CLARIFICATION PAPER ON NPC CREDIT TRANSFER AND NPC INSTANT CREDIT TRANSFER SCHEME RULEBOOKS

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Abstract

This document addresses operational issues arising from the implementation of the Nordic Payments Council Credit Transfer (NCT) scheme rulebook and the Nordic Payments Council Instant Credit Transfer (NCT Inst) scheme rulebook.

Reason for Issue

This document has been created to avoid a fragmented approach in the manner in which the NPC Credit Transfer and the NPC Instant Credit Transfer Inst scheme rulebooks are implemented. This document replaces version 3.1 of NPC017-01.

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Version History

Version	Date	Edited by	Comments
1.0	2020-08-20	NPC	Decided version at the Scheme Management Committee (SMC) 20th of August 2020
1.1	2021-04-30	NPC	Updates agreed by NCT & NCT Inst WG 29 Mars 2021. New layout first and second page, change in section 2.2 and change 'answer' to 'response' throughout the document.
2.0	2022-12-21	NPC	Updates agreed by NCT & NCT Inst WG based on changes made in NCT & NCT Inst Rulebooks 2023 version and clarifications needed.
3.0	2025-02-10	NPC	Updates made based on new Rulebook version 2025: Section 2.1 - updated to be correct and in accordance with Rulebook Section 2.2 added for clarification purposes Section 2.2.2 updated with more examples Section 2.3 – Text updated Section 2.9 – Attribute numbers updated (also throughout the document Section 2.11 Updated related to new rules for Postal Address replaces old section 2.11 (country related information) Section 2.13 – Information added about local law and community practice for 10 resp 15 days related to Recalls. Section 2.14 – New section about local law and community practice for 10 resp 15 days related to Recalls. Section 3.3 - step 10 in the table text removed about DS-11 Section 3.4 – Text in first section removed to align with EPC.
3.1	2025-10-01	NPC	Necessary changes made to be complete for 2025 v.1 and 2025 v.1.1 version and aligned with EPC: Section 2 (last paragraph) – additional text to clarify for cross border Section 2.2 – updated domestic examples Section 2.9 – New text clarifying importance of providing all counterparties Section 2.11 – 2015/847 replaced with 2023/1113 Section 2.11.1 – Re-arranged under sections and addition of two new under sections. Section 2.11.4 – Footer added Section 2.11.5 – Smaller change of wording Section 3.1 – New Usage rules for PAPR added
3.2	2025-12-16	NPC	Text in 2.2 updated and agreed by NCT & NCT Inst WG 2025-12-16.

1   Introduction

This document has been created to avoid a fragmented approach in the manner in which the NCT Credit Transfer and the NCT Credit Transfer Inst scheme rulebooks are implemented.

In this document the Nordic Payments Council (NPC) provides guidance and, where feasible, recommendations to NPC scheme participants on how to handle situations that are not as such described in the rulebooks. This document will be updated from time to time by the NPC, once new questions and issues arise and need clarification.

2   General questions & answers on the NCT and NCT Inst Scheme Rulebooks

2.1   The NPC Opt-out Option for Cross-border transactions

According to section 2.2 in the NCT and NCT Inst scheme Rulebooks the Participant has a so-called opt-out option: "All Participants need as a minimum to be reachable domestically in one of the Scheme Currencies covered by this scheme with the option of **not accepting Cross-border Credit Transfer Transactions**. As a consequence of opting out from receiving Cross-border Credit Transfer Transactions the Participants **will not be allowed to send Cross-border Credit Transfer Transactions either.**

Cross-border opt-out can be chosen for either Credit Transfer Transactions, Instant Credit Transfer Transactions, or both. In addition, scheme participants can choose to opt-out for cross-border payments per scheme currency.

One reason for opt-out from receiving Cross-Border Transactions could be that the PSP only wants to send and receive domestic transactions in domestic currency.

2.2   Guidance and examples to identify a cross-border payment within the NPC Schemes

The responsibility for identifying and handling cross-border payments always lies with the scheme participants. The information below is provided for guidance purposes only and includes examples within the context of cross-border scenarios under the NPC schemes. Other scenarios may exist that are not covered here.

A *Cross-border Credit Transfer Transaction* is defined as a Credit Transfer Transaction where the PSP of the Originator and the PSP of the Beneficiary are located in different countries. One way to identify a cross-border transaction is by checking the country code in the IBAN: if the country code of the Originator's IBAN differs from the country code of the Beneficiary's IBAN. (The IBAN country code is determined by the first two characters of the IBAN.)[1] In some cases, additional parameters may be considered, and it is the responsibility of the PSPs to do so.

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[1] Local country regulations may apply to determine cross border payments from a tax reporting perspective

Note: Since the commonwealth Denmark consist of Denmark, Faroe Islands and Greenland all these countries use Denmark's Central Bank, Nationalbanken, for settlement. Because of that an exception to the Cross-border Credit Transfer description above is when the first two characters of the IBAN are 'DK', 'FO' and 'GL'. In such cases, even though the country code between the Originator and Beneficiary IBAN may differ, credit transactions between these IBANs are not considered as Cross-border.

2.2.2   Example of a domestic NCT or NCT Inst Credit Transfer:

Originator PSP BIC	Beneficiary PSP BIC	Originator /IBAN country code	Beneficiary /IBAN country code	Currency	Domestic	Cross border	Opt out Possibiity	Type
SE	SE	SE	SE	SEK	x			NCT/NCT Inst
DK	SE	SE	SE	SEK	x			NCT/NCT Inst
DK	DK	DK	DK	DKK	x			NCT/NCT Inst
MT	SE	SE	SE	SEK	x			NCT/NCT Inst
SE	SE	SE	SE	DKK	x			NCT/NCT Inst
DK	DK	DK	DK	SEK	x			NCT/NCT Inst

Note: A PSPs primary BIC will typically point to the country where they have their primary operations/licence. They can however within the EU conduct banking activities without establishing a branch. As a result of this we can, e.g., see non-Swedish BICs as participants in the Swedish RTGS.

