



## 2022 Public Consultation comments & EPC responses

EPC091-22

Version 1.0

Date issued: 28 March 2023

Public

### 1 Introduction

The European Payments Council (EPC) organised a 90-calendar day public consultation on its proposed *[Instant] Euro One-Leg Out Credit Transfer ([Inst] Euro OCT) Arrangement Rulebook (EPC145-21)* and the proposed *Maximum Amount for Instant Euro OCT Instructions under the [Inst] Euro OCT Arrangement Rulebook (EPC208-21)*, which ended on 17 April 2022.

This document consolidates the comments received during this public consultation. The EPC provides a response to each individual comment.

Taking into account all comments, the EPC published the version 1.0 of the **One-Leg Out Instant Credit Transfer (OCT Inst) Scheme Rulebook (EPC 158-22)** and of the **Maximum Amount for OCT Inst Instructions under the OCT Inst Scheme Rulebook (EPC 252-22)** on 28 March 2023.



## Table of Contents

3.1.	General comments.....	4
3.2.	Chapter 0 and 1 – comments and change proposals.....	14
3.3.	Chapter 2 – comments and change proposals .....	40
3.4.	Chapter 3 – comments and change proposals .....	50
3.5.	Chapter 4 – comments and change proposals .....	53
3.6.	Chapter 5 – comments and change proposals .....	89
3.7.	Chapter 6 – comments and change proposals .....	95
3.8.	Chapter 7 and Annex I – comments and change proposals .....	97



## 2 List of contributors to the public consultation

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

Input from:	List of contributors
<p><b>Individual PSPs and (national) communities of PSPs</b></p>	<ol style="list-style-type: none"> <li>1. Bits on behalf of the Norwegian Banking Community covering the views of 75 PSPs.</li> <li>2. Portuguese (PT) Banking Association covering the views of seven PSPs representing over 95% of the reachable payment accounts in Portugal.</li> <li>3. German Banking Industry Committee (GBIC) covering the views of 1.317 PSPs.</li> <li>4. French Banking Federation (FBF) covering the views of 260 PSPs.</li> <li>5. BNP Paribas Group.</li> <li>6. Swedish Bankers Association covering the views of 13 PSPs.</li> <li>7. UK Finance covering the views of approximately 100 PSPs.</li> <li>8. Italian Banking Association (ABI) covering the views of 280 PSPs representing over 90% of the payments market.</li> <li>9. Febelfin covering the views of 5 PSPs representing 80% of the Belgian market based on the volume of current accounts consumers hold with them.</li> </ol> <p>Four further contributors of which one national community of PSPs (covering the views of 112 PSPs) have stated that the name of their organizations should remain anonymous.</p>
<p><b>Clearing and settlement mechanisms (CSMs)</b></p>	<ol style="list-style-type: none"> <li>1. EBA Clearing.</li> </ol> <p>One further contributor has stated that the name of its organization should remain anonymous.</p>
<p><b>Other stakeholders</b></p>	<ol style="list-style-type: none"> <li>1. European Association of Corporate Treasurers (EACT).</li> </ol> <p>Two further contributors have stated that the name of their organizations should remain anonymous.</p>



### 3 Received comments to the proposed [Inst] Euro OCT Arrangement Rulebook (EPC 145-21) with EPC responses

#### 3.1. General comments

N°	Contributor	Comment / Proposed new rulebook text (in tracked changes)	Reason for change	EPC Response
1.	Anonymous CSM	<p>We have been noticed that on the market there is a clear hesitance of some banks to adopt this optional new scheme.</p> <p>In view of this we would be interested in figures that show how many OLO transaction there are (expected): is there anything available?</p>		Unfortunately, the EPC does not have such data available.
2.	Anonymous stakeholder	<p>We support the vision of EPC to allow PSPs in SEPA to enrich their international euro-denominated credit transfer offers.</p> <p>We also support the use of open standards and the promotion of “STP”. Overall, we are highly supportive of the proposed OCT Arrangement of EPC.</p>		The EPC takes note of these reflections.
3.	Anonymous stakeholder	<p>We are currently running a ‘proof of concept’ for a payment scheme. The proof aims to show feasibility of creating a global Instant Payments solution. It involves a parallel development of technical message flows (based on ISO 20022) between PSPs and Instant Payment Systems, real-time information exchange based on open APIs, and the development of a payment scheme.</p> <p>Our vision is to allow banks already connected to an instant payments system (typically providing a ‘domestic’ (single currency) instant payment service), to enrich their international credit transfer offers by supporting, via our scheme and technology, instant payments to end-users in other countries in the currency of that country.</p> <p>As such, we could envisage a fruitful combination whereby banks in SEPA offering credit transfers service in euro, would be able to re-use investments made in an OCT-capability, to provide capability for processing our payments.</p>		<p>The EPC takes note of these developments.</p> <p>The finally produced OCT Inst scheme rulebook is based on the widest used international standard (i.e. ISO 20022) and relies on practices and procedures common in SEPA and/or international payments.</p> <p>The EPC is open to any kind of close dialogue with payment stakeholders so that its payment schemes are based on standards that provide payment service users with safe, reliable, efficient, economically</p>



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		<p>A minimum requirement to make that possible would be that the OCT and our schemes would not mandate different international standards for the same data elements.</p> <p>We fully recognize and acknowledge EPC’s freedom to govern its choice of standards, serving the interests of all its Participants and stakeholders.</p> <p>We are therefore keen and willing to maintain a close dialogue between EPC and us, to hopefully ensure basic alignment on choice of standards.</p>		<p>balanced and sustainable, convenient payments.</p>
4.	BNP Paribas Group	<ul style="list-style-type: none"> <li>• BNP Paribas recognises the need for such concept in the evolving international payments landscape and believes that leveraging on ACH (including Instant) payments can be one of the most efficient ways to do so.</li> <li>• The G20 is requesting the community to work on cross-border transactions that should be as efficient (fast, cheap) as domestic payments.</li> <li>• The global evolution towards ISO20022 (e.g. CBPR+, ...) provides new opportunities to process more efficiently cross border payments with more opportunities to interact with local payment systems without complex conversions, risks of truncations or misusing data fields.</li> <li>• Within the ACH payments, predictability and transparency to all parties are key success factors that can be obtained through the OLO arrangement.</li> <li>• Today the SEPA schemes are mis-used by some SEPA actors for one leg-in payments by partially hiding ordering parties and intermediaries and violating common rules on transparency (impacting filtering, screening and charging principles).</li> <li>• The OLO arrangement is not a product on itself but a functionality that can be used by other existing and new products. The OLO facilitates the first or the last legs of cross-country payments using ACH/instant rails. Examples of such products are IXB, Nexus, TIPS Xborder, TMP (CBRP+).</li> <li>• This functionality will co-exist alongside existing solutions and it is at the</li> </ul>		<p>The EPC amended its initially proposed rulebook towards the eventual OCT Inst scheme rulebook by taking into account these comments.</p> <p>The OCT Inst scheme rulebook now foresees:</p> <ul style="list-style-type: none"> <li>• The possibility for so-called OCT Inst Processors which can adhere to the scheme on behalf of a group or a community of Euro Leg PSPs to achieve the necessary reachability much quicker.</li> <li>• There is now more flexibility about which Actors are allowed to do FX conversions (e.g., at the start of the payment chain or at a later stage of the chain).</li> <li>• Furthermore, the rulebook speaks about Euro Leg and non-Euro Leg to also support euro-other SEPA</li> </ul>



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		<p>same time also an opportunity to propose new value propositions like instant cross currency payments.</p> <ul style="list-style-type: none"> <li>• The OLO arrangement is instrumental to have a well-structured and transparent way to pass on information that is not available in the current domestic SEPA schemes and avoids the ‘hijacking’ or altering fields such as the ‘Remittance Information’;                             <ul style="list-style-type: none"> <li>• Non SEPA DEBTOR/CREDITOR using non-specifically IBAN as identifier,</li> <li>• Debtor Agent/ Creditor Agent using a non-BIC as identifier (local clearing code),</li> <li>• FX and Charges information</li> </ul> </li> <li>• On the contrary, not offering an OLO functionality is driving the market towards alternative non transparent and creative solutions, driving out all banks’ best practices on efficient KYC, screening, filtering,...</li> </ul> <p>Nonetheless the OLO arrangement in its current design is not ready to be adopted by the community for the following reasons:</p> <ol style="list-style-type: none"> <li>1. Lack of reachability.                             <ul style="list-style-type: none"> <li>• The choice for an optional scheme will cause reachability issues and miss all power of a harmonized offer. In this case, “alternative” process may still be used by some parties willing to get a better reach.</li> <li>• In this current version, the arrangement is not attractive for the non SEPA Parties willing to send transactions to SEPA zone via the OLO arrangement.</li> <li>• Increased complexity for the SEPA Entry PSP (due to the need to maintain dedicated OLO-reach and alongside still an exception process for non-reachable SEPA-OLO banks).</li> <li>• Difficult for the SEPA Entry PSP to make an attractive commercial offer and to make a viable return on investment.</li> </ul> </li> </ol>		<p>currency pairs (e.g., EUR-SEK, EUR-GBP etc).</p> <ul style="list-style-type: none"> <li>• Only rules, obligations and rights are defined for the now called Euro Leg. It does not set any firm rules or obligations for the non-Euro Leg.</li> </ul>



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		<p>2. The OLO arrangement is too strict.</p> <ul style="list-style-type: none"> <li>• The E2E transactions need to be in the Euro-currency and this is blocking ENTRY/EXIT SEPA PSPs' to offer additional commercial products like 'Auto-convert'.</li> <li>• It should be up to the Entry/Exist SEPA PSP to propose FX services, giving to the non SEPA Banks the opportunity to do the FX.</li> <li>• The reject of non OLO eligible transactions: It should be the decision/responsibility of the ENTRY/EXIT SEPA PSP to define its T&amp;C with their counterparties (e.g. rerouting via other channels such as Target2) how non-OLO eligible transactions are processed.</li> <li>• Imposing fields like Debtor or Creditor currency account. These fields should be optional.</li> </ul> <p>3. The OLO SLA versus the CBK SLA versus other products SLA</p> <ul style="list-style-type: none"> <li>• Difficult to impose SEPA rules to non-SEPA ecosystems. SEPA OLO Banks will have to cope with other SLA/ constraint coming from other Clearings (e.g. System availability, processing time for instant, Inquiries process, ...)</li> <li>• Products that would like to leverage on the OLO arrangement will come with their own rulebooks/SLA: e.g. IXB</li> <li>• SEPA ENTRY/EXIT PSPs' will need to establish contracts with their counter parties to define specific processing, pricing, like it is done for normal CBK flows.</li> </ul> <p><b>Conclusion:</b> BNP Paribas recognises the real need for a good OLO arrangement and is in favour of the concept.</p> <p>An OLO-concept is missing on the market and today too many 'creative' alternative solutions -in breach with the regulatory practices banks have to cope with- are popping up.</p>		



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		<p>However, the OLO arrangement in its current version is not corresponding to the full need and is also not ‘mature’ enough to be proposed to the market.</p> <p>We propose to put the current version ‘on hold’ and continue to work on the wider scheme.</p>		
5.	EACT	<p>Further to the comments on the proposed rulebook inserted in the response template, we would stress that standardization in the Customer-to-PSP and PSP-to-Customer area should be granted, to avoid, for the OLO payment services offered by PSPs, that many banks/PSPs provide different “standards” covering such areas.</p> <p>Regarding current SCT and SCT Inst payment services, corporates face differences that are normally small but onerous to manage.</p> <p>EACT expects therefore to have, at least for basic OLO payments services, only one standard strictly applied by all PSPs with their Payers/Payee and that the Implementation Guidelines to be developed will meet this essential requirement for Corporates users.</p> <p>In this respect we also suggest developing PSP-to-Customer IG too in addition to the Customer-to-PSP IG currently mentioned in the rulebook.</p>		<p>The principles applied for the C-to-PSP and the Inter-PSP IGs for the SEPA payments (i.e. the scheme participants concerned are obliged to support both sets of implementation guidelines) also apply to the OCT Inst scheme rulebook.</p> <p>With respect to the suggestion to develop PSP-to-C IGs, as for the SEPA payment schemes, the EPC itself is not in the position to set any account statement/ message specifications in the PSP-to-C space.</p> <p>The account statements can include several types of payment transactions (e.g., SEPA payments, national currency retail payments, real-time gross settlement payments, international credit transfers, debit/credit card payments) as well as on non-payment transactions such as securities-related transactions.</p>
6.	FBF	As it currently is, the arrangement Rulebook is quite hard to handle for	Example: the same referencing, CT-01.xx is used for incoming standard	This comment is one of the reasons why the EPC published the OCT Inst



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		<p>new readers. First because it mixes standard and instant OCTs, second because often it mixes outgoing and incoming transactions. French banks would be in favour of having two sets of documentation, one for standard OCT and one for Instant OCT and, in both of these sets of documentation, to better distinguish between incoming and outgoing transactions.</p>	<p>OCTs, outgoing standard OCTs, incoming Inst OCTs and outgoing Inst OCTs, but with different contents. This is very confusing.</p>	<p>scheme rulebook focused on supporting international instant credit transfers.</p>
7.	Febelfin	<p>We have no specific comments on the Rulebook. We do have general remarks on the concept.</p> <p>Our key message is that the fact that the EPC restricts the OCT arrangement to Euro transactions only and does not offer the possibility of currency exchange to Entry/Exit PSPs considerably reduces the potential number of transactions covered by the scope of this arrangement, which does not allow for sufficient profitability in view of the development costs in particular.</p> <p>We also believe that it must be possible to integrate the arrangement into existing schemes in order to make the scope sufficiently broad.</p> <p>Please additionally note that the Belgian sector fully supports the position send to you by BNPP Group.</p>		<p>The EPC amended its initially proposed rulebook towards the eventual OCT Inst scheme rulebook by considering these comments.</p> <p>The OCT Inst scheme rulebook now foresees among others:</p> <ul style="list-style-type: none"> <li>• The possibility for so-called OCT Inst Processors which can adhere to the scheme on behalf of a group or a community of Euro Leg PSPs to achieve the necessary reachability much quicker.</li> <li>• There is now more flexibility about which Actors are allowed to do FX conversions (e.g., at the start of the payment chain or at a later stage of the chain).</li> </ul>



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				<ul style="list-style-type: none"> <li>Furthermore, the rulebook speaks about Euro Leg and non-Euro Leg to also support euro-other SEPA currency pairs (e.g., EUR-SEK, EUR-GBP etc).</li> <li>Only rules, obligations and rights are defined for the now called Euro Leg. It does not set any firm rules or obligations for the non-Euro Leg.</li> </ul> <p>Integrating the arrangement specifications in the existing SEPA payment schemes requires formal change requests for the 2024 SEPA payment scheme rulebook change management cycle which can only be implemented in November 2025 at the earliest and subject to a broad majority of SEPA scheme participants and other payment stakeholders for such changes.</p>
8.	Swedish Bankers Association	We support the proposed rulebook.		The EPC takes note of this input.
9.	UK Finance	UK Finance strongly supports the EPC’s work on one-leg out payments as an important element of the European Union’s agenda to promote and enhance the international role of the euro. We have a number of overarching views which we		The EPC as private non-profit association is not able to impose on all PSPs in SEPA to adhere to the OCT Inst scheme rulebook.



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		<p>wanted to raise via this consultation, and also two specific points on the draft rulebook.</p> <p>UK Finance continues to support the development of a SEPA One-Leg Out (OLO) arrangement and whilst we welcome the creation of the new SEPA OCT Rulebook, we feel that the provision of a dedicated Rulebook for OLO transactions is likely to create reachability issues, unless mandated. If left as an optional arrangement, the commercial viability of such a scheme would be adversely affected as euro payments would have a limited pan-European reach.</p> <p>To improve reachability, it would be beneficial for all SEPA Credit Transfer (SCT) and SCT Inst scheme participants (who must already be reachable for 'domestic' SEPA payments) to be reachable under the euro OLO arrangement as well.</p> <p>In addition, a standalone SEPA OLO scheme would likely increase both operational and associated scheme costs. UK Finance therefore suggests that the EPC develop a separate section of the SCT Rulebook and SCT Inst Rulebook which would remove the potential for incremental scheme costs. We also believe that incorporating an OLO arrangement into existing schemes will enable the EPC to build an arrangement in the shortest possible timeframe.</p> <p>There has been a clear push by European regulators to promote the role of the euro internationally. OLO for example is noted in the European Commission's Retail Payment Strategy as a priority for payments and the Commission has clearly signalled strong support for the work of the EPC in this area, especially in the context of enhancing instant payments across Europe. The work of the G20 and CPMI for cross-border payments, and particularly the G20's targets for enhancing cross-border payments, are also clear signs of an international regulatory desire to facilitate more efficient cross-border payments, to which OLO plays a central role. The prioritisation within the international community to enable cheaper and faster cross-border payments will be hampered if an EPC OLO arrangement is left as</p>		<p>All SEPA-based PSPs would have the freedom to adhere or not to the OCT Inst scheme.</p> <p>As a response to this reachability concern, the OCT Inst scheme rulebook foresees the possibility for so-called OCT Inst Processors to adhere to the scheme on behalf of a group or a community of Euro Leg PSPs to achieve the necessary reachability much quicker</p> <p>Integrating the arrangement specifications in the existing SEPA payment schemes requires formal change requests for the 2024 SEPA payment scheme rulebook change management cycle which can only be implemented in November 2025 at the earliest and subject to a broad majority of SEPA scheme participants and other payment stakeholders for such changes.</p> <p>With respect to the suggestion to require the use of shared charges (SHA), the aim of the scheme is to provide the payment service users with full transparency about the international payment transaction</p>



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		<p>optional, as euro payments that cannot be made via the euro OLO arrangement will be reliant on wire transfers, which will be more costly and less efficient.</p> <p>The EPC could further seek to boost the attractiveness of any Euro OCT Arrangement by going above and beyond existing legislative requirements to require use of shared charges. This would both differentiate from euro wire transfers and maintain alignment with the existing SEPA schemes.</p>		<p>(which includes charging transparency among others).</p> <p>It is up to the Payer and the Payee concerned to determine who will bear the cost of such transaction as long as this cost is transparent to these parties and subject to applicable law. For instance, under PSD2, only SHA is allowed meaning that an OCT Inst transaction with a Euro Leg and a non-Euro Leg both within the EEA will have to follow the SHA principle.</p>
10.	UK Finance	<p>In general, we feel that using “[Instant] Euro One-Leg Out Credit Transfer Arrangement Rulebook” wording adds confusion given that it refers to both Euro OCT and Instant Euro OCT. We assume that under the present optional Arrangement, a PSP could choose to adhere to the Euro OCT but not the Instant version or vice versa. To avoid this confusion and to give clarity, we encourage separating references to SEPA OCT and SEPA OLO, for example below:</p> <p>Rulebook section 2.1 Description of Scope of the Arrangement</p> <p><b>Change from:</b> “A [Instant] Euro One-Leg Out (OLO) Credit Transfer ([Inst] Euro OCT) is a payment instrument for the execution of euro credit transfer-based and instant credit transfer-based payment transactions between Accounts and payment Accounts of Payees and Payers”</p> <p><b>Change to:</b> “A Standard Euro One-Leg Out (OLO) Credit Transfer is a payment instrument for the execution of euro credit transfer-based payment transactions between Accounts and payment Accounts of Payees and Payers; an Instant Euro One-Leg Out (Inst Euro OCT) Credit Transfer is a payment instrument for the</p>		<p>The EPC considerably amended its initially proposed rulebook towards the eventual OCT Inst scheme rulebook. It no longer covers Standard OCTs.</p>



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		<i>execution of euro instant credit transfer-based pay between Accounts and payment Accounts of Payees and Payers”</i>		



### 3.2. Chapter 0 and 1 – comments and change proposals

N°	Contributor	Comment / Proposed new rulebook text (in tracked changes)	Reason for change	EPC Response
<b>Section 0.1 References</b>				
11.	EACT	Insert references to the EACT Unstructured Remittance Standard.	Alignment with SCT and SCT Inst rulebooks.	References in added section 0.1 and in the remittance information attribute in section 4.6.1.
<b>Section 0.1.1 Defined Terms</b>				
12.	FBF	5th § - "...at a PSP."	Editorial.	Change taken over.
<b>Section 0.3 Purpose of Document</b>				
13.	Anonymous PSP	It is unclear to us what, if any, distinction is being made in calling the document an “Arrangement Rulebook” compared to a “Scheme Rulebook” or simply a “Rulebook”. It would be helpful if the EPC could clarify the difference between an Arrangement and a Scheme. Is it simply to differentiate the fact that Euro OCT involves a transaction that extends beyond SEPA’s geographic scope while a Scheme applies to transactions that occur entirely within SEPA?	<p>Clarification sought</p> <p><i>A <b>scheme</b> is a set of formal, standardised and common rules enabling the transfer of value between end users by means of electronic payment instruments. It is managed by a governance body.</i></p> <p><i>The scheme rules describe the procedures and functions which enable payers and payees to use or accept electronic payment instruments. The rules should be applicable for at least one payment service provider.</i></p> <p><i>An <b>arrangement</b> is a set of operational functionalities which support the end users</i></p>	The EPC amended its initially proposed rulebook towards the eventual OCT Inst <b>scheme</b> rulebook.



