Welcome to the NPC Information meeting!

The meeting will start at 13:00 CET

We will be happy to answer questions after each agenda section and at the end of the presentation.

Please use the chat function or the raise your hand function to pose questions.

We kindly ask you to mute yourself and turn off your camera during the meeting.

Nordic Payments Council

NPC

The Nordic Payments Council

Creates, owns and manages NPC Schemes

Information meetings March 23, 2023

Nordic Payments Council

Agenda

- NPC Information & status
- NPC Confirmation of Payee Scheme
  - Publication
  - Next step
- NPC Membership & Scheme Adherence
  - It is time to become an NPC member
  - When is it time to adhere to NPCs schemes?
- NPC Payment Schemes Change Management
  - Start Change Management Cycle 2025 versions
- NPC and Request-to-pay
- Questions and comments
- Next steps and meetings

Nordic Payments Council

NPC Secretariat

CAMILLA ÅKERMAN
Secretary General

MARIA BROGREN
Scheme Manager

NPC Members

Founding members:

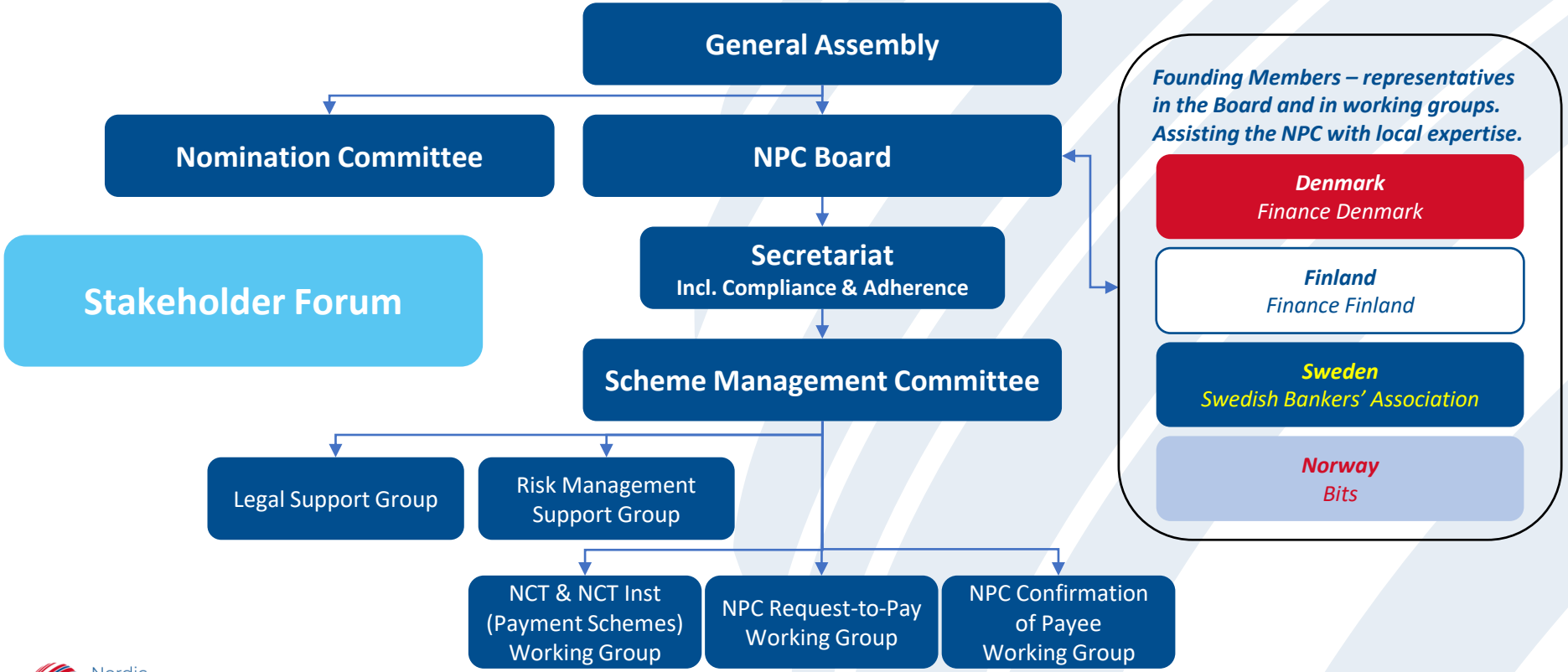
BITS

FINANS DANMARK

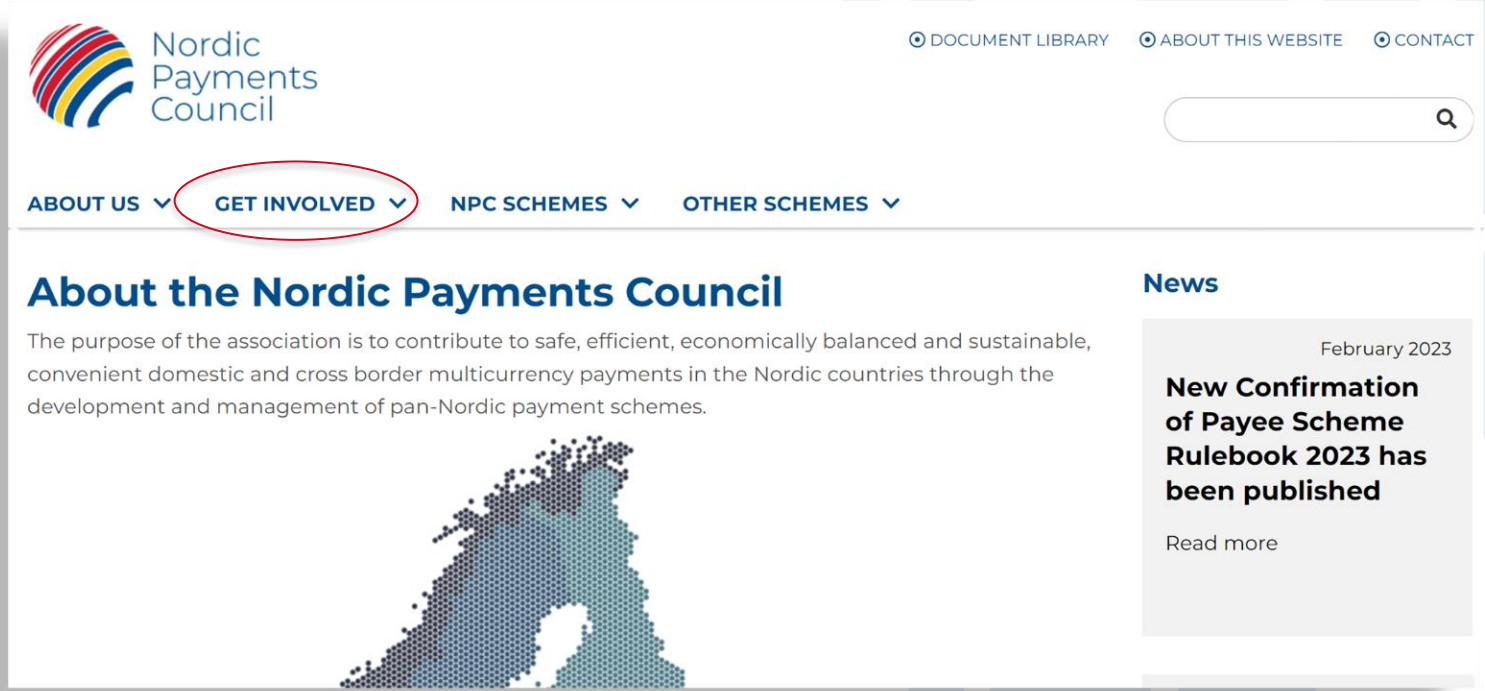
FINANCE FINLAND

Svenska Bankföreningen
Swedish Bankers' Association

NPC Organisation



Updated web page



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- **NPC Confirmation of Payee Scheme**
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Nordic Payments Council

Confirmation of Payee

Confirmation of an account and a payee before making a payment (account to account)

- Enable enhanced end-user experience and creating trust in the payment system
- Prevent fraud
- Prevent misdirected payments
- Encourage account-to-account payments
- Modernisation of current services
  - Use of international standards
- Creating interoperability
  - Common rules, processes and format descriptions

