



EPC Guidance Document

Migration to the 2019 Version of the ISO 20022 Standard-based XML Messages

EPC087-22 / Version 1.0 / Date issued: 25 May 2022 / Date effective: 25 May 2022

Public



EPC Guidance Document



European
Payments Council

Migration to the 2019 Version of the ISO 20022

Standard-based XML Messages

EPC087-22

Version 1.0

Date issued: 25 May 2022

Date effective: 25 May 2022

European Payments Council AISBL,
Cours Saint-Michel 30 B-1040 Brussels
T +32 2 733 35 33
Enterprise N°0873.268.927
secretariat@epc-cep.eu

Table of Contents

0	Document Information.....	3
1	Background.....	3
2	Aim of document	3
3	Impact analysis and EPC guidance	4
3.1	Envisaged impact on the 2023 SEPA payment scheme IGs	4
3.2	Mandatory Customer-to-PSP (C-to-PSP) IGs.....	4
3.3	Entry-into-force date and time	6
3.4	Payment files sent by payers and payees before 19 November 2023 but to be executed as of 19 November 2023	8
3.5	Payment files sent by Originator PSPs and Creditor PSPs before 19 November 2023 but to be executed as of 19 November 2023	9
3.6	Customer-to-PSP r-transactions to be executed as of 19 November 2023.....	9
3.7	Inter-PSP r-transactions, SCT inquiries or related responses to be executed as of 19 November 2023	10
3.8	Payment files sent in the PSP-to-Customer space.....	12
4	Annex	14



0 Document Information

Issue number	Dated	Reason for revision
V1.0	25/05/2022	Final review by the April 2022 Scheme Management Board meeting

1 Background

One change request from the 2020 EPC SEPA payment scheme rulebook change management cycle suggested the migration of all ISO 20022 XML-based messages used in the four EPC SEPA payment scheme rulebooks to the 2019 version of the ISO 20022 messaging standard.

The EPC decided to include this change request in all **2023** SEPA payment scheme rulebooks and the related Customer-to-PSP and Inter-PSP Implementation Guidelines (IGs) entering into force on 19 November 2023.

These 2023 SEPA payment scheme rulebooks and related IGs also include **business and/or functional rule changes** that the EPC approved at the end of the 2022 SEPA payment scheme rulebook change management cycle.

The implementation of a major version change of the used ISO 20022 messages in combination with the implementation of new/amended business and/or functional rules in a single rulebook release, may form a challenge for some SEPA payment scheme participants.

To ease this potential challenge, the EPC published the 2023 SEPA payment scheme rulebooks and related IGs in **May 2022** instead of November 2022. This gives the SEPA payment scheme participants and all other relevant stakeholders 18 months instead of the standard 12 months to do these changes.

2 Aim of document

The guidance document is addressed to SEPA payment scheme participants and to payment end-users using ISO 20022 standard-based XML messages for the initiation and/or the acceptance of SEPA (Instant) Credit Transfer (SCT (Inst)) and SEPA Direct Debit (SDD) transactions in the Customer-to-Payment Service Provider (C-to-PSP) space and/or the PSP-to-Customer (PSP-to-C) space.

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

It also gives guidance 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.

In the run-up to the 19 November 2023 entry into force date, this document may be updated from time to time based on further clarification requests from payment end-users and/or SEPA payment scheme participants.



3 Impact analysis and EPC guidance

3.1 Envisaged impact on the 2023 SEPA payment scheme IGs

The section 4 being an Annex to this document covers the envisaged impact of the migration to the 2019 message version of the ISO 20022 standard on the 2023 SEPA payment scheme IGs.

3.2 Mandatory Customer-to-PSP (C-to-PSP) IGs

The SEPA payment scheme participants must comply with the EPC IGs defining the ISO 20022 standard-based XML messages for the C-to-PSP space and the Inter-PSP space. Nevertheless, the EPC draws the attention on a particular caveat.

Under the SCT and SCT Inst schemes, **only** when the Originator PSP offers or wishes to offer to its Originators the service of accepting and processing electronically bundled C-to-PSP SCT/SCT Inst instructions, the Originator PSP is obliged to accept at least but not exclusively C-to-PSP instructions following the message specifications as described in the SCT/ SCT Inst C-to-PSP IGs at the request of the Originator.

Under the SDD Core and SDD B2B schemes, **only** when the Creditor PSP offers or wishes to offer to its Creditors the service of accepting and processing electronically bundled C-to-PSP SDD Core/ SDD B2B collections, the Creditor PSP is obliged to accept at least but not exclusively C-to-PSP instructions following the message specifications as described in the SDD Core/ SDD B2B C-to-PSP IGs at the request of the Creditor.