2.2.3   Example of a Cross-border NCT or NCT Inst Credit Transfer:

Originator PSP BIC	Beneficiary PSP BIC	Originator /IBAN country code	Beneficiary /IBAN country code	Currency	Domestic	Cross border	Opt out Possibiity	Type
SE	DK	SE	DK	DKK		x	x	NCT/NCT Inst
DK	SE	DK	SE	SEK		x	x	NCT/NCT Inst
SE	DK	SE	DK	SEK		x	x	NCT/NCT Inst
DK	SE	DK	SE	DKK		x	x	NCT/NCT Inst
SE	SE	SE	DK	SEK		x	x	NCT/NCT Inst
DK	DK	DK	SE	DKK		x	x	NCT/NCT Inst

Note: Scheme participants need to make sure that they fulfil all relevant regulatory obligations such as AML and sanction screening and carry out KYC and adequate due diligence on their respective customers.

2.3   Handling of Alias and Proxy

In the Nordic payment market, it is common that an 'Alias' or 'Proxy' is used to identify an Originator's and/or a Beneficiary's account. Therefore, ISO 20022 element Proxy under the Debtor Account and/or Creditor Account sections are used in order to enable Originators to initiate their payment from – and to - an 'Alias' or 'Proxy' instead of an IBAN or National account number.

Due to gradual implementation of NPC Customer-to-PSP implementation Guidelines, which are recommended and not mandatory, there is still an option in the payment initiation message (pain.001) to provide Proxy/Alias using element SchemeName, but it is recommended to use element Proxy.

Attribute AT-P003 Originator Proxy/Alias and AT-E003 Beneficiary Proxy/Alias should be used in both Inter-PSP and Customer-to-PSP space.

It is important to point out that the IBAN is always mandatory in the Inter-PSP space and any Alias or Proxy is only provided as information and must be forwarded to the final Beneficiary for reconciliation purposes.

2.4 Receipt of an NCT/NCT Inst transaction by the Beneficiary PSP or CSM which includes characters not covered by the NPC character set

Reference is made to section 1.4 of the Inter-PSP and Customer-to-PSP Implementation Guidelines (IGs) of the NCT and NCT Inst Scheme Rulebooks.

- PSPs must be allowed to use the character set currently in use at national level,

- PSPs cannot be required to support the full character set.

Therefore:

- The ISO 20022 XML messages allow for the full range of global language requirements (UTF-8).

- NCT and NCT Inst scheme participants and their customers must be able to support the Latin character set commonly used in international communication, and in addition to this, the Scandinavian characters and the @-sign which are as follows:

  a b c d e f g h i j k l m n o p q r s t u v w x y z å ä ö æ ø
  A B C D E F G H I J K L M N O P Q R S T U V W X Y Z Å Ä Ö Æ Ø
  0 1 2 3 4 5 6 7 8 9
  / - ? : ( ) . , ' + @
  Space

- References, identifications and identifiers must respect the following:

  o Content is restricted to the Latin character set as defined above

  o Content must not start or end with a '/'

  o Content must not contain '//'s

- It is not recommended to use the Scandinavian characters and the @-sign in the technical reference elements.

NCT and NCT Inst scheme participants and their customers throughout SEPA cannot be required to support the full character set used in all SEPA countries.

However, there may be bilateral or multilateral agreements to support one or more sets of characters beyond the character set referred to above.

More information on this subject can be found in the document EPC217-08 'Best practices SEPA Requirements for an extended character set' which contains a set of best practices to be used in dealing with local language and special characters used in some SEPA countries.

2.5   Non-scheme currencies denominated accounts held by NCT/NCT Inst scheme participants

Section 2.4 of the NCT and the NCT Inst scheme rulebooks specify that all NCT/ NCT Inst transactions are in one scheme currency in all process stages. The accounts of the Originator and of the Beneficiary may be denominated in a scheme currency or any other currency.

Subject to the Terms and Conditions of the Originator PSP or of the Beneficiary PSP, payment service users can use a non-scheme currency denominated account for NCT and NCT Inst transactions. This means an NCT scheme participant may only reject or return NCT transactions or an NCT Inst scheme participant may only reject NCT Inst transactions if the selected account is not designated to send or to receive NCT or NCT Inst payments.

In the case of NCT/ NCT Inst r-transactions, the transferred amount will be the original amount in any of the scheme currencies of the initial NCT/ NCT Inst instruction (except for Recall, see section 2.7 below).

2.6   Recommended Customer-to-PSP Implementation Guidelines and Recommendation of PSP-to-Customer Reporting

As of the current version of the NCT and NCT Inst scheme rulebooks, the NCT/ NCT Inst scheme participant offering electronic file services is recommended to support the XML message standards and to accept the messages as described in the NCT/ NCT Inst Customer-to-PSP and Recommendation of Customer Reporting Implementation Guidelines.

Originator PSPs would still be free to agree with their Originators to use any other ISO 20022 XML payment message format to submit their Customer-to-PSP payment message to their PSPs.

2.7   Liability for a potential currency loss in case of a Recall or Request for Recall by the Originator for an NCT/ NCT Inst transaction which was subject to a currency conversion at the Beneficiary PSP

A Recall is always initiated by the Originator PSP, possibly on behalf of the Originator (Recall by the Originator, RFRO). Neither the Beneficiary nor the Beneficiary PSP has any influence on it. Consequently, they should not bear any loss related to it.

The positive response of the Beneficiary PSP to a Recall request is an ISO Payment Return message with a specific return reason "following cancellation request" (FOCR). The NCT and NCT Inst schemes allow for the Beneficiary PSP to charge a fee for such a positive response. This fee is clearly identified in the ISO Payment Return message, which also contains the amount of the original NCT/ NCT Inst transaction and the actual returned amount. Currency conversion losses may be included in the Recall fee that may be charged by the Beneficiary PSP.

In exceptional cases, the currency conversion loss can be settled outside the Recall or RFRO procedure by rejecting the Recall request and settling the issue in a bilateral way.

2.8   Auto-conversion practices: can an NCT/ NCT Inst transaction be converted into a non-scheme currency before reaching the Beneficiary PSP?

