ireland	Cannot be part of the existing scheme - option e
43	Replacement of the term Bank with PSP and updated Customer definition	EPC LSG	Should be incorporated into the scheme - option b
45	New r-transaction reason code	GSMA	No SEMWG recommendation defined
46	Change request has been withdrawn	EPC legal adviser	Withdrawn
47	Change request has been withdrawn	EPC legal adviser	Withdrawn
48	New r-transaction reason code	VGI	No SEMWG recommendation defined



1.3 Overview of Changes to Align the Next Version of the SDD B2B Rulebook with any Existing EU Legislation and with the Entry into Force of New EU Legislation

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

Ref.	Topic	Contributor	Way forward
01	Re-arrangement of the list of non-EEA SEPA authorisation references in the rulebooks	EPC LSG	See chapter 3 of this document.



2 Detailed Analysis of Major Change Requests to the SDD B2B Rulebook

2.1 # 8: Change request has been withdrawn

2.1.1 Description

This change request has been withdrawn.



2.2 # 13: Removal of references to the e-Mandate operating model

2.2.1 Description

This change request was made by the SEMWG.

With the publication of the e-Mandate e-Operating Model in March 2009, the EPC Plenary approved the establishment and the governance of “EPC Approved Certification Authorities” (CAs).

These CAs would take up a critical role in the e-Mandate e-Operating Model for the two SDD scheme rulebooks. Therefore, the EPC Plenary approved the establishment of the Certification Authority Supervisory Board (CASB). The CASB oversaw the oversight of the approval process for CAs who wished to become EPC approved in offering e-mandate services.

However, not one single candidate CA has applied to become recognised as ‘EPC approved CA’ for the Annex VII e-Mandate service. The EPC therefore disbanded the CASB at the start of 2019.

As the concept of the e-Mandate e-Operating Model itself did not materialize in practice leading to the formal disbandment of the CASB as a key body in this model, the suggestion is to remove all references to this model from both SDD rulebooks.

2.2.2 SEMWG analysis and recommendation

The SEMWG suggests incorporating the change request into the scheme (**option b**) entering into effect as of **November 2021**.

2.2.3 Rulebook impact

If this change request is supported, this will impact the rulebook and the e-Mandate implementation guidelines.



2.3 # 15: Change request has been withdrawn

2.3.1 Description

This change request has been withdrawn.



2.4 # 16: Alignment of all attribute numbers across all rulebooks

2.4.1 Description

This change request was made by the SEMWG.

Each SEPA payment scheme rulebook describes a range of attributes (ATs) which compose a dataset to be used to execute a certain rulebook process. Under each rulebook, each AT has a unique sequence number. However, many AT descriptions are identical or similar in all four rulebooks but they all bear a different unique sequence number in each rulebook.

The proposal is to align the sequence number of these ATs between the four rulebooks. This suggestion also includes the grouping of ATs and their subsequent sequence numbering into different AT sequence number categories. Each such category has its own sequence number structure.

Persons in charge of the implementation and maintenance of the SEPA usage rules in the customer-to-bank (C2B) and interbank systems, will get the same understanding about each AT sequence number in the SEPA usage rules of all C2B and interbank implementation guidelines (IGs). It also helps the EPC in its future management of the AT sequence numbering.

The SEMWG understands that such renumbering can impact individual scheme participants and payment end-users. They can use the current AT numbering in e.g., their technical implementation documentation and in technical and business processes.

As this change concerns a format change but not a change to any functional or business rules, the SEMWG proposes to isolate the implementation of this change from the other accepted changes for the 2021 EPC SEPA payment scheme rulebooks. The SEMWG proposes to implement this change in **November 2022**.

2.4.2 SEMWG analysis and recommendation

The SEMWG suggests incorporating the change request into the scheme (**option b**) entering into effect as of **November 2022** at the same time when the migration to the 2019 version of the ISO 20022 messaging standard (# 20) is proposed.

2.4.3 Rulebook impact

If this change request is supported, this will impact the rulebook, the C2B, interbank and the e-Mandate implementation guidelines.