Confirmation of Payee

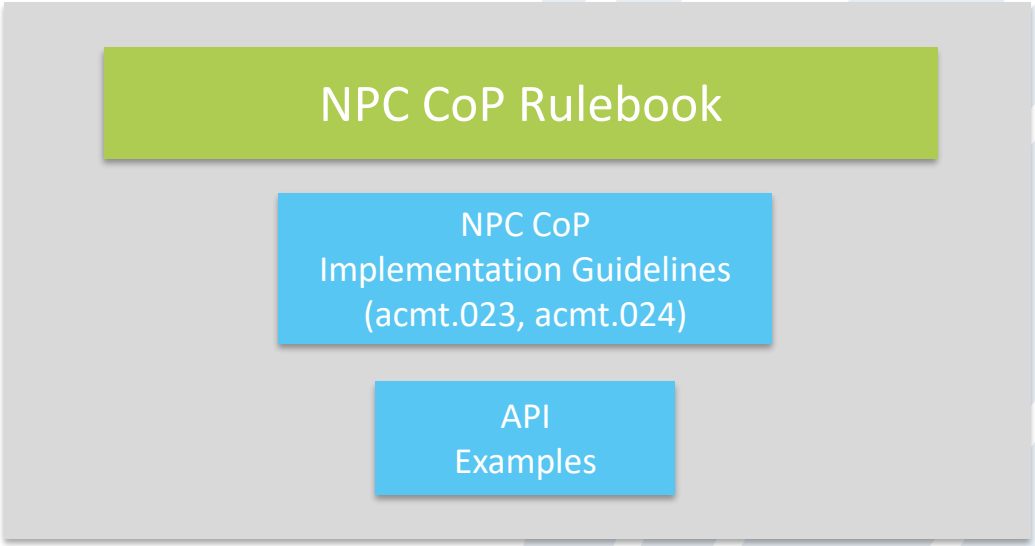
- Decision by SMC Feb 23rd to publish Confirmation of Payee Scheme
- Publication and in-effect date Feb 28th

- Scheme documents:
  - NPC050-01 2023 NPC Confirmation of Payee Rulebook
  - NPC051-01 2023 NPC Confirmation of Payee Implementation Guidelines
  - NPC052-01 2023 NPC Confirmation of Payee API Examples

- Published on NPC website:

NPC Confirmation of Payee Scheme Rulebook (nordicpaymentscouncil.org)

Confirmation of Payee Scheme



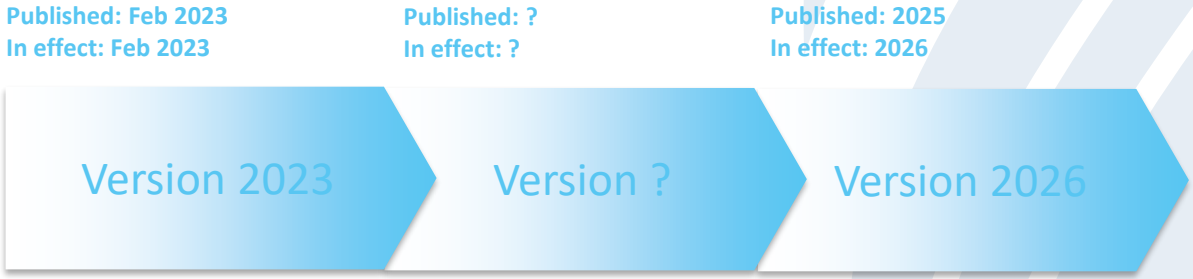
*A **scheme** is a set of rules which have been agreed upon to execute messages through specific messages. It is different from a service/system, which is a technical infrastructure that processes messages in line with the rules defined in a scheme.*

Overall structure – the different entities

- NPC Confirmation of Payee Scheme is ready to be used
- Any Infrastructure provider can offer services based on the Scheme

Confirmation of Payee going forward

- Risk Management Annex – purpose to highlight risk and find measures for mitigation
- Change Management – maintenance of the Scheme to keep it up to date with market needs



- Support the market during implementation and monitor related initiatives

Confirmation of Payee in Europe

- European Commission **proposal** for amending SEPA regulation for instant payments in EUR
  - Mandate to offer instant credit transfers in EUR (if offering regular credit transfers in EUR today)
  - Charges for instant credit transfers in EUR not higher than a regular credit transfer in EUR
  - Verification of the Payee (IBAN/name check) required
  - Implementation deadline 6-12 month (euro area) 30-36 month (outside euro area)

- Confirmation of Payee on EPCs agenda 2022, investigating local solutions and looking at NPCs CoP work.
- Waiting ECs proposal before deciding about next step
- EPC will start analysis in a working group with rep. from SEMWG and (Scheme Evolution and Maintenance Working) and PSFPWG (Payment Scheme Fraud Prevention Working Group)
- NPC will follow work in EPC and it is important that the Nordic countries are represented.

