

NPC GUIDANCE ON TRANSPARENCY FOR PARTIES IN NPC TRANSACTIONS

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NPC Guidance Document on transparency for Parties in NPC transactions

Version History

Version	Date	Edited by	Comments
1.0	2026-10-09	NPC Secretariat	First version of the document agreed by NCT & NCT Inst WG 2026-09-03.

1 Introduction and Purpose of this Guidance Document

The Nordic Payments Council (NPC) Credit Transfer and Instant Credit Transfer schemes are designed to support efficient, secure and transparent payments across the Nordic payments ecosystem.

In recent years, increased regulatory requirements, heightened expectations from end-users, and more complex payment models have placed greater emphasis on the quality, completeness and transparency of payment data.

One recurring topic raised by market participants relates to the use of parties in NPC credit transfers and NPC instant credit transfers, in particular the use of Reference Parties – Ultimate Debtor and Ultimate Creditor – as defined in the NPC Rulebooks.

This guidance document is addressed to payment service providers participating in the NPC schemes. The purpose of this guidance document is to:

- Explain why it is important to use all relevant parties in NPC Credit Transfer and NPC Instant Credit Transfer messages,
- Provide clarification on the role of Reference Parties (Ultimate Debtor and Ultimate Creditor),
- Offer practical guidance on when and how these Reference Parties should be populated, and
- Promote consistent and harmonised market practices across the NPC schemes.

This document does **not introduce new rule requirements** and does not amend the NPC Rulebooks or Implementation Guidelines. It is intended as a supporting document to facilitate correct interpretation and consistent application of existing scheme rules, with the goal of improving transparency, reducing friction and supporting end-user confidence for transactions under the NPC schemes.

2 Overview of Parties in NPC (Inst) Credit Transfers

2.1 Parties defined in the NPC Rulebooks

The following four parties are described in the NPC Rulebooks, even though only the Debtor and Creditor together with Debtor Agent and Creditor Agent are considered as main Actors in the scheme.

- Debtor – Identified by AT-P001, the Name of the Originator of the transaction
- Creditor – Identified by AT-E001, the Name of the Beneficiary of the transaction

- Ultimate Debtor – Identified by AT-P006, the name of the Originator Reference Party. The name of a person in relation to whom an Originator makes a payment¹
- Ultimate Creditor – Identified by AT-E007, the name of the Beneficiary Reference Party. The name of a person in relation to whom a Beneficiary receives a payment

3 Why It Is Important to Use All Relevant Parties

Including all relevant Parties (including the Ultimate Debtor and Ultimate Creditor if the use case requires them) ensures that a payment accurately reflects the economic reality of the transaction, not only the accounts used for execution. While the Debtor and Creditor identify the account holders involved in the payment, Reference Parties provide transparency on who is actually paying and who ultimately benefits from the transfer. This improves clarity for payment service providers and end-users, supports compliance and screening processes, facilitates reconciliation, and reduces the need for manual investigations or follow-up queries. Correct and consistent use of Reference Parties therefore contributes to more transparent, efficient and trustworthy transactions under the NPC payments schemes.

4 Reference Parties (Ultimate Debtor and Ultimate Creditor)

4.1 Definition of Reference Parties in NPC

In the NPC scheme Rulebooks Reference Parties are described as an addition to the Debtor and Creditor. Reference Parties are not part of the four main actors presented under section 3.1 Actors in the NPC Rulebook but are a relevant part of the payment chain and the ISO 20022 standard.

The Ultimate Debtor, and Ultimate Creditor, is not a formal party under the NPC schemes. This means it has no rights or obligations under the scheme and cannot, for example, request a Recall or RFRO. Only the Originator can do this in its own name. The payment is made from the Originator's account, not the Ultimate Debtor's. Acting on behalf of someone does not give that person any rights under the scheme.

In the NPC Rulebooks Reference Parties are explained in the following attributes:

AT-P006 The name of the Originator Reference Party:

The name of a person in relation to whom an Originator makes a payment.

The Originator Reference Party is a person on behalf of or in connection with whom the Originator purports to make a payment.

Reference in any payment instruction to an Originator Reference Party does not imply that such party is an Originator or otherwise a payer or is contractually obliged or entitled in connection with any payment obligation.

AT-E007 The name of the Beneficiary Reference Party:

The name of a person in relation to whom a Beneficiary receives a payment.

¹ In this context a person can be both a natural or a legal person. PSU is defined in the Rulebook as: A natural or legal person making use of a payment service in the capacity of payer, payee, or both. Such entity can take up the role of Originator and/or Beneficiary under the Scheme.

The Beneficiary Reference Party is a person on behalf of or in connection with whom the Beneficiary receives a payment.

Reference in any payment instruction to a Beneficiary Reference Party does not imply that such party is a Beneficiary or otherwise a payee or is contractually obliged or entitled in connection with any payment obligation.