This means that even as of 19 November 2023, Originators and Creditors will still have the choice either to continue using their currently selected C-to-PSP file set-up (i.e. based on another version of ISO 20022) or to opt for using the EPC specifications for C-to-PSP files based on the 2019 version of ISO 20022. On the other hand, the Originator PSPs and Creditor PSPs concerned must be technically capable of supporting the EPC specifications for the C-to-PSP SEPA payment files based on the 2019 version.

Impact for SEPA payment scheme participants

Given the mandatory use of the 2019 version in the Inter-PSP space, in case the Originator/ Creditor sends SEPA payment instructions/collections in another ISO version, the Originator PSP/ Creditor PSP must convert the payment data from the C-to-PSP messages set up in another ISO version, into the 2019 version for further transmission through the pacs. messages in the Inter-PSP space.

Such action can lead to conversion issues between the two versions for the Originator PSP/ Creditor PSP concerned.

Impact for payment end-users

As of 19 November 2023, Originators and Creditors will still have the choice either to continue sending their SCT (Inst) and SDD payment files using their currently selected C-to-PSP file set-up (i.e. based on another version of ISO 20022) or to opt for using the EPC specifications for C-to-PSP files based on the 2019 version of ISO 20022.

However, under the first option, the possible payment data conversion between the ISO version currently used by the Originator/ Creditor and the 2019 version for further Inter-PSP processing may cause issues for the Originator/ Creditor and/or for the Beneficiary/ Debtor. Certain payment data may have to be altered causing e.g., payment reconciliation issues, delays due to corrective actions in respect to r-transactions for the Originator/ Creditor and/or for the Beneficiary/ Debtor.



Furthermore, payment end-users would miss the opportunity of using features under the 2019 version which may not be available under earlier versions of the ISO 20022 standard. There are also several payment market initiatives under way that rely on the 2019 version of the ISO 20022 standard.

The following points list require the attention of the payment end-users:

- Under the 2019 ISO version, payment end-users can benefit from the standard delivery of structured address details about the payer and the payee.
The lack of structured address settings under previous ISO versions hinders an automated straight-through processing of SEPA transactions between e.g., EEA-country based SEPA payment scheme participants and non-EEA SEPA-country based SEPA payment scheme participants.
The capacity of characters for these fields under earlier versions of the ISO 20022 standard also reaches its limits in certain payment situations.
The EPC itself decided in April 2022 that as of November 2025, payment end users can only provide structured addresses in their electronic Customer-to-PSP files when based on the relevant EPC C-to-PSP IGs.
Furthermore, the global payment market evolves towards more transparency, and this applies also to addresses. Customer and customer reference party addresses will have to be structured in high value payments as well as in international payments, on an optional basis from November 2022 and becoming mandatory as of end 2025.
- The 2019 ISO version gives the possibility to support the use of proxy identifiers (e.g., phone number, e-mail address) in the C-to-PSP space. The EPC itself decided in April 2022 to include an Alias and a Proxy as optional attributes in the C-to-PSP messages, for both SCT schemes as of November 2023.
- SCT Inst scheme:
 - in previous versions, the timestamp data element for an SCT Inst payment transaction message supports only the provision of a future date.
The 2019 ISO version supports the possibility to submit SCT Inst instructions with a combination of a future execution date and time which can be interesting for certain customers or in certain use cases.
 - Previous ISO versions are not rich enough in data elements and element characteristics to support SCT Inst transactions at different Point-of-Interaction use cases between payers and payees.
- Request-to-Pay (RTP): the 2019 ISO version supports the use of Request-to-Pay (RTP) services.
The SEPA RTP rulebook developed by the EPC is based on the 2019 version of the ISO 20022 standard.
- Several market infrastructures have decided to migrate to the ISO 20022 standard i.e. Target2 from Eurosystem and EURO1 from EBA Clearing by November 2022. SWIFT migrates its FIN messages to the ISO 20022 standard starting from November 2022 until November 2025. These infrastructures have decided to use the 2019 version of the ISO 20022 standard.
The use of the same version of the ISO 20022 standard for mass-volume SEPA payments, high-value euro payments and international payments facilitates the interoperability between the various payment schemes and platforms used by payment end-users.

In the second option i.e. start using the 2019 ISO version to benefit from the its features and from the market developments, Originators and Creditors will have to adapt, upgrade or replace their



existing applications to prepare and to send SCT (Inst) and SDD payment files to their PSPs under the 2019 version. They can take such decision at any time after 19 November 2023 or even before that date.