2.5 # 17: Changes to EPC208-08 'EPC e-Operating Model detailed specifications'

2.5.1 Description

This change request was made by Multicert.

The contributor points out that the processing of the optional e-Mandates under the SDD rulebooks is specified in the EPC208-08 “e-Operating Model detailed specifications” dated April 2013. From the date it was released, the contributor reports two significant events:

- The rollout of eIDAS, which introduced a common trust framework at EU level. The regulation is accompanied by several ETSI technical standards, which helped to develop an ecosystem of eIDAS trust service providers, cross-border connecting building blocks and solution developers;
- The approval of PSD2 introducing payment initiation and account information services.

Given these events, the contributor proposes the following change requests:

1. Extend the messages defined in EPC208-08 to, at the sole discretion of the Debtor Bank, allow the electronic signature of the e-Mandate by the Debtor (through an individual qualified certificate, e.g., eID, cloud-based certificate), in addition to the electronic signature (or seal, as introduced by eIDAS) by the Debtor Bank.
2. Replace the proprietary certificate profiles defined in EPC208-08 by the PSD2 certificate profiles defined in ETSI TS 119 495 “Qualified Certificate Profiles and TSP Policy Requirements under the payment services Directive (EU) 2015/2366”, according to the certificate usages and PSD2 authorized roles.

2.5.2 SEMWG analysis and recommendation

The SEMWG recommends not taking forward the change request (**option e**) for the SDD B2B scheme. The SEMWG submits the item # 13 in the section 2.2 of this document proposing the removal of all references to this model from both SDD rulebooks.

2.5.3 Rulebook impact

If this change request is supported, this will impact the rulebook and the e-Mandate implementation guidelines.



2.6 # 20: Migration to the 2019 version of the ISO 20022 messaging standard

2.6.1 Description

This change request was made by the SEMWG.

For the launch of the various EPC SEPA payment schemes in January 2008, November 2009 and November 2017, the EPC selected the 2009 version of the ISO 20022 XML-based messaging standard. The EPC notes new payment market developments for which the 2009 version of the ISO standard is not suitable to support.

Furthermore, throughout the years, the EPC SEPA payment schemes cover already a variety of ISO 20022 versions for messages between these payment schemes. If the future rulebooks would include new business procedures or existing procedures could be amended or extended, messages based on a more recent ISO 20022 version may have to be used adding further variety.

The EPC proposes to migrate the four schemes to the 2019 version of the ISO 20022 standard as it is suitable to support new payment features and to align all current rulebook messages on one and the same ISO 20022 version.

The EPC notes the decision by several market infrastructures to migrate to the ISO 20022 standard i.e. Target2 from Eurosystem and EURO1 from EBA Clearing by November 2021 and the global migration of SWIFT from its FIN messages to the ISO 20022 standard starting from November 2021 until November 2025. These infrastructures have decided to use the 2019 version of the ISO 20022 standard.

However, the EPC proposes to migrate the four schemes as of **November 2022** to the 2019 version. This migration date allows the EPC SEPA payment scheme participants to spread the workload. Otherwise, they would have to change three (possibly four) different payment systems or platforms by November 2021.

Subject to a positive public consultation outcome on this change request, the EPC will formally communicate this ISO version migration in November 2020 when publishing the 2021 EPC SEPA payment scheme rulebooks and the related Implementation Guidelines (IGs).

The IGs published in November 2020 will still be predominantly³ based on the 2009 version of ISO 20022 and will be applicable from November 2021 to November 2022. A second set of 2021 IGs will be published latest in the second quarter of 2021. This second cluster of the mandatory C2B and interbank IGs will then be based on the 2019 version of the ISO 20022 standard.

The ISO version migration will be a big-bang migration, i.e. no transitional period will be foreseen. This means that all EPC SEPA payment scheme participants offering ISO 20022 message-based payment services to their customers, must then support the 2019 version as of November 2022.

On the other hand, the (corporate) customers may still use another ISO version to exchange SEPA transactions in an XML format with their PSPs if so bilaterally agreed.