Reference is made to Section 2.4 of the NCT and the NCT Inst scheme rulebooks which states that "all transactions are in scheme currencies in all process stages". In other words, the amount of the transaction must remain unchanged and expressed in scheme currency until it reaches the Beneficiary

PSP. This also means that currency conversion of an NCT/ NCT Inst transaction to be credited to a non-scheme currency account can only be carried out by the Beneficiary PSP, and currency conversion of an NCT/ NCT Inst transaction to be debited from a non-scheme currency account can only be carried out by the Originator PSP.

2.9 Clarification on specific attributes to identify counterparties in NCT/ NCT Inst transactions

The NCT and the NCT Inst scheme rulebooks foresee the following attributes to identify counterparties in NCT/ NCT Inst transactions (i.e, in addition to their names):

1. AT-P007 The identification code of the Originator Reference Party
2. AT-P004 The Originator identification code
3. AT-E005 The Beneficiary identification code
4. AT-E010 The identification code of the Beneficiary Reference Party

These attributes refer to elements of the ISO 20022 XML message standard to transfer information or codes. The codes inserted in each of these attributes allow a unique and unambiguous way of identifying an organisation or an individual. This can be useful for the automated and straight-through-processing identification of the counterparties involved in the NCT/NCT Inst transaction.

An NPC Credit Transfer or Instant Credit Transfer transaction (pacs.008) should always include information about all the parties involved in the payment chain.

If the debtor quoted in the pacs.008 is not the Originator of the transaction, it is important to ensure that the Ultimate Debtor element is present and reflects the actual initiator of the transaction.

Similarly, if the creditor quoted in the pacs.008 is not the final Beneficiary of the transaction, it is important to ensure that the Ultimate Creditor element is present, and that it contains the final Beneficiary of the transaction.

2.10 Clarification of Remittance Information sent by Originator to Beneficiary in the NCT

Remittance information and Extended remittance information (ERI) is described in detail in the NCT Rulebook under AT-T009 and in Annex V.

In a regular NCT transaction (not using ERI option), it is only allowed to send either a maximum of 140 characters unstructured **or** one occurrence of structured remittance information. If the Originator PSP receives a payment with both unstructured and structured remittance information only the structured information should be prioritised and forwarded. The reason for this is that only the structured remittance information will enable automated reconciliation by the Beneficiary.

2.11 Provision of addresses in Customer-to-PSP and Inter-PSP messages

Under the NCT and NCT Inst payment scheme rulebooks, all scheme participants must ensure that the following aspects about the provision of postal addresses are correctly implemented in their relevant payment initiation and processing systems:

- The postal address related usage rules as stipulated in the 2025 NCT & NCT Inst scheme implementation guidelines for EEA-to-EEA and EEA-to-non-EEA/non-EEA-to-EEA transactions must be respected *(the below illustrative screenshot refers to the Postal Address element for the **Debtor** in an NCT transaction (pacs.008))*:

2.68	0..1	FITo FICustomer Credit Transfer V08 +Credit Transfer Transaction Information ++Debtor +++Postal Address	*NPC Rulebook* *NPC Usage Rule(s)*	*AT-P005 The address of the Originator.* *Mandatory when Local Instrument PAPR is used.* *STRUCTURED ADDRESS: Usage is recommended. 'Town Name' and 'Country' are mandatory. 'Address Line' is not allowed. It is recommended to provide as many structured elements as possible.* *HYBRID ADDRESS: 'Town Name' and 'Country' are mandatory. At least one occurrence of 'Address Line' is mandatory.* *UNSTRUCTURED ADDRESS: (As of 22 November 2026 at 03:30 CET only the use of structured and hybrid address will be allowed - based on available information at the moment of publication). At least one occurrence of 'Address Line' is mandatory. 'Postal Address' sub-elements other than 'Address Line' and 'Country' are forbidden. The use of 'Country' is mandatory when either the Debtor Agent or Creditor Agent is a non-EEA SEPA PSP.*
			ISO Name	Postal Address
			ISO Definition	Information that locates and identifies a specific address, as defined by postal services.
			XML Tag	PstlAdr
			Type	PostalAddress24

Note: The clarifications provided below illustrate the correct delivery of a postal address in NCT transactions, but they also apply to NCT Inst transactions.

From the NCT multiplicity [0..1] (in the above screenshot) it is clear that this is an optional data element. As per the description of the NCT rulebook attribute AT-P005 'The Address of the Originator', this optional element however becomes mandatory when the Originator PSP or Beneficiary PSP is in a non-EEA SEPA country or territory (e.g., Switzerland, UK, Monaco).

When this is the case, it is mandatory to fill in the 'Postal Address' data element in accordance with the current applicable NPC payment scheme usage rules and in compliance with the applicable EU legislation (Regulation 2023/1113Fund Transfer Regulation) i.e:

o If 'Address Line' (AdrLine) is used, then 'Postal Address' sub-elements other than 'Country' (Ctry) are forbidden.
o A combination of 'Address Line' (AdrLine) and 'Country' is allowed; it is recommended when either the Debtor Agent or the Creditor Agent is a non-EEA SEPA PSP.
o If 'Address Line' is not used, then at least 'Town Name' and 'Country' must be used.

When the Originator PSP and the Beneficiary PSP are located in an EEA SEPA country or territory, then the data element 'Debtor/Postal Address' is optional. However, if an Originator or an Originator PSP wishes to fill in this element anyway, they can do so but then they also need to respect the above-mentioned NPC usage rules.

- The NPC payment scheme participants cannot reject or return NPC payment transactions that comply with the above-mentioned NPC usage rules.

<u>NCT & NCT Inst payment scheme rulebooks foresee the following with respect to the provision of addresses:</u>

- Payment service users and scheme participants can continue providing addresses in a fully structured format;

- The introduction of the hybrid address format whereby no end-date has been set for this address format as alternative to the fully structured address format; and

- Payment service users and scheme participants can continue providing <u>unstructured</u> addresses up to 15 November 2026 (expected date of the next SWIFT Standard Release date).