Guidance:

As of May 2022, the concerned Originator PSPs and Creditor PSPs should structurally promote the merits of the 2019 version of the ISO 20022 standard and explain the direction of the payments market towards the 2019 version, to their Originators and Creditors. This will limit the scale of ISO version conversions from the C-to-PSP space into the Inter-PSP space.

Note with respect to the E-mandate Service Implementation Guidelines for SDD Core and SDD B2B:

*The E-mandate Service IGs are based on the E-mandate option described in Annex VII of the SDD Core and SDD B2B rulebooks. This set of IGs does **not** form a binding set of IGs for the Debtor PSP supporting an E-Mandate solution based on Annex VII.*

The E-mandate Service IGs related to the 2023 SDD Core and SDD B2B rulebooks will be based on the 2019 version of the ISO 20022 standard. Each Debtor PSP has the discretion to continue supporting an E-Mandate solution based on Annex VII under a version of the ISO 20022 standard other than the 2019 version.

3.3 Entry-into-force date and time

The 2023 SEPA payment scheme rulebooks and the related C-to-PSP and Inter-PSP IGs enter into force on Sunday 19 November 2023. The use of the 2019 version of the relevant ISO 20022 standard-based messages enters into force from that date onwards. Section 3.4 provides more details about payment files sent by payers and payees before the date of 19 November 2023 but to be executed as of 19 November 2023.

Impact for payment end-users

As of 19 November 2023, Originators and Creditors will still have the choice either to continue sending their SCT (Inst) and SDD payment files using their currently selected C-to-PSP file set-up (i.e. based on another version of ISO 20022) or to opt for using the EPC specifications for C-to-PSP files based on the 2019 version of ISO 20022.

In the first option, there is no meaningful impact apart of the fact of not benefiting from the features that the 2019 ISO version can offer to them and from the market developments reported under section 3.2.

In the second option, Originators and Creditors will have to adapt, upgrade or replace their existing applications to prepare and to send SCT (Inst) and SDD payment files to their PSPs under the 2019 ISO version. They can take such decision at any time before or after 19 November 2023.

Impact for SEPA payment scheme participants

The assumption is that scheme participants to the SCT, the SDD Core and the SDD B2B schemes will only start processing C-to-PSP and Inter-PSP payment messages in the 2019 version of the ISO 20022 standard, as of Monday 20 November 2023. The payment files exchanged under these three schemes are actually processed, cleared and settled during the SEPA Banking Business Days i.e. a day on which that participant is open for business. In practice, this will be from Monday to Friday under these three schemes.



However, for SCT Inst scheme participants, the changeover happens on Sunday 19 November 2023 at 08H00 CET time. From precisely that date and time onwards, these scheme participants must be able to process C-to-PSP payment messages in the 2019 version of the ISO 20022 standard. As of that point in time, they also process all Inter-PSP payment messages under the 2019 version.

All SCT Inst instructions (i.e. sent by Originators to Originator PSPs) and SCT Inst transactions (i.e. sent by Originator PSPs to Beneficiary PSPs) received for immediate execution up to 08H00 CET that day, will still be processed in the 2009 version.

The changeover to the 2019 ISO version for the SCT Inst scheme on Sunday 19 November 2023 needs a specific time-window as this change may not be done 'on the flight'. Some SCT Inst scheme participants could be faced with the situation in which they may have to decide to stop the SCT Inst processing for some time. This decision would be a breach of an SCT Inst rulebook obligation which stipulates that there can never be any SCT Inst service down-time.

Guidance:

Scheme participants should use the technical feasibility 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 of time prior to the migration change-over date and time.

In effect, it is a change similar to the SEPA payment scheme rulebook releases happening every two years. What really matters is a proper synchronisation of the data between the two versions.

Each SEPA payment scheme participant must determine the concrete actions it is expected to undertake as an Originator PSP/Creditor PSP and as a Beneficiary PSP/Debtor PSP.

Prior to the production launch of the preparation, verification, transmission and/or receipt of 2019 ISO version based SEPA transaction files, r-transactions, SCT inquiries and any related positive and negative responses, the scheme participants document and conduct all necessary tests (e.g., by using pre-defined test cases) to see if all concerned procedures and systems (for the production and back-up environments) function properly to produce, verify, transmit and/or accept the transaction files and any related messages based on the 2019 version.

The concrete change-over actions will depend on how much each SEPA payment scheme participant relies on its Clearing and Settlement Mechanism(s) (CSM(s)), and what each scheme participant may have to do internally.