4.2 Difference Between Debtor / Creditor and Reference Parties

Party	Conceptual Role	Description	Typical Use Case	NPC term
Debtor	Party that owes an amount of money	The party whose account is debited as a result of the credit transfer. The Debtor is the account holder and the party instructing its PSP to execute the payment.	A natural or legal person (PSU ²) initiating a payment from its own account.	Debtor/Name of the Originator
Ultimate Debtor	Underlying party on whose behalf the payment is made and who actually owns the funds	The party that is the actual payer behind the transaction , when different from the Debtor. It represents the entity that is economically or contractually responsible for the payment.	Subsidiary purchases goods from a supplier but the payment is executed by the parent company via a central function.	Originator Reference Party – Ultimate Debtor
Creditor	Party that receives an amount of money	The party whose account is credited as a result of the credit transfer. The Creditor is the account holder receiving the funds	Natural or legal person (PSU) receiving a payment to its own account.	Creditor/Name of the Beneficiary
Ultimate Creditor	Underlying and final beneficiary of the payment	The party that is the final beneficiary of the funds , when	Payment is made to an agent or collection account	Beneficiary

² PSU = Payment Service User is a natural or legal person making use of a payment service in the capacity of payer, payee, or both. Such entity can take up the role of Originator and/or Beneficiary under the Scheme.

	and that actually receive the funds	different from the Creditor. It represents the entity for whom the payment is ultimately intended .	(e.g. a marketplace), the account holder is reported as the Creditor, while the underlying beneficiary (e.g. the merchant) is reported as the Ultimate Creditor.	Reference Party – Ultimate Creditor
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4.3 When Should Ultimate Debtor Be Used

The Ultimate Debtor identifies the party that is the actual payer behind the transaction, when different from the Debtor listed in the payment message.

In NPC Credit Transfer and NPC Instant Credit Transfer schemes, as well as in the ISO20022, the Debtor represents the account holder from which the funds are debited, while the Ultimate Debtor provides transparency on who is economically or contractually responsible for the payment.

Correct use of the Ultimate Debtor supports:

- Transparent identification of the underlying payer,
- Improved screening and monitoring for compliance and risk management,
- Efficiency in post-transaction investigations, and
- Clarity for creditors and end-users

Payment service providers are strongly encouraged to populate the Ultimate Debtor when:

- the Debtor account holder executes the payment on behalf of another party, and
- the identity of that underlying party is relevant for transparency, compliance or end-user understanding.

The Ultimate Debtor **should not be used** and should generally **not** be populated when:

- It would duplicate the Debtor, the Debtor and the Ultimate Debtor are the same entity
- No distinct underlying Ultimate Debtor exists
- the Ultimate Debtor information is unknown at the time of initiation, or
- its inclusion would add ambiguity rather than clarity.

4.4 When Should Ultimate Creditor Be Used

The Ultimate Creditor identifies the party that is the actual beneficiary of the funds, when different from the Creditor account holder.

In NPC Credit Transfer and NPC Instant Credit Transfer schemes, as well as in the ISO20022, the Creditor represents the account holder receiving the funds. The Ultimate Creditor, however, provides transparency on who is economically or contractually entitled to the payment.

Correct usage of the Ultimate Creditor improves:

- transparency for Debtors and PSPs,
- reconciliation for corporate and retail end-users,
- further processing and investigations, and
- overall trust in NPC payments.

Payment service providers are strongly encouraged to populate the Ultimate Creditor when:

- the Creditor account holder acts on behalf of another party, and
- identifying the final beneficiary adds clarity to the payment.

The Ultimate Creditor **should generally not be used** when:

- It would duplicate the Creditor, the Creditor and the Ultimate Creditor are the same entity
- No distinct underlying Ultimate Creditor exists
- The Ultimate Creditor information is unknown at the time of initiation
- Its inclusion would create ambiguity rather than clarity

5 Practical Examples

5.1 Practical Example 1 – When Ultimate Debtor is Used

Scenario 1:

A customer uses a digital wallet or fintech service to pay a merchant. The payment is settled from an account held by the payment intermediary, which is therefore identified as the Debtor. The underlying customer is identified as the Ultimate Debtor because the payment is ultimately made on the customer's behalf. The merchant receiving the funds is identified as the Creditor.

Role	Party
Debtor	The Payment Intermediary (e.g., a Fintech)
Ultimate Debtor	The underlying customer (PSU)
Creditor	The receiver of the funds, the Payee
Ultimate Creditor	Not used

Why Ultimate Debtor is used

Although the payment is executed by a payment intermediary, the customer of the payment intermediary is the actual payer, as it is instructing the payment intermediary to execute the payment on their behalf.

The Ultimate Debtor identifies who is truly paying, beyond the account used for execution.

Scenario 2:

A corporate group operates through a central function account from which all outgoing payments are executed. One of the group's subsidiaries purchases goods from a supplier. The central function account initiates and executes the payment.

How the parties are populated

Role	Party
Debtor	Central function account
Ultimate Debtor	Subsidiary that purchased the goods
Creditor	Supplier
Ultimate Creditor	Not used

Why Ultimate Debtor is used

Although the payment is executed by the central function account, the subsidiary is the actual payer, as it is economically and contractually responsible for the invoice.

The Ultimate Debtor identifies who is truly paying, beyond the account used for execution.

5.2 Practical Example 2 – When Ultimate Creditor is Used

Scenario 1

A customer buys goods online from a merchant or Marketplace. A payment service provider collects payments from the customer for further processing and crediting to the merchants. The Ultimate Creditor is the merchant receiving the funds.

How the parties are populated

Role	Party
Debtor	The customer (PSU)
Ultimate Debtor	Not used
Creditor	Agent or Marketplace
Ultimate Creditor	Merchant selling the goods

Why Ultimate Creditor is used

Although the funds are received by the Payment service provider's account, the merchant is the final beneficiary of the payment.

The Ultimate Creditor identifies for whom the payment is ultimately intended.