

EPC288-23
Version 1.0
10 October 2024
Distribution: Public

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

Public

I. Introduction

This document outlines the EPC recommendations for the matching outcomes for the Payment Counterparty attribute combinations supported in section 3.2 of the proposed 2024 Verification Of Payee (VOP) Scheme Rulebook version 1.0 (EPC 218-23 v1.0 dated October 2024).

This document is referred to in section 3.2.1 of the above-mentioned VOP Scheme Rulebook version. It does not form part of the VOP Scheme Rulebook, but it provides guidance to the Responding PSP on how to manage matching processes under the VOP Scheme Rulebook.

This document gives the EPC the possibility to adapt its recommendations for the matching outcomes under the VOP Scheme outside the regular scheme rulebook release management cycle, as defined in Chapter 5 of the VOP Scheme Rulebook, by further taking into account relevant market feedback and input.

The Responding PSP bears the full responsibility for the matching outcome and therefore remains entirely free to apply different criteria to determine the result of the matching process and whether that constitutes a Match, a Close Match, or results in a No Match. It is mandatory for the Responding PSP to support all the response types specified in the VOP Scheme Rulebook and the related reason codes (Match, No Match, Close Match,...).

This document provides the Responding PSP with recommendations on how the Responding PSP might determine the outcome of the matching process. The aim is to ensure user-friendliness, consistency across the market and to avoid to the maximum extent possible unnecessary “No Match” Responses, and payment initiation friction.

II. EPC recommendations for the combination Payment Account Number-Name of the Payment Counterparty

It is at the discretion of each Responding PSP to determine whether a matching result is a Match, Close Match or a No Match (or whether the Verification check is not possible). The Responding PSP takes up the liability for providing such response to the Requesting PSP.

These recommendations apply to the Name of the Payment Counterparty related to Payment Accounts held by one or more than one natural person, and to Payment Accounts held by a legal person.

For natural persons, the matching should be done on the first name and the last name provided in the unique unstructured name string (attribute AT-E001 – The name of the Payment Counterparty).

For legal persons, the matching should be done on the name provided in the unique unstructured name string (attribute AT-E001 – The name of the Payment Counterparty), which could be either the legal name or the commercial name.



Responding PSPs are strongly recommended to advise the Payees to communicate their exact and complete official name to their Payers to reduce unnecessary “No Match” Responses and payment initiation friction.

0. Data clean-up of the provided Name of the Payment Counterparty

Before the matching verification itself starts, the Responding PSP prepares (according to its own checking requirements) the Name of the Payment Counterparty provided by the Requesting PSP. For example :

- Ignore upper or lower case;
- Change diacritics/accents unless the Responding PSP is able to compare the received Name of the Payment Counterparty with Latin characters as defined in the document ‘SEPA Requirements for an Extended Character Set (UNICODE Subset) - Best Practices’ ([EPC217-08](#)) (e.g., ü = u; ê = e; â = a; à = a; ö = o = ø = oe ; ä = a = æ = ae ; å = a = aa ; é = e = ee);
- Apart from numbers, other non-alphabetic characters (e.g, ` ~ @ # \$ % ^ & * - + = | \ { } [] : ; " ' < > , . ?) are removed according to the EPC character set recommendations defined in the document ‘SEPA Requirements for an Extended Character Set (UNICODE Subset) - Best Practices’ ([EPC217-08](#)) unless the Responding PSP is able to compare;
- Honorifics and titles (e.g., Dr., Mr., Ms) in the name string are removed (unless the Responding PSP is able to include this information in matching process);
- Truncate leading or trailing spaces.

1. Match

For natural persons, the Name of the Payment Counterparty as given by the Requester is said to be a Match with a name registered by the Responding PSP when there is an exact match (i.e. no deviation at all) of the first name and the last name (in the unstructured name string), once the data clean-up has been done .

For legal persons, the Name of the Payment Counterparty as given by the Requester is said to be a Match with the legal name or the commercial name(s) registered by the Responding PSP when there is an exact match (i.e. no deviation at all) of the name (in the unstructured name string), once the data clean-up has been done.

However, each scenario mentioned below on its own or/and in combination with another scenario mentioned below is also regarded as a Match. When the provided name falls within the scenario(s) below, the Responding PSP may thus report the provided name as a Match to the Requesting PSP.

The following scenarios may also be considered as a Match:

- a) For natural persons, fully exact first name and fully correct last name of at least one of the payment account holders is provided;
- b) For legal persons, commercial name instead of the legal name of the legal person-Payment Counterparty is provided and the Responding PSP can rely on reliable commercial name(s) information (e.g., internal sources or trustful external sources, etc) about that Payment Counterparty. It is up to the Responding PSP to collect reliable information and use it in the verification process.



2. Close Match

The purpose of a “Close Match” is that the Requester should not receive the answer “No Match” if there is only a **small deviation** between the name given by the Requester and the name registered by the Responding PSP. In such cases the response should be “Close Match”. The aim of the “Close Match” scenario is to ensure user-friendliness, and to avoid too many unnecessary “No Match” Responses and payment initiation friction.

Together with the “Close Match” Response, the Responding PSP also sends the Name of the Payment Counterparty as registered by the Responding PSP to the Requesting PSP. The Responding PSP is strongly recommended to apply data minimization when submitting a name in the “Close Match” Response. The Responding PSP provides the Requesting PSP with only name information about the Payment Counterparty as mentioned in the VOP Request. The Responding PSP does not disclose the name of any other payment account holder(s) assigned to that Payment Account Number.

