

STP MSG 002-22

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Approved

Minutes 1st Meeting – EPC Scheme Technical Player Multi-Stakeholder Group (STP MSG)

Meeting Date: 03 March 2022 – 10H30 – 15H00 CET as Microsoft Teams conference call

Note: An overview of the action points from this meeting can be found at the end of these meeting minutes.

1. Welcome and approval of the agenda (STP MSG 001-22)

The STP MSG co-Chairs Messrs D. Chance and F. van Beers welcomed all meeting participants to the first STP MSG meeting. The agenda was approved unchanged and can be published on the EPC Website. Each meeting participant shortly introduced him/ herself.

2. Terms of Reference (ToRs) of the STP MSG and reference in the SEPA Payment Scheme Management Rules (EPC 155-21 v1.0, EPC 036-22)

Prior to the meeting, the MSG members received the ToRs of the STP MSG (EPC 155-21) approved by the EPC Board and an extract from the EPC SEPA Payment Scheme Management Rules describing the EPC stakeholder fora (EPC 036-22). The major change compared to the predecessor of the STP MSG (i.e. the ESTF) is that this MSG will cover the EPC SEPA payment schemes and EPC **payment-related** schemes. The scope of discussions by this MSG is defined by the scope of the EPC SEPA schemes concerned. It will cover no commercial aspects at all related to the schemes concerned.

The EPC has two formal MSGs to establish and maintain a dialogue with stakeholders representing technical players providing services and products for the SEPA market (via the STP MSG) and end-users of the EPC SEPA payment and payment-related schemes (Scheme End-User (SEU) MSG). Through these MSGs, the stakeholders are informed about and involved in the maintenance and the further evolution of the existing EPC SEPA payment and payment-related scheme rulebooks.

The EPC Director General emphasised that the MSGs are an important formal feedback channel via which the stakeholders can raise or address issues and make recommendations to the EPC SMB concerning the EPC SEPA payment and payment-related scheme rulebooks. The stakeholder representatives in the MSGs can appoint an alternate in case they are unable to join future meetings.

3. STP MSG role in the SEPA **payment scheme** rulebook change management process (EPC 207-14 v4.4, major change workflow)

Prior to the meeting, the STP MSG members received a detailed workflow explaining the different phases the EPC undertakes from the moment it receives change requests from any stakeholder until the moment the EPC publishes a new version of the EPC SEPA payment scheme rulebooks.



Individual STP MSG members in their capacity of an organisation representative but also the STP MSG itself can submit EPC SEPA payment scheme rulebook change requests to the EPC.

The STP MSG will be given the chance to discuss in detail every received change request and the related recommendation given by the EPC Scheme Evolution and Maintenance Working Group (SEMWG) for the 90-calendar day public consultation, during a physical meeting prior to the start of this public consultation.

Once the public consultation is finished, the SEMWG then consolidates all comments from this consultation and formulates a SEMWG change proposal. Subsequently, during a separate meeting or conference call, the STP MSG and the SEU MSG each separately give their formal position on each change request. They will have as input the comments received from the public consultation and the SEMWG change proposals. The EPC Scheme Management Board (SMB) then assesses the positions from the SEMWG, the STP and the SEU MSGs to determine if a change request will be taken up in the new version of the relevant EPC SEPA payment scheme rulebook.

This STP MSG meeting will now be formally asked to express its position on each 2022 change request for each of the four SEPA payment schemes.

The September 2022 STP MSG meeting will be asked to express its positions about the submitted 2022 change requests for the SEPA Request-To-Pay (SRTP) scheme.

4. List of STP MSG members and their publication on the EPC website (EPC 239-21 v1.1)

To display full transparency about the STP MSG itself, the intention of the EPC is to publish the list of STP MSG members on the EPC website. None of the present STP MSG members raised an objection to the publication of this membership list on the EPC website.

5. Data Protection and Privacy Policy (EPC 024-18)

The STP MSG members noted the EPC stipulations on the protection of personal data for persons who are members of an EPC body such as the STP MSG. The members of the STP MSG should as a matter of principle refrain from processing any personal data accessed or obtained through their STP MSG membership for any purpose not directly related to the STP MSG itself.