There will be a change-over window between the CSMs, and between each CSM and its SEPA payment scheme participant PSP-clients. The EPC strongly recommends that each SEPA payment scheme participant already contacts its CSM(s) to release the technical implementation guidelines, the concrete preparation plan and timeline of its CSM(s) to handle this change-over (e.g., on its internal technical change-over strategy and technical point-of-no-return). This allows the SEPA payment scheme participants to coordinate with their respective CSMs to align their respective ISO version migration plans and testing phases.

For SCT Inst specifically: a synchronization will be needed between TARGET Instant Payment Settlement (TIPS) and the other CSMs following the more central role TIPS has taken up as of December 2021 in the SCT Inst transaction clearing and settlement. The SCT Inst scheme participants must ask their CSMs how they will manage this version change-over with TIPS.



3.4 Payment files sent by payers and payees before 19 November 2023 but to be executed as of 19 November 2023

Payers and payees may submit payment files (pain.001 for SCT and SCT Inst, pain.008 and pain.007 for SDD Core and SDD B2B) days or even weeks before 19 November 2023, but which must be executed as of 19 November 2023 (for SCT Inst: as of 08H00 CET on 19 November 2023) or later. Such initial files may have been submitted in an ISO 20022 version other than the 2019 version.

Impact for payment end-users

As of 19 November 2023 (for SCT Inst: as of 08H00 CET on 19 November 2023), Originators and Creditors will still have the choice either to continue sending their SCT (Inst) and SDD payment files using their currently selected C-to-PSP file set-up (i.e. based on another ISO 20022 version) or to opt instead for using the EPC specifications for C-to-PSP files based on the 2019 version.

Impact for SEPA payment scheme participants

The scheme participants must convert the payment data from of such payment initiation files into the 2019 version of the ISO 20022 standard-based pacs. messages for further processing in the Inter-PSP space.

Today, some Originator PSPs and Creditor PSPs may already support the acceptance and the further processing of payment initiation files created in an ISO version other than the 2009 version which the C-2-PSP and the Inter-PSP IGs of the current applicable 2021 SEPA payment scheme rulebooks are based upon. Presently, the Originator PSPs and Creditor PSPs convert the payment data from such payment initiation files into the 2009 version of the ISO 20022 standard-based pacs. messages for further processing in the Inter-PSP space. The impact of converting payment data from one ISO version in the C-2-PSP space to another ISO version in the Inter-PSP space is already known and manageable to these PSPs.

However, there may be Originator PSPs and Creditor PSPs whose entire Originator- and/or Creditor customer base are satisfied in using the 2009 version. The PSPs concerned may not have ISO conversion tools in place. As the Originators and Creditors still have the choice to continue using their currently chosen ISO version or move instead to the 2019 version as of 19 November 2023, this second category of Originator PSPs and Creditor PSPs will have to consider what concrete ISO 20022 standard-based XML message services they want to continue offering to their customers.

Guidance:

For the first group of Originator PSPs and Creditor PSPs already offering ISO version conversion services, they can consider continuing to offer such services. However, the 2019 ISO version provides the payment end-users with more features compared to previous versions. Also, the trend of the global payments market moves to the use of the 2019 version. Therefore, these PSPs should seriously consider the guidance given under section 3.2.

For the second group of Originator PSPs and Creditor PSPs not having ISO version conversion services yet, one option is that they start offering such services. However, also they must keep in mind that based on the 2019 ISO version, the SEPA payment schemes will contain more features compared to previous versions and as consequence this version can be beneficial for Originators and Creditors. In combination with the trend of the global payments market moving to the use of the 2019 version, these PSPs should promote the use of the 2019 version to their customer base.



In any case, for payment files sent by Originators and Creditors with an execution date as of 19 November 2023 (for SCT Inst: as of 08H00 CET on 19 November 2023), the Originator PSPs and the Creditor PSPs must send the underlying SEPA payments in the 2019 ISO version of the relevant pacs. message to the next party in the Inter-PSP space.

3.5 Payment files sent by Originator PSPs and Creditor PSPs before 19 November 2023 but to be executed as of 19 November 2023

Originator PSPs and Creditor PSPs may submit payment files (pacs.008 for SCT and SCT Inst, pacs.003 for SDD Core and SDD B2B) to the next party in the Inter-PSP space, some days before 19 November 2023 but which must be executed as of 19 November 2023 (for SCT Inst: as of 08H00 CET on 19 November 2023). The question at hand is in which ISO version the Originator PSPs and Creditor PSPs must send these files to the next party in the Inter-PSP space in the days before 19 November 2023.