2.11.2   Concrete entry-into-force dates of NPC usage on the provision of address format:

NCT and NCT Inst payment scheme rulebooks	
Allowed use of structured address format	1 May 2023 for NCT and 19 November 2023 for NCT Inst Rulebook
Allowed use of hybrid address format	05 October 2025 (and as of 03h30 CET for the NCT Inst scheme)
End date of the use of the unstructured address format	15 November 2026 (and as of 03h30 CET for the NCT Inst scheme
End date of the use of the hybrid address format	No end date set for the time being

Set in a timeline perspective, the various address formats can, cannot yet or can no longer be used during the following periods:

Period	Allowed address formats
Up to 05 October 2025 (and up to 03h30 CET for the NCT Inst scheme	• Structured address format • Unstructured address format
As of 05 October 2025 (and 03h30 CET for the NCT Inst schemes up to 15 November 2026 (and up to 03h30 CET for the NCT Inst scheme	• Structured address format • Unstructured address format • Hybrid address format
As of 15 November 2026 (and as of 03h30 CET for the NCT Inst scheme	• Structured address format • Hybrid address format

2.11.3   Unstructured address set-up

Under the unstructured address format, PSUs and scheme participants provide the address of the payer and/or of the payee with a maximum of 2 occurrences of the unstructured address element "Address Line" *<AdrLine>* possibly in combination with the structured address element "Country" *<Ctry>[2]*.

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[2] For NCT and NCT Inst : the use of data element "Country"<Ctry> as part of the address of a debtor is mandatory when either the debtor agent or creditor agent is located in a non-EEA SEPA country or territory.

2.11.4   Structured address set-up

The provision of a **structured address** about the Originator/payer and/or the Beneficiary/payee for NPC payments must comply with following requirements:

- Data element "Address Line" *<AdrLine>* **cannot be used**
- Data elements "Country" *<Ctry>* and "Town Name" *<TwnNm>* **must be used**
- All other 12 data elements[3] may be used depending on the components of the address.

The SWIFT Payment Market Practice Group (PMPG) gives guidance for the provision of the ISO 20022 data element "Postal Address" based on the practices of each country across the globe. It maintains a "SWIFT ISO20022 Structure Postal Address" document on the SWIFT PMPG website. This document gives a detailed insight into each country's use of the structured Postal Address components.

Illustration of unstructured vs. structured address data (example for NCT transaction):

Unstructured address	Structured address
<Dbtr> <Nm>KARI NORDMANN</Nm> <PstlAdr> <Ctry>NO</Ctry> <AdrLine> HANSTEENSGATE 2</AdrLine> <AdrLine>0253 OSLO</AdrLine> <PstlAdr> <Dbtr>	<Dbtr> <Nm> KARI NORDMANN</Nm> <PstlAdr> <StrtNm>HANSTEENSGATE</StrtNm> <BldgNb>2</BldgNb> <PstlCd>0253</PstlCd> <TwnNm>OSLO</TwnNm> <Ctry>NO</Ctry> <PstlAdr> <Dbtr>

2.11.5   Hybrid address set-up

The **hybrid address** is a mix of structured and unstructured address details. It allows the combination of structured ISO 20022 address elements **and** up to two occurrences of 70 characters of unstructured "Address Line" *<AdrLine>*. Elements available in a structured format must be mapped into the respective structured address elements. The structured elements "Country" *<Ctry>* and "Town Name" *<TwnNm>* are mandatory. Structured elements cannot be repeated in the *<AdrLine>* elements.

Illustration of hybrid vs. structured address data (example for NCT transaction):

Hybrid address	Structured address
<Dbtr> <Nm>KARI NORDMANN</Nm> <PstlAdr>	<Dbtr> <Nm>KARI NORDMANN</Nm> <PstlAdr>

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[3] Except for data element 'Address Type'

Hybrid address	Structured address
<AdrLine>HANSTEENSGATE 2</AdrLine>	<StrtNm>HANSTEENSGATE</StrtNm>
<PstlCd>0253</PstlCd>	<BldgNb>2</BldgNb>
<TwnNm>OSLO</TwnNm>	<PstlCd>0253</PstlCd>
<Ctry>NO</Ctry>	<TwnNm>OSLO</TwnNm>
<PstlAdr>	<Ctry>NO</Ctry>
<Dbtr>	<PstlAdr>
	<Dbtr>

2.11.6   As of 05 October 2025, up to 15 November 2026

During this period, PSUs are allowed to send a structured address or a hybrid address of the Originator and/or of the Beneficiary in electronic Customer-to-PSP files based on at least the relevant NPC Customer-to-PSP Implementation Guidelines (IGs) for NCT and NCT Inst transactions.

Under the 2025 NPC payment scheme rulebooks, also NPC payment scheme participants are allowed to provide structured addresses, or hybrid addresses in their Inter-PSP ISO 20022 standard-based XML NPC payment messages and any related r-transaction messages where applicable.

In practice, all NPC payment scheme participants concerned must support the acceptance and the delivery of structured addresses and of hybrid addresses when PSUs and other scheme participants want to have a structured or hybrid address in their outgoing and incoming NPC payment transactions. From 05 October 2025 onwards, the NPC payment scheme participants concerned cannot reject NPC payment transactions only due to the inclusion of a structured or hybrid address.

The use of an unstructured address will still be possible under the NPC payment schemes until 15 November 2026.

2.11.7   As of 15 November 2026

As of 15 November 2026 (and as of 03h30 CET for the NCT Inst scheme), only the use of the structured address and of the hybrid address will be allowed for Inter-PSP NPC payment messages where applicable, and for PSUs when they send electronic Customer-to-PSP files based on ISO 20022 standard-based XML payment messages in accordance with at least the relevant NPC Customer-to-PSP IGs of the NPC payment schemes concerned.

The use of an unstructured address will no longer be allowed and will hence lead to rejects.

It is agreed that PSPs should use the inter-PSP settlement date as the date of reference.

2.12   Usage of Country of Residence

The NPC recommends the usage of Country of Residence for ultimate debtor and debtor. The two data elements 2.63 and 2.107 for NCT (2.52 and 2.96 for NCT Inst) have been included to use in the NCT and NCT Inst Rulebook as optional fields.