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			<p><i>of multiple payment service providers in the use of electronic payment instruments. The arrangement is managed by a governance body which, inter alia, issues the relevant rules or terms and conditions.</i></p> <p><i>The operational functionalities are not essential for the functioning of the scheme and include (i) payment initiation and facilitation of transfers of value and (ii) the storage or registering of personalised security credentials or data related to electronic payment instruments. Electronic wallets are one example of an arrangement.</i></p>	
14.	BNP Paribas	"...provision and operation of the SEPA leg of an international payment instrument"		Changed into 'Euro Leg'.
15.	FBF	"...provision and operation of the SEPA leg of an international payment instrument"	EPC deals only with the SEPA leg.	Changed into 'Euro Leg'.
<p><b>Section 0.5.1 Euro One-Leg Out Credit Transfer Arrangement Implementation Guidelines</b></p>				
16.	Anonymous CSM	<p>last bullet point: "which each SEPA-Based Payer's PSP is obliged to support at the request of the Payer."</p> <p>It should be reformulated: "which each SEPA-Based Payer's PSP is obliged to support at the request of the Payer, if it has adhered to the Arrangement."</p>	Achieve more clarity.	Not changed. The C-to-PSP IGs will only have to be complied by those Euro Leg-Based Payer's PSPs



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17.	Anonymous PSP	<p>It says on page 10: <i>“only when the SEPA-Based Payer’s PSP offers to its Payers an explicitly designed [Inst] Euro OCT Instruction product supporting the service of accepting and processing electronically bundled Customer-to-PSP [Inst] Euro OCT Instructions under this Arrangement, the SEPA-Based Payer’s PSP is obliged to accept at least but not exclusively Customer-to-PSP [Inst] Euro OCT Instructions which follow the specifications defined in [1] at the request of the Payer.”</i></p> <p>We understand this to mean that it is the choice of the SEPA-Based Payer’s PSP whether to offer to its clients the capability to send OCTs– is that correct?</p>	Clarification sought	<p>No. Euro Leg-Based Payer’s PSPs may already offer their Payers other existing initiation channels for international payments.</p> <p>In case the Payer’s PSP offers beside these initiation channels, also explicitly designed OCT Inst Instruction products supporting bundled OCT Inst Instructions, then the Payer’s PSP must comply with the C-to-PSP IGs of the scheme.</p>

**Section 1.1 Vision**

18.	Anonymous PSP	<p>The document states: <i>“The Arrangement provides a set of Inter-PSP Space rules, practices and standards to be complied with by Participants who adhere to the Arrangement. It allows a PSP in SEPA to enrich its international euro-denominated credit transfer offer.”</i></p> <p>We note that a key pillar of the <b>European Commission’s Retail Payments Strategy</b> (published in <a href="#">Sept 2020</a>) is <i>“for cross-border payments involving non-EU countries...to become faster, more affordable, more accessible, more transparent and more convenient. This will also encourage greater use of the euro and strengthen its position as a global currency.”</i> Similarly, the <b>Eurosystem’s Retail Payments Strategy</b> (published in <a href="#">Apr 2021</a>) calls for <i>“improvement of cross-border payments beyond the EU”</i>. The <b>G20 has also made enhancing cross-border payments a priority</b>, endorsing the Financial Stability Board’s (FSB) <a href="#">Roadmap</a> in Oct 2020 published by the Financial Stability Board (FSB - on which the EC + ECB are represented) and other international</p>	The EPC as private non-profit association is not in a position to impose all PSPs in SEPA to adhere to the OCT Inst scheme. all Euro Leg-based PSPs would have the freedom to adhere or not to the OCT Inst scheme.
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		<p>bodies. The FSB has since set out <b>Targets</b> to address the challenges of costs, speed, access and transparency.</p> <p><b>We are pleased to see the EPC investigate development of a euro one-leg out credit transfer (OCT) arrangement</b> to accommodate euro payments where one of the PSPs (or Financial Institutions) is outside SEPA, but <b>we are concerned that leaving PSPs’ participation as optional will greatly limit the ability to meet clients’ needs and regulators’ aims. Standardisation and wide adoption of the OCT arrangement is key to a more enhanced and efficient user experience.</b></p>		
19.	FBF	<p><b><u>Global statement:</u></b>                      The French banks are of the opinion that if such an arrangement is to be implemented, it must have a clear and defined place in the global environment of international payments, which is in full evolution and in which several other initiatives are being developed. It is therefore clear that, if it is launched, OLO will not be the only solution aiming at allowing the processing in a file mode of retail and commercial transactions exchanged between the SEPA area and the rest of the world (at least in some large geographical corridors). It is therefore necessary to be able to understand how OLO is complementary to some solutions and in competition with others. Its positioning in the value chain is important; is the arrangement intended to enable an OLO customer offer or is it an additional means for the ASPSP to execute an international payment transaction initiated by its customer? Its economic interest for its users is a key factor. Although it only rules on the SEPA leg of the operation, it is important for its participants to be confident in the good end-to-end execution of the payments and therefore to well understand the articulation with the leg outside SEPA. This link between both legs of the transaction is ensured by the SEPA Entry and Exit PSPs. At least for the SEPA Exit PSP, it implies a significant organization and significant responsibilities to ensure that the SEPA-based Payer's PSP can build its client offer or drive its processing and that the payment is carried out according to the wishes of the Payer. However, the arrangement already seems to foresee other possibilities to manage this articulation, which immediately devalues the role of the SEPA Entry and Exit PSPs and creates uncertainty on this fundamental item.</p>		<p>The EPC considerably amended its initially proposed rulebook towards the eventual OCT Inst scheme rulebook. It no longer covers Standard OCTs.</p> <p>Furthermore, only rules, obligations and rights are defined for the now called Euro Leg. It does not set any firm rules or obligations for the non-Euro Leg. It could thus occur that the non-Euro Leg is processed as non-instant.</p> <p>There is now more flexibility about which Actors are allowed to do FX conversions (e.g., at the start of the payment chain or at a later stage of the chain). Furthermore, the rulebook speaks about Euro Leg and</p>



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		<p>The French banks welcome the alignment of the use of ISO 20022 formats with those being implemented in the CBPR+ and IP+ frameworks. This ensures the continuity of the transport of information between the two legs of the payment and also provides the details necessary to the transparency requirements. It is thus important that the status of the OLO data is well compatible with the one in CBPR+ and IP+.</p> <p>However, the attractiveness of the arrangement as proposed is not clear as its rules do not seem to be fully in line with market expectations and practices at least on the following points:</p> <ul style="list-style-type: none"> <li>- In terms of overall execution time, processing in two consecutive legs is not the best guarantee of speed, when the execution timespans of these two legs are not precisely limited. Paradoxically, what is proposed seems more usable for (almost) instant payments because i) the timeframes of the SEPA leg and of the SEPA Entry/Exit PSPs' intermediation are clearly defined and ii) the arrangement requires that if the SEPA leg is instantaneous the one outside of SEPA is also instantaneous. On the contrary, the operating rules of the standard OCT do not allow to guarantee that the payment is made in a few hours end-to-end, which the practices of correspondent banking and remittances tends towards.</li> <li>- In terms of the currencies used, the limitation to end-to-end euro transactions considerably restricts the service opportunities and possible framework for the exchanges. Of course, the question of the conversion is not easy and Euro is gaining in awareness and usage internationally, but allowing other currencies than Euro must be studied to allow a level of use of the arrangement that justifies the investments to be made.</li> </ul> <p>The French banks therefore believe that the proposed arrangement is not mature enough to be launched as is and that it therefore should be reworked on the basis of the remarks made.</p>		<p>non-Euro Leg to also support euro-other SEPA currency pairs (e.g., EUR-SEK, EUR-GBP etc).</p>
<p><b>Section 1.2 Objectives</b></p>				
20.	BNP Paribas	<p>"• <b>The SEPA leg</b> of International credit transfers in euro may be processed in accordance with the conditions of this Arrangement"</p>		<p>Change taken over.</p>



N°	Contributor	Comment / Proposed new rulebook text (in tracked changes)	Reason for change	EPC Response
21.	FBF	"• <b>The SEPA leg</b> of International credit transfers in euro may be processed in accordance with the conditions of this Arrangement"	EPC deals only with the SEPA leg.	Change taken over.
<b>Section 1.3 Commercial Context for Users and Providers of Payment Services</b>				
22.	Anonymous PSP	<p><i>(Also applies to section 1.8)</i></p> <p>The document rightly acknowledges (page 11) that <i>“demand for international euro [Instant] payment services using a credit transfer arises from a Payer, who wishes to transfer<sup>1</sup> Funds for whatever reason to a Payee.”</i></p> <p>We note that account-to-account based payments are among the business benefits highlighted (on page 17).</p> <p>As a global bank, our clients are corporate entities, insurers, public sector organisations, as well as other banks and non-bank PSPs who want to be able to send international payments to beneficiaries wherever they may be located or hold their accounts. <b>From a euro payment perspective our clients are looking for reach on a pan-European basis</b> (see the following illustrative use cases):</p> <p><b><u>Pension payments use case:</u></b> A financial institution client, which does not have a European presence, would like to be able to</p>	To overcome limitations on both reachability and the commercial viability of the proposal.	<p>The EPC as private non-profit association is not able to impose on all PSPs in SEPA to adhere to the OCT Inst scheme rulebook.</p> <p>All SEPA-based PSPs would have the freedom to adhere or not to the OCT Inst scheme.</p> <p>As a response to this reachability concern, the OCT Inst scheme rulebook foresees the possibility for so-called OCT Inst Processors to adhere to the scheme on behalf of a group or a community of Euro Leg PSPs to achieve the necessary reachability much quicker.</p> <p>Integrating the arrangement specifications in the existing SEPA payment schemes</p>

<sup>1</sup> The credit transfer can be initiated directly (by the Payer) or indirectly (by a payment initiation service provider at the request of the Payer).



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		<p>utilise the SEPA schemes to send pension payments on behalf of its corporate clients to pensioners holding EEA-based accounts. If only a limited number of PSPs and payee accounts are reachable, it severely limits the attractiveness of the euro OCT service to the financial institution’s client while not all pensioners will be able to receive cheaper more efficient pension payments to their euro accounts.</p> <p><b>Digital and Gig Economy use cases:</b> More corporate clients are moving to a direct selling model. Many of these clients are evolving into PSPs and have increased demand for low value and cost-efficient cross-border consumer-to-business (C2B) and business-to-consumer (B2C) transactions to beneficiaries in the EEA. Current rules constrain access to SEPA payments while an optional scheme would not provide the reachability these clients require, impeding growth in the digital economy within the EEA.</p> <p><b>International collection account use case:</b> A mid-tier US corporate does business in the EEA but wants their US bank to receive euro payments on their behalf rather than establish a secondary account relationship with an EEA-based PSP. Multi-currency / international collection accounts are becoming increasingly popular, a trend which is likely to continue when</p>		<p>requires formal change requests for the 2024 SEPA payment scheme rulebook change management cycle which can only be implemented in November 2025 at the earliest and subject to a broad majority of SEPA scheme participants and other payment stakeholders for such changes.</p>



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		<p>coupled with other developments such as request-to-pay.</p> <p>Under the proposed Arrangement reachability will be restricted to those SEPA-Based PSPs who choose to adhere. <b>Any restrictions on reachability affects the customer experience and commercial viability of services as it limits which accounts can be ‘reached’, impacting adversely on payer and payee access to cheaper, more efficient SEPA-like euro payment transactions. Increased transaction costs make it less attractive to do business with counterparts in the EEA.</b></p> <p>We appreciate that the EPC conducted a previous consultation that closed in early 2021 and that, subsequently, the EPC Board approved development of an <i>optional</i> euro OCT Arrangement. However, in our view, <b>to ensure all consumers and businesses in the EU can benefit, reachability for euro one-leg out payments should be mandated on all SCT/SCT Inst scheme participants such that they can at least receive euro OCT transactions. The simplest way would seem to be through incorporation of the requirement within the existing SCT and SCT Inst schemes, avoiding the need for PSPs to go through an additional adherence process.</b></p>		



N°	Contributor	Comment / Proposed new rulebook text (in tracked changes)	Reason for change	EPC Response
23.	Anonymous PSP	<p><b>Also applies to Chapter 7 - Defined Terms: definition of Account)</b></p> <p>The fourth bullet in section 1.3 states: <i>“One of the two parties holds a Payment Account at a PSP established in and/or licensed to operate in a country or territory included in the SEPA Schemes’ geographical scope...The other party holds an Account at a Financial Institution (FI) not established in and/or licensed to operate in a country or territory belonging to SEPA.”</i></p> <p>The implication is that the non-SEPA leg of the Arrangement is limited to non-SEPA FIs that offer account-based payment services to their customers. In our view and experience, FIs offering money remittance or other non-account-based payment services would also be interested in utilising the [Inst] Euro OCT Arrangement to originate payments on behalf of their customers.</p> <p>We suggest adding the following sentence as a new bullet point to section 1.3.:</p> <ul style="list-style-type: none"> <li>“Alternatively, an FI providing money remittance services to non-SEPA Payers (which does not require the Payers to hold an account with the FI) may also execute [Inst] Euro OCT Instructions, provided that all other conditions for the Euro OCTs are satisfied.”</li> </ul>	<p>To widen the attraction and applicability of the [Inst] Euro OCT Arrangement.</p>	<p>Not supported. The OCT Inst scheme rulebook is limited to account-to-account-based payment services only.</p> <p>As a part of the OCT Inst transaction will be in the Euro Leg, the scheme will have to be aligned notably with the Funds Transfer Regulation. If it concerns account-to-account based payments, PSPs can automate the regulatory checks they have to fulfil. If non-account-based payments would be allowed, this would complicate the (automated) execution of such checks.</p>



N°	Contributor	Comment / Proposed new rulebook text (in tracked changes)	Reason for change	EPC Response
		<p>Since throughout the Arrangement Rulebook all process descriptions and rules rely on the Payer having an Account with the non-SEPA FI, we recommend an extension or qualification is made to the definition of the term “Account” (in Section 7 Defined Terms in this Arrangement) to reflect the fact that not all payment transactions require the Payer to hold an Account with the non-SEPA Payer’s FI:</p> <p>“An account held in the name of one or more payment service users held at an FI outside SEPA which is used for the execution of payment transactions and having an IBAN or an alternative identifier as Account identifier. <i>Alternatively, in respect of FIs offering money remittance and other non-account-based payment services, the term Account should refer to a payment service arrangement between a payment service user and an FI, provided that the payments made under such arrangement can be identified by a unique transaction identifier.</i>”</p> <p>We believe this would be compliant with requirements under the Funds Transfer Regulation.</p>		
24.	EACT	<p>For the payer point of view should be always considered a transfer made in Euro, eventually debited on an account in currency different from Euro. This aspect should be clarified in the</p>	Clarification	<p>The Customer-to-PSP IGs will cover only outgoing OCT Inst transactions. The currency of the OCT Inst transaction itself</p>



N°	Contributor	Comment / Proposed new rulebook text (in tracked changes)	Reason for change	EPC Response
		Customer-to-PSP implementation guidelines where should be clear if the amount of the payment initiation is denominated in Euro or in a different currency.		will be in euro. But the payment account to be debited may be in a different currency.
25.	EBA Clearing	Propose removing: <i>“The demand for international euro [Instant] payment services using a credit transfer arises from a Payer, who wishes to transfer<sup>1</sup> Funds for whatever reason to a Payee.</i>  <i><sup>1</sup>The credit transfer can be initiated directly (by the Payer) or indirectly (by a payment initiation service provider at the request of the Payer).”</i>	Generally, we would welcome that the Arrangement makes a clear reference that a Payee will be allowed to request the initiation of an [Inst] euro OCT from a Payer though a SEPA request to pay (SRTP) or similar international set of rules and relevant SRTP or similar service providers. This would allow to promote in international context such ways to request a payment initiation.	Not retained. Each EPC scheme rulebook stands on its down and does not make links or references to any other concrete EPC payment scheme or EPC payment-related scheme.
26.	EBA Clearing	Propose clarifying: <i>“Based on these means of [Instant] credit transfer the SEPA-Based Payee’s PSP/ non-SEPA Payee’s FI will use the information received to credit the Payment Account/ Account of the Payee, Make the Funds Available for its use once value has been received and inform the Payee about what has been applied to its account.”</i>	Seeking clarification: we understand that even in case of an instant OLO payment (IOCT), there is no explicit requirement to make funds available immediately to the Beneficiary. More clarity on this point in the Rulebook in general would be welcome as depending on this, the design of the OLO implementation might vary.	The EPC considerably amended its initially proposed rulebook towards the eventual OCT Inst scheme rulebook.  Only rules, obligations and rights are defined for the now called Euro Leg. It does not set any firm rules or obligations for the non-Euro Leg. It could thus occur that the non-Euro Leg is processed as non-instant.
<b>Section 1.4 Conceptual workflow of a Euro OLO Credit Transfer under this Arrangement</b>				
27.	ABI	“1.4 Conceptual workflow of a Euro OLO Credit Transfer under this Arrangement”	We suggest adding [Instant] in the title of paragraph 1.4 considering that this section	Change done as the EPC considerably amended its



N°	Contributor	Comment / Proposed new rulebook text (in tracked changes)	Reason for change	EPC Response
		<p>CHANGED IN</p> <p>“1.4 Conceptual workflow of a Euro OLO [Instant] Credit Transfer under this Arrangement”</p>	<p>describes the scenarios applicable to both instant and standard OLO credit transfers.</p>	<p>initially proposed rulebook towards the eventual OCT Inst scheme rulebook.</p>
28.	ABI	<p>“1.4 Conceptual workflow of a Euro OLO Credit Transfer under this Arrangement”</p>	<p>It is clear that the arrangement covers only the three scenarios related to a transfer of funds in Euro, but we are aware that some other initiatives could allow to manage OLO transactions also in other currencies, both in EEA currencies different from the Euro and in non-EEA currencies. It should be evaluated at some point how to make this arrangement evolve to cover other scenarios (e.g., interlinking with non-SEPA payment systems in other currencies).</p>	<p>The EPC considerably amended its initially proposed rulebook towards the eventual OCT Inst scheme rulebook.</p> <p>There is now more flexibility about which Actors are allowed to do FX conversions (e.g., at the start of the payment chain or at a later stage of the chain). Furthermore, the rulebook speaks about Euro Leg and non-Euro Leg to also support euro-other SEPA currency pairs (e.g., EUR-SEK, EUR-GBP etc).</p>
29.	ABI	<p><del>“In the future, a SEPA Based Payee’s PSP or a SEPA Based Payer’s PSP may exchange [Inst] Euro OCTs with a non-SEPA Payer’s FI or a non-SEPA Payee’s FI, without the involvement of a SEPA Entry PSP or SEPA Exit PSP respectively”.</del></p>	<p>We suggest deleting this part because it refers to a hypothetical future scenario that could appear misleading in the current formulation of the arrangement.</p>	<p>This paragraph has been removed.</p>
30.	Anonymous PSP	<p>Whilst understanding and sharing the rationale that underlies on the proposal to focus Agreement only on end-to-end transactions in EUR and also operational issues related to</p>	<p>Facilitate maximum extension of EPC’s OLO Agreement usage. Instant Payment Systems (IPS) out of SEPA (euro area) are not denominated in EURO as IPS in euro-area</p>	<p>The EPC considerably amended its initially proposed rulebook</p>



N°	Contributor	Comment / Proposed new rulebook text (in tracked changes)	Reason for change	EPC Response
		<p>eventual fx conversion on parties different than Payer's or Payee's PSP I think that scope for future versions of it should be widened so that payments that are conducted in currencies different than EURO at certain stages of the workflow could also be covered.</p> <p>Maybe facilitating that SEPA entry PSP or non-SEPA exit PSP for incoming and SEPA exit PSP or non-SEPA entry PSP for outgoing could perform fx and defining clear conditions for it to be possible (i.e., requirements of transparency to Payer and Payee) could be a way to explore. It is just a suggestion and perhaps different alternate solutions could be found but it's something that perhaps could be worth to analyze.</p>	<p>are not nominated on non-euro currencies; that means that most instant payments will not be eligible to be conducted through the Agreement and thus usage of the Agreement will be very limited.</p> <p>Being agreement as it is, we understand that situations such as those described on 1.4. (...For instance, when an Instant credit transfer instrument was used for the non-SEPA Leg, the SEPA Leg should be processed as an Inst Euro OCT Transaction...) in the case of incoming and (...For instance, when the first leg was an Inst Euro OCT, the second leg should also be processed Instantly in accordance with the execution timeline set by the Instant Payment System used in that second leg....) for outgoing could simply not happen if payment has to be nominated in EURO all the way, for the simple reason that non-SEPA IPS will not be in EURO.</p> <p>In a world that tends to instant OLO Agreement should cover maximum possible cases avoiding alternate systems that could be prepared to conduct OLO transfers without respecting EPC's OLO Agreement which is something that will for sure happen if Agreement is not properly adapted.</p>	<p>towards the eventual OCT Inst scheme rulebook.</p> <p>There is now more flexibility about which Actors are allowed to do FX conversions (e.g., at the start of the payment chain or at a later stage of the chain). Furthermore, the rulebook speaks about Euro Leg and non-Euro Leg to also support euro-other SEPA currency pairs (e.g., EUR-SEK, EUR-GBP etc).</p>
31.	Anonymous PSP	We understand that at present the Arrangement envisages SEPA Entry and Exit PSPs potentially	Clarification sought.	This paragraph has been removed.