Guidance:

When the Originator PSPs and the Creditor PSPs send pacs.008 and pacs.003 payment files before 19 November 2023 (for SCT Inst: before 08H00 CET on 19 November 2023) to the next actor in the Inter-PSP space and whereby these files bear an execution date as of 19 November 2023 (for SCT Inst: as of 08H00 CET on 19 November 2023), then the Originator PSPs and the Creditor PSPs must send such files still in the 2009 version of the ISO 20022 standard.

If a r-transaction of that initial pacs.008 and pacs.003 payment file must be made **before** the migration date (and date and time for SCT Inst), that r-transaction message must be sent as well in the 2009 version of the ISO 20022 standard.

Only from 19 November 2023 onwards (for SCT Inst: only from 08H00 CET on 19 November 2023), all relevant systems and applications of the other Inter-PSP actors, the Beneficiary PSPs and of the Debtor PSPs will run on the 2019 version of ISO 20022.

3.6 Customer-to-PSP r-transactions to be executed as of 19 November 2023

For an initial SEPA transaction initiated before 19 November 2023 (for SCT Inst: before 08H00 CET at 19 November 2023), two situations may occur:

- Scenario 01: the initial transaction leads to a r-transaction coming from the Originator PSP/ Creditor PSP itself or from the Inter-PSP space as of 19 November 2023 (for SCT Inst: as of 08H00 CET on 19 November 2023), which must be reported back to the Originator or Creditor.
- Scenario 02: the SDD Creditor launches itself the r-transaction Reversal for this initial collection, as of 19 November 2023.

It concerns the following r-transaction types:

Customer-to-PSP space		
	Initial payment initiation message	R-transaction to initial payment initiation message
SCT	pain.001	pain.002 (Reject)
SCT Inst		pain.002 (Reject; Negative Confirmation; Positive Confirmation)



		Customer-to-PSP space	
		Initial payment initiation message	R-transaction to initial payment initiation message
SDD Core	pain.008		<ul style="list-style-type: none"> • pain.002 (Reject) • pain.007 (Reversal sent by the Creditor)
SDD B2B			

Impact for payment end-users

The SDD Creditor can continue using the currently used ISO version (e.g., 2009 version or a version other than the 2019 version) to send the SDD Reversal to the Creditor PSP or opt for using the 2019 ISO version.

As most r-transactions originate from the Inter-PSP space and are delivered in the 2019 ISO version, conversion issues of the r-transaction data may occur when the payment end-user uses another ISO version. This may cause e.g., reconciliation issues or delays in taking further corrective actions by the SDD Creditor.

Impact for SEPA payment scheme participants

In case an initial transaction was executed before 19 November 2023 (for SCT Inst: before 08H00 CET at 19 November 2023) but leads to a r-transaction as of 19 November 2023 (for SCT Inst: as of 08H00 CET on 19 November 2023), the Originator PSP/Creditor PSP must convert the r-transaction data coming from the Inter-PSP space when the Originator/ Creditor uses an ISO version other than the 2019 version. This may create conversion issues for the Originator PSP/Creditor PSP.

In case the SDD Creditor launches itself a r-transaction as of 19 November 2023 for an SDD collection initiated before 19 November 2023, the Creditor PSP must convert the r-transaction data into the 2019 version of ISO 20022 for further processing in the Inter-PSP space when the Creditor uses another ISO version. This may create conversion issues for the Creditor PSP.

Guidance:

Reference is made to the guidance under the sections 3.2 and 3.4.

3.7 Inter-PSP r-transactions, SCT inquiries or related responses to be executed as of 19 November 2023

SEPA payment scheme participants may have to initiate, handle and/or respond to Inter-PSP r-transactions and to SCT inquiries as of 19 November 2023 (for SCT Inst: as of 08H00 CET on 19 November 2023) for initial transactions, r-transactions or SCT inquiries submitted before that date (for SCT Inst: before that date and time).



This concerns the following cases:

Inter-PSP space		
	Payment message	R-transaction to payment message
SCT	pac.008	<ul style="list-style-type: none"> • pac.002 (Reject) • camt.056 (Recall; Request for Recall by the Originator (RFRO)) • camt.027 (SCT Inquiry for Claim of Non-Receipt) • camt.087 (SCT Inquiry for Value Date Correction) • camt.029 (Negative Response to a Recall, RFRO or the two SCT Inquiry use cases; Positive Response to the two SCT Inquiry use cases) • pac.004 (Return; Positive Response to a Recall or RFRO) • pac.028 (Request for Status Update on a Recall, RFRO or the two SCT Inquiry use cases) • pac.008 (Inter-PSP fee payment for the SCT Inquiry for Claim of Non-Receipt; Inter-PSP fee and/or compensation payment for the SCT Inquiry for Value Date Correction)
SCT Inst	pac.008	<ul style="list-style-type: none"> • pac.002 (Negative Confirmation; Positive Confirmation) • camt.056 (Recall; RFRO) • camt.029 (Negative Response to a Recall or an RFRO) • pac.004 (Positive Response to a Recall or an RFRO) • pac.028 (Request for Status Update on a Recall or an RFRO; SCT Inst Transaction Status Investigation)
SDD Core	pac.003	<ul style="list-style-type: none"> • pac.002 (Reject) • pac.004 (Return; Refund) • pac.007 (Reversal)
SDD B2B	pac.003	<ul style="list-style-type: none"> • pac.002 (Reject) • pac.004 (Return) • pac.007 (Reversal)