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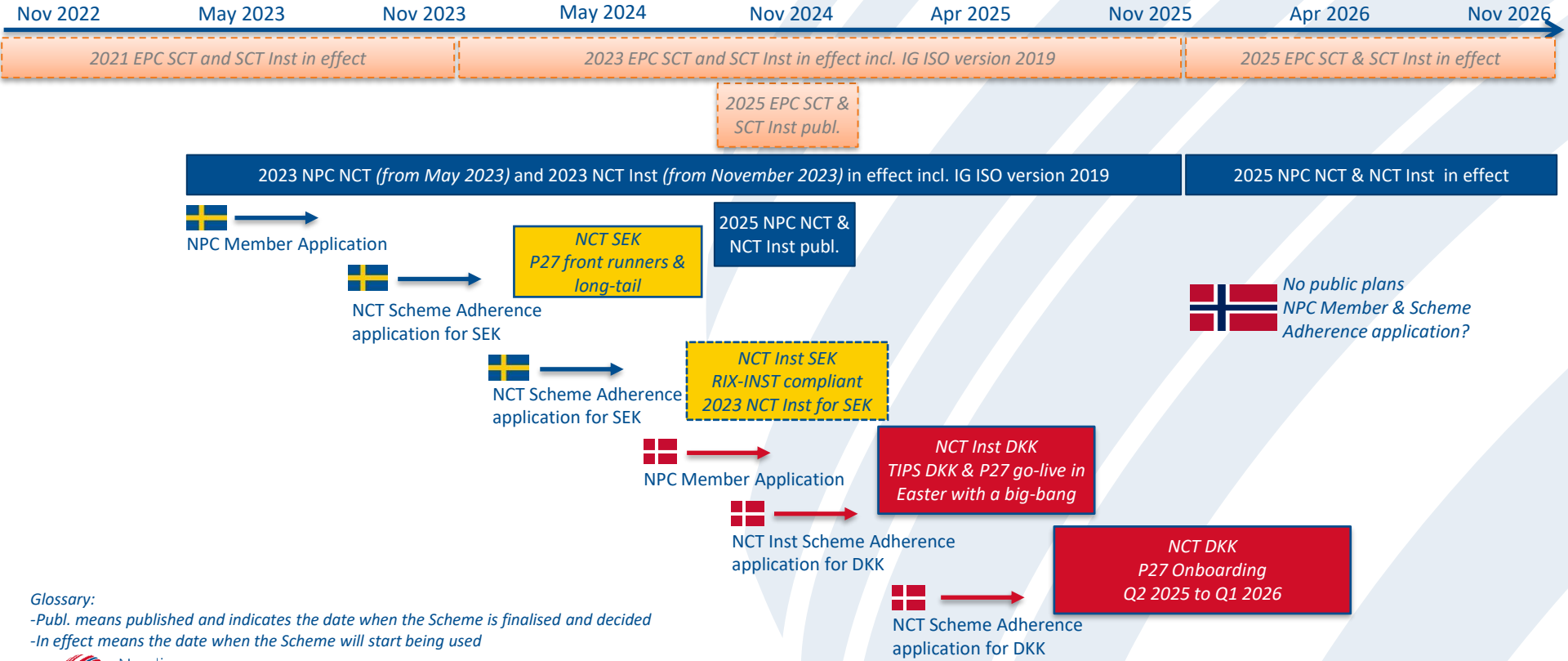
Nordic Payments Council

Nordic plans vs NPC Membership & Scheme Adherence



Glossary:
-Publ. means published and indicates the date when the Scheme is finalised and decided
-In effect means the date when the Scheme will start being used

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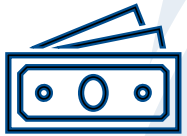
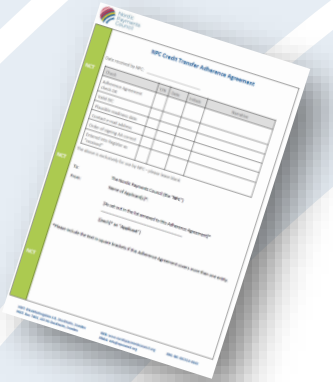
Benefits of becoming a member