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		<p>sitting between the Non-SEPA Payer's/Payee's FI and the SEPA-Based Payee's/Payer's PSP. However, we noted the following statement in the document on page 13: <i>"In the future, a SEPA-Based Payee's PSP or a SEPA-Based Payer's PSP may exchange [Inst] Euro OCTs with a non-SEPA Payer's FI or a non-SEPA Payee's FI, without the involvement of a SEPA Entry PSP or SEPA Exit PSP respectively."</i></p> <p>We are interested to understand what underlies this statement. Is it envisaging a situation where a capability (at least in terms of reachability) to handle euro OCTs will be a requirement on all SEPA-based PSPs?</p>		
32.	Anonymous PSP	1.4 Conceptual workflow of a Euro OLO Credit Transfer under this Arrangement	If the presented scenarios also cover a possible interlinking scenario between two payment systems in different currencies, we suggest to better clarify it: the case is a SEPA-leg payment system (in EURO) interlinked with non-SEPA-leg system (in non-EURO currency).	<p>The EPC considerably amended its initially proposed rulebook towards the eventual OCT Inst scheme rulebook.</p> <p>There is now more flexibility about which Actors are allowed to do FX conversions (e.g., at the start of the payment chain or at a later stage of the chain). Furthermore, the rulebook speaks about Euro Leg and non-Euro Leg to also support euro-other SEPA currency pairs (e.g., EUR-SEK, EUR-GBP etc).</p>



N°	Contributor	Comment / Proposed new rulebook text (in tracked changes)	Reason for change	EPC Response
33.	Anonymous PSP	<p>"In the future, a SEPA-Based Payee's PSP or a SEPA-Based Payer's PSP may exchange [Inst] Euro OCTs with a non-SEPA Payer's FI or a non-SEPA Payee's FI, without the involvement of a SEPA Entry PSP or SEPA Exit PSP respectively".</p>	<p>We believe that this hypothetical future scenario must be better detailed as it could represent an address to be taken right now. If there are no prerequisites in the short term for an alternative scenario, we suggest removing this paragraph as it could appear misleading.</p>	<p>This paragraph has been removed.</p>
34.	BNP Paribas	<p>Scenario 3 "...Account denominated in euro or in another currency (i.e. the debit on the Account/ Payment Account) is in another currency"</p> <p>==&gt; text between brackets should be taken out. Order can be 100 USD from an account in EUR and Transfer made for the countervalue in EUR as well as the debit. It is more in Europe more likely in this way than in the way described.</p> <p>"For instance, when an Instant credit transfer instrument was used for the non-SEPA Leg, the SEPA Leg should must be processed as an Inst Euro OCT Transaction."</p> <p>"For instance, when the first leg was an Inst Euro OCT, the second leg should must also be processed Instantly in accordance with the execution timeline set by the Instant Payment System used in that second leg."</p>	<p>There are four possibilities and not only three (the one in bold is missing in the RB) :</p> <ul style="list-style-type: none"> <li>- Order in euro from an euro account</li> <li>- Order in euro from a non-euro account</li> <li>- <b>Countervalue in euro of a non-euro order from an euro account</b></li> <li>- Countervalue in euro of a non-euro order from a non-euro account</li> </ul>	<p>The initial scenarios have been completely rewritten to reflect now these suggestions.</p>
35.	FBF	<p><b>General comments:</b> Regarding the recent evolutions and the willingness of the authorities to pave the way for instant payments, and in the view of encouraging rapid payments, it could be of help</p>		<p>Only rules, obligations and rights are defined for the now called Euro Leg. It does not set any firm rules or obligations for the non-Euro Leg. It could thus</p>



N°	Contributor	Comment / Proposed new rulebook text (in tracked changes)	Reason for change	EPC Response
		<p>for the arrangement to allow non-instant payments in the first leg to be possibly processed as instant payments in the second leg <u>if the Payee's PSP/FI is reachable</u>. The opposite should still not be allowed because it would not respect the customer expectations.</p> <p>-----</p> <p>Entry and exit PSPs are key actors in the arrangement as it is described today. In fact they bear a very important responsibility in ensuring the smooth link between SEPA and non SEPA legs. Consequently, the two last paragraphs generate a big uncertainty and give the impression that the arrangement is not ready as is. Why put efforts and money in an arrangement which seems to have to evolve even before it is put in place? Which could be the consequences of the "replacement" of Entry and Exit PSPs by, let say, an agreement between two CSMs or any other organisation? Which actors would be the safeguards of the agreements passed with non-SEPA FIs? Furthermore, if it should be CSMs, it is currently not the role of the EPC to define how CSMs, which have their own control authorities, should function.</p> <p>-----</p> <p>Scenario 3 "...Account denominated <b>in euro or in</b></p>	<p>-----</p> <p>A Rulebook is a normative document, not a prospective one.</p> <p>-----</p> <p>There are <u>four</u> possibilities and not only three (the one in bold is missing in the RB):</p>	<p>occur that the non-Euro Leg is processed as non-instant.</p> <p>----</p> <p>These paragraphs have been removed.</p> <p>-----</p> <p>The initial scenarios have been completely rewritten to reflect now these suggestions.</p> <p>-----</p> <p>Rewording done in the two paragraphs.</p>



N°	Contributor	Comment / Proposed new rulebook text (in tracked changes)	Reason for change	EPC Response
		<p>another currency (i.e. the debit on the Account/ Payment Account) is in another currency)" ==&gt; text between brackets should be taken out. Order can be 100 USD from an account in EUR and Transfer made for the countervalue in EUR as well as the debit. It is more likely in Europe to happen in this way than in the way described.</p> <p>-----</p> <p>4th and 5th § "the SEPA Entry PSP/The SEPA Exit PSP must undertake all reasonable efforts to process that leg": This is too vague:</p> <ul style="list-style-type: none"> <li>- For incoming transactions, it is an obligation for the Entry PSP to choose the type of CT in SEPA which is adapted to the type of CT it received from abroad.</li> <li>- For outgoing transactions, it is the responsibility of the Exit PSP to only accept from SEPA the types of CTs that it is able to route to payment destination. This is why the offer of the Exit PSP in terms of geographical scope and type of CTs accepted (possibly by destination country), i.e. the non SEPA leg should be processed regarding terms and conditions defined by the exit SEPA PSP.</li> </ul> <p>Refer also to 2.5.1 and 2.5.2.</p> <p>-----</p> <p>Regarding Inst Euro OCTs "For instance, when an Instant credit transfer instrument was used for the non-SEPA Leg, the SEPA Leg <del>should</del> <b>must</b> be processed as an Inst</p>	<ul style="list-style-type: none"> <li>- Order in euro from an euro account</li> <li>- Order in euro from a non-euro account</li> <li>- <b>Countervalue in euro of a non-euro order from an euro account</b></li> <li>- Countervalue in euro of a non-euro order from a non-euro account</li> </ul> <p>-----</p> <p>This is a very important part of the arrangement</p> <p>-----</p> <p>Keeping Inst in the second leg when present in the first one is a must.</p>	<p>-----</p> <p>Such principle is no longer upheld. Only rules, obligations and rights are defined for the now called Euro Leg. It does not set any firm rules or obligations for the non-Euro Leg. It could thus occur that the non-Euro Leg is processed as non-instant.</p> <p>---</p> <p>Extra sentence has been added.</p>



N°	Contributor	Comment / Proposed new rulebook text (in tracked changes)	Reason for change	EPC Response
		<p>Euro OCT Transaction."                      "For instance, when the first leg was an Inst Euro OCT, the second leg <del>should</del> <b>must</b> also be processed Instantly in accordance with the execution timeline set by the Instant Payment System used in that second leg."                      -----                      The "asymmetry" in reachability between receiving (universal) and sending (depending of the offer of the SEPA Exit PSPs) as stays under 2.5 should be mentioned already here.</p>	<p>-----                      It is a very specific feature of this arrangement and is as such very different from the practice under SEPA schemes.</p>	

**Section 1.4.1 Incoming [Instant] Euro OLO Credit Transfer**

36.	ABI	<p>“When the SEPA Entry PSP or the SEPA-Based Payee’s PSP does not support the processing of incoming Instant Euro OCTs, the SEPA Entry PSP rejects the Inst Euro OCT.”                      CHANGED IN                      “When the SEPA Entry PSP or the SEPA-Based Payee’s PSP does not support the processing of incoming Instant Euro OCTs, the SEPA Entry PSP rejects the Inst Euro OCT. <b>Additional services to provide this information to the originator PSPs are recommended but out of scope of the arrangement</b>”</p>	<p>We believe that this information (together with any amount threshold and cut-off applied by the SEPA-based PSPs) should be provided to the Originator in the initiation stage of the payment through appropriate services offered by the PSPs. The arrangement, even without setting mandatory rules in this context, should pave the way for AOSs provided by ACHs or PSPs.</p>	<p>The EPC considerably amended its initially proposed rulebook towards the eventual OCT Inst scheme rulebook. The Euro Leg will always have to be processed as an instant payment.</p>
37.	Anonymous PSP	<p>“When the SEPA Entry PSP or the SEPA-Based Payee’s PSP does not support the processing of incoming Instant Euro OCTs, the SEPA Entry PSP rejects the Inst Euro OCT.”</p>	<p>We believe that this information (together with the maximum amount limit and cut-offs applied by the beneficiary scheme) should be provided to the payer at initiation of the</p>	<p>See response in item 36.</p>



N°	Contributor	Comment / Proposed new rulebook text (in tracked changes)	Reason for change	EPC Response
		<p>CHANGED IN</p> <p>“When the SEPA Entry PSP or the SEPA-Based Payee’s PSP does not support the processing of incoming Instant Euro OCTs, the SEPA Entry PSP rejects the Inst Euro OCT. <b>Additional services to provide this information to the originator PSPs are recommended but out of scope of the arrangement”</b></p>	<p>payment through appropriate services provided by the PSPs. Setting up the scheme, without going so far as to make it mandatory, should open the way for AOS provided by ACHs or PSPs.</p>	
38.	BNP Paribas	<p>Figure1</p> <p>The rectangle of the SEPA Leg goes not beyond the SEPA entry PSP but should be drawn through the SEPA Entry PSP. Only The SEPA entry PSP is concerned by the OCT arrangement.</p> <p>Under Step 1:  <del>"It is assumed that it made an FX conversion into euro of the Funds to be transferred in case the Payer's Account was not in euro."</del></p>	<p>→not to be defined by the EPC arrangement</p>	<p>Figure has been updated.</p> <p>Sentence has been taken out.</p>
39.	EBA Clearing	<p>Propose reconsidering:  “Step 1 [...]”</p> <ul style="list-style-type: none"> <li><i>When the Payer indicated that its instruction must be processed Instantly and the non-SEPA Payer’s FI participates in an Instant Payment System, the non-SEPA Payer’s FI is assumed to execute the non-SEPA Leg of this instruction according to the stipulations of that Instant Payment System.</i></li> </ul>	<p>Suggest reconsidering the assumption that the Payer’s FI made the FX conversion into euro: if the payment non-SEPA leg is executed according to stipulations of that instant payment system, the Payer FI is likely not able to do the conversion into euro for processing in that instant payment system as mentioned in the subsequent bullet. <b>The OCT arrangement should consider different possible moments of currency conversion.</b> E.g. where the non-SEPA environment</p>	<p>The EPC considerably amended its initially proposed rulebook towards the eventual OCT Inst scheme rulebook.</p> <p>There is now more flexibility about which Actors are allowed to do FX conversions (e.g., at the start of the payment chain or at a later stage of the chain). Furthermore, the rulebook</p>



N°	Contributor	Comment / Proposed new rulebook text (in tracked changes)	Reason for change	EPC Response
		<ul style="list-style-type: none"> <li><i>The non-SEPA Payer's FI then executed all processing conditions and Funds availability checks. When these validation checks were successful, the non-SEPA Payer's FI debited the Payer's Account. It is assumed that it made an FX conversion into euro of the Funds to be transferred in case the Payer's Account was not in euro."</i></li> </ul>	<p>makes use of a similar approach with entry and exit PSPs. This should be done while maintaining all required transparency to payment end-users.</p>	<p>speaks about Euro Leg and non-Euro Leg to also support euro-other SEPA currency pairs (e.g., EUR-SEK, EUR-GBP etc).</p>
40.	EBA Clearing	<p>Propose revising:  <i>"Step 2 [...] When the SEPA Entry PSP or the SEPA-Based Payee's PSP does not support the processing of incoming Instant Euro OCTs, the SEPA Entry PSP rejects the Inst Euro OCT."</i></p>	<p>The agreement could stipulate that the payment can be made as a Euro OCT in case an [Inst] OCT is not possible.</p>	<p>The EPC considerably amended its initially proposed rulebook towards the eventual OCT Inst scheme rulebook.</p> <p>Only rules, obligations and rights are defined for the now called Euro Leg. It does not set any firm rules or obligations for the non-Euro Leg. It could thus occur that the non-Euro Leg is processed as non-instant.</p>
41.	EBA Clearing	<p>Request clarification:  <i>"Step 3 [...] When it is indicated that the Euro OCT is to be processed Instantly, the SEPA-Based Payee's PSP executes this Instant Euro OCT according to the stipulations of the Arrangement."</i></p>	<p>Please confirm that there is no requirement to make funds available immediately to the beneficiary.</p>	<p>The Euro Leg-Based Payee's PSP must make the Funds immediately available to the Payee. It is a key element of instant payment solutions. It is stipulated as such in sections 4.2.3.1 and 4.3.1.</p>



N°	Contributor	Comment / Proposed new rulebook text (in tracked changes)	Reason for change	EPC Response
42.	FBF	First bullet: "the SEPA Entry PSP receives an [Inst] Euro OCT" <del>"It is assumed that it made an FX conversion into euro of the Funds to be transferred in case the Payer's Account was not in euro."</del>	Editorial ==> Not EPC's matter	Sentence has been taken out.
<b>Section 1.4.2 Outgoing [Instant] Euro OLO Credit Transfer</b>				
43.	BNP Paribas	Figure 2: same comment as for Figure1 for the SEPA Exit PSP.  Under Step 3: <del>"The SEPA Exit PSP itself also offers intermediary services to non SEPA Payee's FIs in case the latter do not have relationships with SEPA Based Payer's PSPs."</del> ==> This sentence has no meaning. By essence the SEPA exit PSP is an intermediary under the arrangement notwithstanding any relationship between the SEPA-Based Payer's PSP and the non-SEPA Payee's FIs.  "The SEPA-Based Payer's PSP and the SEPA Exit PSP have a separate agreement in place on the concrete <del>Clearing and the Settlement</del> processing conditions of the non-SEPA leg of the [Inst] Euro OCT." ==> The clearing and settlement of the SEPA leg is the essence of the Arrangement.  Step 4:  To add: Transmission to the non SEPA FI is not necessarily in Euro – dependant on the bilateral		Figure has been updated.  Sentence has been taken out.  Correction has been done.  Sentence has been added.



N°	Contributor	Comment / Proposed new rulebook text (in tracked changes)	Reason for change	EPC Response
		agreement between the SEPA Exit PSP and the non SEPA FI) but any possible FX conversion in this step is out of scope of the Arrangement.		
44.	FBF	<p>Under Step 2:                      "... instruction as an [Inst] Euro OLO"                      -----                      Under Step 3:  <del>"The SEPA Exit PSP itself also offers intermediary services to non SEPA Payee's FIs in case the latter do not have relationships with SEPA Based Payer's PSPs."</del>                      -----                      "The SEPA-Based Payer's PSP and the SEPA Exit PSP have a separate agreement in place on the concrete <del>Clearing and the Settlement</del> <del>processes</del> <del>ing</del> <del>conditions</del> <del>of</del> <del>the</del> <del>non-SEPA</del> <del>leg</del> <del>of</del> <del>the</del> [Inst] Euro OCT."</p>	<p>Editorial                      -----                      ==&gt; This sentence has no meaning. By essence the SEPA exit PSP is an intermediary under the arrangement notwithstanding any relationship between the SEP-Bases Payer's PSP and the non-SEPA Payee's FIs.                      -----                      ==&gt; The clearing and settlement of the SEPA leg is the essence of the Arrangement.</p>	<p>Correction done.                      -----                      Sentence has been taken out.                      -----                      Correction has been done.</p>
<b>Section 1.5 Binding Nature of the Arrangement</b>				
45.	BNP Paribas	When a participant signs the adherence agreement as a mother company, this would imply at the same time to be reachable for all its branches in all domestic EEA currencies. This will never be possible at the sign up.		Such situation is also relevant since the SCT scheme launch in Jan. 2008. PSPs and CSMs have found ways how to properly report which BICs are reachable under the SEPA payment schemes. The assumption is that the same ways will be used for the OCT Inst scheme.



N°	Contributor	Comment / Proposed new rulebook text (in tracked changes)	Reason for change	EPC Response
46.	FBF	Add two paragraphs: The SEPA Entry/Exit PSPs are responsible for the link between the non-SEPA leg and the SEPA one, i.e. they ensure that the relationships/agreements they maintain with the non-SEPA FIs with which they exchange OCTs respect their obligations under the arrangement and allow a smooth processing of the SEPA leg. This means that SEPA Entry PSPs commit to only introduce in the SEPA leg eligible transactions and that SEPA Exit PSPs commit to only accept from SEPA-based Payer's PSP transaction that they are in a position to further process.	These are important topics that should be clear from the beginning of the document.	The suggestions are not supported as they do not fit well in this section. Chapter 5 of the OCT Inst scheme rulebook provides a detailed list of obligations for the Entry and Exit PSPs.
<b>Section 1.7 Other Features of the Arrangement</b>				
47.	BNP Paribas	3rd bullet point = "Payment messages use for the <b>Sepa Legs</b> open, industry recognised standards		This section has been removed completely in the OCT Inst scheme rulebook.
<b>Section 1.8 The Business Benefits of the Arrangement (=&gt; section renumbered as section 1.7 in the OCT Inst scheme rulebook)</b>				
48.	ABI	"Possibility to make or to receive Instant Euro OCT Instructions (subject to the existence of an instant payment infrastructure/scheme/ system in the non-SEPA Leg jurisdiction of origin or destination)"	We believe that this information (together with any amount threshold and cut-off applied by the SEPA-based PSPs) should be provided to the Originator in the initiation stage of the payment through appropriate services offered by the PSPs. The arrangement, even without setting mandatory rules in this context, should pave the way for AOSs provided by ACHs or PSPs.	The EPC assumes this will be part of the commercial offer of each Euro Leg-Based PSP to its customers, and of the Euro Leg Entry/Exit PSPs to their non-Euro Leg FI customers.