Impact for SEPA payment scheme participants

The main question is in which ISO version as of 19 November 2023 (for SCT Inst: as of 08H00 CET on 19 November 2023), the concerned SEPA payment scheme participant may have to send an Inter-PSP r-transaction for an initial transaction submitted before 19 November 2023 (for SCT Inst: before 08H00 CET at 19 November 2023), or to send a negative or positive response to a r-transaction or an SCT inquiry launched before 19 November 2023.

Guidance:

As of 19 November 2023 (for SCT Inst: as of 08H00 CET on 19 November 2023), all Inter-PSP systems and applications of all SEPA payment scheme participants will be re-configured to transmit, accept and process newly initiated SEPA payments only in the 2019 version of the ISO 20022 standard.

Consequently, all Inter-PSP ISO 20022 messages to support the currently foreseen SEPA payment scheme rulebook r-transactions, inquiries and related positive and negative responses will be based on the 2019 version.



Given the reconfiguration of all these systems and applications, the following messages sent as of 19 November 2023 (for SCT Inst: as of 08H00 CET on 19 November 2023) must be based on the 2019 version:

- Any r-transaction message for an initial transaction itself submitted before 19 November 2023 (for SCT Inst: before 08H00 CET at 19 November 2023), and
- Any response message for a r-transaction or for an SCT inquiry itself launched before 19 November 2023 (for SCT Inst: before 08H00 CET at 19 November 2023).

The alternative of maintaining a parallel 2009 ISO version environment would be complex and costly in relation to the duration of maintaining such parallel environment (should be until 18 January 2025 as some r-transactions can be launched up to 13 months after the initial debit date plus the 30 calendar days for the subsequent investigation phase where applicable) and to the overall number of r-transactions, SCT inquiries and related responses compared to the overall volume of SEPA payment transactions.

A second question relates to the contents of the Inter-PSP r-transaction, the response to a r-transaction or an SCT inquiry sent as of 19 November 2023 (for SCT Inst: as of 08H00 CET at 19 November 2023) for initial transactions, r-transactions or SCT inquiries submitted before 19 November 2023 (for SCT Inst: before 08H00 CET at 19 November 2023).

Such r-transactions and responses to a r-transaction or to an SCT inquiry contain “an exact copy of the original Inter-PSP payment/collection dataset”. This may not be always possible. Issues may arise when the original Inter-PSP payment/collection message contained information that is no longer present in the 2019 ISO version or under the 2023 SEPA payment scheme rulebook concerned. Another potential issue is when the original Inter-PSP payment/collection did not contain an attribute which has become mandatory under the 2019 ISO version or under the 2023 SEPA payment scheme rulebook concerned.

The accepted 2022 SEPA payment scheme rulebook change requests do not introduce new mandatory attributes nor take out existing mandatory or optional attributes in the 2023 SEPA payment scheme rulebooks compared to the related 2021 rulebooks.

Impact for payment end-users

An Inter-PSP r-transaction, an Inter-PSP response to such Inter-PSP r-transaction and to a SCT inquiry, may possibly lead to an ISO 20022 standard-based XML C-to-PSP r-transaction message from the Originator PSP/ Creditor PSP to the payment end-user (depends on the type of r-transaction).

In case the Originator/ Creditor continues using its currently used ISO version (e.g., a version other than 2019), conversion issues of the r-transaction data from the Inter-PSP messages may occur. This may cause e.g., reconciliation issues or delays in taking further corrective actions by the payment end-user.