The annex of the change request covers a high-level gap analysis between the 2009 and the 2019 pain., pacs. and camt. messages used in the four EPC SEPA payment scheme rulebooks.

³ Some messages described in the IGs are based on a more recent version of ISO 20022.



2.6.2 SEMWG analysis and recommendation

The SEMWG suggests incorporating the change request into the scheme (**option b**) entering into effect as of **November 2022** at the same time when the alignment of all attribute numbers across all rulebooks (# 16) is proposed.

2.6.3 Rulebook impact

If this change request is supported, this will impact the C2B, the interbank and the e-Mandate implementation guidelines.



2.7 # 25: New r-transaction reason code

2.7.1 Description

This change request was made by the Dutch Payments Association.

The SEPA Regulation obliges Debtor Banks to offer Debtors the option to block their account for direct debit transactions in case of four reasons:

- Whitelist in use; creditor and/or mandate not listed;
- Creditor blocked;
- Maximum number of Direct Debit transactions within a certain period is exceeded by the Creditor;
- Transaction exceeds a maximum amount.

Creditors have requested their Creditor Banks to be informed more specific about SDD B2B collections which are returned based on the option, offered by the Debtor Bank, that the transaction exceeds a maximum amount.

This requires a specific reason code (next to SL01 “Due to specific service offered by the Debtor Agent”).

Introducing this specific code SL14 will help all parties involved to inform each other in a more accurate way. It also helps Creditors to act/communicate in line with this blocking option as used by the Debtor(s).

Code	Name	Definition
SL14	Maximum Direct Debit Transaction Amount exceeded	Due to Maximum allowed Direct Debit Transaction amount service offered by the Debtor Agent

2.7.2 SEMWG analysis and recommendation

The SEMWG has **no recommendation** about this change request for the public consultation.

The SEMWG looks forward to the feedback from the SDD scheme participants **and** SDD payment end-users on this change request during the public consultation. The SEMWG notes that the generic code SL01 is frequently used in some SEPA countries.

2.7.3 Rulebook impact

If this change request is supported, this will impact the rulebook, the C2B and interbank implementation guidelines.



2.8 # 35: Align the rulebook with the Funds Transfer Regulation

2.8.1 Description

This change request was made by Banking & Payments Federation Ireland (BPMI).

The contributor suggests aligning the rulebook with the derogations foreseen in the Regulation 2015/847/EU (Funds Transfer Regulation).

This Regulation allows PSPs some derogations when they process SCT and SDD transactions and more specifically the derogations under Article 6 (2), linked to transactions up to € 1000, and article 8 (1), linked to the use of effective risk-based procedures.

The background for this change request is the recent discussions that the Irish banking and payments industry has undertaken with its National Regulator during the Brexit preparations.

2.8.2 SEMWG analysis and recommendation

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

The current rules do not cause any new issues for scheme participants (which already include participants from non-EEA countries) and their customers as they are clear to understand. Otherwise, scheme participants would have to explain to their customers in which cases they have to or may not provide the address of the payer.

2.8.3 Rulebook impact

If this change request is supported, this will impact the rulebook and the interbank implementation guidelines.



2.9 # 43: Replacement of the term Bank with PSP and updated Customer definition

2.9.1 Description

This change request was made by the EPC Legal Support Group (LSG).

The suggestion is to replace the term “Bank” with the term “PSP” in all EPC SEPA payment scheme rulebooks to formally reflect the changes introduced by PSD2 to the categories of institutions that can offer payment services, and the variety in PSP categories that are eligible to adhere to the EPC SEPA payment schemes.

This proposal will lead to term changes in the rulebooks, the related Implementation Guidelines and the various rulebook annexes (scheme options, risk management, internal rules). It also covers the inclusion of the definition “PSP” and the amendment of the term “Customer”.

2.9.2 SEMWG analysis and recommendation

The SEMWG suggests incorporating the change request into the scheme (**option b**) entering into effect as of **November 2021**.