6. Code of Conduct – Competition Law (EPC 212-14)

The STP MSG members noted the EPC Code of Conduct - Competition Law. This code of conduct aims at preventing (potential) competition law issues to arise in the context of EPC-organised meetings, and to specify the process to be followed to address any potential competition law issues arising. The EPC draws the attention of each STP MSG member to the “do’s and don’ts” (see page 7 of the document EPC 212-14).

7. EPC document classification rules applicable to EPC stakeholder groups (EPC 037-22)

The STP MSG took note of the EPC document classification rules below. In general, the SEU MSG documents will be labelled ‘Internal Use’ – in exceptional cases some could be labelled ‘Confidential’ (i.e. strictly restricted to the SEU MSG members only).



Classification	Labelling	Distribution	Access
Public	Labelling on first page of document.	<ul style="list-style-type: none"> ▪ Distribution to the general public. ▪ Document can be made available on the EPC website. 	No restrictions apply.
Internal Use (Including Designated External)	Labelling on first page of document.	Distribution to the members of the Group.	“Role-based” access: these documents are restricted to the members of the Group (including their constituencies, as applicable) and can only be disclosed externally with the EPC Director General’s permission.
Confidential	Labelling on every page of document.	Distribution to the members of the Group.	“Role-based” access: these documents are restricted to the members of the Group and can only be disclosed to their constituencies or externally with the EPC Director General’s permission.

8. SCT rulebook public consultation: SCT Change Proposal Submission document (EPC 005-22)

A. Current stage of the change management cycle

In the mail-out for this meeting, a so-called ‘Change Proposal Submission Document’ had been provided for each SEPA payment scheme under the agenda points 8, 9 and 10.

The EPC Payment Scheme Management Rules outline that after the end of the public consultation on the rulebook change requests (CRs), the Scheme Evolution and Maintenance Working Group (SEMWG) of the EPC must review the comments and must define its change proposal for each CR. It makes a Change Proposal Submission Document per scheme which contains:

- A short description of each CR;
- The SEMWG recommendation given for the public consultation;
- The results and the comments noted from the public consultation; and
- The formal SEMWG Change Proposal per CR.

This STP MSG meeting is important as it must agree on a formal STP MSG position for each 2022 CR. The entire ‘track’ of each CR during this change management cycle so far is available in each Change Proposal Submission Document.

The formal SEMWG change proposal and the respective positions from the STP MSG and the SEU MSG on each 2022 CR together with the input from the various stakeholders during the public consultation, will then be presented at the March 2022 meeting of the SMB. Based on these different positions, the SMB will decide which CRs are taken up in the next version of the EPC SEPA payment scheme rulebooks to be published in May 2022.

B. Proposed process to formulate a STP MSG position

The STP MSG agreed with the following way forward in reviewing the outcome of the public consultation and on formulating a concrete STP MSG position:



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- 1) The STP MSG secretary addresses first those CRs affecting all four rulebooks and asks for the STP MSG members' views and for a final STP MSG position.
- 2) Then per scheme rulebook (SCT, SCT Inst, both SDD rulebooks):
 - The STP MSG secretary highlights those CRs which could be of interest to the STP MSG members;
 - The STP MSG secretary gives all STP MSG members the opportunity to mention what other CRs they would like to discuss;
 - Then the STP MSG discusses the CRs suggested by the STP MSG secretary and the individual STP MSG members and determines a formal STP MSG position.

The following assumptions were also taken for the discussion under agenda points 9, 10 and 11:

- An STP MSG position taken for a CR under a given scheme also applies for that same CR for (one of) the other three SEPA payment schemes **unless otherwise agreed**.
- When none of the STP MSG members has a comment or objection about a given CR, it is assumed that the STP MSG supports the SEMWG change proposal.

C. CRs affecting all four SEPA payment schemes

In summary, based on the input out of the public consultation, the SEMWG maintains its initial recommendation given for each 2022 CR, as a formal change proposal for the SMB to consider.