2.63	0..1	FITo FICustomer Credit Transfer V08 +Credit Transfer Transaction Information ++Ultimate Debtor +++Country Of Residence	ISO Name ISO Definition XML Tag Type Pattern	Country Of Residence Country in which a person resides (the place of a person's home). In the case of a company, it is the country from which the affairs of that company are directed. CtryOfRes CountryCode [A-Z]{2,2}

2.107	0..1	FITo FICustomer Credit Transfer V08 +Credit Transfer Transaction Information ++Debtor +++Country Of Residence	ISO Name ISO Definition XML Tag Type Pattern	Country Of Residence Country in which a person resides (the place of a person's home). In the case of a company, it is the country from which the affairs of that company are directed. CtryOfRes CountryCode [A-Z]{2,2}

2.13   Differences between Recall and Request for Recall by the Originator

The NCT and NCT Inst scheme rulebooks contain dedicated sections explaining the procedures for Recall and Request for Recall by the Originator (RFRO). Some NCT (Inst) scheme participants and payment end-users misunderstand the concrete objectives of both r-transactions, in which cases and how they can be used. The table below compares the two r-transaction types and highlights the differences:

	Recall	RFRO
Phase 1: initiation of the r-transaction		
Concrete Customer-to-PSP (C2B) means for an Originator to initiate the r-transaction	By any C2B means	
Inter-PSP message to initiate the r-transaction	Camt.056	
Party that can initiate or request the initiation of the r-transaction	1. Originator; 2. Originator PSP.	Originator
Time criterion to respect to initiate the r-transaction	Originator PSP must initiate the Recall within the period of • 10 Banking Business Days, or within a lower number of days if local law or community practice apply, for the reasons 'Duplicate sending' and 'Technical problems resulting in an erroneous SCT (Inst)'; • 13 months for the reason 'Fraudulent originated Credit Transfer/NCT Inst' following the execution date of the initial NCT or NCT Inst transaction subject to the Recall.	The debit date of the original NCT (Inst) transaction falls within the 13 months preceding the date at which Originator PSP receives the RFRO

	Recall	RFRO
Possible reasons for which the r-transaction can be used	1. Duplicate; 2. Technical problem leading to an erroneous NCT (Inst) transaction; 3. Fraud	1. Wrong IBAN; 2. Wrong amount; 3. By request of the Originator without any reason specified.
Timespan for the Beneficiary PSP to respond to the r-transaction	Within 15 Banking Business Days after the Beneficiary PSP received the r-transaction, or within a lower number of days if local law or community practice apply. The Beneficiary PSP is in breach with the NCT (Inst) scheme rulebook if it has not responded to the r-transaction within this specific timespan. If the Beneficiary PSP has received no response from the Beneficiary to this r-transaction within this timespan, the Beneficiary PSP must send a negative response with the reason "No response from the Beneficiary" to the Originator PSP.	
Phase 2a: negative response to the r-transaction		
Inter-PSP negative response message	Camt.029	
Party instructing the negative response	1. **Beneficiary** in case it refuses the r-transaction, claims to have never received the initial NCT (Inst) transaction, disputes the monetary amount requested by the Originator or the Originator PSP, or has already transferred back the funds; 2. **Beneficiary PSP** if the claimed amount cannot be debited from the account of the Beneficiary, the Beneficiary did not respond or the initial NCT (Inst) transaction has never been received.	
Phase 2b: positive response to the r-transaction		
Inter-PSP positive response message	Pacs.004	
Party instructing the positive response	1. Beneficiary; Beneficiary PSP if legally possible (or on the basis of an agreement with the Beneficiary).	Beneficiary
Phase 2c: no response from the Beneficiary PSP		
Request for status update	Pacs.028	
Timespan for the Beneficiary PSP to response to the request for status update	See *"Timespan for the Beneficiary PSP to response to the r-transaction"* under Phase 1.	
Inter-PSP negative response message to the request for status update	See phase 2a.	
Inter-PSP positive response message to the request for status update	See phase 2b.	

2.14 Local law or community practice for handling Recalls

In the scenario of a Recall, the NCT and NCT Inst Rulebooks states that the Originator PSP must send the Recall request within the period of 10 Banking Business Days and that Beneficiary PSP must provide the Originator PSP with a response to a Recall within 15 Banking Business Days. In the Nordic countries it is possible that a lower number of days may be needed if local law or community practice apply.

The below table shows how local law and community practice apply in the different Nordic countries.

Country	Scenario	Law	Best practice
Norway	Recall (by PSP only) - Duplicate sending - Technical errors	Finansavtaleloven §4-25 (3 days)	
Denmark	Standard/Intradag clearing (batch): Recall (by PSP obvious errors) - Duplicate sending - Technical errors - Fraud TIPS DKK Instant: - According to NCT Inst Rulebook (10 and 15 days)	N/A	Standard/Intradag clearing (batch): 5 days according to "General Overforselovernskomst" jf. Finans Denmarks aftalebog. or Bilateral agreement between Originator PSP and Beneficiary PSP
Sweden	DCL Corrections (by PSP only) - Incorrect transactions corrected asap or at the latest 3 days - - Format specifications in DCL for these	N/A	3 days or Bilateral or Multilateral agreement between Originator PSP and Beneficiary PSP

*No best practice in Sweden within the NBA for recalls by Originator PSP, only related to when the recall/return is related to the Originator.

2.15 Request for Recall by the Originator

The aim of this clarification is to highlight to NCT and NCT Inst scheme participants the possibility of a Request for Status Update under RFRO;

Even though the list of RFRO reason codes (see the NCT and NCT Inst attribute AT-R071) includes 'The Request for Status Update' as a reason code, the ISO 20022 message **pacs.028** is used to initiate 'The Request for Status Update'.

The ISO 20022 message camt.056 is used for the other RFRO reason codes (i.e. 'Wrong unique identifier of the Beneficiary account'; 'Wrong amount' and 'By request of the Originator without any reason specified').

2.16 Transfer back of funds to the Originator

When the Beneficiary's account has been credited through an NCT (Inst) transaction and the Beneficiary wishes to transfer back funds to the Originator, the Beneficiary can do this by initiating a new NCT (Inst) transaction indicating the IBAN of the payment account of the Originator as the account to be credited through this transaction. The Beneficiary may provide the purpose code "RRCT" (Reimbursement Received Credit Transfer). The Beneficiary can use the Remittance Information attribute (AT-T009) to include the reference which the Originator mentioned him/herself in his/her initial NCT (Inst) instruction, in the NCT (Inst) transaction to transfer back funds to the Originator.