N°	Contributor	Comment / Proposed new rulebook text (in tracked changes)	Reason for change	EPC Response
49.	Anonymous PSP	<p>“Possibility to make or to receive Instant Euro OCT Instructions (subject to the existence of an instant payment infrastructure/scheme/ system in the non-SEPA Leg jurisdiction of origin or destination);”</p> <p>CHANGED IN</p> <p>“Possibility to make or to receive Instant Euro OCT Instructions (subject to the existence of an instant payment infrastructure/scheme/ system in the non-SEPA Leg jurisdiction of origin or destination); <b>Additional services to provide this information to the originator PSPs are recommended but out of scope of the arrangement</b>”</p>	<p>We believe that this information (together with the maximum amount limit and cut-offs applied by the beneficiary scheme) should be provided to the payer at initiation of the payment through appropriate services provided by the PSPs. Setting up the scheme, without going so far as to make it mandatory, should open the way for AOS provided by ACHs or PSPs.</p>	<p>The EPC assumes this will be part of the commercial offer of each Euro Leg-Based PSP to its customers, and of the Euro Leg Entry/Exit PSPs to their non-Euro Leg FI customers. We see no need to add this sentence in this section.</p>
50.	Anonymous stakeholder	<ul style="list-style-type: none"> <li>It supports concepts, processes and attributes specified in CBPR+ to facilitate the processing of [Inst] Euro OCT Transactions based on better structured and richer data under the ISO 20022 XML messaging standard;</li> </ul> <p>Suggestion: A list of the specific CBPR+ attributes could be included in Section 4.5 (Business Requirements for Datasets)</p>		<p>CBPR+ attributes are listed among the other attributes in the section 4.6.</p>
51.	Anonymous stakeholder	<ul style="list-style-type: none"> <li>The Arrangement sets well defined processing timelines and steps for Standard and for Inst Euro OCT Transactions <del>in the SEPA Leg;</del> (...)</li> </ul> <p>-----</p>		<p>Change not supported. The rulebook can only set firm timelines and process steps for the Euro Leg only.</p>



N°	Contributor	Comment / Proposed new rulebook text (in tracked changes)	Reason for change	EPC Response
		<ul style="list-style-type: none"> <li>Allows a wider and even a 24/7 operating window to process, clear and settle [Inst] Euro OCT Transactions <b>within the SEPA Leg;</b></li> </ul>		<p>-----</p> <p>This bullet has been taken out as the finalised OCT Inst scheme rulebook focuses only on Instant payments.</p>
52.	BNP Paribas	<p>4th bullet "...attributes specified in CBPR+ <b>and IP+</b> to facilitate"</p> <p>---</p> <p>5th bullet.. wider and even 24/7 will depend on the implementation</p> <p>----</p> <p>9<sup>th</sup> bullet: the entry PSP cannot be chosen by the signing participants of this arrangement</p>		<p>Change done.</p> <p>----</p> <p>Sentence/bullet has been taken out.</p> <p>---</p> <p>Rewording has been done.</p>
53.	FBF	<p>1st bullet is the only place in the document where UETR is mentioned. This is confusing. Either the reference to UETR should be taken out here or UETR should be mentioned later in the text and added to the DSs as a possible information for traceability when it is also used in the non-SEPA leg.</p> <p>-----</p> <p>4th bullet "...attributes specified in CBPR+ <b>and IP+</b> to facilitate"</p> <p>----</p> <p>5th bullet "<del>Allows a wider and even a 24/7 operating window to process, clear and settle [Inst] Euro OCT Transactions within the SEPA</del></p>	<p>-----</p> <p>IP+ has to be taken as basis for Inst OCTs</p> <p>-----</p> <p>For standard OCTs, only if SEPA OCT CSMs accepts. No clue if this will be the case. Take out this sentence.</p>	<p>UETR has now been mentioned throughout the rulebook in the various datasets.</p> <p>---</p> <p>Change done.</p> <p>----</p> <p>Sentence/bullet has been taken out.</p>



N°	Contributor	Comment / Proposed new rulebook text (in tracked changes)	Reason for change	EPC Response
		<p><del>Leg</del>"</p> <p>-----</p> <p>9th bullet "Participants can select <del>SEPA Entry PSPs and</del> SEPA Exit PSPs of their preference"</p>	<p>-----</p> <p>Not true for incoming transactions, ref. section 2.5.1</p>	<p>----</p> <p>Rewording has been done.</p>
54.	GBIC	<p><u>Page 17 Comment:</u></p> <p>Business benefits: It is stated that “concepts, processes and attributes specified in CBPR+” will be supported. The rulebook should clearly describe the pursued architecture of the payment messages. A close alignment with CBPR+, at least for the original payment data, might be the best option to ensure STP and avoid losses of data and data truncation. However, the definitive answer on the question of payment messages depends on the design assumptions of the market initiatives for which the [Instant] Euro One-Leg Out Credit Transfer Arrangement might act as a catalyst.</p>		<p>A verification with CBPR+ and IP+ attributes had been done and relevant attributes had been taken over in the OCT Inst scheme rulebook.</p>
<p><b>Section 1.9 Common Legal Framework (=&gt; section renumbered as section 1.8 in the OCT Inst scheme rulebook)</b></p>				
55.	Anonymous stakeholder	<p>and to the applicable <del>EU</del> regulatory framework <del>as extended to them by effect of adherence to the SEPA Geographical Scope</del>, if based in a non-EEA SEPA country.</p>	<p>The Common Legal Framework could include the agreements made between EPC and the representative PSP entities from other economic zones.</p>	<p>Only when such agreements would be concluded in the future, this and other sections could then be amended.</p>
56.	FBF	<p>1st § "(the SEPA-based Payee's PSP, the SEPA Entry PSP, the SEPA-based Payer's PSP and the SEPA Exit PSP)"</p>	<p>Editorial, alignment with the rest of the text.</p>	<p>Changes done.</p>



3.3. Chapter 2 – comments and change proposals

N°	Contributor	Comment / Proposed new rulebook text (in tracked changes)	Reason for change	EPC Response
<b>Section 2.1 Description of Scope of the Arrangement</b>				
57.	ABI	<p>“When end-to-end processing based on ISO 20022 is not possible in case of outgoing [Inst] Euro OLO transactions, the SEPA Exit PSP is responsible to make all data available to the subsequent parties in the payment chain.”</p> <p>CHANGED IN</p> <p>“When end-to-end processing based on ISO 20022 is not possible in case of outgoing [Inst] Euro OLO transactions, the SEPA Exit PSP is responsible to make <b>main data</b> available to the subsequent parties in the payment chain <b>depending on the format used.</b>”</p>	<p>We suggest referring only to the main data. If a conversion is needed from XML to FIN format, it would be technically impossible to transfer all the information.</p>	<p>Changes done.</p>
58.	Anonymous PSP	<p>“When end-to-end processing based on ISO 20022 is not possible in case of outgoing [Inst] Euro OLO transactions, the SEPA Exit PSP is responsible to make all data available to the subsequent parties in the payment chain.”</p> <p>CHANGED IN</p> <p>“When end-to-end processing based on ISO 20022 is not possible in case of outgoing [Inst] Euro OLO transactions, the SEPA Exit PSP is responsible to make <b>main data</b> available to the subsequent parties in the payment chain <b>depending on the format used.</b>”</p>	<p>We suggest mentioning only the essential data. In case of XML-&gt;FIN conversion it would not be technically possible to transfer all the data.</p>	<p>Changes done.</p>



N°	Contributor	Comment / Proposed new rulebook text (in tracked changes)	Reason for change	EPC Response
59.	BNP Paribas	The arrangement is free to encourage ISO20022 “end to end”(?) , but the scope of this arrangement is limited to the legs inside the SEPA area		It is correct. However, the OCT Inst scheme or the EPC cannot stipulate what standard in the non-Euro Leg should be used.
60.	FBF	1st § "An [Instant] Euro One-Leg Out (OLO) Credit Transfer" 4th § "An [Inst] Euro OCT"	Editorial Editorial	Changes done.
61.	GBIC	Page 19: <u>Proposed amendment:</u> When end-to-end processing based on ISO 20022 in the non-SEPA Leg is - not possible in case of incoming or outgoing [Inst] Euro OCT transactions, <ul style="list-style-type: none"> <li>• the SEPA Entry PSP for incoming [Inst] Euro OCT transactions is responsible to ensure all data as instructed by the Payer and received from the non-SEPA Payer’s FI will be made available to the subsequent parties in the payment chain and</li> <li>• the SEPA Exit PSP for outgoing [Inst] Euro OCT transactions is responsible to make all data available to the subsequent parties in the payment chain.</li> </ul>	Clarification.	Changes done.
<b>Section 2.2 Types of Euro OCTs Supported (=&gt; this section has been removed completely in the OCT Inst scheme rulebook as being no longer relevant)</b>				
62.	Anonymous CSM	"Standard Euro OLO Credit Transfer where an Instant processing is not requested by the Payer.  It should be clarified that the default case is the "Standard" credit transfer	Achieve more clarity	The EPC considerably amended its initially proposed rulebook towards the eventual OCT Inst scheme rulebook. It no longer covers Standard OCTs.



N°	Contributor	Comment / Proposed new rulebook text (in tracked changes)	Reason for change	EPC Response
63.	EBA Clearing	Request confirmation/clarification: <i>“Instant Euro OLO Credit Transfer (Inst Euro OCT) whereby an Instant processing of this credit transfer is requested. The Arrangement itself does set the maximum execution timelines and deadlines for such instant payments and related Exception Handling exclusively for the SEPA Leg, as well as the maximum transferable amount per Inst Euro OCT.”</i>	No reference is made to (immediate) availability of funds for the beneficiary (as is done for the standard Euro OCT). Please confirm/clarify.	It is a key element of instant payment solutions that the Funds are immediately made available to the Payee.
64.	FBF	Missing a §"After the receipt of the Inst Euro OCT..." as a mirror to what is described under Standard Euro OCT.	Clarification	As this section has been removed, the sections 2.1 and 4.2.3 describe in detail the concrete actions to be taken by each Actor.
<b>Section 2.3 Currency</b>				
65.	Anonymous PSP	<b>(Also applies to section 4.2.4)</b> We are supportive of the proposal that the underlying Accounts/Payment Accounts may be in euro or any other currency and that transactions are in euro in all processing stages.  The document states in 2.3 that: <i>“Any currency conversion with the Payee or the Payer is executed by the SEPA-Based Payee’s PSP or the SEPA-Based Payer’s PSP and is out of scope of the present arrangement.”</i>  While still being out of scope of the Arrangement, is it not also the case that currency conversion	Clarification	This section now points out that the OCT Inst scheme does not set any specification about whether, how, where in the OCT Inst chain and by whom a Currency Conversion is done under the condition that all details about the initial credit transfer amount in that other currency and about the Currency Conversion operation itself must be made available in a fully transparent way to the



N°	Contributor	Comment / Proposed new rulebook text (in tracked changes)	Reason for change	EPC Response
		with the Payee or Payer may be executed by the non-SEPA Payer's FI or non-SEPA Payee's FI? This appears to be the case according to Figures 9 and 10 in section 4.2.4.		Payer and the Payee concerned.
66.	BNP Paribas	Missing a second § "The payment order may be in a third currency converted in euro. In such case the original amount and the currency conversion rate must be transported in the transaction"		See EPC response for item 65.
67.	FBF	<p>General comment:</p> <p><b>All transactions are in Euro in all process stages:</b> Concentrating only on Euro end-to-end today can limit the attractiveness of the arrangement for potential candidates wanting to act as SEPA Entry/Exit PSPs as they will not be in position to offer this added value service with the potential fees accordingly.</p> <p>-----</p> <p>Missing a second § "The payment order may be in a third currency converted in euro. In such case the original amount and the currency conversion rate must be transported in the transaction"</p>	<p>-----</p> <p>The current description is not complete.</p>	<p>This section now points out that the OCT Inst scheme supports the handling of OLO instant credit transfers in any possible currency (including non-euro SEPA currencies) under the condition that one of the two legs of the OLO instant credit transfer concerned is denominated in euro.</p> <p>-----</p> <p>See EPC response for item 65.</p>
<b>Section 2.4 Value Limits</b>				
68.	ABI	Section 2.4.2.1: "The SEPA-Based Payee's PSPs and the SEPA Entry PSPs, who are Participants of the Arrangement, are obliged to accept and process incoming Inst Euro OCT Transactions up to and including the applicable maximum amount specified in [3]. Furthermore, the SEPA Entry PSP must inform the non-SEPA Payer's FI about the	We believe that this information (together with any amount threshold and cut-off applied by the SEPA-based PSPs) should be provided to the Originator in the initiation stage of the payment through appropriate services offered by the PSPs. The arrangement, even without setting	Not supported. The proposed sentence seems to point to the relationship of the non-Euro Leg Payer's FI and its Payer. As this is the non-Euro Leg, the rulebook should not refer to



N°	Contributor	Comment / Proposed new rulebook text (in tracked changes)	Reason for change	EPC Response
		<p>current applicable maximum amount and about any upcoming change to the concerned maximum amount well in advance.”</p> <p>CHANGED IN</p> <p>“The SEPA-Based Payee’s PSPs and the SEPA Entry PSPs, who are Participants of the Arrangement, are obliged to accept and process incoming Inst Euro OCT Transactions up to and including the applicable maximum amount specified in [3]. Furthermore, the SEPA Entry PSP must inform the non-SEPA Payer’s FI about the current applicable maximum amount and about any upcoming change to the concerned maximum amount well in advance. <b>Additional services to provide this information to the originator PSPs are recommended but out of scope of the arrangement”</b></p>	<p>mandatory rules in this context, should pave the way for AOSs provided by ACHs or PSPs.</p>	<p>any possible services in that leg by the Euro Leg Entry PSP.</p>
69.	Anonymous PSP	<p><i>(Also applies to the document EPC208-21 - Maximum Amount for Instant Euro OCT Instructions-)</i></p> <p>We note that 2.4.1 states that the only value limit for a Standard Euro OCT is the technical maximum amount set in attribute AT-04.</p> <p>We are supportive of the approach referenced in 2.4.2 that would define the maximum amount for Inst Euro OCTs separately in document EPC208-21, allowing the amount to be revised outside the usual Arrangement release management cycle.</p>	<p>We are seeking additional information as to the process to be followed to effect changes to the Inst Euro OCT maximum amount.</p>	<p>The appointed EPC working group and the EPC governance body in charge of the maintenance of the OCT Inst scheme rulebook will follow the same process as for any amendment to the SCT Inst scheme maximum amount.</p> <p>The EPC has Multi-Stakeholder Groups in place to which it can address any calls for a possible</p>



N°	Contributor	Comment / Proposed new rulebook text (in tracked changes)	Reason for change	EPC Response
		<p>We think this offers useful flexibility to amend the maximum amount in response to changing market needs.</p> <p>We think the proposal to set the maximum amount for Inst Euro OCT at 100,000 EUR is appropriate.</p> <p>We understand that any such changes that occur outside the Arrangement rulebook release management cycle <i>“would be applicable at the earliest 90 calendar days after publication by the EPC”</i> of the updated version of document EPC208-21. We are interested to understand: (i) what process the EPC will apply to considering requests for amendments to the maximum amount; and (ii) whether the EPC envisages consulting with Participants and other stakeholders before making any such changes.</p>		<p>increase of the maximum amount.</p>
70.	Anonymous PSP	<p>Section 2.4.2.1: “The SEPA-Based Payee’s PSPs and the SEPA Entry PSPs, who are Participants of the Arrangement, are obliged to accept and process incoming Inst Euro OCT Transactions up to and including the applicable maximum amount specified in [3]. Furthermore, the SEPA Entry PSP must inform the non-SEPA Payer’s FI about the current applicable maximum amount and about any upcoming change to the concerned maximum amount well in advance.”</p> <p>CHANGED IN</p>	<p>We believe that this information (together with the maximum amount limit and cut-offs applied by the beneficiary scheme) should be provided to the payer at initiation of the payment through appropriate services provided by the PSPs. Setting up the scheme, without going so far as to make it mandatory, should open the way for AOS provided by ACHs or PSPs.</p>	<p>See EPC response for item 68.</p>



N°	Contributor	Comment / Proposed new rulebook text (in tracked changes)	Reason for change	EPC Response
		<p>“The SEPA-Based Payee’s PSPs and the SEPA Entry PSPs, who are Participants of the Arrangement, are obliged to accept and process incoming Inst Euro OCT Transactions up to and including the applicable maximum amount specified in [3]. Furthermore, the SEPA Entry PSP must inform the non-SEPA Payer’s FI about the current applicable maximum amount and about any upcoming change to the concerned maximum amount well in advance. <b>Additional services to provide this information to the originator PSPs are recommended but out of scope of the arrangement”</b></p>		
71.	BNP Paribas	<p>Section 2.4.2.1:                      .. rejected unless otherwise agreed.. why is it need to define? see 2.4.2</p> <p>Last §: too complicated to operate.</p>		<p>There might be communities of PSPs that may want to apply a higher maximum amount or no maximum amount at all.</p> <p>Each Euro Leg Entry PSP will be free to decide to process OCT Inst transactions with a higher amount or not.</p>
72.	BNP Paribas	<p>Section 2.4.2:                      The maximum amount can also depend from the inst scheme-rule applicable to the non-SEPA leg . It is already a very complicated ecosystem to operate with so many non-SEPA inst schemes. It is not needed to define (max.) amounts. The party (Sepa leg, Entry- Exit PSP that can’t accept</p>		<p>The maximum amount is helpful in managing credit risk. PSPs may have to pre-fund dedicated technical accounts to honour instant payments. If there is no maximum amount set for instant OLO transactions, these PSPs will have more difficulties to</p>



N°	Contributor	Comment / Proposed new rulebook text (in tracked changes)	Reason for change	EPC Response
		in an instant payment because of the amount will reject it with a meaningful reason code		determine how much liquidity they must set aside on such technical accounts.
73.	FBF	Section 2.4.2.1: <del>"The SEPA Entry PSP must inform the non-SEPA Payer's FI about any agreements between the SEPA Entry PSP and the SEPA-Based Payee's PSP to accept incoming Inst Euro OCT Transactions with an amount higher than this maximum amount, and about any upcoming change to such agreements."</del>	==> This cannot be a rule of the arrangement. The SEPA Entry PSP must not introduce in SEPA transactions with a higher amount than the maximum possible one, be it the default one or a negotiated amount. But the SEPA Entry PSP must also be free to lower the maximum amount it authorizes towards the different Payer's FIs regarding also its own risk policy.	The first paragraph now stipulates that only the Euro Leg-Based Payee's PSPs (and not any longer the Euro Leg Entry PSPs) are obliged to accept and process incoming OCT Inst Transactions up to and including the applicable maximum euro amount.  However, there might be communities of PSPs that may want to apply a higher maximum amount or no maximum amount at all. Each Euro Leg Entry PSP should be free to decide to process Inst OCTs with a higher amount or not.
74.	FBF	Section 2.4.2.2: <del>"The SEPA Exit PSP must inform the non-SEPA Payee's FI about any agreements between the SEPA Exit PSP and the SEPA-Based Payer's PSP allowing the latter to initiate Inst Euro OCT Transactions with an amount higher than this</del>	==> This cannot be a rule of the arrangement. The SEPA Exit PSP must also follow the rules of the systems outside SEPA, which possibly could allow for a lower amount than the one of SEPA. If needed, max amount per destination country should be one of the items of	This section has been updated and the concerned paragraph has been taken out.  It now contains a new first paragraph whereby the Euro Leg Exit PSPs, who are Participants under the OCT Inst



N°	Contributor	Comment / Proposed new rulebook text (in tracked changes)	Reason for change	EPC Response
		<del>maximum amount, and about any upcoming change to such agreements."</del>	information to be provided by the SEPA Exit PSP to the SEPA-based Payer's PSP.	scheme, are obliged to accept and process outgoing OCT Inst Transactions up to and including the applicable maximum euro amount subject to any agreement made with the Euro Leg-Based Payer's PSP on any lower maximum amount in the Euro Leg and/or to any maximum amount to be respected in the non-Euro Leg.