2.9.3 Rulebook impact

If this change request is supported, this will impact the rulebook, all rulebook annexes and the customer-to-bank and interbank implementation guidelines.



2.10 # 45: New r-transaction reason code

2.10.1 Description

This change request was made by the Global Association of Mobile Operators (GSMA).

The contributor requests a more specific r-transaction reason code in addition to the reason code SL01 “Specific Service Offered By Debtor Agent”. Currently, the Creditor only receives the code SL01 but cannot determine the **precise** issue. Meanwhile, the collection processes of the Creditor will continue based on a valid SDD mandate.

If the Creditor receives this more precise reason code, it can swiftly communicate to the Debtor the reason that is causing the collection failure at the Debtor’s end. This will prevent the Debtor from being sent “pillar to post” in order to resolve the issue as quickly as possible. The below proposed code, to be used by Debtor Banks, identifies the following reason:

Code	Name	Definition
SL14	Maximum Direct Debit Transaction Amount exceeded	<p>Due to Maximum allowed Direct Debit Transaction amount service offered by the Debtor Agent.</p> <p>Note: It could be possible that in certain SEPA countries national law prohibits the use for reasons of data protection. SL01 can still be used.</p>

The contributor also reports in the change request itself several day-to-day situations which Creditors are faced with and how the proposed more precise reason code can assist the Creditor in resolving the SDD collection failure with the Debtor.

2.10.2 SEMWG analysis and recommendation

The SEMWG has **no recommendation** about this change request for the public consultation.

The SEMWG looks forward to the feedback from the SDD scheme participants **and** SDD payment end-users on this change request during the public consultation. The SEMWG notes that the generic code SL01 is frequently used in some SEPA countries.

2.10.3 Rulebook impact

If this change request is supported, this will impact the rulebook, the C2B and interbank implementation guidelines.



2.11 # 46: Change request has been withdrawn

2.11.1 Description

This change request has been withdrawn.



2.12 # 47: Change request has been withdrawn

2.12.1 Description

This change request has been withdrawn.



2.13 # 48: New r-transaction reason code

2.13.1 Description

This change request was made by the Verenigde Groot Incassanten (VGI) (association of large SDD users in the Netherlands).

The contributor requests a more specific r-transaction reason code in addition to the reason code SL01 “Specific Service Offered By Debtor Agent”. Currently, the Creditor only receives the code SL01 but cannot determine the **precise** issue. Meanwhile, the collection processes of the Creditor will continue based on a valid SDD mandate.

If the Creditor receives this more precise reason code, it can swiftly communicate to the Debtor the reason that is causing the collection failure at the Debtor’s end. This will prevent the Debtor from being sent “pillar to post” in order to resolve the issue as quickly as possible. The below proposed code, to be used by Debtor Banks, identifies the following reason:

Code	Name	Definition
SL14	Maximum Direct Debit Transaction Amount exceeded	Due to Maximum allowed Direct Debit Transaction amount service offered by the Debtor Agent. Note: It could be possible that in certain SEPA countries national law prohibits the use for reasons of data protection. SL01 can still be used.

The contributor also reports in the change request itself several day-to-day situations which Creditors are faced with and how the proposed more precise reason code can assist the Creditor in resolving the SDD collection failure with the Debtor.

2.13.2 SEMWG analysis and recommendation

The SEMWG has **no recommendation** about this change request for the public consultation.

The SEMWG looks forward to the feedback from the SDD scheme participants **and** SDD payment end-users on this change request during the public consultation. The SEMWG notes that the generic code SL01 is frequently used in some SEPA countries.

2.13.3 Rulebook impact

If this change request is supported, this will impact the rulebook, the C2B and interbank implementation guidelines.



3 Changes Pertaining to the Impact of the SEPA Regulation or 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 can comment on these changes.