3.8 Payment files sent in the PSP-to-Customer space

The C-to-PSP IGs of the SCT and SCT Inst schemes also define EPC specifications for ISO 20022 standard-based XML messages which a Beneficiary itself can send or receive. This concerns the following situations:



PSP-to-Customer space <i>(covered under the Customer-to-PSP IGs)</i>	
SCT	pain.001 (Transfer back of a received SCT transaction without Originator IBAN by the Beneficiary)
SCT Inst	<ul style="list-style-type: none"> • pain.001 (Transfer back of a received SCT Inst transaction without Originator IBAN by the Beneficiary) • camt.054 (Positive notification message to the Beneficiary)

Impact for payment end-users

As of 19 November 2023, Beneficiaries will still have the choice either to continue sending and/or receiving these XML messages in their currently used ISO version (e.g., 2009 version or a version other than 2019), or opt to send and/or receive them in the 2019 ISO version.

In the first option, there is no meaningful impact apart of the fact of not benefiting from the features that the 2019 version can offer to them and from the market developments reported under section 3.2.

In the second option, Beneficiaries will have to adapt, upgrade or replace their existing applications to send and/or accept such SCT/ SCT Inst scheme related messages to/from their PSPs under the 2019 version. They can take such decision at any time before or after 19 November 2023.

Impact for SEPA payment scheme participants

Given the mandatory use of the 2019 version in the Inter-PSP space, in case the Beneficiary wants to transfer back funds of an earlier received SCT/SCT Inst transaction without Originator IBAN through an XML payment message based on another ISO version, the Beneficiary PSP must convert the payment data from this message, into the 2019 version for further transmission through the pacs. message in the Inter-PSP space. Such action can lead to conversion issues between the two versions for the Beneficiary PSP concerned.

The positive notification message to the Beneficiary for a successfully executed SCT Inst transaction on the payment account of the Beneficiary is a recommended message only. The Beneficiary PSP and Beneficiary can bilaterally agree to use this message or not. In case the Beneficiary wants to receive such notification message based on another ISO version, the Beneficiary PSP must convert the relevant payment data from the Inter-PSP pacs.008 message, into that other version. Such action can lead to conversion issues between the two versions for the Beneficiary PSP concerned.

Guidance:
Reference is made to the guidance under the sections 3.2 and 3.4.



4 Annex



Migration to the 2019 Message Version of ISO 20022: Envisaged Impact on the 2023 Payment Scheme Implementation Guidelines

Public

Pres EPC01722



Background



- This document provides an overview of the envisaged main changes to the 2023 SEPA Implementation guidelines (IGs) which result from the migration to the 2019 message version of ISO 20022.
- Only the changes related to yellow fields are mentioned here (i.e. new white elements are not covered).
- Changes resulting from change requests that are linked to ISO migration changes are also referenced (i.e. a reference is made to the change request number).



General - Envisaged impact on ISO 20022 messages used in SEPA (1/3)



Inclusion of a Legal Entity identifier (LEI) as an alternative identifier for a 'non-private' party.

- EPC assessment:

- The LEI can already be provided in the 2009 message version under 'Other' ('Identification' and 'Scheme Name').
- As a result, two different ways of instructing the LEI are possible depending on the version of the Customer-to-PSP message received (subject to a bilateral agreement between the PSP and the customer) and hence could result in two different ways of transporting the LEI in the inter-PSP sphere (i.e. either in a dedicated 'LEI' element or in 'Other').

BIC data elements change: "BIC or BEI" (2009) replaced by "ANYBIC" (2019) and "BIC" (2009) replaced by "BICFI" (2019).

- EPC assessment: This is already the case in some messages used in the current IGs (e.g. pacs.028 used as a request for a status update on a Recall and camt.027/camt.08 used for inquiry related messages).

Cardinality of "Service Level" element: Maximum 1 occurrence in version 2009 versus "n" occurrences in version 2019

- EPC assessment: A SEPA usage rule will be included to limit the occurrence to 1.

Split between 'Party' and 'Agent' in R-messages (for example in elements 'Debtor' and 'Creditor' under 'Original Transaction Reference'): 'Party' specifies the identification of a person or an organisation, 'Agent' specifies the identification of a financial institution.

- EPC assessment: Only 'Party' will be used in the IGs and hence a SEPA usage rule will be included to specify this.