**Section 2.5 Reachability**

75.	ABI	Section 2.5.2: "A Participant also supporting the role of a SEPA Exit PSP, must accurately provide an overview of reachability of non-SEPA Payee's FIs at all times, with the SEPA-Based Payer's PSPs using its [Inst] Euro OCT SEPA Exit services"	<p>It is not clear how the SEPA Exit PSPs will be able to comply with this requirement.</p> <p>Generally, it should be clearly defined how the non-SEPA Payee's FI will be reachable through the SEPA Exit PSP (in an outgoing OLO transaction) and how the SEPA-based Payee's PSP will be reachable through the SEPA Entry PSP (in an incoming OLO transaction).</p>	<p>Section 5.8.2 specifies that the Euro Leg Exit PSP is free to determine how to make such info available to the Euro Leg-Based Payer's PSP.</p> <p>As for Incoming OCT Inst transactions, there is no issue as the Euro Leg Entry PSP can rely on the routing tables maintained by the CSMs supporting this scheme.</p>
76.	Bits	Comment on section 2.5.2 (Reachability outside SEPA)	The OLO arrangement would require some form of reciprocity with a similar arrangement in the community of non-SEPA banks intended to be reached. The rulebook should describe how this is	<p>the OCT Inst rulebook can only determine aspects for the Euro Leg.</p> <p>Reciprocity with the non-Euro Leg can take various forms</p>



N°	Contributor	Comment / Proposed new rulebook text (in tracked changes)	Reason for change	EPC Response
			intended to be achieved as this is necessary for a bank to be able to give its customers a strong user experience.	(e.g., access to an entire country/regional community of FIs, just a group of (e.g., major) FIs in such country/region, only for specific currency corridors etc) and will also depend on the non-Euro Leg infrastructure(s) available or supported.  Such reciprocity will depend on the concrete non-Euro Leg reach appetite of each individual Entry PSP, Exit PSP and OCT Inst Processor.
77.	FBF	This information about the "asymmetry" between receiving and sending arrives far too late in the document. This should be already raised under 1.4 Conceptual workflow of a Euro OLO Credit Transfer under this Arrangement.	It is a very specific feature of this arrangement and is as such very different from the practice under SEPA schemes.	Changes done in section 1.4.
<b>Section 2.7 Character Set</b>				
78.	BNP Paribas	CBPR+ and IP+		Changes done.
79.	FBF	"...usage guidelines from the CBPR+ and IP+ Working Group"	CBPR+ applies to standard OCTs and IP+ applies to Instant OCTs	Changes done.



### 3.4. Chapter 3 – comments and change proposals

N°	Contributor	Comment / Proposed new rulebook text (in tracked changes)	Reason for change	EPC Response
<b>Section 3.1 Actors</b>				
80.	Anonymous PSP	<p><i>(Also applies to Chapter 7 Defined Terms Payer or Payee)</i></p> <p>What payment flows are permitted when a PSP or FI is acting in the role of a Payer or Payee?</p>	Clarification sought	The definition of the terms ‘Payer’ and ‘Payee’ have been adapted to cover such payment situations as well.
81.	Anonymous PSP	<p>We note that execution of [Inst] Euro OCT is dependent upon the SEPA Entry PSP, SEPA Exit PSP, SEPA-Based Payee’s PSP and SEPA-Based Payer’s PSPs being Participants in the Arrangement. As we explained above in our earlier comments, <b>we think that the proposal to make adherence optional will severely limit the reachability and therefore also the attractiveness of the Arrangement.</b></p>	Concerns about optionality and reachability.	<p>The EPC as private non-profit association is not able to impose on all PSPs in SEPA to adhere to the OCT Inst scheme rulebook.</p> <p>All SEPA-based PSPs would have the freedom to adhere or not to the OCT Inst scheme.</p> <p>As a response to this reachability concern, the OCT Inst scheme rulebook foresees the possibility for so-called OCT Inst Processors to adhere to the scheme on behalf of a group or a community of Euro Leg PSPs to achieve the necessary reachability much quicker.</p> <p>Integrating the arrangement specifications in the existing</p>



N°	Contributor	Comment / Proposed new rulebook text (in tracked changes)	Reason for change	EPC Response
				SEPA payment schemes requires formal change requests for the 2024 SEPA payment scheme rulebook change management cycle which can only be implemented in November 2025 at the earliest and subject to a broad majority of SEPA scheme participants and other payment stakeholders for such changes.
82.	BNP Paribas	<p>In all the Roles regarding the non SEPA part the EUR concept should be removed.</p> <p>---</p> <p>10th bullet, Intermediary FI(s)...: "these FIs offer intermediary services in the non-SEPA Leg to the <b>SEPA Exit PSP and/or Entry PSP and/or</b> to the non-SEPA Payer's FI and/or of the Payee's FI.</p>		<p>Changes done.</p> <p>---</p> <p>Changes done.</p>
83.	EBA Clearing	<p>Propose removing: <i>"The demand for international euro [Instant] payment services using a credit transfer arises from a Payer, who wishes to transfer<sup>1</sup> Funds for whatever reason to a Payee.</i></p> <p><i><sup>1</sup>The credit transfer can be initiated directly (by the Payer) or indirectly (by a payment initiation service provider at the request of the Payer)."</i></p>	<p>Generally, we would welcome that the Arrangement makes a clear reference that a Payee will be allowed to request the initiation of an [Inst] euro OCT from a Payer though a SEPA request to pay (SRTP) or similar international set of rules and relevant SRTP or similar service providers. This would allow to promote in international context such ways to request a payment initiation.</p>	<p>See EPC response for item 25.</p>



N°	Contributor	Comment / Proposed new rulebook text (in tracked changes)	Reason for change	EPC Response
84.	FBF	<p>4th bullet, The SEPA-based Payee's PSP: <b>second [Inst] should be in orange letters.</b></p> <p>-----</p> <p>8th bullet, The Payee : should be completed: <b>"The Payee maintains an Account/ Payment Account at the non-SEPA Payee's FI/ SEPA-based payee's PSP that will be credited with the amount of the [Inst] Euro OCT Transaction."</b></p> <p>-----</p> <p>10th bullet, Intermediary FI(s)...: "these FIs offer intermediary services in the non-SEPA Leg <b>to the SEPA Exit PSP and/or Entry PSP and/or</b> to the non-SEPA Payer's FI and/or <b>of</b> the Payee's FI</p>	<p>Editorial</p> <p>-----</p> <p>The Payer and Payee definitions are currently not balanced.</p> <p>-----</p> <p>The SEPA Entry or Exit PSPs may well use the services of an Intermediary FI</p> <p>Editorial</p>	<p>No longer needed as the OCT Inst scheme rulebook focuses only on instant credit transfers.</p> <p>----</p> <p>Changes done.</p> <p>----</p> <p>Changes done.</p>

**Section 3.2 The Contractual Model**

85.	Anonymous stakeholder	<p><b>6. As applicable, between the SEPA Entry PSP/SEPA Exit PSP and Non-SEPA Payer's FI/Non-SEPA Payee's FI concerning the terms and conditions of the [Inst] Euro OCT services delivered.</b></p>	<p>An arrangement (authoritative information) within SEPA scope (SEPA-leg) is not enough to make this scheme and cross-border payments fully operational (interoperable).</p> <p>Making assumptions for the non-SEPA leg does not guarantee that cross-payments will be more efficient.</p> <p>A binding commitment between SEPA and Non-SEPA parties is needed. Being EPC a representative of the European PSP sector, could carry on, together with other regional PSP representatives, an arrangement, or the creation of a cross-border payment scheme, with the regions with higher</p>	<p>Text has been added.</p>
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N°	Contributor	Comment / Proposed new rulebook text (in tracked changes)	Reason for change	EPC Response
			attractiveness rate to European PSPs (for instance, upon consultation).	

### 3.5. Chapter 4 – comments and change proposals

N°	Contributor	Comment / Proposed new rulebook text (in tracked changes)	Reason for change	EPC Response
<b><u>Section 4.2.1.1 Standard Euro OLO Credit Transfers (=&gt; this section has been removed completely in the OCT Inst scheme rulebook as being no longer relevant)</u></b>				
86.	BNP Paribas	A non SEPA FI will not always send a ‘Standard Euro SCT’. Does this need to be said in this arrangement? The only requirement should be that the SEPA Entry PSP has been able to validate - or create-a Standard Euro OCT and to forward it		Section no longer existing.
87.	PT Banking Association	Banks should be obliged to process immediately the transaction to avoid SEPA Leg Time Stamp processes in the Transaction. (the same as item 91)		Section no longer existing.
88.	PT Banking Association	Question: is there a need to have contracts in place for the use of OLO Arrangement or the PSP proceeds on a case-by-case basis? (the same as item 92)		Section no longer existing.
89.	PT Banking Association	The above note should not apply for future date payments, although processing should be immediately. (the same as item 93)		Section no longer existing.



N°	Contributor	Comment / Proposed new rulebook text (in tracked changes)	Reason for change	EPC Response
<b>Section 4.2.1.2 Instant Euro OLO Credit Transfers</b>				
90.	EBA Clearing	Propose reconsidering:  Commencement of the Execution Time Cycle: <i>“The SEPA Entry PSP completes the process by putting a SEPA Leg Time Stamp in the Transaction, Instantly sets aside the necessary cover and Instantly sends the Transaction through the Inter-PSP Space for further handling at the SEPA-Based Payee’s PSP. Further details of this process are covered in section 4.2.3.2.1.”</i>	The Arrangement could allow for the timestamp to remain unchanged (as set by the non-SEPA Payer FI) upon SEPA entry. This would allow development of end-to-end service and related SLAs for users across SEPA and non-SEPA. In this context it could also be considered to allow a different Execution Time Cycle and Time-out deadline in the Inst Euro OCT than for the SCT Inst.	Not retained. A dedicated Euro Leg timestamp is maintained alongside any possible timestamp used in the non-Euro Leg. Such dedicated Euro Leg timestamp will help all involved parties in the Euro Leg to comply with the imposed Euro Leg timelines, especially in relation to the time-out procedure in the Euro Leg.  As for the suggested difference in timelines, the initial proposed timelines defined for the target execution and for the time-out in the Euro Leg are maintained. This will align as much as possible the processing of OCT Inst transactions with SCT Inst.
91.	PT Banking Association	Banks should be obliged to process immediately the transaction to avoid SEPA Leg Time Stamp processes in the Transaction. (the same as item 87)		This is correct. Otherwise, it would no longer be considered as an instant payment.
92.	PT Banking Association	Is there a need to have contracts in place for the use of OLO Arrangement or the PSP proceeds on a case-by-case basis? (the same as item 88)		For incoming OCT Inst transactions, a contract would not be necessary. The Euro Leg



N°	Contributor	Comment / Proposed new rulebook text (in tracked changes)	Reason for change	EPC Response
				<p>Entry PSP will transmit this OCT Inst via its CSM supporting the OCT Inst scheme.</p> <p>For outgoing OCT Inst transactions, some sort of agreement would be needed between the Payer's PSP and the Exit PSP to exchange all relevant info to process outgoing OCT Inst transactions in the non-Euro leg.</p>
93.	PT Banking Association	The above note should not apply for future date payments, although processing should be immediately. (the same as item 89)		The EPC takes note of the comment.
<b>Section 4.2.1.3 Requested Execution Date</b>				
94.	FBF	1st § "The Payer will submit the [Inst] Euro OCT Instruction to the SEPA-Based Payer's PSP"	Editorial	No longer needed as the OCT Inst scheme rulebook focuses only on instant credit transfers.
<b>Section 4.2.2 Cut-off Times</b>				
95.	ABI	<p>Cut-off times: "For the SEPA Leg of Standard Euro OCTs, the Cut-off Times must be advised by the SEPA-Based Payer's PSP to the Payer"</p> <p>CHANGED IN</p> <p>"For the SEPA Leg of Standard Euro OCTs, the Cut-off Times must be advised by the SEPA-Based Payer's PSP to the Payer. <b>Additional services to</b></p>	We believe that this information should be provided to the Originator in the initiation stage of the payment through appropriate services offered by the PSPs. The arrangement, even without setting mandatory rules in this context, should pave the way for AOSs provided by ACHs or PSPs.	No longer needed as the OCT Inst scheme rulebook focuses only on instant credit transfers.



N°	Contributor	Comment / Proposed new rulebook text (in tracked changes)	Reason for change	EPC Response
		<p><b>provide this information to the originator PSPs are recommended but out of scope of the arrangement”</b></p>		
96.	Anonymous PSP	<p>Cut-off times: “For the SEPA Leg of Standard Euro OCTs, the Cut-off Times must be advised by the SEPA-Based Payer’s PSP to the Payer”</p> <p>CHANGED IN</p> <p>“For the SEPA Leg of Standard Euro OCTs, the Cut-off Times must be advised by the SEPA-Based Payer’s PSP to the Payer. <b>Additional services to provide this information to the originator PSPs are recommended but out of scope of the arrangement”</b></p>	<p>We believe that this information (together with the maximum amount limit and cut-offs applied by the beneficiary scheme) should be provided to the payer at initiation of the payment through appropriate services provided by the PSPs. Setting up the scheme, without going so far as to make it mandatory, should open the way for AOS provided by ACHs or PSPs.</p>	<p>No longer needed as the OCT Inst scheme rulebook focuses only on instant credit transfers.</p>
<p><b>Section 4.2.3 Maximum Execution Time</b></p>				
97.	PT Banking Association	<p>Funds should always be delivered or credited immediately.</p>		<p>The OCT Inst scheme rulebook focuses only on instant credit transfers and stipulates that funds must be made instantly available.</p>
<p><b>Section 4.2.3.1 Standard Euro OLO Credit Transfers (=&gt; this section has been removed completely in the OCT Inst scheme rulebook as being no longer relevant)</b></p>				
98.	Anonymous CSM	<p>"The Arrangement does not specify a maximum execution time for the non-SEPA Leg of a Standard Euro OCT. Such execution depends on the payment scheme or system used between the non-SEPA Payer’s FI/ SEPA Exit PSP and the SEPA Entry PSP/ non-SEPA Payee’s FI. Furthermore, the</p>	<p>Compliance with PSD2</p>	<p>Section no longer existing.</p>



N°	Contributor	Comment / Proposed new rulebook text (in tracked changes)	Reason for change	EPC Response
		<p>non-SEPA FIs may not be open for business on certain SEPA Banking Business Days to execute Standard Euro OCTs."</p> <p>However, it should be noted that a client initiating a OCT should be informed on the expected execution time, according to PSD2.</p>		
<p><b>Section 4.2.3.2.1 Incoming Instant Euro OLO Credit Transfer Transaction</b></p>				
99.	Anonymous CSM	<p>"Settlement certainty". The term should be clearly defined and included in the glossary (Chapter 7).</p>	Achieve more clarity	<p>The EPC sees no need to define this specific term. The OCT Inst scheme rulebook remains agnostic on how such settlement certainty is accomplished.</p>
100.	Anonymous CSM	<p>Process diagram, figure 4: legend is missing. With a legend, a better understanding of the incoming process would be achieved.</p>	Achieve more clarity	<p>Unfortunately, the comment does not specify what should be covered in such legend.</p>
101.	BNP Paribas	<p>Section A: by definition these transactions will nearly all be sanction screened and filtered. If we would like to avoid a high reject rates it may be delicate to request 60 seconds max.</p>		<p>This is just a recommendation as being part of the non-Euro Leg. This section points out that the Euro Leg Entry PSP and the non-Euro Leg Payer's FI can make another arrangement at what other (e.g., later) point in time in the non- Euro Leg, the Euro Leg Entry PSP is allowed to reject this OCT Inst transaction.</p>



N°	Contributor	Comment / Proposed new rulebook text (in tracked changes)	Reason for change	EPC Response
102.	BNP Paribas	Section E: same remark for the 20 sec as on point A.		No change made. The initial proposed timelines defined for the target execution and for the time-out in the Euro Leg are maintained. This will align as much as possible the processing of OCT Inst transactions with SCT Inst.
103.	BNP Paribas	Section F: 25 seconds to be reconsidered regarding point A and E.		No change made. The initial proposed timelines defined for the target execution and for the time-out in the Euro Leg are maintained. This will align as much as possible the processing of OCT Inst transactions with SCT Inst.
104.	EBA Clearing	Propose reconsidering: Step E. SEPA leg time out deadline	More time would be needed for the SEPA Payee's PSP to screen OLO payments. 15 seconds as the execution time and 30 seconds as the timeout deadline seem more appropriate to IOCT (both incoming and outgoing).	No change made. The initial proposed timelines defined for the target execution and for the time-out in the Euro Leg are maintained. This will align as much as possible the processing of OCT Inst transactions with SCT Inst.
105.	FBF	Section B: "Any possible Time Stamp used between each non-SEPA Payer's FI concerned and the SEPA Entry PSP has no influence on the processing of the SEPA Leg of an incoming Inst		This sentence has been taken out completely. The section just mentions that the scheme foresees an optional attribute



N°	Contributor	Comment / Proposed new rulebook text (in tracked changes)	Reason for change	EPC Response
		Euro OCT Transaction." ==> Sure, and we would have no place to transport it in the SEPA leg, but it is part of the measure of the timespan from Payer to Payee...		for a time stamp possibly used in the non-Euro Leg.
106.	FBF	Section D 4th § : "The concrete contents of such information" ----- Figure 4: Replace "Tx" by "Trx" as in the other figures	Editorial ----- Editorial	Change done. ----- Change done.
<b>Section 4.2.3.2.2 Outgoing Inst Euro OLO Credit Transfer Transaction</b>				
107.	BNP Paribas	Section C: 3th but last §: “The SEPA exit PSP and the SEPA based payer’s PSP...”  We do prefer a standard message organised by the arrangement to inform the payer’s PSP. In the international corporate context a confirmation of the execution is frequently asked and need as such to be organised by the arrangement.  Last &: replace “Clearing and Settlement” by “execution”.		Not retained. the Euro Leg-Based Payer’s PSP and Euro Leg Exit PSP can choose an arrangement of their preference if the Euro Leg-Based Payer’s PSP wants to be informed about the payment status in the non-Euro Leg.  If the OCT Inst transaction fails in the non-Euro Leg, the Euro Leg-Based Payer’s PSP will anyhow instantly get an OCT Inst Return.
108.	EBA Clearing	Propose reconsidering: C. Target SEPA Leg maximum execution time <i>“Latest at 10 seconds after the SEPA-Based Payer’s PSP has put the SEPA Leg Time Stamp [...] the</i>	In particular in a fully instant processing context on both legs (as is the aim of the Arrangement cf. section 1.4), the Arrangement could allow for an alternative process with a longer	No change made. The initial proposed timelines defined for the target execution and for the time-out in the Euro Leg are maintained. This will align



N°	Contributor	Comment / Proposed new rulebook text (in tracked changes)	Reason for change	EPC Response
		<p><i>SEPA-Based Payer’s PSP must have received at least one of the messages below: [...]</i></p> <p><i>Scenario 2: the SEPA Exit PSP is in a position to forward the payment in the non-SEPA Leg. The CSM of the SEPA Exit PSP has received a positive confirmation message from the SEPA Exit PSP [...]</i></p> <p><i>This triggers the settlement of the SEPA Leg, i.e. the SEPA Exit PSP receives the funds. These funds serve as cover for the non-SEPA Leg.”</i></p>	<p>maximum execution time to allow the Exit PSP to await a final status on the [instant] processing in the non-SEPA leg and send this final confirmation, which would be used to complete settlement on the SEPA leg and inform the SEPA Payer PSP and Payer accordingly. This would be similar to the SCT Inst rulebook, in which the CSM of the beneficiary PSP (non-SEPA leg system in this example) always controls the time-out and the CSM of the originator PSP (the SEPA leg system here) waits for the response of the CSM of the beneficiary PSP while preserving “settlement certainty” until then.</p> <p>As the Arrangement assumes that the process of both legs should strive to be done in comparable ways, it would be welcome if the Arrangements could leave some flexibilities to adapt the control of and target for the maximum execution time to the requirements of the local/regional/international credit transfer scheme or system, where possible to allow end to end/Payer to Payee time control. This could be done in the Arrangement e.g. by allowing the possibility to build additional optional services or even options within the Arrangement to</p>	<p>as much as possible the processing of OCT Inst transactions with SCT Inst.</p>



N°	Contributor	Comment / Proposed new rulebook text (in tracked changes)	Reason for change	EPC Response
			facilitate interoperability for given corridors.	
109.	EBA Clearing	Propose reconsidering: Step E. SEPA leg time out deadline	More time would be needed for the SEPA Payee's PSP to screen OLO payments. 15 seconds as the execution time and 30 seconds as the timeout deadline seem more appropriate to IOCT (both incoming and outgoing).	No change made. The initial proposed timelines defined for the target execution and for the time-out in the Euro Leg are maintained. This will align as much as possible the processing of OCT Inst transactions with SCT Inst.
110.	FBF	Section D: Figure 6: Replace "Tx" by "Trx" as in the other figures	Editorial	Change done.
111.	FBF	Section E 1st §: "...confirmation from the SEPA Exit PSP <del>that</del> <b>whether</b> the latter is in a position to forward the payment in the non-SEPA Leg or not" ----- 1st bullet: "...any party in the Inter-PSP Space or the SEPA Exit PSP itself has received the initial Inst Euro OCT Transaction after the SEPA Leg time-out deadline, <b>or any party in the Inter-PSP Space</b> cannot reach the next party within the SEPA Leg time-out deadline. ----- 3rd bullet : "... when it has not received a Scenario 1 or Scenario 2 confirmation message from the SEPA	Editorial  ----- The last part of the sentence does not apply to the SEPA Exit PSP which has no other party to reach within the SEPA Leg time-out deadline.  ----- Editorial	Change done.  ----- Change done.  ----- Change done.