This change is qualified as “Change for Regulatory Reasons” within the meaning of Section 4.2.9 of the SMIRs, due to legal amendments that “necessitate the urgent alignment of the Schemes with such rules and regulations”:

Change	Reason for change
<p>This change request leads to the following changes:</p> <p>Reorganisation of Section 5.4 – Eligibility for Participation (All Rulebooks)</p>	<p>The present change aims at updating the EPC SEPA Payment Schemes Rulebooks (along with the Schemes Adherence Guide and the SEPA Schemes Adherence Packages, namely the standard template for the Legal Opinion) with regards to the relevant authorisation and regulatory requirements for PSPs of non-EEA SEPA Countries, to which the geographical scope of the SEPA payment schemes has been extended.</p> <p>This update is triggered by the recent inclusion in the SEPA schemes’ geographical scope of:</p> <ul style="list-style-type: none"> i) Andorra (2018), and ii) the Vatican City State/Holy See (2019). <p>For which the following references will be added under Section 5.4:</p> <p><i>8) An undertaking duly incorporated in the Andorran Financial System on December 21st, 1949, according to Andorran laws regulating the financial system, and specifically according to Law 7/2013, of 9 May 2013, on the legal regime of the operative entities of the Andorran financial system and other provisions regulating the exercise of financial activities in the Principality of Andorra, as amended from time to time”</i></p> <p><i>9) An entity incorporated in the Vatican City State and Authorised by the Financial Information Authority in accordance with Regulation 1/2014”</i></p> <p>The exercise shall be repeated in due course also for UK’s PSPs, which will remain entirely subject to PSD2 only until the 31 December 2020 (i.e. for the whole duration of the transition period).</p> <p>Following the expiration of said period, UK will need to provide a suitable reference to the relevant UK legal acts covering the authorisation requirements of its PSPs, in accordance with the principle of the regulatory level playing field amongst SEPA scheme participants.</p>



Change	Reason for change
	<p>However, it is hereby noted that the current list included under Section 5.4 of the Rulebooks, namely:</p> <p><i>“3) A bank which is authorised in accordance with Article 3 of the Federal Law on Banks and Savings Banks of 8 November 1934 by the Swiss Financial Market Supervisory Authority (FINMA);</i></p> <p><i>4) A bank which is authorised by the Central Bank of San Marino in accordance with Article 7, Part I, Title II, of the Sammarinese Law No. 165 (approved on November 17th, 2005) and with Regulation No. 07 of 2007;</i></p> <p><i>5) An undertaking incorporated in Jersey and registered with the Jersey Financial Services Commission to conduct deposit-taking business under the Banking Business (Jersey) Law 1991;</i></p> <p><i>6) An undertaking incorporated in Guernsey and registered with the Guernsey Financial Services Commission to conduct deposit-taking business under the Banking Supervision (Bailiwick of Guernsey) Law 1994; or</i></p> <p><i>7) An undertaking incorporated in the Isle of Man and licensed by the Isle of Man Financial Services Authority to conduct deposit-taking business under the Isle of Man Financial Services Act 2008.”</i></p> <p><i>[+ 8) Andorra and 9) Vatican City State]</i></p> <p>is likely to be subject to more frequent regulatory changes than the rest of the Rulebooks’ sections, being it triggered either by any change in the current authorisation framework for said institutions (as result, for example, of the continuous legal compliance exercise performed by the EPC) or by the inclusion in the SEPA schemes geographical scope of new non-EEA SEPA countries, such as the UK in the future.</p> <p>To this extent, in order to avoid frequent publications of the Rulebooks, which may ultimately generate confusion amongst Participants, and in order to maintain said section regularly updated, also in line with the Overseer requirements, it is hereby proposed a change of structure of Section 5.4, under the Rulebooks, as follows:</p> <p>“Applicants which fall within one of the following categories shall be deemed automatically to be eligible under this section:</p> <p>1) A credit institution which is authorised in accordance with Article 8 (1) of Directive 2013/36/EU by a state which is a member of the European Economic Area;</p> <p>2) The institutions referred to in points (2) to (23) of Article 2 (5) of Directive (EU) 2013/36/EU;</p> <p>3) Institutions/entities/undertakings incorporated in a non-EEA country to which the SEPA schemes geographical scope has been extended, and authorised or licensed by the relevant Authority, in accordance with the provisions enclosed under the document EPC 409-09.</p>