General - Envisaged impact on ISO 20022 messages used in SEPA (2/3)



Possibility to use a proxy for the identification of an account

- EPC assessment : The Alias/Proxy can only be provided optionally in addition to the usual account identification (i.e. IBAN), in accordance with the 2022 Change Request # 11.
- The following SEPA usage rules will be included :
 - The Alias/Proxy can only be provided here under the condition that the Originator is given the possibility to validate the IBAN linked to that Alias/Proxy prior to the 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 must 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

Extension of the structured sub-elements of 'postal address'

- EPC assessment : Currently only one of those sub-elements i.e. 'country code' is used (besides the unstructured address lines). In accordance with the 2022 Change Request # 6, the 'Postal address' sub-elements (including the new ones added in the 2019 message version of ISO 20022) will be made available in the 2023 IGs. In this context the following is to be noted :
 - As of November 2023: SEPA payment scheme participants must be able to support structured addresses when provided by the payment end user and/or the scheme participant and
 - As of November 2025: payment end users can only provide structured addresses in their electronic Customer-to-PSP files at least based on the relevant EPC Customer-to-PSP IGs; and all Inter-PSP SEPA payment messages must contain a structured address (where applicable)
- The following SEPA usage rules will be added to element 'postal address' :
 - If a 'PostalAddress' sub-element other than 'AddressLine' and 'Country' is used, then 'AddressLine' is forbidden
 - A combination of 'AddressLine' and 'Country' is allowed. In case 'AddressLine' is not used, then at least 'Town Name' and 'Country' must be used.



General - Envisaged impact on ISO 20022 messages used in SEPA (3/3)



Extension of element 'Structured' under 'Remittance Information' including e.g. new sub-elements 'Tax Remittance' (provides remittance information about a payment made for tax-related purposes) and 'Garnishment Remittance' (provides remittance information about a payment made for garnishment-related purposes).

- EPC assessment: Impact on the Extended Remittance Information (ERI) option as the new sub-elements are to be added to the IGs in accordance with Change Request # 19.

Modification of already existing sub-elements in element 'Structured' under 'Remittance Information' (e.g. 'Discount Applied Amount' now contains 'Type' and 'Amount' and is no longer limited to one occurrence)

- EPC assessment: Minor impact on ERI as the new sub-elements will appear in the XSDs where the full ISO 20022 possibilities and structure are available.



Envisaged impact on specific ISO 20022 messages used in SEPA (1/2)



Pain.002/pain.007/pacs.002/pacs.004/pacs.007/camt.029/camt.056: New sub-element ‘Purpose’ under ‘Original Transaction Reference’

- EPC assessment: sub-element will be shaded yellow (as ‘Purpose’ is also used in the original message).

Pacs.002: Data element ‘Original Group Information And Status’ : Maximum 1 occurrence and mandatory in version 2009 versus “n” occurrences and optional in version 2019 .

- EPC assessment: A SEPA usage rule will be included to limit the occurrence to 1.

Pacs.007: Data element ‘Original Group Information’ has been made optional.

- EPC assessment: This element is used in the IGs and hence a SEPA usage rule will be added to indicate that this element is mandatory.

Camt.029: Data element ‘Original Next agent’ (under ‘Claim Non Receipt Details’) is no longer mandatory in the 2019 version.

- EPC assessment: This element is currently shaded yellow in the positive response (based on the 2018 message version of camt.029) to a Claim Non-receipt as it is a mandatory ISO data element. As this is no longer the case in the 2019 ISO message version, the data element will be shaded white.

Pain.009/pain.010/pain.011/pain.012: New mandatory data element ‘Tracking Indicator’ (“Specifies whether the direct debit instructions should be automatically re-submitted periodically when bilaterally agreed”).

- EPC assessment: Data element will be shaded yellow

Pres EPC01722

6



Envisaged impact on specific ISO 2022 messages used in SEPA (2/2)



Pain.009: Cardinality of 'Mandate' and 'Mandate/Mandate Identification' element: Maximum 1 occurrence in version 2009 versus "n" occurrences in version 2019.

- EPC assessment : A SEPA usage rule will be included to limit the occurrence to 1.

Pain.009/pain.010/pain.011/pain.012: Cardinality of 'Referred Document' element: Maximum 1 occurrence in version 2009 versus "n" occurrences in version 2019.

- EPC assessment : A SEPA usage rule will be included to limit the occurrence to 1.

Pain.010: Cardinality of 'Underlying Amendment Details' element: Maximum 1 occurrence in version 2009 versus "n" occurrences in version 2019.

- EPC assessment : A SEPA usage rule will be included to limit the occurrence to 1.

Pain.011: Cardinality of 'Underlying Cancellation Details' element: Maximum 1 occurrence in version 2009 versus "n" occurrences in version 2019.

- EPC assessment : A SEPA usage rule will be included to limit the occurrence to 1.

Pain.012: Cardinality of 'Underlying Acceptance Details' element: Maximum 1 occurrence in version 2009 versus "n" occurrences in version 2019.

- EPC assessment : A SEPA usage rule will be included to limit the occurrence to 1.

Pain.012: Data elements 'Original Mandate' and 'Original Mandate/Mandate Identification' have been made optional.

- EPC assessment : A SEPA usage rule will be included to make these elements mandatory.