N°	Contributor	Comment / Proposed new rulebook text (in tracked changes)	Reason for change	EPC Response
		Exit PSP within the 20 seconds after the SEPA Leg Time Stamp. <del>This CSM, it</del> Instantly rejects"		
<b>Section 4.2.3.2.3 Instant Euro OCT Return</b>				
112.	Anonymous community of PSPs	<p>The agreement describes that one of the reasons for the return/rejection of an Inst Euro OCT is that the non-SEPA Payee's FI is unable to execute the transaction (e.g., if it has not adhered to Instant Payments)</p> <p>We think that the option of converting an INST OCT into a STANDARD OCT could be explored, incorporating a new optional attribute, in order not to reject the operation and provide better customer service. Always with the prior authorization of the payer and provided that there is legal certainty in the rest of the actors (Intermediary PSPs and CSMs operating in SEPA included).</p>	Improve customer service	<p>As the OCT Inst rulebook does not determine the processing rules in the non-Euro Leg, it may happen that the non-Euro Leg of an incoming or outgoing OCT Inst transaction is not processed instantly.</p> <p>It would be at the discretion of each concerned Euro Leg PSP how it will deal with OCT Inst transactions that can be processed as Instant in the Euro Leg but not in the non-Euro Leg.</p>
113.	Anonymous PSP	Returning a payment transaction on SEPA space is much easier and costless than doing the same with a cross-border transaction. So it should be avoided if there's a chance to make funds available to benf on an alternate way (such as SEPA D) as it is already done in SCT inst for some r-transactions (such as AG-01 and others). PSU's satisfaction with the payment service would improve if it is managed this way rather than simply returning (with probably some deduction effected) payment		See EPC response for item 112.



N°	Contributor	Comment / Proposed new rulebook text (in tracked changes)	Reason for change	EPC Response
		to originator and ask them to initiate a fresh payment instruction.		
114.	BNP Paribas	Section A: 60 seconds may be challenging in the non-SEPA leg and may lead to a high reject rate.		This is just a recommendation as being part of the non-SEPA Leg.
115.	BNP Paribas	Section C: why is the return settlement certainty by reservation of the CSM out of the scope of the arrangement?		The section on OCT Inst Return has been completely rewritten and simplified. The initial concept of a reservation is no longer foreseen.
116.	FBF	Forelast § of 4.2.1.2 ‘Instant Euro OLO Credit Transfers’ specifies that “Similar execution time requirements and process apply to the Instant Euro OCT Returns (see point B in section 4.2.3.2.3).”		The section on OCT Inst Return has been completely rewritten and simplified.
117.	FBF	Section B: " <del>Inst Euro OCT Return</del> SEPA Leg Time Stamp <del>for the Inst Euro OCT Return</del> "	An Inst return is not the SEPA leg of an Inst Return. It is the transportation in SEPA of a possible aborted, rejected or returned.	The section on OCT Inst Return has been completely rewritten and simplified. The initial concept of an OCT Inst Return time stamp is no longer foreseen.
118.	FBF	Section C: Outside the scope of the Arrangement, the CSM of the SEPA Exit PSP Instantly reserves Funds from the SEPA Exit PSP as settlement cover for the Inst Euro OCT Return. The CSM of the SEPA Exit PSP Instantly sends the Inst Euro OCT Return to the CSM of the SEPA-Based Payer’s PSP.		The section on OCT Inst Return has been completely rewritten and simplified. The initial concept of a settlement certainty is no longer foreseen.



N°	Contributor	Comment / Proposed new rulebook text (in tracked changes)	Reason for change	EPC Response
		<p>The CSM of the SEPA-based Payer's <del>Exit</del>-PSP Instantly sends the Inst Euro OCT Return to the SEPA-Based Payer's PSP. This action implies that the SEPA-Based Payer's PSP has settlement certainty for this Inst Euro OCT Return.</p>		
119.	FBF	<p>Section D: and <del>the</del> provide the Payer</p>	Editorial	<p>The section on OCT Inst Return has been completely rewritten and simplified.</p>
120.	FBF	<p>New section E: <b>Add a section 4.2.3.2.3 E Inst Euro OCT Return Timeout deadline</b>                      Time Out should be added, in the nearly same wording as under 4.2.3.2.1 E, there can be the same need than in the original transaction for a time-out delay of 20 seconds in case either the CSM or the SEPA-based Payer's PSP is temporarily not in a position to receive or process the Inst Return in the 10 seconds timespan.</p>	<p>Functionally, there can also be a time-out in an Inst Euro OCT Return (e.g. because the Payer's bank is momentarily not reachable, refer to SCT Inst RB 5.3 "It is recognized that a Participant may temporarily not be reachable in exceptional circumstances" (a sentence which is not in the arrangement...).</p>	<p>The section on OCT Inst Return has been completely rewritten and simplified.</p>
121.	FBF	<p>New section F: <b>Add a section 4.2.3.2.3 F_No SEPA Leg confirmation message after SEPA Leg time-out deadline</b>                      As a consequence to the above, this section must also be added.                      A further precision should be added that in case the instant return should fail, then the SEPA Exit PSP should retry to send it as soon as possible.</p>	<p>If the Inst Return fails and the SEPA Exit PSP has not the possibility to re-send the return, it would mean that the SEPA Exit PSP keeps the amount of the original Inst OCT, which is not possible.</p>	<p>The section on OCT Inst Return has been completely rewritten and simplified.</p>



N°	Contributor	Comment / Proposed new rulebook text (in tracked changes)	Reason for change	EPC Response
<b>Section 4.2.4 Currency Conversion Principles</b>				
122.	ABI	“If the original payment order is denominated in a currency other than euro, the full information about the currency of the original payment order as well as the conversion rate applied by the non-SEPA Payer’s FI/ SEPA-Based Payer’s PSP for an incoming and outgoing [Inst] Euro OCT Transaction, must be included in the incoming or outgoing [Inst] Euro OCT Inter-PSP Transaction message to provide the Payee with full transparency”	It should be better clarified that this obligation is referred to the information that must be included in the payment message and does not require to display it to the Payee.	Changes done.
123.	Anonymous PSP	“If the original payment order is denominated in a currency other than euro, the full information about the currency of the original payment order as well as the conversion rate applied by the non-SEPA Payer’s FI/ SEPA-Based Payer’s PSP for an incoming and outgoing [Inst] Euro OCT Transaction, must be included in the incoming or outgoing [Inst] Euro OCT Inter-PSP Transaction message to provide the Payee with full transparency”	We suggest to better clarify that the obligation concerns the information to be transferred within the payment and NOT the obligation to expose it to the beneficiary customer.	Changes done.
124.	BNP Paribas	Currency can also be done by the SEPA Entry PSP or the SEPA Exit PSP.		This section and 2.3 have been completely rewritten about whether, how, where in the OCT Inst chain and by whom a currency conversion is done.
125.	EBA Clearing	Propose revising: Figure 9. Currency Conversion Workflow - Incoming [Inst] Euro OCT Transaction	This process does not take into account the situation where the non-SEPA leg works with a similar Arrangement	This section and 2.3 have been completely rewritten about whether, how, where in the



N°	Contributor	Comment / Proposed new rulebook text (in tracked changes)	Reason for change	EPC Response
		<p>Based on the scenarios described in section 1.4, only the SEPA-Based Payer’s PSP and the Payee’s PSP are entitled to do the currency conversion as they are in direct relationship with the Payer or the Payee respectively.</p>	<p>involving an Exit FI (different from the non-SEPA payer’s PSP itself) as well, where the currency conversion in the inter-PSP chain can only take place at the moment the payment exits the non-SEPA non-euro payment system.</p> <p>We would suggest clarifying that the Arrangement is not prescribing in which currency occurs any inter-PSP transaction on the non-SEPA leg between the non-SEPA Payer FI and non-SEPA Exit FI as long as the SEPA Entry PSP receives an [Inst] Euro OCT Transaction and the Payer who has asked for EUR to be sent rather than its own currency is applied a conversion by its FI.</p>	<p>OCT Inst chain and by whom a currency conversion is done.</p>
126.	EBA Clearing	<p>Request for clarification: <i>“An [Inst] Euro OCT Transaction may lead to an R-transaction with that R-transaction possibly requiring itself a currency conversion. If the Actor which made the conversion for the initial [Inst] Euro OCT Transaction is part of the SEPA Leg, that specific Actor will take up any currency conversion costs or benefits related to that R-transaction subject to an agreement between the Actor concerned and its counterparty resolving such situations differently.”</i></p>	<p>Does this imply that the payer will get back the same amount in Euro in such circumstance?</p>	<p>No. This will not always be possible. All depends on the type of r-transaction issued (e.g., OCT Inst Return vs OCT Inst Recall). OCT Inst Recalls can be issued weeks or months after the initial debit date.</p>
127.	FBF	<p>General comment: <b>See our comment under 2.3:</b></p>		<p>This section and 2.3 have been completely rewritten about</p>



N°	Contributor	Comment / Proposed new rulebook text (in tracked changes)	Reason for change	EPC Response
		To base on the principle of using only Euro end-to-end today can limit the attractiveness of the arrangement for potential candidates wanting to act as SEPA Entry/Exit PSPs as they will not be in position to offer this added value service with the potential fees accordingly.		whether, how, where in the OCT Inst chain and by whom a currency conversion is done.
128.	GBIC	Page 43: <u>Proposed amendment:</u> Based on the scenarios described in section 1.4, only the SEPA-Based Payer’s PSP and the Payee’s PSP are entitled to do the currency conversion as they are in direct relationship with the Payer or the Payee respectively. <b>As a consequence, neither the SEPA Entry PSP or SEPA Exit PSP nor any Intermediary PSP is entitled to do currency conversion for [Inst] Euro OLO transactions.</b>	Clarification.	This section and 2.3 have been completely rewritten about whether, how, where in the OCT Inst chain and by whom a currency conversion is done.

**Section 4.2.5 Charging Principles**

129.	Anonymous PSP	<p>The document says that the Arrangement “allows all types of charging options ...with the recommendation to apply the shared principle...” It also states: “The basis and level of charges to Payees and Payers are determined by each Participant and are entirely a matter for the individual Participants and their Payees and Payers.”</p> <p>We understand that the current wording aligns with PSD2 (which permits all charging types for one-leg out transactions, which are also not subject to the full amount principle under the legislation). In our view PSD2 does not preclude</p>	To improve the attractiveness of the Arrangement to clients and to reduce operational complexity for payment service providers.	The aim of the OCT Inst scheme rulebook is to provide the payment service users with full transparency about the international payment transaction (which includes charging transparency among others). It is up to the Payer and the Payee concerned to determine who will bear the cost of such transaction as long as this cost is transparent to these parties.
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N°	Contributor	Comment / Proposed new rulebook text (in tracked changes)	Reason for change	EPC Response
		<p>the EPC from setting its own more stringent rules for transactions made under the Arrangement Rulebook.</p> <p>We agree that the level of charges is a competitive matter to be determined between the Payers, Payees and their respective PSPs/FIs. However, to improve the attractiveness of the [Inst] Euro OCT Arrangement for clients, who are looking for a service as similar to the existing SEPA Schemes as possible, we think the EPC should go further than recommending, and instead require, application of the shared principle, which in turn would facilitate delivery of the full amount.</p> <p>Otherwise, by permitting all charging codes (OUR, BEN and SHA), the benefits are reduced since there would be little to differentiate Euro OCT from euro wire transfers. At the same time, it also adds to the operational complexity for PSPs to manage when implementing the service.</p>		<p>The OCT Inst scheme rulebook now speaks about Euro Leg and non-Euro Leg to also support euro-other SEPA currency pairs (e.g., EUR-SEK, EUR-GBP etc). For EUR-other EEA currency pairs (e.g., EUR-SEK, EUR-PLN etc), PSD2 still applies stipulating the shared principle.</p>
130.	EACT	<p>A Participant in its role of SEPA Entry/Exit PSP may decide to charge specific fees for the services provided to the SEPA Payee's PSP/Payer's PSPs. Such fees should be established in a non-discriminatory and transparent manner. <u>Charges should be debited separately from credited amount or debited amount of the transaction.</u></p>	<p>To allow automatic booking of the transaction by Payer/Payee, fee amount should be debited separately on Payer's account/Payee's account.</p>	<p>This section of the OCT Inst scheme rulebook specifies that charges should be debited separately from the credited amount or debited amount of the OCT Inst Transaction.</p>
131.	GBIC	<p>Page 45: <u>Comment:</u> Charging principles, third paragraph: It is stated</p>		<p>The datasets DS-01 and DS-02 foresee the attribute AT-T006</p>



N°	Contributor	Comment / Proposed new rulebook text (in tracked changes)	Reason for change	EPC Response
		<p>that SEPA Entry/Exit PSPs may charge fees to the SEPA Payee's/Payer's PSPs.</p> <p>However, the subsequent chapters and the description of datasets and data attributes do not explain how these would be communicated and charged. This is particularly challenging for the scenario of incoming payments, where an additional contractual agreement between the SEPA Entry PSP and the SEPA Payee's PSP cannot be assumed.</p>		<p>to transport such charging information. It is up to the Payer and the Payee to agree who will be bear the charges for an OCT Inst transaction.</p>
132.	PT Banking Association	<p>Regarding the charging principles, the arrangement should not leave open all types of charging options to Payees and Payers, as there is a necessity to provide more and more the guarantee of full charges to the ordering and beneficiary customers.</p>		<p>The aim of the OCT Inst scheme rulebook is to provide the payment service users with full transparency about the international payment transaction (which includes charging transparency among others). It is up to the Payer and the Payee concerned to determine who will bear the cost of such transaction as long as this cost is transparent to these parties.</p>
<p><b>Section 4.3.1.1 Incoming Standard Euro OLO Credit Transfer (=&gt; this section has been removed completely in the OCT Inst scheme rulebook as being no longer relevant)</b></p>				
133.	BNP Paribas	<p>CT-01.01 The Fact that the transaction should be rejected by the SEPA ENTRY PSP if it cannot process it as a Standard EURO OCT transaction</p>		<p>Section no longer existing.</p>



N°	Contributor	Comment / Proposed new rulebook text (in tracked changes)	Reason for change	EPC Response
		should be part of the agreement between the SEPA ENTRY PSP and the NON SEPA Payer FI.		
134.	FBF	CT-01.01, 1st §: "... to be processed as a Standard Euro OCT transaction in the SEPA Leg." ----- CT-01.02: "... conducts the Clearing" "... and transmits the message"	More precise description. The OCT is not a standard SEPA transaction. ---- Editorial Editorial	Section no longer existing.
135.	PT Banking Association	Question: admits only CTs that can be processed as regular standard SCT's? The only charging method allowed is SHA, or can Ben and/or OUR be considered? If so, how are these charges handled? If only SHA is allowed it is assumed that handling charges (eg, from the SEPA Entry PSP) are to be collected bilaterally from each Non-SEPA Sending PSP, based on Terms & Conditions interbank pricing for these transaction handling/re-routing?		Section no longer existing.
136.	PT Banking Association	Question: between the Non-SEPA Sending PSP and the SEPA Entry PSP there is no Inter-PSP Space CSM foreseen? How are transaction to be technically routed to SEPA Entry PSPs?		Section no longer existing.
<p><b>Section 4.3.1.2 Outgoing Standard Euro OLO Credit Transfer (=&gt; this section has been removed completely in the OCT Inst scheme rulebook as being no longer relevant)</b></p>				
137.	BNP Paribas	CT-01.02R Same as point above in 4.3.1.1. (item 133).		Section no longer existing.



N°	Contributor	Comment / Proposed new rulebook text (in tracked changes)	Reason for change	EPC Response
138.	FBF	CT-01.02: 1st §: Add "The SEPA-Based Payer's PSP may have to conduct a currency conversion into EUR." ----- 2nd §: "...the instruction as a Standard Euro OCT Transaction"	Refer to CT-01.02 Inst, 4.3.2.2  ----- Editorial	Section no longer existing.
139.	PT Banking Association	Handling charges applicable by the SEPA Exit PSP are only to be collected bilaterally from each SEPA-based Payer's PSP, based on Terms & Conditions interbank pricing for these transaction handling/re-routing?		Section no longer existing.
140.	PT Banking Association	Question: Between the SEPA Exit PSP and the Non-SEPA Receiving PSP there is no Inter-PSP Space CSM foreseen? How are transaction to be technically routed by SEPA Exit PSPs?		Section no longer existing.
<b>Section 4.3.2.1 Incoming Instant Euro OLO Credit Transfer</b>				
141.	EBA Clearing	Propose reconsidering: Figure 13 (Incoming Inst Euro OCT Process) & CT-01.02	As raised under 4.2.1.2, the Arrangement could allow for the time-stamp to remain unchanged (as set by the non-SEPA Payer FI) and allow different execution timings for Inst Euro OCT. This would allow, for enhanced interoperability between SEPA and non-SEPA legs, to have end to end/payer to payee time control.	Not retained. A dedicated Euro Leg timestamp is maintained alongside any possible timestamp used in the non-Euro Leg. Such dedicated Euro Leg timestamp will help all involved parties in the Euro Leg to comply with the imposed Euro Leg timelines, especially in



N°	Contributor	Comment / Proposed new rulebook text (in tracked changes)	Reason for change	EPC Response
				<p>relation to the time-out procedure in the Euro Leg.</p> <p>As for the suggested difference in timelines, the initial proposed timelines defined for the target execution and for the time-out in the Euro Leg are maintained. This will align as much as possible the processing of OCT Inst transactions with SCT Inst.</p>
142.	FBF	CT-01.01, 1st §: "... to be processed <del>instantly</del> as an Inst Euro OCT transaction in the SEPA Leg.	More precise description. The Inst OCT is not a standard SEPA instant transaction.	Changes done.
143.	PT Banking Association	Question: like item 135 but instant.		SHA, BEN or OUR are allowed. This charging option will be selected by the Payer. The handling of the charges will depend on the charging option chosen.
144.	PT Banking Association	Question: like item 136 but instant.		A CSM may be used in the non-Euro Leg space between the non-Euro Leg FI and the Euro Leg Entry PSP. All depends on the channel and infrastructure agreed between the Euro Leg Entry PSP and the non-Euro leg Payer's FI.



N°	Contributor	Comment / Proposed new rulebook text (in tracked changes)	Reason for change	EPC Response
<b>Section 4.3.2.2 Outgoing Instant Euro OLO Credit Transfer</b>				
145.	EBA Clearing	<p>CT-01.07: Propose revising: <i>“The SEPA Exit PSP Instantly sends the positive confirmation message (Scenario 2) back to its CSM in the Inter-PSP Space within the maximum execution time defined in section 4.2.3.2.2, following the same path as the initial Inst Euro OCT Transaction, confirming that the SEPA Exit PSP</i></p> <ul style="list-style-type: none"> <li>• <i>has received the Inst Euro OCT Transaction and</i></li> <li>• <i>is in a position to forward the Transaction in the non-SEPA Leg.”</i></li> </ul>	This step should be made optional (not part of the SCT Inst scheme).	<p>The Euro Leg Exit PSP can only proceed further with the OCT Inst Transaction (for the non-Euro Leg) if it has the <b>certainty</b> that the CSM of the Euro Leg Exit PSP has <b>received</b> that Scenario 2 message (being a positive confirmation message) from the Euro Leg Exit PSP. The Euro Leg Exit PSP obtains this certainty by receiving a technical acknowledgement from its CSM or through other technical arrangements between the Euro Leg Exit PSP and its CSM (e.g., a special designed message).</p> <p>This current process description is aligned with the process description in this phase of the SCT Inst scheme (see the SCT Inst rulebook section 4.2.3 sub-section B, and the process steps CT-01.07 to CT-01.10 in SCT Inst rulebook section 4.3.1). In this OCT Inst phase, the Euro Leg Exit PSP has a similar role as a</p>



N°	Contributor	Comment / Proposed new rulebook text (in tracked changes)	Reason for change	EPC Response
				<p>Beneficiary PSP under the SCT Inst scheme rulebook.</p> <p>The receipt of the Scenario 2 message will kick off the Euro Leg settlement and thus eliminate a credit risk for the Euro Leg Exit PSP. The Exit PSP itself must foresee cover for that OCT Inst transaction in the non-Euro Leg as it will transmit the funds to the non-Euro Leg Payee's FI. Hence the Exit PSP needs to have the certainty it gets/has the funds from the Euro Leg.</p> <p>Therefore, this step is not made optional.</p>
146.	EBA Clearing	Propose reconsidering: Figure 14 ( <b>Outgoing Inst Euro OCT Process</b> ) & CT-01.07/CT-01.08	As raised under 4.2.3.2.2, the Arrangement could allow the SEPA Exit PSP to await final positive confirmation of the non-SEPA payee FI before confirming and settlement in the SEPA inter PSP space, with different execution timings as necessary. This could be done in the Arrangement e.g. by allowing the possibility to build additional optional services or ideally even options within the	Not retained. A dedicated Euro Leg timestamp is maintained alongside any possible timestamp used in the non-Euro Leg. Such dedicated Euro Leg timestamp will help all involved parties in the Euro Leg to comply with the imposed Euro Leg timelines, especially in relation to the time-out procedure in the Euro Leg.