- NPC payment schemes are already published and in effect. Banks and CSMs use them for development as they adapt to the new payment infrastructure
- As NPC Member you are welcome to take part and influence the development of the NPC Schemes and the creation of new schemes
- NPC Secretariat facilitates cooperation and development of schemes and coordinates Nordic input to the EPC
- NPC is dependent on its members; through them, we ensure that our schemes match the needs of the market

Adhering to NPC Payment Scheme(s)

Nordic Payments Council





1. Become NPC Member

2. Identify which Scheme(s) to adhere to: ***NCT and/or NCT Inst***

3. Identify for which currencies: ***DKK, NOK and/or SEK and ERI* Option***

4. Identify how to use the Scheme(s) and how to become reachable
If through a CSM - start dialogue with the CSM. Define a time plan and a **readiness date****

5. Sign Adherence agreement(s) to the Scheme(s) with selected currency/currencies, ERI* Option
Need to present a **readiness date**** to sign the agreement

** ERI = Extended Remittance Information (option in the NCT Rulebook)*
*** readiness date – the date when the applicant is in a position to comply with all of the obligations set out in the Rulebook(s)*

Membership

- Meet NPC eligibility criteria and comply with EU- and local national legislation
- Member categorisation based on scheme usage:

Usage Category	Scheme Usage per Scheme Member (million)
A	> 100
B	30-100
C	10-29
D	0-9

- Scheme usage based on transaction volumes in current systems:

*) Number of transactions should be calculated by adding all sent transactions in DKK, NOK and SEK during the full previous calendar year:

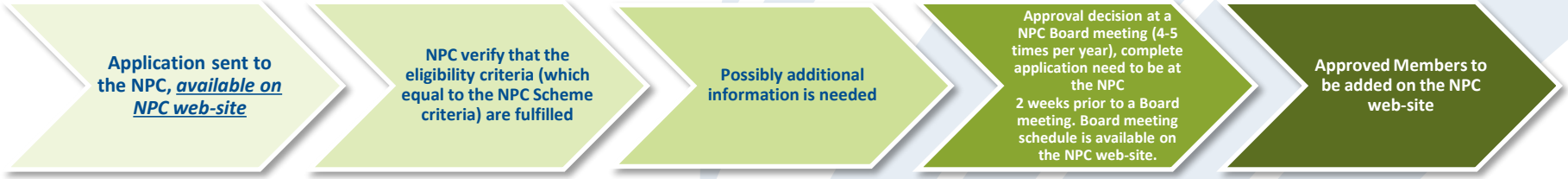
  - In Denmark: Intradag, Straks and Dokumentløs Clearing
  - In Norway: Electronic credit transfers (except Avtalegiro), Electronic instant credit transfers (Straksbetalinger) and Paper based credit transfers (Blankettbaserte krediteringer)
  - In Sweden: Dataclearing (DCL avg), Bankgirot (Avgående betalningar bank, Leverantörsbetalningar, Löner, Emittentutbetalningar, Blankettbetalningar) and Betalningar i Realtid (BiR)

- Member fees based on Usage Category and number of Members

Process for NPC Membership and Scheme Adherence

The time for NPC Scheme Adherence is pending **the readiness date***

At least 6-8 months prior to the readiness date, **apply for NPC Membership****



3-4 months prior to the readiness date, **apply for NPC Scheme adherence**

* readiness date – the date when the applicant is in a position to comply with all of the obligations set out in the Rulebook(s).
** NPC membership applications can be made at any time, preferably before the NPC Scheme Adherence application and at the latest at the same time

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Nordic Payments Council

NPC Credit Transfer Scheme

NPC Credit Transfer Rulebook

NPC **Scheme Currencies**

NPC Credit Transfer **Interbank** Implementation Guidelines (pacs.008, pacs.002)

NPC Credit Transfer **Bank to Customer** Recommendation on ISO 20022 customer reporting (camt.053 etc)

NPC Credit Transfer **Customer to Bank** Implementation Guidelines (pain.001, pain.002)

NPC Instant Credit Transfer Scheme

NPC Instant Credit Transfer Rulebook

NPC Instant Credit Transfer **Maximum Amount**

NPC Instant Credit Transfer **Interbank** Implementation Guidelines (pacs.008, pacs.002)