The STP MSG discussed the following CRs in further detail:

Item #03 'Change of the term 'Customer' (and SCT Inst item 22)

It concerns rulebook changes that would also allow financial institution-to-financial institution (Fi2Fi) payment use cases, in which two Payment Service Providers (PSPs) are a party to a payment as Originator/Debtor or as Beneficiary/Creditor.

The current definition of the term 'Customer' does not make sufficiently clear that also a PSP is entitled and may act in the capacity of an Originator/Debtor or Beneficiary/Creditor.

The EPC itself submitted a CR (#03) suggested replacing the term 'Customer' by Originator/Debtor or Beneficiary/Creditor as appropriate. The stakeholder EPI Interim Company submitted a similar CR (#22) for the SCT Inst scheme only by suggesting some concrete amendments to the definition of the term 'Customer'.

The SEMWG recommendation for the item #22 prior to the public consultation was not to include it in the rulebooks. The item #03 from the EPC itself proposes an alternative amendment to the definition of the term 'Customer' and which should resolve the issues of EPI Interim Company.

The outcome of the public consultation was supportive for the item #03 but not for item #22. Following an exchange of views with the Eurosystem being the Overseer of the SEPA payment schemes after the end of the public consultation, the SEMWG Change Proposal to the SMB is to change the term 'Customer' into 'Payment Service User' (PSU) where appropriate.

Several STP MSG members supported the SEMWG Change Proposal for making this term change in the rulebooks themselves, however questioned whether this change would be done as well in the related implementation guidelines (IGs). The EPC explained that it would consider whether such change in the IGs was indeed needed or desirable.

One STP MSG member remarked that the term PSU would not be clear enough and a more precise term where possible should be applied throughout the rulebooks concerned. This member also pointed out that 'Originator' and 'Beneficiary' are opposite words just from the perspective of a



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credit transfer, and wished that the terms 'Debtor' and 'Creditor' are applied for the SDD rulebooks. The EPC confirmed that this range of more precise terms will be applied to the suitable rulebooks.

The STP MSG supported the SEMWG Change Proposal to the SMB as long as the most precise term (e.g., Originator, Beneficiary, Debtor, Creditor, Payment Service User) is used in the relevant rulebook sections to make it clear which scheme actor is referred to.

#06 - Provision of Structured Addresses of the Payment End User

The CR from the EPC is that as of the November 2023 SEPA payment scheme rulebooks:

- Payment end users are allowed to send a structured address of the payer and/or the payee in electronic Customer-to-PSP files based at least on the relevant EPC Customer-to-PSP Implementation Guidelines (IGs) for all SEPA payment scheme transactions.
- Also scheme participants can provide structured addresses in their inter-PSP SEPA payment messages and r-transactions.
- All scheme participants must be able to support structured addresses when payment end users and scheme participants want a structured address in their outgoing and incoming SEPA payment transactions. They cannot reject SEPA payment transactions only due to the inclusion of a structured address.

As of the November 2025 SEPA payment scheme rulebooks, the use of the structured address will become mandatory for Inter-PSP SEPA payment messages where applicable, and for payment end users when they send electronic Customer-to-PSP files based at least on the relevant EPC Customer-to-PSP IGs. The use of an unstructured address will no longer be allowed and will hence lead to rejects.

A few STP MSG members saw no need for such a change request as it will have a huge impact for those payment end-users submitting electronic ISO 20022 standard-based SEPA payment initiation files. Furthermore, these members questioned how in practice such structured address will look like.

All other STP MSG members were in favour of this CR as the use of structured addresses in SEPA payment transactions gives the potential to reduce errors in payment processing, regulatory screening, and reconciliation, thereby increasing the straight-through-processing of SEPA payment transactions.

The SEPA payment schemes will be aligned with the deadline set for the use of the structured address under the Cross-Border Payments and Reporting+ (CBPR+) practices. These practices define how ISO 20022 should be used for cross-border payments and cash reporting on the SWIFT network. The SWIFT community decided to move cross-border and correspondent banking from SWIFT MT messages to ISO 20022 standard-based XML messages by November 2025. An alignment between the SEPA payment schemes with other international payment schemes, arrangements or systems will support further interoperability.



The SEU MSG supported the SEMWG Change Proposal concerned to the SMB although a few members wonder how in practice such structured address will look like as addresses differ from country to country¹.