N°	Contributor	Comment / Proposed new rulebook text (in tracked changes)	Reason for change	EPC Response
			Arrangement to facilitate interoperability for given corridors.	As for the timelines, the initial proposed timelines defined for the target execution and for the time-out in the Euro Leg are maintained. This will align as much as possible the processing of OCT Inst transactions with SCT Inst.
147.	FBF	<p>CT-01.02 2nd §:                      "It Instantly checks whether it has sufficient information to execute the instruction as an Instant Euro OCT Transaction; <b>and whether</b> the instruction fulfils the execution conditions required by its procedures, including the authenticity of the instruction, the availability of Funds and the checking of the format and plausibility of the mandatory attributes.</p> <p>-----</p> <p>CT-01.08R                      "The CSM of the SEPA Exit PSP must send the Inst Euro OCT Reject message being a negative confirmation message (Scenario 1), to the SEPA-Based Payer's PSP within the specific number of seconds after the time-out deadline as defined in <b>point E of</b> section 4.2.3.2.2 following the same path as the initial Inst Euro OCT Transaction, and to the SEPA Exit PSP."</p>	<p>Sentence difficult to understand.</p> <p>-----</p> <p>Reference needed for sake of clarity</p>	<p>Changes done.</p> <p>-----</p> <p>Changes done.</p>



N°	Contributor	Comment / Proposed new rulebook text (in tracked changes)	Reason for change	EPC Response
148.	PT Banking Association	Question: like item 140 but instant.		A CSM may be used in the non-Euro Leg space between the non-Euro Leg FI and the Euro Leg Exit PSP. All depends on the channel and infrastructure agreed between the Euro Leg Exit PSP and the non-Euro leg Payee's FI.
149.	PT Banking Association	Question: like item 139 but instant.		When the Euro Leg Exit PSP has mentioned its own transaction fees and any other costs to all Euro Leg-based Payer's PSPs (reference is made to point 1) of the section 5.8.2.).
<b>Section 4.3.2.3 Transaction Status Investigation Procedure</b>				
150.	PT Banking Association	Arrangement rules oblige SEPA-based PSPs to act instantly upon investigations. Is there no similar obligation for Non-SEPA PSPs?		<p>The scope of the OCT Inst scheme does not extend to the non-Euro Leg.</p> <p>The point 4) in section 5.7.1 and point 3) in section 5.8.3 point out that the Euro Leg Entry PSP and the Euro Leg Exit PSP must ensure that the non-Euro Leg FIs are committed to support the Entry/Exit PSPs in respecting the latter's obligations under the scheme.</p>



N°	Contributor	Comment / Proposed new rulebook text (in tracked changes)	Reason for change	EPC Response
<b>Section 4.3.3.2 [Inst] Euro OCT Return</b>				
151.	FBF	<p><b>Is the [Inst] part not redundant with 4.2.3.2.3?</b></p> <p>-----</p> <p>2nd §:</p> <p><del>"The [Inst] Euro OCT Return procedure can also be used in cases where the Payee's Payment Account/ Account has already been credited and the Payee wishes to return the Funds. The Return procedure must not be used in cases where the Payee's account has already been credited and the Payee wishes to return the funds. Instead, the procedure of initiating a new [Inst] Euro OCT applies."</del></p> <p>-----</p> <p>2nd § 1st bullet:</p> <p>"The amount transferred back can differ from the Original Amount of the [Inst] Euro OCT Transaction (e.g., due to currency conversion).</p> <p>- <b>Incoming Euro OCT:</b> The SEPA-Based Payee's PSP may decide to charge a fee on the Return to the SEPA Entry PSP.</p> <p>- <b>Outgoing [Inst] Euro OCT:</b> The SEPA Exit PSP may forward and or decide to charge a fee on the Return to the SEPA-Based Payer's PSP";</p> <p>-----</p> <p>4<sup>th</sup> § (Instant):</p>	<p>-----</p> <p>==&gt; This sentence is to be deleted and replaced by a new one, similar to the one in SCT. Indeed, in December 2021, the rules of CBPR+ were precised as follows:</p> <ul style="list-style-type: none"> <li>o Return: using the pacs.004 (in interbank space) initiated by the Creditor Agent.</li> <li>o Refund [CBPR+ term]: a creditor will request a refund payment through his payment application. In that case, the Creditor Agent would send a pacs.008.</li> </ul> <p>-----</p> <p>To make the reading clearer.</p> <p>To make the reading clearer.</p> <p>-----</p>	<p>No. The section 4.2.3.3 does not specify the main Return characteristics.</p> <p>----</p> <p>The CBPR+ guidelines allow the possibility for Payees whose account has been credited with the initial transaction, to make use of a return to transfer back funds. Therefore, changes have been made in sections 4.2.3.3 and 4.3.4.2.</p> <p>-----</p> <p>Comment no longer relevant as the OCT Inst scheme rulebook focuses only on instant payments.</p> <p>-----</p>



N°	Contributor	Comment / Proposed new rulebook text (in tracked changes)	Reason for change	EPC Response
		<p>"For a Euro OCT Return of an outgoing Inst Euro OCT Transaction, the SEPA Exit PSP must send the Return message to the SEPA-Based Payer's PSP within the maximum execution time defined in section 4.2.3.2.3 D. "</p>		<p>Rewording has been done to reflect the various process for OCT Inst Return.</p>
<p><b>Section 4.3.3.3 [Inst] Euro OCT Recall</b></p>				
152.	EBA Clearing	<p>Propose supplementing: <i>"The SEPA Entry PSP/ SEPA-Based Payer's PSP is obliged to inform the Non-SEPA Payer's FI/ Payer that such request for [Inst] Euro OCT Recall does not guarantee that the Non-SEPA Payer's FI/ Payer will effectively receive back the Funds of the initial [Inst] Euro OCT Transaction."</i></p>	<p>We suggest clarifying further this point as follows:</p> <p>The SEPA Entry PSP/ SEPA-Based Payer's PSP should be obliged to inform the Non-SEPA Payer's FI/ Payer of the following:</p> <ul style="list-style-type: none"> <li>i. that such request for [Inst] Euro OCT Recall does not guarantee that the Non-SEPA Payer's FI/ Payer will effectively receive back the Funds of the initial [Inst] Euro OCT Transaction</li> <li>ii. that the amount transferred back can differ from the Original Amount of the [Inst] Euro OCT Transaction (e.g., due to currency conversion); and</li> <li>iii. that the SEPA-Based Payee's PSP/ non-SEPA Payee's FI may decide to charge a fee to the non-SEPA Payer's FI/ SEPA-Based Payer's PSP.</li> </ul>	<p>Changes done.</p>
153.	FBF	<p>5<sup>th</sup> bullet                      "If initiated by the SEPA Entry PSP/ SEPA-Based Payer's PSP before the Inter-PSP Settlement of the initial <del>[Inst]</del> <b>standard</b> Euro OCT Transaction in the</p>	<p>This is typically a § where mixing standard and inst brings confusion because the</p>	<p>Now with the change to the OCT Inst scheme rulebook covering only instant one-leg</p>



N°	Contributor	Comment / Proposed new rulebook text (in tracked changes)	Reason for change	EPC Response
		<p>SEPA Leg, the <del>[Inst]</del>standard Euro OCT Recall will lead to a cancellation, according to the CSM’s own procedures agreed with its participants. If initiated after Inter-PSP Settlement in the SEPA Leg, the <del>[Inst]</del>Standard Euro OCT Recall will be forwarded by the CSM; <b>the Recall of an Inst Euro OCT can de facto happen only after settlement;</b>”</p> <p>-----</p> <p>9<sup>th</sup> bullet</p> <p>“In case the SEPA-Based Payee’s PSP/ SEPA Exit PSP can report a positive response to an [Inst] Euro OCT Recall, <b>it needs to use the message prescribed in [2]</b>. It cannot transfer back the amount through a separate [Inst] Euro OCT Transaction message;”</p> <p>-----</p> <p>10<sup>th</sup> bullet</p> <p><del>“For Inst Euro OCT Transactions, the SEPA Entry PSP/ SEPA Based Payer’s PSP has the choice to send out the Inst Euro OCT Recall either immediately or not;”</del></p> <p>-----</p> <p>Step 03R:</p> <p>1st§:</p> <p>"... and gives reason for it if:"</p> <p>-----</p> <p>Last §:</p>	<p>processing cannot be the same for standard and instant.</p> <p>-----</p> <p>As this sentence is common to standard and instant OCTs, we assume that the process to be used is not the one of the Inst Return. Is our assumption right?</p> <p>-----</p> <p>What does this sentence mean? It does not exist in SCT Inst. It is not specific linked to Inst OCT, it is also the case for standard OCT, please refer to 5<sup>th</sup> bullet where an immediate Recall drives to a cancellation. This sentence here brings more confusion than clarity.</p> <p>-----</p> <p>Editorial</p> <p>-----</p> <p>Editorial</p>	<p>out credit transfers, this sentence has been taken out.</p> <p>-----</p> <p>The process to be used is not the one of OCT Inst Return indeed. An OCT Inst Recall originates from the Euro Leg Payer’s PSP/non-Euro Leg Payer’s FI or from the Payer. The Return is sent by the SEPA Exit PSP.</p> <p>-----</p> <p>This sentence has been included in analogy with the Request for Recall by the Originator (RFRO) procedure under the SCT Inst scheme rulebook.</p> <p>The OCT Inst Recall also includes the reasons foreseen for RFRO under the SCT Inst scheme.</p> <p>-----</p> <p>Changes done.</p> <p>-----</p>



N°	Contributor	Comment / Proposed new rulebook text (in tracked changes)	Reason for change	EPC Response
		"The refusal by the Payee/ non-SEPA Payee's FI of the [Inst] Euro OCT Recall"		Changes done.
<p><b>Section 4.4.1.1 Reasons for a Standard Euro OCT Inquiry (=&gt; this section has been removed completely in the OCT Inst scheme rulebook as being no longer relevant)</b></p>				
154.	Anonymous CSM	<p>iii. Unable to Apply</p> <p>This inquiry scenario is currently not present in the "standard" SCT processing and will introduce a higher complexity in the process. Probably a new and different ISO format will be needed, and a new manual process must be implemented (Ask NON-SEPA participants how to proceed further).</p>	Introduces complexity.	Section no longer existing.
<p><b>Section 4.4.1.2 Reasons for an Inst Euro OCT Inquiry</b></p>				
155.	Anonymous CSM	<p>The Arrangement foresees the following reasons for an Inquiry about outgoing Inst Euro OCT Transactions only.</p> <p>The inquiry scenarios are currently out-of-scope in the "standard" SCT Inst processing and will introduce a higher complexity in the process.</p>	Introduces complexity.	An OCT Inst transaction will include a Euro Leg and a non-Euro Leg. In the non-Euro Leg, such instant payment may be put on hold for a certain reason (e.g., regulatory reason) for a much longer time than under SCT Inst. The Euro Leg-Based Payer may well launch such inquiry to know whether its instructed payment succeeded end-to-end.
<p><b>Section 4.4.1.3 Main characteristics of an [Inst] Euro OCT Inquiry</b></p>				
156.	Anonymous CSM	"The Inquiry message for the reasons 'Claim of Non-Receipt', 'Claim for Value Date Correction',	Introduces complexity.	This section has been merged with the section 4.4.1 and



N°	Contributor	Comment / Proposed new rulebook text (in tracked changes)	Reason for change	EPC Response
		<p>and 'Unable to Apply' concerns a single initial [Inst] Euro OCT Transaction only. If several initial [Inst] Euro OCT Transactions are concerned, then several [Inst] Euro OCT Inquiry messages must be sent."</p> <p>The cases for an Inst Inquiry are only: "Claim of Non-Receipt" and "Request for Status Update". The text is confusing and contradictory since it includes all cases</p>		<p>several changes have been done as the OCT Inst scheme rulebook focuses only on instant payments.</p>
<p><b>Section 4.4.3.1 'Claim of Non-Receipt' step-by-step process</b></p>				
157.	FBF	<p>Add a first sentence:                      "The 'Claim of Non-Receipt' inquiry can be used for both Standard and Inst Euro OCTs"                      -----                      Step3:                      "The SEPA-Based Payee's PSP"</p>	<p>Clarification                      -----                      Editorial</p>	<p>No change as the OCT Inst scheme rulebook focuses only on instant payments.                      -----                      Changes done.</p>
<p><b>Section 4.4.3.2 'Claim for Value Date Correction' step-by-step process (=&gt; this section has been removed completely in the OCT Inst scheme rulebook as being no longer relevant)</b></p>				
158.	FBF	<p>Add a first sentence:                      "The 'Claim for Value Date Correction' inquiry can be used only for Standard Euro OCTs."                      -----                      STEP 03, § under 2nd bullet:                      "The options 1 and 2 includes all modalities"</p>	<p>Clarification                      -----                      Editorial</p>	<p>Changes done.                      -----                      Changes done.</p>



N°	Contributor	Comment / Proposed new rulebook text (in tracked changes)	Reason for change	EPC Response
<p><b>Section 4.4.3.3 'Unable to Apply' step-by-step process (=&gt; this section has been removed completely in the OCT Inst scheme rulebook as being no longer relevant)</b></p>				
159.	FBF	Add a first sentence: "The 'Unable to Apply' inquiry can be used only for Standard Euro OCTs." ----- Step 01, 1st §: "It addresses an 'Unable to Apply'" ----- STEP 01, 2nd §: "... PSP receives an 'Unable to Apply'"	Clarification ----- Editorial ----- Editorial	Changes done. ----- Changes done. ---- Editorial
<p><b>Section 4.4.4 Payment of [Inst] Euro OCT Inquiry related Fees and/or Interest Compensation</b></p>				
160.	BNP Paribas	It is not clear if the DS-11 need always to be implemented (preferred) or only for those PSP wishing to use it? How can reach of the DS-11 then be guaranteed?		The last sentence stipulates that "To ensure a minimal standard in the Euro Leg, all Participants must implement DS-11 for those Euro Leg-Based Payer's PSPs wishing to use this feature.". Furthermore, the Inter-PSP IGs for the OCT Inst scheme will be mandatory IGs.
<p><b>Section 4.5 Business Requirements for Datasets (note: the OCT Inst scheme rulebook now follows the harmonized attribute numbers already used in the EPC SEPA payment scheme rulebooks and payment-related scheme rulebooks)</b></p>				
161.	Anonymous CSM	"The datasets are the following:"  The numbers and denominations of the Datasets should be harmonized with the SCT and SCT Inst Rulebooks. Except for the DS-01 and DS-02 no	Introduces complexity	Some harmonization has been done to the extent possible. There are datasets under the OCT Inst scheme rulebook that



N°	Contributor	Comment / Proposed new rulebook text (in tracked changes)	Reason for change	EPC Response
		other DS can be made comparable. This makes the comprehension difficult. In case of new DS (e.g., inquiry cases for SCT Inst) new numbers should be used.		are not foreseen in the SCT Inst scheme rulebook (e.g., on Returns, Inquiry).
<b>Section 4.5.1 DS-01 Customer-to-PSP [Inst] Euro OCT Information</b>				
162.	BNP Paribas	13: this field should be optional. 26: This field should be optional. How can the payer know the attributes 25 and 26? How can the SEPA payer know at the sending of the messages already the amount in euro (04) when he introduces a payment non in euro.		DS-01 presents the full range of ATs which the Euro Leg-Based Payer <u>may</u> provide. Furthermore, these ATs are optional in DS-02.
163.	EACT	Description -01 The IBAN of the Payment Account of the Payer  Change in <u>"The unique identifier of the Account/ Payment Account of the Payer"</u> as defined in AT-01.	Alignment with AT-01.	DS-01 is specifically made for an <b>outgoing</b> OCT Inst transaction made by a Euro Leg-Based Payer. In the Euro Leg, the unique identifier of the payment account will always be an IBAN.
164.	EACT	Should be better to explicit mandatory and optional attributes of the dataset.	Clarification.	The mandatory and optional attributes are indicated in DS-02 (this approach is similar to DS-01 and DS-02 in the two SCT rulebooks).



N°	Contributor	Comment / Proposed new rulebook text (in tracked changes)	Reason for change	EPC Response
<b>Section 4.5.2 DS-02 Inter-PSP [Inst] Euro OCT Payment</b>				
165.	Anonymous community of PSPs	We think the optional attributes AT-16 (The Identification Code of the Intermediary FI(s)/ PSP(s) of the non-SEPA Payer’s FI/ SEPA-Based Payer’s PSP) and AT-17 (The name of the Intermediary FI(s)/ PSP(s) of the non-SEPA Payer’s FI/ SEPA-Based Payer’s PSP) in the DS-02 -Inter-PSP [Inst] Euro OCT Payment should be mandatory in order to send/ to be able to send this information to the non-SEPA Payee's FI (outgoing) or to the SEPA-Based Payee’s PSP (incoming).	Improve the tracking.	These ATs have been kept optional as not every Euro Leg-Based PSP or non-Euro Leg FI may use an Intermediary PSP/FI in the respective leg.
166.	Anonymous PSP	<p>In our broader analysis of the fundamental underpinnings for efficient and effective cross-border payments, we have identified the following key considerations to facilitate cross-border usage:</p> <ul style="list-style-type: none"> <li>• Include full details pertaining to the originating parties, including name and address, and cross border identifiers</li> <li>• Include underlying Initiating party name and address and ultimate debtor ID, and creditor name and address</li> <li>• Allow for inclusion of originating country for cross-border originations</li> <li>• Where remittance information is included, the account servicing institution should be able to provide it to their customer proactively or on request</li> </ul>	These considerations appear to be reflected in the dataset for Inter-PSP transactions set out in 4.5.2 albeit the last bullet would require action by the underlying clearing and settlement mechanisms.	The AT for remittance information is optional as the Payer is free to put some information in this field or not. When this AT field is completed, the provided information must be passed on.



N°	Contributor	Comment / Proposed new rulebook text (in tracked changes)	Reason for change	EPC Response
		Participant banks wishing to send and receive cross-border payments, the scheme operator should mandate and systematically validate the population of additional fields.		
167.	BNP Paribas	How can the Payers PSP of the euro leg know the attributes 25 and 26?		These attributes are optional and could be completed by the Euro Leg-Based Payer.
<b>Section 4.5.5 DS-05 PSP-to-Customer [Inst] Euro OCT Information</b>				
168.	EACT	AT-05 - The remittance Information sent by the Payer to the Payee in the [Inst] OCT Instruction  Insert <a href="#">“The European Association of Corporate Treasurers (EACT) has developed a standard for formatting the contents of the unstructured remittance information. The standard specifies the elements enabling the automated payments processing between business partners. Further information on this standard can be found on the following EACT website (reference [xx]).</a>	Alignment with SCT and SCT Inst Rulebooks.	Changes done.
169.	EACT	AT-06 - The Identification Code of the non-SEPA Payer’s FI/ SEPA-Based Payer’s PSP  EACT suggests making mandatory the use of BIC.	Alignment with international standards and practices.	Not every non-Euro Leg Payer’s FI may have a BIC. Restrict the identification of a FI outside the Euro Leg only through a BIC could harm the appeal of the OCT Inst scheme.
170.	EACT	AT-20 - The unique identifier of the Payment Account/ Account of the Payee	Alignment with international standards and practices and harmonization of bank account identifiers management in	Not every payment end-user in the non-Euro Leg may have an IBAN. Restrict the identification



N°	Contributor	Comment / Proposed new rulebook text (in tracked changes)	Reason for change	EPC Response
		EACT suggests making mandatory the use of IBAN.	Corporates' ERPs and Treasury Management Systems	of a Payer/Payee outside the Euro Leg only through an IBAN could harm the appeal of the OCT Inst scheme.
171.	EACT	AT-23 - The Identification Code of the SEPA-Based Payee's PSP/ non-SEPA Payee's FI EACT suggests making mandatory the use of BIC.	Alignment with international standards and practices and harmonization of PSP/FI identifiers management in Corporates' ERPs and Treasury Management Systems.	Not every non-Euro Leg Payee's FI may have a BIC. Restrict the identification of a FI outside the Euro Leg only through a BIC could harm the appeal of the OCT Inst scheme.
172.	EACT	Description -01 The unique identifier of the Account of the Payer Change in <u>"The unique identifier of the Account/ Payment Account of the Payer"</u> as defined in AT-01	Alignment with AT-01.	DS-05 applies only for the Euro Leg-Based Payee's PSP when it reports information to the Payee about an <u>incoming</u> OCT Inst transaction. In that sense, the non-Euro Leg Payer may have made this payment from any kind of Account (see definition of Account in chapter 7).
<p><b>Section 4.6.1 Attribute Details (note: the OCT Inst scheme rulebook now follows the harmonized attribute numbers already used in the EPC SEPA payment scheme rulebooks and payment-related scheme rulebooks)</b></p>				
173.	Anonymous community of PSPs	AT-12. The type of the Account/Payment Account of the Payer This attribute is not explained in the rest of the document.	For clarification	The text box for AT-D003 contains a short description under this section.