The following scenarios set the minimum criteria for a Responding PSP to determine whether the provided Name of the Payment Counterparty by the Requester might be considered as a Close Match, or not. These scenarios apply to the Name of the Payment Counterparty related to Payment Accounts held by one or more than one natural person, and to Payment Accounts held by a legal person.

Each scenario mentioned below on its own or/and in combination with another scenario/other scenarios mentioned below is regarded as a small name deviation. However, the length of the names must also be taken into account when determining a small deviation. When the provided name falls within the scenario(s) below, the Responding PSP might thus report the provided name as a Close Match to the Requesting PSP.

However, these scenarios should be used as guidelines only, each Responding PSP maintains the discretion to apply additional criteria to determine whether the result of the matching process is a Close Match or not. Within its additional Close Match criteria, each Responding PSP may apply a further distinction of Close Match criteria between natural persons and legal persons. A Responding PSP may thus apply more stringent criteria for legal person names compared to natural person names (or vice-versa), taking into account, for example, a greater probability of fraud attempts with slightly altered legal names.

Following scenarios may be considered as a Close Match:

For natural persons:

- a) If the spelling mistake does not exceed the defined level set by the Responding PSP in one of the provided first name(s) or last name(s) of the Payment Counterparty(ies) (e.g., Levenshtein distance);
- b) Two letters in the provided first name or last name of the Payment Counterparty(ies) have been inverted;
- c) The name string contains only the initial of the first name of the Payment Counterparty(ies) and the last name of the Payment Counterparty(ies);
- d) A letter (or 2) is replaced by another (or 2) with same phonetics;

For legal persons:



- a) If the spelling mistake does not exceed the defined level set by the Responding PSP in the provided (legal or commercial) name of the Payment Counterparty (e.g., Levenshtein distance);
- b) Two letters in the provided (legal or commercial) name of the Payment Counterparty have been inverted;
- c) The provided (legal or commercial) name of the Payment Counterparty does not appear in the right order;
- d) Some commonly accepted abbreviations, alternate or abbreviated names are used in the (legal or commercial) name of the Payment Counterparty.
- e) A letter (or 2) is replaced by another (or 2) with same phonetics.

3. No Match

No Match is for a situation whereby the matching result does not meet neither the “Match” nor the “Close Match” criteria.

III. EPC recommendations for the combination Payment Account Number-identification code of the Payment Counterparty

When the Payment Counterparty is a legal person and the Requesting PSP offers a payment initiation channel which allows the Requester to submit a data element, other than the IBAN, that unambiguously identifies that Payment Counterparty (being an identification code such as VAT number, Legal Entity Identifier...) instead of the Name of the Payment Counterparty, and this data element is available in the internal system of the Responding PSP (to this end, the Requesting PSP could check in its local current copy of the EDS whether the Responding PSP supports this data element in its system), then the Requesting PSP can submit that identification code together with the Payment Account Number instead of the Name of Payment Counterparty to the Responding PSP.

The assumption is that these identification codes follow a well-defined structure set by national, EU or international public or private organizations.

There is no Close Match possible on such codes.

The matching result can only be a Match or a No Match (or Verification check not possible, or Identification code not supported/known by the Responding PSP).

1. Match

The identification code of the Payment Counterparty as given by the Requester is said to be a Match with the identification code of the Payment Counterparty registered by the Responding PSP when there is an exact match (i.e. no deviation at all) between the given identification code and registered identification code.

2. No Match

No Match is for a situation whereby the matching result does not meet the “Match” criterion.

IV. Governance Process to Review the EPC recommendations for the matching processes

These Recommendations will need constant development and optimisation to obtain a balance between “Close Match” and too many unnecessary “No Match” Responses. Therefore, the EPC



recommendations can be reviewed outside the regular VOP Scheme Rulebook change management cycle.

This means that:

- VOP scheme participants supporting the role of **Responding PSP** may send at any time a written suggestion to the Payment Scheme Management Board (PSMB) (PSMB@epc-cep.eu) for proposed changes to these recommendations as only they perform the matching actions. The PSMB will review such suggestions at its next physical meeting (the PSMB meetings take place in February, April, September and October of each year).
- The PSMB will regularly formally analyse if and when there is a need to adapt these recommendations.

The PSMB will decide whether it wishes to organise a consultation among all VOP scheme participants being Responding PSPs on the proposed new and/or amended recommendations outside the regular VOP Scheme Rulebook change management cycle. The PSMB will define the duration of this consultation.

Based on the consultation input from the VOP scheme participants, the PSMB will assess whether there is sufficient support to the proposed new and/or amended recommendations.

The PSMB communicates directly to all VOP scheme participants on its decision for new and/or amended recommendations. Any new or amended recommendations will be applicable at the earliest 90 calendar days after the publication of the updated version of this document including the new or amended recommendation on the EPC website.

The PSMB maintains the right to amend the existing recommendations and/or to introduce new recommendations at a very short notice in case of emergency situations. This notice may be shorter than the above-mentioned time scales depending on the circumstances as determined by the PSMB.

V. Disclaimer

These recommendations are developed and updated on best effort basis to ensure user-friendliness, consistency across the market and to avoid too many unnecessary “No Match” Responses and payment initiation friction.

However, it is at the discretion of each Responding PSP to determine whether a matching result is a Match, Close Match or a No Match. The Responding PSP takes up the liability for providing such Response to the Requesting PSP.