This forms no issue for Beneficiaries having a payment account with an NCT (Inst) scheme participant which is allowed to pass on the IBAN of the payment account of the Originator to the Beneficiary through the transaction reporting tools in the PSP-to-Customer space (e.g., account statements).

However, the Beneficiary may have a payment account with an NCT (Inst) scheme participant which is not allowed to pass on the IBAN of the payment account of the Originator to the Beneficiary (e.g., due to national data protection legislation).

In such cases, a transfer back of funds is still possible on the condition that the Beneficiary PSP and the Beneficiary have made a specific arrangement. The Beneficiary submits an alternative identifier to the IBAN of the Originator used in the original NCT (Inst) transaction, for the new NCT (Inst) instruction.

The Customer-to-PSP NCT and NCT Inst Implementation Guidelines (IGs) includes specific usage rules how to submit such alternative identifier for electronically bundled NCT transactions in ISO 20022 XML format.

In this scenario, the element "IBAN" under "Creditor Account/ID" (pain.001 message) cannot be used and instead "Other/ID" under "Creditor Account/ID" should be used. A number of conditions must be met to use "Other/ID":

- The following two usage rules are to be respected:
    - There is a bilateral agreement between the Beneficiary and the Beneficiary PSP of the original transaction; **and**
    - The delivery of a reference as agreed with and given by the Beneficiary PSP of the original transaction (e.g., the 'Account Servicer Reference' of the camt.052/053/054). The Beneficiary PSP is now the Originator PSP of the Transfer Back transaction.
- To be used only if the category purpose code is "RRCT"

The code RRCT is a (inter-PSP) category purpose code (i.e. AT-T008) and a new (end-to-end) purpose code (i.e. AT-T007) to tag the pain.001 message as an NCT (Inst) transaction to transfer back funds of an earlier settled NCT (Inst) transaction.

In case the Beneficiary PSP wants to offer such facility to its Beneficiaries, the field for the category purpose code RRCT in the pain message will be a mandatory field (i.e. AT-T008).

Moreover, in order to allow the Originator of the original NCT (Inst) transaction to understand that the received NCT (Inst) transaction is related to a transfer back of earlier transferred funds, the (end-to-end) purpose code in the customer-to-PSP pain.001 message (i.e. AT-T007) and relevant inter-PSP pacs.008 message is mandatory for this use case. The messages need to be completed with either the new purpose code RRCT or another code meaningful for identifying the NCT (Inst) transaction as a transfer back of funds. This code being mandatorily present in the pain.001 message also must be present in the related inter-PSP pacs.008 message.

2.17   NCT and NCT Inst R-transaction reason codes

The NCT/NCT Inst scheme rulebook attribute AT-R004 'The Reason Code for Non-Acceptance of the NPC Credit Transfer/NCT Inst' outlines the possible reasons for the non-acceptance of an NCT/NCT Inst transaction.

This rulebook attribute explicitly points out that the documents NPC019-01 'Guidance on reason codes for NCT R-transactions' and NPC020-01 'Guidance on reason codes for NCT Inst R-transactions' **prescribe** which ISO code the CSM and the Beneficiary PSP should use for each of the reasons mentioned for the r-transaction types NCT/NCT Inst Reject and NCT Return.

All Beneficiary PSPs are reminded that they are **obliged** to use the correct R-transaction reason codes described in the documents NPC019-01 and NPC020-01.

Originators and Originator PSPs can consult the documents NPC019-01 'Guidance on reason codes for NCT R-transactions' and NPC020-01 'Guidance on reason codes for NCT Inst R-transactions' to correctly interpret the reason codes given in the R-transaction related to their unsuccessful initial NCT/NCT Inst transaction. These documents also provide the Originators and the Originator PSPs with suggested actions for each NCT/NCT Inst R-transaction reason code.

3 Specific points for the NCT scheme rulebook

3.1 Handling of paper-initiated payments

Payments initiated by paper-initiation services (envelope services) are allowed in the NCT scheme. These payments should be marked as paper-initiated in the inter-PSP message. Information about paper-initiated payments should be indicated in the 'Payment Type Information' as a 'Proprietary' code in the 'Local Instrument' either in the 'Group Header' or in the 'Credit Transfer Transaction Information'. The **proprietary code 'PAPR'** should be used. The code PAPR is not used in the Danish market for DKK.

For the 'Group Header' data elements 1.26 and 1.28 should be used illustrated below.

#	NPC Mult	Message Element	Inter-PSP Payment NPC Core Requirements	
1.26	0..1	FITo FICustomer Credit Transfer V08 +Group Header ++Payment Type Information +++Local Instrument	*NPC Usage Rule(s)*	*Must be used if the Debtor PSP has processed payments based on paper initiated payment service (Envelope service) either on group or transaction level.* *It is not mandatory for the Danish market to use Local instrument for paper-initiated payment service (Envelope service).*
			ISO Name	Local Instrument
			ISO Definition	User community specific instrument. Usage: This element is used to specify a local instrument, local clearing option and/or further qualify the service or service level.
			XML Tag	LclInstrm
			Type	LocalInstrument2Choice
1.28	1..1	FITo FICustomer Credit Transfer V08 +Group Header ++Payment Type Information +++Local Instrument ++++Proprietary	*NPC Usage Rule(s)*	*Proprietary code PAPR must be used if the Debtor PSP has processed payments based on paper-initiated payment service (Envelope service).* *The code PAPR is not used in the Danish market for DKK.*
			ISO Name	Proprietary
			ISO Definition	Specifies the local instrument, as a proprietary code.
			XML Tag	Prtry
			Type	Max35Text
			ISO Length	1 .. 35
			NPC Length	1 .. 35

For the 'Credit Transfer Transaction Information' data elements 2.13 and 2.15 should be used illustrated below.