#25 - Changes to the SEPA Payment Scheme Management Rules

This CR would already enter into force in **April 2023**. This CR applies to the composition rules of the SMB which is re-composed in April every two years. An updated version of the 2021 SEPA payment scheme rulebooks will have to be published as well to reflect an updated version of the Annex II of each rulebook outlining these concrete rules. The STP MSG supported the SEMWG Change Proposal concerned.

D. CRs specifically for the SCT scheme

The STP MSG discussed the following SCT CRs in further detail (some apply also to the SCT Inst scheme):

#11 - Inclusion of Alias and Proxy as optional attributes

The SEMWG Change Proposal to the SMB for this CR is that an Alias and Proxy should become an optional attribute and that they cannot substitute the IBAN as unique identifier for the payment account. It can be used under the condition that the Originator is given the possibility to validate the IBAN linked to that Alias/Proxy, prior to the formal authentication of the instruction unless the Originator and the Originator PSP agreed upfront on another arrangement (e.g., through an amendment of the general terms and conditions).

Furthermore, the Originator PSP should have an agreement with the Originator and the Beneficiary PSP with the Beneficiary in relation to the treatment and the use of the data provided under such Alias/Proxy i.e. whether it is to be used for the purpose to initiate the transaction and/or to forward it to the Beneficiary PSP and/or the Beneficiary concerned.

The STP MSG supported the SEMWG Change Proposal concerned to the SMB.

#12 - Inclusion of hyperlinks or external sources

One STP MSG member supported this change request. The possibility to include an URL in the payment message could be very useful in certain use cases for certain corporate payment end-users.

However, all other STP MSG members expressed deep concerns about this CR. Relying on external sources for bank statement processing and payment reconciliation is a high risk for companies. Such external sources must be available in real-time. Not being able to access those sources instantaneously will lead to reconciliation errors or put the entire reconciliation process at risk.

There is a risk of hyperlinks leading to malicious websites or of fishing hyperlinks. It also complicates the regulatory screening of the data stored at such external sources.

The STP MSG supported the SEMWG Change Proposal of not recommending this CR to the SMB.

¹ Note: the CR #06 describes that the provision of structured addresses in the SEPA payments is based on the ISO 20022 "Postal Address" and must comply with following requirements:

- Data element "Address Line" must not be used;
- Data elements "Country" and "Town Name" must be used;
- All other 12 data elements may be used depending on the components of the address.



#17 - Optional use of Unique End-to-end Transaction Reference (UETR)

The SEMWG Change Proposal to the SMB is not to include this CR in the 2023 SCT rulebook.

Several STP MSG members supported the initial CR. This attribute is very useful as it enables e.g., the end-to-end identification of a transaction and facilitates the tracking of the payment execution status. T2² and CBPR+ already support the UETR. These members believed that the UETR will become a central identifier in several payment systems and infrastructures.

However, a few members pointed out that apart of suggesting the introduction of the UETR as an optional attribute in the scheme, this CR does not specify how to use the UETR.

The STP MSG eventually concurred in favour of introducing the UETR as an optional attribute as it becomes a central identifier in other payment schemes, arrangements and systems. The SMB will also be informed that a few STP MSG members nevertheless see the need for business/usage rules on how and when to use the UETR as an optional attribute.

#19 - Allow all child elements of structured remittance information

The SEMWG Change Proposal to the SMB is not to include this CR in the 2023 SCT rulebook and instead incorporate it only in the IGs of the rulebook.

The STP MSG supported the SEMWG Change Proposal. The STP MSG nevertheless pointed out that these new elements should be indicated as “yellow fields” (i.e. mandatory fields) instead of “white fields” (i.e. as part of SEPA but not part of the SEPA core service) as suggested by the contributor of this CR.

9. SCT Inst rulebook public consultation: SCT Inst Change Proposal Submission document (EPC 006-22)

The STP MSG discussed the following SCT Inst CRs not covered yet under the SCT scheme rulebook, in further detail:

#02 - Reduction of target maximum execution time and time-out deadline

The SEMWG Change Proposal to the SMB is not to include this CR in the 2023 SCT Inst rulebook.