Change	Reason for change
	<p>By extracting from the Rulebooks the abovementioned current points 3) to 9), and including a new point 3), with the reference to the document EPC409-09 (“EPC list of countries and territories included in the SEPA Schemes’ geographical scope”) the EPC would achieve two results:</p> <ul style="list-style-type: none"> i) maintain a complete reference in the Rulebooks to the relevant authorisation requirements, covering both EEA and non-EEA SEPA countries, and ii) optimise the current changes related to the regulatory level playing field of non-EEA SEPA scheme participants, without the need to amend – and publish, intermediary versions of the Rulebooks or wait for each Change Management Cycle to be able to reflect such changes. <p>It is recommended to qualify the present change as “<i>Change for Regulatory Reasons</i>” within the meaning of Section 4.2.9 of the SMIRs, due to legal amendments that “<i>necessitate the urgent alignment of the Schemes with such rules and regulations</i>”.</p>



4 Detailed Analysis of Minor Changes to the SDD B2B Rulebook

The SEMWG recommends supporting the following minor change requests:

4.1 Change Requests

Section	Description	Reason for change	Type of Change
Entire rulebook	<p>Alignment of the annex numbering for each EPC SEPA payment scheme rulebook:</p> <ul style="list-style-type: none"> Annex I – Adherence agreement Annex II – SMIR (previously Annex IV) Annex III – Risk Management (previously Annex II) Annex IV – RB amendments & changes (previously Annex III) <p>This will also lead to changes in the Annex numbering references throughout each rulebook.</p>	To apply the same numbering of the generic rulebook annexes across all rulebooks.	CHAN
1.5	<p>Removal of the bullet point:</p> <ul style="list-style-type: none"> Participants which have adhered to the Scheme may participate only through an EEA licensed branch unless they participate through their SEPA head office (which may be located in a SEPA country or territory outside the EEA) 	This bullet point is redundant. The section 3.2.3.1 of the SMIRs and the section 3.5 of the document EPC012-17 Guide to the SEPA Schemes Adherence Process provide the complete adherence information.	CHAN
1.5	<p>Removal of the bullet point:</p> <ul style="list-style-type: none"> The rules ensure that responsibility for risk management is allocated to where the risk lies and that liability falls where the fault lies 	This bullet point is redundant. Chapter 5 of each rulebook clearly specifies aspects with respect to risk management and refers to the Risk Management Annex which is an integral part of the rulebook.	CHAN



Section	Description	Reason for change	Type of Change
4.7.4	<p>DS-03 – The Business Customer to Bank Collection</p> <p>(...)</p> <p>17 The type of Mandate <u>(for the B2B scheme, the value ‘paper’ always applies)</u></p>	To be in line with the description of the same attribute under section 4.7.5 DS-04 – The Inter-Bank Collection, and with the same datasets under the SDD Core scheme	CLAR
5.13	<p>(...)</p> <p>Unresolved Issues and Compliance</p> <p>Sections 2-33.3 and 2-43.4 of the Internal Rules will not apply in the event of an Unresolved Issue relating to Interchange Fee arrangements.</p>		TYPO



5 Principles Governing the Change Management Cycle

5.1 Change Request Public Consultation Document

This Change Request Public Consultation Document is submitted by the SEMWG in accordance with the procedures set out in the Internal Rules in respect of changes to the SDD B2B rulebook.

5.2 Structure of the Change Request Public Consultation Document

Sections 2, 3 and 4 describe the changes to the SDD B2B rulebook which are proposed in this Change Request Public Consultation Document.

These change requests fall into three categories:

- Section 2 covers innovative change requests to technical operations in chapters 3 and 4 of the rulebook and other significant non-technical changes which fall within the definition of major changes;
- Section 3 covers change requests to align the SDD B2B rulebook with the SEPA Regulation and any other EU legislation;
- Section 4 proposes changes to correct typing errors and provide additional clarification to the SDD B2B rulebook. These changes consist of minor changes to the SDD B2B rulebook which are uncontroversial in nature and do not affect technical operations.