#	NPC Mult	Message Element	Inter-PSP Payment NPC Core Requirements	
2.13	0..1	FITo FICustomer Credit Transfer V08 +Credit Transfer Transaction Information ++Payment Type Information +++Local Instrument	*NPC Usage Rule(s)*	*Mandatory to use if the Debtor PSP has processed payments based on a paper-initiated payment service (Envelope service) either on group or transaction level.* *It is not mandatory for the Danish market to use Local instrument for paper-initiated payment service (Envelope service).*
			ISO Name	Local Instrument
			ISO Definition	User community specific instrument. Usage: This element is used to specify a local instrument, local clearing option and/or further qualify the service or service level.
			XML Tag	LclInstrm
			Type	LocalInstrument2Choice

| 2.15 | 1..1 | FITo FICustomer Credit Transfer V08 +Credit Transfer Transaction Information ++Payment Type Information +++Local Instrument ++++Proprietary | *NPC Usage Rule(s)*

ISO Name
ISO Definition

XML Tag
Type
ISO Length
NPC Length | *Proprietary code PAPR mandatory to use if the Debtor PSP has processed payments based on paper-initiated payment service (Envelope services).*
The code PAPR is not used in the Danish market for DKK.
Proprietary
Specifies the local instrument, as a proprietary code.
Prtry
Max35Text
1 .. 35
1   35 |

For paper-initiated payments, the name and address of the debtor is mandatory and the data element 2.68 ("Postal Address") with sub-elements should be uses, see illustration below.

| 2.68 | 0..1 | FITo FICustomer Credit Transfer V08 +Credit Transfer Transaction Information ++Debtor +++Postal Address | *NPC Rulebook*
NPC Usage Rule(s)

ISO Name
ISO Definition

XML Tag
Type | AT-P005 The address of the Originator.
Mandatory when Local Instrument PAPR is used.
STRUCTURED ADDRESS: Usage is recommended. 'Town Name' and 'Country' are mandatory. 'Address Line' is not allowed. It is recommended to provide as many structured elements as possible.
HYBRID ADDRESS: 'Town Name' and 'Country' are mandatory. At least one occurrence of 'Address Line' is mandatory.
UNSTRUCTURED ADDRESS: (As of 22 November 2026 at 03:30 CET only the use of structured and hybrid address will be allowed - based on available information at the moment of publication). At least one occurrence of 'Address Line' is mandatory. 'Postal Address' sub-elements other than 'Address Line' and 'Country' are forbidden. The use of 'Country' is mandatory when either the Debtor Agent or Creditor Agent is a non-EEA SEPA PSP.
Postal Address
Information that locates and identifies a specific address, as defined by postal services.
PstlAdr
PostalAddress24 |

3.2   Clarification about the Return reason "By order of the Beneficiary"

Section 4.3.2.2 of the NCT scheme rulebook for Returns specifies that the Return procedure must not be used in cases where the Beneficiary's account has already been credited and the Beneficiary wishes to return the funds. Instead, the procedure of initiating a new Credit Transfer applies.

On the other hand, the attribute AT-R004 'Reason code for non-acceptance of the NPC Credit Transfer' in section 4.6 lists as possible Return reason "By order of the Beneficiary".

Comparing this part of section 4.3.2.2 with the permitted Return reason, this may be interpreted as a contradiction in the NCT scheme rulebook.

However, the use of this specific Return reason is justified when the Beneficiary PSP acts on behalf of the Beneficiary following an instruction from the Beneficiary whereby the Funds have not yet been credited on the payment account of the Beneficiary but the inter-PSP settlement for this Credit Transfer has already taken place.

3.3 Clarification about the NCT inquiry process

The NCT inquiry process is described in section 4.4 NCT scheme rulebook. The table below provides the NCT scheme participant with clarifications on several topics which the NCT scheme participant may be confronted with:

Concrete process questions		
1)	Is the NCT scheme participant obliged to use the ISO 20022 XML message based NCT inquiry process in case the Beneficiary PSP can be reached through another channel (e.g., via a message format or channel agreed at national level)?	All NCT scheme participants must support the ISO 20022 XML messages as defined in the NCT inter-PSP IGs both in the role of an Originator PSP and a Beneficiary PSP. If the Originator PSP has an agreement to send an NCT inquiry message about a NCT transaction through another channel or message standard with the Beneficiary PSP, it can use that alternative channel. Once a given NCT inquiry has been launched via an ISO 20022 standard-based XML message based on the NCT scheme inter-PSP IG specifications, any future response message related to that NCT inquiry must also be sent as an ISO 20022 standard-based XML message following the NCT scheme inter-PSP IG specifications. There cannot be a mixture of ISO 20022 standard-based XML messages and other message standards to handle an NCT inquiry. This would hinder certain automated process steps and complicate the audit trail.
2)	Which NCT transactions are subject to the NCT inquiry process?	Only for NCT transactions with a debit date within the 13 months preceding the submission date of the NCT inquiry.
3)	Can a single NCT Inquiry cover an entire bulk file of NCT transactions?	The inquiry message for the reasons 'Claim of Non-Receipt' and 'Claim for Value Date Correction' concerns a **single** initial NCT Credit Transfer only. If several initial NCT Credit Transfers are con-cerned, then several NCT inquiry messages must be sent. The inquiry message for the reason 'Request for Status Update' can refer to one single NCT inquiry, **or** to several NCT inquiries.
4)	How must an Originator PSP interpret the inter-PSP positive response to a claim of non-receipt inquiry from the Beneficiary PSP?	The Beneficiary PSP confirms that it has credited the initial NCT transaction on the account of the Beneficiary and also provides the Originator PSP with the date on which this NCT transaction has been credited.
5)	As of when the Originator PSP can send a request for a status update about an original NCT inquiry to the Beneficiary PSP? Is there a maximum number of requests for a status update that can be sent?	The Beneficiary PSP is obliged to respond to the original NCT inquiry within the 10 Banking Business Days after it has received this NCT inquiry. Not respecting this deadline is a breach against the NCT rulebook. It is at the discretion of the Originator PSP to send such (multiple) request(s) for a status update after 10 Banking Business Days after the receipt of the NCT inquiry. Nevertheless, the use of the request for a status update should be minimized as it creates workload for the Beneficiary PSP to handle each request.
6)	Does the Beneficiary PSP have to respond to a request for a status update if it has already responded to the original inquiry?	No, the Beneficiary PSP does not have to respond to such request as it has already responded to the initial inquiry. The inter-PSP response from the Beneficiary PSP and the request for a status update from the Originator PSP may have crossed each other.