One STP MSG member pointed that the current time-out deadline of 20 seconds creates friction as it is too long. Although the other MSG members had sympathy for this point of view, they remarked it would be still premature to reduce the processing timelines. There are still a lot of SCT scheme participants which had not yet adhered to the SCT Inst scheme. Such timeline reduction may complicate the SCT Inst implementation plans of those PSPs considering joining the scheme.

The STP MSG supported the SEMWG Change Proposal concerned to the SMB.

#18 - Reroute an unsuccessful SCT Inst transaction as an SCT transaction

The SEMWG Change Proposal to the SMB for this CR is not to include it in the 2023 SCT Inst scheme rulebook. It sees this more as an Additional Optional Service (AOS) or as part of the terms and conditions between each individual Originator PSP and each of its Originator-customers.

² Is the “new version” of TARGET2 which will be live in November 2022.



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One STP MSG member pointed out that if each interested scheme participant develops this as an AOS, this would lead to different set-ups. With the aim of standardisation in mind, such service should be part of the scheme.

However, the other STP MSG members felt that the SEPA payment schemes should remain independent from each other. The SCT schemes should not be burdened with such proposed feature. The STP MSG supported the SEMWG Change Proposal concerned to the SMB.

#23 - Mandate the use of the Legal Entity Identifier (LEI) for scheme participants

The SEMWG Change Proposal to the SMB is not to include this CR in the 2023 SCT Inst rulebook.

One STP MSG member referred to the comment submitted by the Eurosystem. This contribution contained among others a position from the Financial Stability Board that global LEI adoption underpins “multiple financial stability objectives” such as improved risk management in firms as well as better assessment of micro and macro prudential risks. This STP MSG member felt that the use of the LEI in the scheme would be an improvement to better identify the counterparty of the transaction.

However, other STP MSG members remarked that the BIC is not only an identifier to determine the financial institutions involved but is also used a technical router. With respect to the possible use of the LEI, the concrete use cases should be defined whereby the LEI would add value. Further industry developments would be needed first.

The STP MSG supported the SEMWG Change Proposal concerned to the SMB.

10. SDD Core and B2B rulebook public consultation: Change Proposal Submission documents for SDD Core and SDD B2B (EPC 007-22 and EPC 008-22)

The STP MSG discussed the following SDD CRs not covered yet under the SCT scheme rulebooks, in further detail:

#13 - Reduction of SDD processing cycle from up to D-1 to Due Date

The SEMWG Change Proposal to the SMB is not to include this CR in the 2023 SDD rulebooks.

One STP MSG member pointed out that this change would result in a faster availability of the funds for the Creditor. If the Creditor PSP would be able to already process the SDD collection file from the Creditor on the date of receiving this file, that PSP should be allowed to do this.

However, another member remarked that the road towards the current SDD processing cycle had been the result of lengthy and difficult discussions over several years.

No formal STP MSG position could be found.

#24 - More specific codes instead of reason code SL01

The SEPA End-Date Regulation allows Debtors to block their account for SDD for 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

The SDD rulebooks currently foresee just one reason to cover all four reasons (SL01 “*Due to specific service offered by the Debtor Agent*”). This CR proposes to introduce specific codes for

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these four (optional) reasons. Each party involved then can inform the other about a more accurate Debtor-driven r-transaction reason. The Creditor can act/communicate in line with (one of) the four possible blocking options as used by the Debtor.

The SEMWG Change Proposal to the SMB is not to include this CR in the 2023 SDD rulebooks.

Following an exchange of thoughts, the STP MSG was in favour of the initial CR provided that once the more specific codes are available, they are then effectively used by the Debtor PSPs.

11. SCT Inst scheme roll-out

A. SCT Inst adherence status and projections (EPC 049-22)

The EPC Director General reported that more PSPs were joining the SCT Inst scheme, but this pace is rather slow. On the other hand, when measured in terms of reachable payment accounts - which is a more meaningful criterion from a user or market perspective - the current SCT Inst scheme penetration is much broader in a large majority of euro area EU countries.