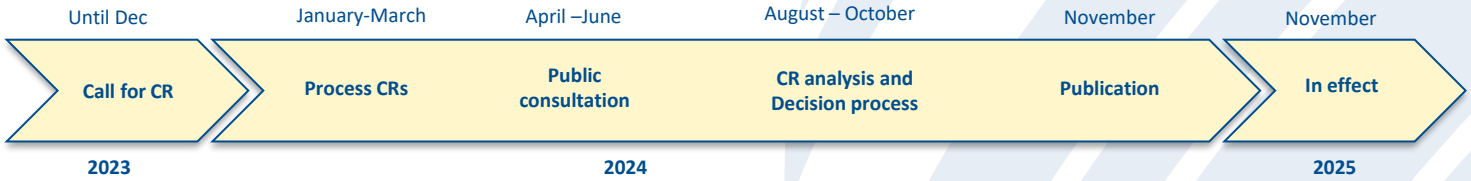
NPC Instant Credit Transfer **Customer to Bank** Implementation Guidelines (pain.001, pain.002)

+ Local Market Practice (Agreements and Recommendations)

*A **payment scheme** is a set of rules which have been agreed upon to execute transactions through a specific payment message (such as credit transfer, direct debit, card, etc). It is different from a payment system, which is a technical infrastructure that processes transactions in line with the rules defined in a payment scheme.*

NPC Change Management 2025 version

- Work started with Change Management for 2025 versions of NCT & NCT Inst Schemes
  - Call for change requests starts in Aug 2023



Ongoing work:

- Evaluate Change Requests (CR) from last CM cycle
- Backlog from last CM cycle
- Should the Nordics send in any CRs to EPC for the SEPA Schemes?
- EPC Rulebook development to evaluate

CRs not implemented in 2023 version

NCT & NCT Inst WG - Recommendation to include in 2023 version

- CT01/INST01 - NCT Customer-to-Bank Implementation Guidelines mandatory
- CT06 - NCT Fast Payment Processing 24/7/365 Option

NCT & NCT Inst WG - Recommendation to not include in 2023 version

- CT02/INST02 - Frozen/reserved funds on Beneficiary's account in case of Recall request due to Fraud
- CT04 - Addition of functionality to the Inquiry process
- CT05/INST05 - Use of hyperlink

NPC Payment Scheme versions until 2025

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Nordic Payments Council

NPC and Request-to-Pay

Request to make a payment - used for example in e-invoicing, e-commerce & Point of Sale

- European Payments Council (EPC) has published a SEPA Request-to-Pay (SRTP) Scheme Rulebook
- EPC has launched a call for change request to the SRTP vs 3.0. The call will run util December 29, 2023
- EPC SRTP Scheme is currency agnostic meaning that payments in any currency can be requested according to the same common Rulebook as euro – and can be used for the Nordics
- NPC coordinate Nordic input to the EPC SRTP
- Scheme adherence to SRTP for Nordic banks are needed for Request-to-Pay in euro
- P27 Nordic Bill Payments service is based on EPC SRTP Scheme*
- There could also be other similar Request-to-Pay services based on EPC SRTP Scheme

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* Contact P27 Nordic Payments for more information

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Nordic Payments Council

NPC going forward

- NPC Stakeholder Forum meetings May 23rd – minutes and presentation will be published

- NPC work 2023:
  - Payment schemes: Nordic One-Leg-Out transactions (TBD), start Change Management for the 2025 versions
  - Analysing and agreeing on Nordic positions to EPC SEPA Request-to-Pay next version (4.0)
  - Continue to work with the NPC Confirmation of Payee Scheme

- New information meeting in October 2023
  - NPC information and status for ongoing activities
  - NPC Membership & NPC Scheme Adherence process
  - Other relevant topics

More information

- For your information – Nordic and local market initiatives
  - DK Central Bank project to migrate Danish Kroner to Target Services and TIPS
  - DK Fremtidens betalingsinfrastruktur
  - NO Bits A/S
  - SE Central Bank project RIX-INST, investigation regarding migration to Target Services & ISO-migration project
  - SE Transformation Program
  - P27 Nordic Payments

How to get in touch with the NPC?

More information:

- Web: www.nordicpaymentscouncil.org
- E-mail: info@npcouncil.org

- Secretary General: Camilla Åkerman
  camilla.akerman@npcouncil.org

- Scheme Manager: Maria Brogren
  maria.brogren@npcouncil.org

Nordic Payments Council