Annex 1 contains all received original change requests for the 2020 SDD B2B rulebook change management cycle.



6 Change Management Cycle in respect of Major Change Requests

6.1 Consideration of Change Requests

In accordance with chapter 4.1.4 of the Internal Rules, a number of change requests with respect to the rulebooks have been submitted for consideration to the SEMWG. 13 of these are applicable to the SDD B2B scheme.

Following consideration of these change requests as required under chapter 4.1.6 of the Internal Rules, the SEMWG has determined: (a) that the change requests set out in section 2 and 3 meet the criteria for acceptance into the 2020 SDD B2B rulebook change management cycle; and (b) that the change requests set out in section 4 constitute minor change requests invoking the procedures set out in Chapter 4.3 of the Internal Rules.

6.2 Change Request Public Consultation Document

The SEMWG is responsible for the preparation and development of a Change Request Public Consultation Document in respect of the major change requests referred to in section 2 above, and guiding the change requests through the rulebook change management cycle.

The SEMWG has therefore formulated this Change Request Public Consultation Document under chapter 4.2 of the Internal Rules. This Change Request Public Consultation Document analyses the major changes which have been proposed and contains in Annex 1 the original change requests.

6.3 SEMWG Recommendations

The SEMWG is required under chapter 4.2.1 of the Internal Rules to issue a recommendation on the way forward with regard to each change request; the reasons underlying each recommendation are detailed in section 2. The final decision whether a change request will be incorporated into the SDD B2B rulebook is however subject to the outcome of the public consultation.

The contributors to this public consultation are requested to indicate whether they agree with the recommendation of the SEMWG on the way forward. In case the contributors do not agree with the SEMWG recommendation, they are requested to indicate their preferred way forward.

6.4 Public Consultation on the Change Requests

The EPC encourages all SEPA stakeholders to provide feedback during the public consultation. PSP communities are asked to consult all their members who are involved in the SDD B2B scheme to ensure that the views of the payment services constituency are considered in the public consultation process. The SEMWG encourages the PSP communities to consult as wide a range of stakeholders as possible, including participants, end users and service suppliers. All stakeholders should provide feedback to the EPC on the Change Request Public Consultation Document by **09 June 2020 at 17h00 CET at the latest. The EPC will not consider any feedback received after this deadline.**

6.5 Next Steps

Considering the comments received during the public consultation, the SEMWG will produce a Change Proposal Submission Document to the EPC Scheme Management Board (SMB) for decision-making purposes in accordance with section 4.2.5 of the Internal Rules, and to the EPC Stakeholder Forums (see section 4.4 of the Internal Rules), i.e. the Scheme End-User Forum (SEUF) and the EPC Scheme Technical Forum (ESTF), for their respective positions on the SEMWG Change Proposals.

Approved change requests will be incorporated into the version 1.0 of the 2021 SDD B2B rulebook and published in November 2020 with the intention that they become effective in November 2021.



6.6 Further Information

The above is a summary of the change management process. If you would like further information, please refer to the Internal Rules or contact the EPC Secretariat.



7 Change Management Cycle in respect of Minor Change Requests

7.1 Publication of List of Minor Change Requests

The SEMWG has identified certain minor change requests which they consider necessary for the SDD B2B rulebook.

The SEMWG is required under the Internal Rules to publish a list of minor change requests on the EPC website and to ensure that the list may be viewed by all stakeholders. This obligation shall be met by the publication of this Change Request Public Consultation Document, and in particular through the provision of section 4 noting certain change requests as 'minor'.

7.2 Comments on the Minor Change Requests

All stakeholders may submit comments on the list of minor change requests in this Change Request Public Consultation Document.

7.3 Submission of the List of Minor Change Requests to the SMB

The list of minor change requests shall be submitted to the SMB via the Change Proposal Submission Document in accordance with section 4.2.5 of the Internal Rules.



Annex 1 - Original Change Requests