B. Prospects for and current obstacles to the further use of SCT Inst by payment end-user groups (oral report)

The STP SMG members had no new prospects or obstacles to report. The EPC Director General highlighted as obstacle the current sanctions screening framework for instant payments compared to other electronic payment instruments.

12. Migration to the 2019 version of the ISO 20022 standard: guidance document and request for STP MSG comments (SEM 009-22)

The STP MSG received an EPC guidance document (still under development) for SEPA payment scheme participants and payment end-users using ISO 20022 standard-based XML messages for the initiation and/or the acceptance of SCT and SDD transactions in the Customer-to-PSP space and/or the PSP-to-Customer space.

The document determines in detail the concrete impact of such ISO version migration for the SEPA payment scheme participants and the payment end-users concerned.

It also gives advice to SEPA payment scheme participants and payment end-users on how they can deal with the SEPA payment initiation, acceptance and processing aspects affected by the ISO version migration. The EPC aims to publish this document in May 2022.

The STP MSG members supported this EPC initiative and made no concrete comment about the document itself. Following a question from the STP MSG secretariat, the STP MSG members confirmed the drafted assumption in the first paragraph under '*Impact for SEPA payment scheme participants*' of the section 4.3 'Entry-into-force date and time'.

Under that same section, the CSM representatives in the STP MSGs were asked how the SEPA payment scheme-compliant CSMs will organise themselves to align themselves on an ISO version change-over window between the CSMs and between each CSM and its SEPA payment scheme participant-clients.

Several CSM representatives in the STP MSG raised the issue of the current absence of a dialogue between TIPS managed by the Eurosystem and the other SCT Inst scheme-compliant CSMs on how all these CSMs should align among themselves for the change-over window of Sunday 19 November 2023 at 08:00 CET.

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TIPS currently applies a different timeline calendar and now plays a central role in the exchange of SCT Inst transaction messages which need to go through more than one CSM following the implementation of an interoperability framework across the SCT Inst scheme compliant CSMs as from mid-December 2021. These CSM representatives are of the view that TIPS now holds a 'driver seat' position influencing the ISO version migration plans of the other CSMs.

The other STP MSG members understood the current magnitude of such ISO version migration being the first in its kind for SEPA. This migration will be a learning curve for the CSMs and the PSPs. On the other hand, such ISO version migrations will take place more often in the future.

The representative of TIPS noted the concerns expressed by the other CSMs and will address them within the Eurosystem. The Eurosystem will analyse how a dialogue among all CSMs concerned on this very specific subject could be best organised. Other STP MSG members suggested e.g., the AMI-Pay or any other multi-stakeholder platform steered by the ECB.

The STP MSG members also discussed whether a general downtime of several seconds of the SCT Inst services across SEPA on 19 November 2023 around 08:00 CET would be necessary. Some STP MSG members suggested a downtime of 20" before and after 08:00 CET (in total 40").

Other STP MSG members remarked that such planned downtime would not be necessary. It would in their opinion be technically feasible to run two versions of the same set of ISO 20022 standard-based XML messages in parallel and to synchronise the data between both versions for a certain period prior to the migration change-over date and time. Within a very limited number of seconds (one to two seconds) the switch-over is done.

However, some STP MSG members wished to know whether the SMB could consider tolerating a planned downtime of a few seconds of the SCT Inst services around 08:00 CET on 19 November 2023. The status of the document (i.e., mandatory or not) was also enquired by some STP MSG members. The EPC Director General duly noted these views which will be addressed at the March 2022 SMB meeting.

13. Comparison SCT and SDD r-transaction statistics

A. Full year 2021 (Pres EPC013-22)

B. From 2016 to 2021 (Pres EPC012-22)

With respect to the overall SEPA transactions, the SCT volume continues to grow with a healthy increase between 2020 and 2021 (close to eight percent). The SCT Inst transaction volume strongly grows year-on-year. The SDD Core transaction volume gradually increases year-on-year. For SDD B2B, after the drop in volume in 2020 due to the Covid-19 pandemic (related to e.g., forced closures of various businesses), the year 2021 showed a rebound in the SDD B2B transaction volume in 2021 surpassing even 2019.

As for the r-transactions, the rate for SCT is stable across the years.