N°	Contributor	Comment / Proposed new rulebook text (in tracked changes)	Reason for change	EPC Response
174.	Anonymous stakeholder	<p>We notice the absence of the LEI as a required attribute of the PSPs in the OCT arrangement. For your information, our scheme proposes to make usage of the LEI (ISO 17442) mandatory for PSPs (but not for payers or payees).</p> <p>Suggestion: include the LEI (ISO 17442)</p> <p>This will allow:</p> <ul style="list-style-type: none"> <li>- Improved liquidity management for PSPs (to address liquidity risk)</li> <li>- More effective and holistic risk management of counterparty risk, including also other payment flows coming from Foreign exchange and/or Securities transactions; and including corporate structure of the PSP-counterparty (with parent/child relationships)</li> <li>- More efficient regulatory reporting (AML/CTF and FIU reporting requirements) (as also recommended in the G20 Roadmap for enhancing cross border payments, Building Block 16)</li> <li>- More effective reporting to central banks involved, that like to have a comprehensive overview of all positions (not only for our scheme) with their PSPs (inclusive the group structure).</li> </ul>		<p>This suggestion cannot be taken up. For PSPs in the Euro Leg, only the BIC can be used (to remain aligned with the SEPA payment schemes). For the non-Euro Leg, the recommendation of the OCT Inst scheme rulebook is to use the BIC but other identifiers are allowed as well.</p>
175.	EBA Clearing	<p><i>“For outgoing [Inst] Euro OCTs, the transaction should support to carry the data of both the</i></p>	<p>The OCT arrangement and available data elements should allow the sending PSP to specify which intermediary PSP it would</p>	<p>This suggestion has not been taken up.</p>



N°	Contributor	Comment / Proposed new rulebook text (in tracked changes)	Reason for change	EPC Response
		<p><i>intermediate beneficiary IBAN and its PSP and the ultimate beneficiary and its one-leg-out PSP.</i></p> <p><i>For incoming [Inst] Euro OCTs, the transaction should support to carry the data of both the intermediate originating IBAN and its PSP and the ultimate originator and its one-leg-out PSP."</i></p>	<p>use in the SEPA-side CSM for each transaction: this will enable it to specify different intermediaries for different transactions that could be sent in the same corridor. If the sending PSP would not be able to specify the intermediary, the SEPA-side CSM would have to decide for all its transactions and it would be more static.</p> <p>The arrangement should also allow intermediary PSPs to process the transactions with their existing message exchange interfaces from IBAN to IBAN, while also ensuring additional data is carried in the message of the ultimate originator/ beneficiary, in case this party does not have an IBAN.</p>	<p>Nothing prevents the Euro Leg Entry PSP or the Euro Leg-Based Payer's PSP to complete the white message elements 'Intermediary Agent 1', 'Intermediary Agent 2' etc to route an OCT Inst transaction message through its preferred Intermediary PSPs depending on the currency corridor. Furthermore, the OCT Inst scheme rulebook does not specify how Intermediary PSPs should (not) process the transactions with their existing message exchange interfaces.</p>
176.	EBA Clearing	<p>Request clarification: <i>"For outgoing [Inst] Euro OCTs: strong recommendation to use the IBAN as identifier of the Account of the Payee to be credited for the [Inst] Euro OCT Instruction."</i></p>	<p>It is understood that the SEPA-based account must be an IBAN. However, the non-SEPA based account may be located in a region not using IBAN as account identifier. Please confirm that the OCT Arrangement recognises the usage of alternative account identifiers to cope with those situations where the payee/payer's account is not in IBAN format. Using a 'non-existing' IBAN instead of the actual (non-IBAN) account may</p>	<p>The OCT Inst scheme rulebook recognises the usage of alternative account identifiers to cope with those situations where the non-Euro Leg payee/payer's account is not in IBAN format.</p>



N°	Contributor	Comment / Proposed new rulebook text (in tracked changes)	Reason for change	EPC Response
			create issues with respect to the screening activities.	

### 3.6. Chapter 5 – comments and change proposals

N°	Contributor	Comment / Proposed new rulebook text (in tracked changes)	Reason for change	EPC Response
<b>Section 5.1 The Arrangement</b>				
177.	Anonymous stakeholder	Third bullet point: Participants in a non- <del>EEA</del> -SEPA country need to ensure that the Regulation on Information on the Payer accompanying Transfers of Funds and the provisions of Title III and Title IV of the Payment Services Directive affecting credit transfers enabled by the Euro One-Leg Out Credit Transfer Arrangement are effectively represented in law or substantially equivalent binding practice. For the avoidance of doubt, it is recognised that the compliance obligations for a Participant that is not subject to the Payment Services Directive under its national law and is operating outside the EEA shall not include the obligations resulting from Article 66 and related Articles of the Payment Services Directive as these Articles should only apply in combination with the authorisation framework within the EEA in accordance with Titles I and II of the Payment Services Directive.	<p>An arrangement (authoritative information) within SEPA scope (SEPA-leg) is not enough to make this scheme and cross-border payments fully operational (interoperable).</p> <p>Making assumptions for the non-SEPA leg does not guarantee that cross-payments will be more efficient.</p> <p>A binding commitment between SEPA and Non-SEPA parties is needed. Being EPC a representative of the European PSP sector, could carry on, together with other regional PSP representatives, an arrangement, or the creation of a cross-border payment scheme, with the regions with higher attractiveness rate to European PSPs (for instance, upon consultation).</p>	The proposed change cannot be taken up. The formal Participants to the OCT Inst scheme rulebook can only be an PSP in the role of a Euro Leg-Based Payer’s PSP, a Euro Leg - Based Payee’s PSP, a Euro Leg Exit PSP and/or a Euro Leg Entry PSP.



N°	Contributor	Comment / Proposed new rulebook text (in tracked changes)	Reason for change	EPC Response
<b>Section 5.2.1 General</b>				
178.	Anonymous PSP	<p>Concerning general compliance, the third bullet in 5.2.1 states: A Participant shall comply with: <i>“The [Inst] Euro One-Leg Out Credit Transfer Arrangement Customer-to-PSP Implementation Guidelines when as SEPA-Based Payer’s PSP it offers to its Payers an explicitly designed [Inst] Euro OCT Instruction product supporting the service of accepting and processing electronically bundled Customer-to-PSP [Inst] Euro OCT Instructions under this Arrangement”</i></p> <p>Are we correct to understand that this only applies if the SEPA-Based Payer’s PSP chooses to offer to its clients the capability to send OCTs?</p>	Clarification sought	This assumption is correct. In case the Euro Leg-Based Payer’s PSP offers explicitly designed OCT Inst Instruction products supporting bundled OCT Inst Instructions, then the Euro Leg-Based Payer’s PSP must comply with the C-to-PSP IGs of the OCT Inst scheme.
<b>Section 5.3 Reachability</b>				
179.	Anonymous PSP	We note that 5.3. states: <i>“Each Participant shall offer services relating to the Arrangement in the capacity of at least SEPA-Based Payee’s PSP”</i> which effectively means that adherents commit to being reachable for incoming [Inst] Euro OCTs.	Clarification sought	This is correct.
180.	Anonymous stakeholder	Each Participant shall offer services relating to the Arrangement in the capacity of at least SEPA Based Payee’s PSP <b>and non-SEPA Payee’s FI.</b>		The proposed change cannot be taken up. The formal Participants to the OCT Inst scheme can only be an PSP in the role of a Euro Leg-Based Payer’s PSP, a Euro Leg-Based



N°	Contributor	Comment / Proposed new rulebook text (in tracked changes)	Reason for change	EPC Response
				Payee's PSP, a Euro Leg Exit PSP and/or a Euro Leg Entry PSP.
181.	BNP Paribas	2 <sup>nd</sup> § Each participant needs to determine how to achieve full Reachability <b>as Payees PSP</b> for the Arrangement. ---- Question: Does a participant need to ensure also reachability for all its branches over Europe in all non-€ currencies?		Wording changes have been done. ---- Reachability needs to be ensured for <b>only those</b> branches in SEPA that <b>want to use/offer</b> the OCT Inst scheme.
182.	FBF	2 <sup>nd</sup> §: "Each Participant needs to determine how to achieve <b>its full</b> Reachability <b>goals with for</b> the Arrangement. There are several ways for Participants to send and receive euro payment transactions to and from FIs outside SEPA."	What does this first sentence mean? If to be kept, then see proposed changes.	Alternative wording changes have been done.

**Section 5.4 Eligibility for participation**

183.	FBF	At an operational level, in order to ensure that OCT participating PSP's have a good track-record in processing credit transfers, and more specifically instant payments, couldn't it be possible to request that only SCT participants can apply to OCT and only SCT Inst participants can apply to Inst OCT?	Limits the possibility of problem at the launch of the arrangement.	It is assumed that this comment is no longer relevant. The initial arrangement proposal has been converted into the OCT Inst scheme covering only instant credit transfers.  The OCT Inst scheme is positioned as a standalone scheme. Adherence to this scheme cannot be made
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N°	Contributor	Comment / Proposed new rulebook text (in tracked changes)	Reason for change	EPC Response
				dependent to a participation to an existing SEPA payment scheme.
<b><u>Section 5.5.1 Application process</u></b>				
184.	BNP Paribas	Question: Does a participant need to ensure also reachability for all its branches over Europe in all non-€ currencies?		Reachability needs to be ensured for <b>only those</b> branches in SEPA that <b>want to use/offer</b> the OCT Inst scheme.
<b><u>Section 5.6 [Inst] Euro One-Leg Out Credit Transfer Arrangement List of Participants</u></b>				
185.	FBF	The list should also contain the type of participation, i.e. Participant, SEPA Exit PSP, SEPA Entry PSP, being understood that both latter are <i>de facto</i> also Participants.		Such level of the type of adherence will be made available.
<b><u>Section 5.7.1 Obligations of the SEPA Entry PSP towards each non-SEPA Payer's FI</u></b>				
186.	BNP Paribas	Point 4: it may that the local Non-Euro Leg (Inst) Scheme doesn't allow some of the OCT exception messages, so difficult to commit.		This could indeed be the case. However, the non-Euro Leg FIs must be fully aware about the exception handling specifications of the OCT Inst scheme.
187.	FBF	Add an item: "Commit not to accept transactions stemming from countries/Fis blacklisted, under embargo or subject to any other sanction regarding the exchange of payments with the EU in the view of introducing them into the OCT SEPA leg".		Changes rather done in section 5.7.2 as 5.7.1 applies to the Entry PSP's relation to non-SEPA Payer's FIs (see also item 188).



N°	Contributor	Comment / Proposed new rulebook text (in tracked changes)	Reason for change	EPC Response
<b>Section 5.7.2 Obligations of the SEPA Entry PSP towards each SEPA-Based Payee's PSP</b>				
188.	FBF	Add an item: "Commit not to introduce into the SEPA leg transactions stemming from countries/Fis blacklisted, under embargo or subject to any other sanction regarding the exchange of payments with the EU".		Changes done (see also item 187).
<b>Section 5.8.1 Obligations of the SEPA-Based Payer's PSP</b>				
189.	FBF	Add an item: "Commit not to use [Inst] Euro OCT to send transactions to countries/FIs blacklisted, under embargo or subject to any other sanction regarding the exchange of payments with the EU".		Changes done.
<b>Section 5.8.2 Obligations of the SEPA Exit PSP towards each SEPA-Based Payer's PSP</b>				
190.	BNP Paribas	1) We prefer standard messaging within the arrangement instead of the Sepa Exit PSP to freely determine how to forward information.  11) This § describes the same and its opposite: either the full amount, either a lesser amount.		The first obligation has been reworded but does not reflect the comment. The EPC considers this comment as an advice rather than a must. The development of the proposed standard messaging would be a challenge. There is no certainty that each interested Exit PSP would support this idea.  The obligation points out that a lesser amount is made available subject to any specifications on



N°	Contributor	Comment / Proposed new rulebook text (in tracked changes)	Reason for change	EPC Response
				fees and other costs set by the Payer and/or the Euro Leg-Based Payer's PSP.
191.	FBF	<p>For the smooth functioning of the arrangement, it would be advisable that the offers of the SEPA Exit PSP can be accessed through a single portal accessible to arrangement participants and applicants.</p> <p>-----</p> <p>Under 1) be more specific:                      "... and any non-SEPA Leg country specific requirements, such as:</p> <ul style="list-style-type: none"> <li>- geographical coverage</li> <li>• By country</li> <li>• And in each country by destination FIs if the country coverage is not complete                             <ul style="list-style-type: none"> <li>- type of CTs allowed by destination country/destination FI</li> <li>- cut-off times, if necessary by destination country</li> </ul> </li> </ul>		<p>The first obligation has been reworded but does not reflect the comment. The EPC considers this comment as an advice rather than a must. The development of the proposed single portal standard would a challenge. There is no certainty that each interested Exit PSP would support this idea.</p> <p>----</p> <p>Changes done.</p>



N°	Contributor	Comment / Proposed new rulebook text (in tracked changes)	Reason for change	EPC Response
		<ul style="list-style-type: none"> <li>- max Inst amount, if necessary by destination country</li> <li>- possibly, specific rules for R-transactions</li> <li>- for Inst OCTs, maximum execution timespan when available</li> </ul> and this."		

**Section 5.11 Termination**

192.	FBF	It should be further assessed whether some specific requirements should apply to SEPA Entry/Exit PSPs, which after termination must still be able to receive, process and forward R-transactions during a certain period of time.		The third paragraph states in general terms the obligations of each Participant. A Participant under the OCT Inst scheme rulebook is an PSP in the role of a Euro Leg-Based Payer's PSP, a Euro Leg -Based Payee's PSP, a Euro Leg Exit PSP <b>and/or</b> a Euro Leg Entry PSP.
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**3.7. Chapter 6 – comments and change proposals**

N°	Contributor	Comment / Proposed new rulebook text (in tracked changes)	Reason for change	EPC Response
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**Section 6.1.1 Composition of the OLO TF**

193.	Anonymous PSP	We note the proposal is for the One Leg Out (OLO) Task Force to be responsible for on-going management of the Arrangement, reporting to the EPC Board.	It is not entirely clear to us why on-going management of the Euro OCT Arrangement is designated to the OLO Task Force, although we appreciate this follows a similar approach to that adopted for the	The EPC decided that the Payment Scheme Management Board (PSMB) is best placed for the future
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N°	Contributor	Comment / Proposed new rulebook text (in tracked changes)	Reason for change	EPC Response
		<p>According to 6.1.1: <i>“The OLO TF will consist of a maximum of 30 members drawn from representatives of EPC Members who participate in and contribute to Module 2.”</i> We would have thought that a proportion, if not a majority, of members should be drawn from adherents to the [Inst] Euro OCT Arrangement.</p>	<p>SEPA Request to Pay (RTP) Scheme and the RTP Task Force.</p> <p>We observe that in the context of the existing SEPA schemes, the composition of the Scheme Management Board (SMB) requires: <i>“Up to 20 SMB members shall be representatives of Scheme Participants (nominated by an individual National Community of Scheme Participants or a “coalition” of National Communities of Scheme Participants)...”</i> and it would seem logical to apply a similar approach to the Arrangement. Participants in the [Inst] Euro OCT Arrangement will have first-hand experience of any issues or changing requirements rather than EPC Members who have chosen not to adhere (should the Arrangement remain optional).</p>	<p>management of the OCT Inst scheme.</p>
194.	UK Finance	<p>We think the composition of the OLO TF should comprise of adherents to the [Inst] Euro OCT Arrangement rather than focusing purely on EPC Members “who participate in and contribute to Module 2”. This is to ensure that supervision and management of the Arrangement draws on firms with experience and expertise in implementing and operating [Inst] Euro OCT services.</p>		<p>The EPC decided that the Payment Scheme Management Board (PSMB) is best placed for the future management of the OCT Inst scheme.</p>



N°	Contributor	Comment / Proposed new rulebook text (in tracked changes)	Reason for change	EPC Response
<b>Section 6.1.2 Organisation</b>				
195.	BNP Paribas	What was the rationale to reference to the Board and not to the Scheme Board?		The EPC decided that the Payment Scheme Management Board (PSMB) is best placed for the future management of the OCT Inst scheme.

### 3.8. Chapter 7 and Annex I – comments and change proposals

N°	Contributor	Comment / Proposed new rulebook text (in tracked changes)	Reason for change	EPC Response
196.	ABI	Annex I [Instant] Euro One-Leg Out Credit Transfer Adherence Agreement:  It should be clarified if the specific role of the PSP (i.e., SEPA-based Payee’s PSP, SEPA-based Payer’s PSP, SEPA Entry PSP, SEPA Exit PSP) will be distinguished in the Register of Participants.		Such level of the type of adherence will be made available.
197.	Anonymous stakeholder	Standard Euro One-Leg Out Transactions in the role of:  i. <input type="checkbox"/> SEPA-Based Payee’s PSP (mandatory) ii. <input type="checkbox"/> SEPA Entry PSP iii. <input type="checkbox"/> SEPA-Based Payer’s PSP iv. <input type="checkbox"/> SEPA Exit PSP v. <input type="checkbox"/> Non-SEPA Payee’s FI		The proposed change cannot be taken up. The formal Participants to the OCT Inst scheme can only be an PSP in the role of a Euro Leg-Based Payer’s PSP, a Euro Leg -Based Payee’s PSP, a Euro Leg Exit PSP and/or a Euro Leg Entry PSP.



N°	Contributor	Comment / Proposed new rulebook text (in tracked changes)	Reason for change	EPC Response
		vi. <input type="checkbox"/> Non-SEPA Payer's FI		
198.	Anonymous PSP	See comment 23.		
199.	FBF	[Inst] Euro OLO Credit Transfer: "... held at a <del>+</del> PSP	Editorial	Changes done.
200.	FBF	Participant: "... i.e. a <del>+</del> PSP"	Editorial	Changes done.



4 Received comments to the proposed Maximum Amount for Instant Euro OCT Instructions (EPC 208-21) with EPC responses

N°	Contributor	Comment / Proposed new rulebook text (in tracked changes)	Reason for change	EPC Response
1.	ABI	We suggest keeping the Maximum Amount for Inst Euro OCT Instructions always aligned with the Maximum Amount of the SCT Inst Scheme.		For the launch of the OCT Inst scheme, the EPC maintains the current 100 KEUR maximum amount.
2.	Anonymous CSM	Chapter 3, 1st Paragraph: "The EPC allows...involved in the processing of Inst Euro OCT Transactions":  Inst must be in [brackets] in order to be consistent.	consistency	Not supported. This document applies explicitly to OCT Inst transactions.
3.	Anonymous PSP	We propose that the maximum amount limit is always aligned with that in force for the Sct Inst Scheme.		For the launch of the OCT Inst scheme, the EPC maintains the current 100 KEUR maximum amount in alignment with the SCT Inst scheme.
4.	EBA Clearing	The maximum amount should be decided based on bilateral / multilateral arrangements	Leave the market to decide the maximum amount per transaction for each currency corridor.	For the launch of the OCT Inst scheme, the EPC maintains the current 100 KEUR maximum amount.