With respect to SCT Inst, the increase in the r-transaction rate started in 2020 continues in 2021. Although a percentual drop is noted as of 2020, the volume of r-transactions for the code AG01 (*transaction forbidden on this account*) remains high. Such situations can occur when Originators send SCT Inst transactions to e.g., specific accounts held by certain public administrations not yet opened for incoming SCT Inst transactions, technical accounts or accounts in another currency. The EPC closely monitors the AG01 r-transaction evolution. The r-transaction volumes for the



codes AB05 (*time-out at the Beneficiary PSP*) and AB06 (*time-out at a CSM*) represent each about ten percent of the total SCT Inst r-transactions.

The SDD Core r-transaction rate in 2021 continues to decrease compared to 2020 and 2019. AM04 (*insufficient funds*) together with MS03 (to a big extent a substitute code for AM04 in some countries) represent more than 50 percent of the total r-transaction volume.

The SDD B2B r-transaction rate in 2021 continues to decrease compared to 2020 and 2019. MD01 (*No mandate or unable to obtain mandate confirmation from the Debtor*) being now the top code continues to increase for 3 years in a row. Even if it decreases for 3 years in a row, AM04 remain the second highest code. The STP MSG had no further comment.

14. Proposed [Instant] Euro One-Leg Out Credit Transfer arrangement rulebook: introduction and current public consultation (Pres EPC008-22)

On 18 January 2022, the EPC launched a 90 calendar days public consultation about a proposed [Instant] Euro One-Leg Out Credit Transfer ([Inst] Euro OCT) arrangement rulebook.

This proposed arrangement intends to support incoming and outgoing standard and instant international credit transfer denominated in euro, whereby either the PSP of the Payer or the PSP of the Payee is located in SEPA. The arrangement does not support international credit transfers in other currencies.

The arrangement sets only rules for the SEPA leg, it cannot set rules for the non-SEPA leg. The EPC is not able to impose e.g., concrete business rules on Financial Institutions (FIs) based outside SEPA. This would also negatively affect the attractiveness of the proposed arrangement.

The proposed arrangement contains various features, attributes and business rules which PSPs are already familiar with from the SEPA payment schemes (e.g., timelines, r-transaction processes, maximum amounts for instant payments) but it also includes elements from the CBPR+ practices (e.g., specific practices and attributes, more charging options, a wider character set, UETR).

It prescribes the use of the ISO 20022 messaging standard in the SEPA Leg and encourages the use of this standard in the non-SEPA leg as well.

However, the proposed arrangement requires more data about the transaction itself (e.g., FX rates, charges) and about the parties involved (more details about the PSPs, FIs and other intermediaries involved).

The arrangement introduces the SEPA Entry PSP and the Exit PSP as new actors for this proposed arrangement version although PSPs in SEPA and FIs outside SEPA could exchange such international credit transfers directly. Future versions of this arrangement may well reflect such models.

With respect to the adherence to this arrangement, it is an optional arrangement for PSPs, and when they adhere, they must support it at a minimum as a SEPA-based Payee's PSP. Applicants must also indicate if they support only standard Euro OCTs, only Inst Euro OCTs, or both.

The public consultation on this proposed arrangement ends on 17 April 2022. The May 2022 EPC Board meeting will decide whether it goes ahead with the [Inst] Euro OCT arrangement rulebook or not. In case the May 2022 EPC Board meeting takes a go-decision, the aim is to publish the version v1.0 of the arrangement rulebook in November 2022.



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The STP MSG members welcomed this EPC initiative. The STP MSG secretariat responded to several questions from various MSG members.

15. SEPA Request-to-Pay scheme rulebook: upcoming public consultation, SRTP adherence developments (Pres EPC014-22)

The version 2.0 of the SRTP scheme rulebook was published in November 2021. The EPC now works on the updated versions of the related Risk Management Annex and the Clarification Paper. A new SRTP scheme rulebook change management cycle has started whereby anyone was able to submit SRTP CRs by 25 February 2022. Twelve completely new CRs had been received on top of eleven CRs already submitted during previous SRTP change management cycles but which could not be handled or further worked out so far.

(After this meeting, the STP MSG secretariat submitted all 2022 SRTP CRs to the STP MSG. The MSG members were invited to report any comments or remarks they may have about these CRs directly to the secretary of the SRTP Task Force by 25 March 2022.)

The EPC SRTP Task Force will submit its recommendation about each 2022 SRTP CR to the May 2022 EPC Board meeting. A public consultation about these CRs will be held from end May to end August 2022. The September 2022 STP MSG meeting will be asked to formulate its position for each SRTP CR while considering the outcome of that public consultation.

A dedicated work block under the EPC SRTP Task Force now writes SRTP-related API specifications which should be published by the end of June 2022.

Three institutions submitted their application to become an SRTP scheme participant and all three are now following the homologation process. After this three-year development phase, the SRTP scheme will then be subject to a less frequent change management cycle.

The EPC representative involved in the SRTP work remarked that the SRTP scheme is a credit transfer agnostic scheme rather than a payment agnostic scheme, and that the SRTP scheme will no longer be channel agnostic as it will publish API specifications later in 2022. This person also pointed out that a number of CRs cover both the enrolment and the activation of the payee and of the payer.

The STP MSG had no further comment.

16. SEPA Proxy Lookup scheme rulebook: status (oral report)

The EPC continues to be approached by certain market players for the SPL scheme. One institution formally expressed its interest but is not yet registered as a scheme participant. The Board decided not to kick off an SPL scheme rulebook change management cycle for the time being. The STP MSG had no further comment.

17. Next meeting dates

The STP MSG agreed to hold the second STP MSG meeting on 07 September 2022 starting at 10h30 CET. The meeting will be held as a **physical** meeting (for the time being).

18. AOB

There was no other business raised or discussed.



List of open action items after 1st STP MSG Meeting

Item	Topic	Action	Owner	Status / Deadline
		No open action items identified so far		



List of participants – 1st STP MSG Meeting

Date: 03 March 2022

Name	Institution	Attendance
Co-Chairs		
Frans van Beers	Dutch Payments Association (Scheme participants)	YES
David Chance	Fiserv (Technical players)	YES
SEPA scheme participant-related members		
Axel Schindler	BVR	YES
Miguel Torres	Redsys	YES
Jacques Vanhautere	SEPAmail.eu (nominated by FBF)	YES
Martin Walder	SIX Interbank Clearing AG (nominated by UBS AG)	YES
Representatives of SEPA scheme-compliant Infrastructure Solution Providers		
Riccardo Mancini	Banca d'Italia	YES
Fred Bär	EACHA	YES
David Renault	EBA Clearing	Apologies
Fabrizio Dinacci	European Central Bank	YES
José Luis Langa	Iberpay	YES
Hendrik Muus	PSA	YES
Luís Sequeira	SIBS	YES
José Beltrán	STET	Apologies
Guido Cavagnaro	Worldline	YES
Representatives of major technical players offering <u>messaging services</u> to SEPA scheme-compliant Infrastructure Solution Providers		
Angelo Marchetta	SIA S.p.A. ³	YES
Neil Buchan	SWIFT Standards	YES
Representatives of other major technical players		
Daniele Astarita	ACI Worldwide	YES
Raphaël François	Azzana Consulting	Apologies
Jozsef Czimer	Capsys	YES
Ralf Ohlhausen	ETPPA	YES
Olivier Denis	FIS global	YES
Guillaume de Longeaux	Galitt	YES
Jen Dunbar	Icon Solutions	YES

³ Part of Nexi Group



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Rasmus Eskestad	Mastercard Payment Services Denmark A/S	YES
Jack Wilson	Open Finance Association Europe	YES
Hein Wagenaar	Oracle	YES
Mario Reichel	PPI AG	YES
Gabriel Carpintero Roman	SSTRATEGY (Hermesti Ingeniería Documental S.L.)	YES
Volker Heinze	UNIFITS GmbH	YES
Peter Larsson	Volanté Technologies	YES
Alternates		
Maria Palmieri	Open Finance Association Europe	Apologies
EPC secretariat		
Etienne Goosse	EPC Director General	YES
Dominique Allebroeck	EPC secretariat	YES
Bart Clarebout	EPC secretariat	YES