Concrete process questions		
7)	The Beneficiary PSP is obliged to respond to the original NCT inquiry within the 10 Banking Business Days, or within a lower number of days if local law or community practice apply, after it has received this NCT inquiry. Does this mean that any charge and/or interest compensation that the Beneficiary PSP may ask, should also be settled within this deadline?	The aim of the NCT inquiry is to get information about the concrete fate of the original NCT transaction, i.e., has the Beneficiary PSP well received it and/or has it applied the correct value date. All subsequent actions to correct the current status of the NCT transaction should be done as soon as possible to reduce further friction for the Originator and the Beneficiary. However, these subsequent actions may not be realized within this period of 10 Banking Business Days depending on the complexity of the concrete correction itself, the number of inter-PSP parties to be involved and the internal approvals that each NCT scheme participant may require to authorise this correction.

Interest compensation and fees for NCT inquiries		
8)	In which situations can a Beneficiary PSP charge a fee for handling the NCT inquiry?	The published inter-PSP IGs for the NCT scheme rulebook point out that only for **positive** inter-PSP responses to an NCT inquiry, the Beneficiary PSP can charge a fee from the Originator PSP.
9)	In which situations is a Beneficiary PSP allowed to ask for an interest compensation for the NCT inquiry?	Only in case a **positive** rate is applied to correct the value date. The rate to be applied follows the local principle based on the currency used in the original NPC Credit Transfer.
10)	How should the Originator PSP settle the interest compensation and/or any other fees requested by the Beneficiary PSP?	Via the dataset DS-11 *Inter-PSP Fee and/or Compensation Payment Dataset* (see the sections 4.4.4 and 4.5.11 in NCT Rulebook).
11)	In case of an NCT inquiry "Claim for Value Date Correction", the Beneficiary PSP is allowed to claim first the receipt of an interest compensation and possibly also a fee for handling the NCT inquiry, before it will execute the value date correction. When the Beneficiary PSP communicates back to the Originator PSP that it has well received the interest compensation and the new value date of the NCT transaction, can the Beneficiary PSP ask a second fee for handling this specific NCT inquiry?	The Beneficiary PSP reports at just one occasion the total amount in fees for handling such NCT inquiry: either at the moment it communicates the claim to receive first the interest compensation before executing the value date correction, or at the moment it communicates that the value date correction has been done.

3.4 Implementation of the dataset DS-11 'Inter-PSP Fee and/or Compensation Payment Dataset'

The NCT scheme rulebook includes the dataset DS-11 'Inter-PSP Fee and/or Compensation Payment Da-taset' (see the sections 4.4.4 and 4.5.11 of the 2025 rulebook). The Beneficiary PSP a fee (in case of a positive response to an NCT inquiry for the reasons 'Claim of Non-Receipt' and 'Claim for Value Date Correction') and/or interest compensation (resulting from a positive response to an NCT inquiry for the reason 'Claim for Value Date Correction') to finally resolve a NCT inquiry.

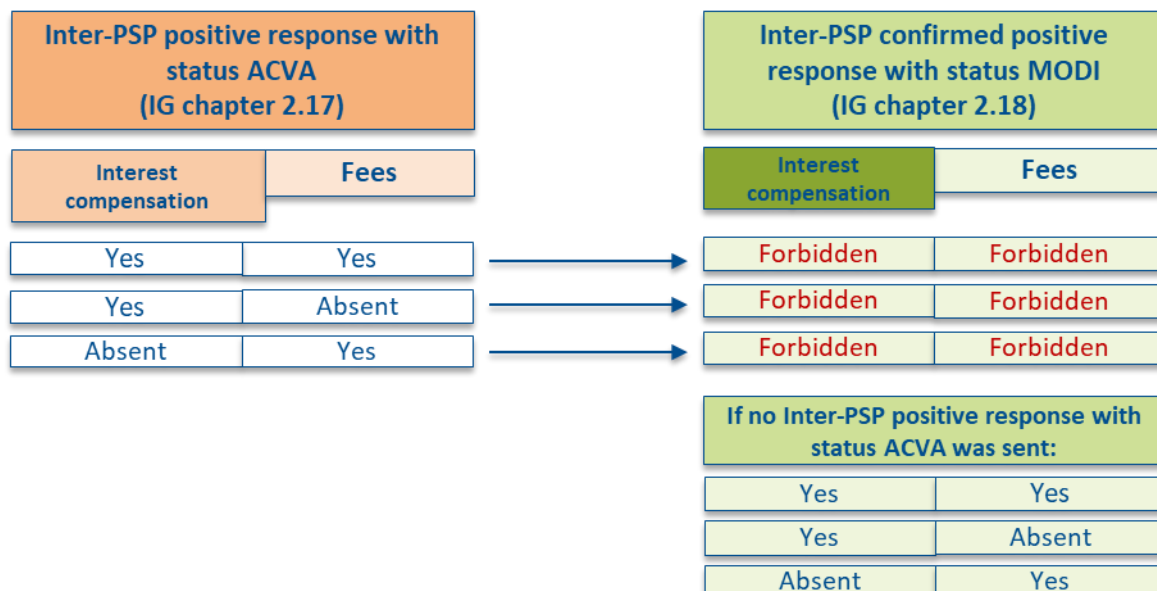Important main specifications for the implementation of DS-11:

- NCT scheme participants may agree (e.g., on a bilateral or community/country basis) to use another practice outside the NCT scheme to settle such payments. But to ensure a minimal standard at a Nordic level, all scheme participants must implement the DS-11 pacs.008 message (i.e. at least the DS-11 'Credit Transfer Transaction Information' block in case of a DS-02/DS-11 mix) as described in section 2.20 of the NCT IGs.
- The Originator PSP can send a mix of NCT transactions based on the dataset DS-02 'The Inter-PSP Payment Dataset' and DS-11 in a single pacs.008 message.
- The Beneficiary PSPs may agree on a bilateral basis with their CSM on how the DS-02/DS-11 transactions will be sent to them (e.g., via dedicated DS-02/DS-11 files or mixed files).
- DS-11 is used to settle the NCT inquiry fee and/or interest compensation payments for a single NCT inquiry case **or** for multiple NCT inquiry cases

3.5 Clarifications on how to claim and to pay the interest compensation and/or the Inter-PSP fee under the NCT Inquiry procedure

The section 4.4.2 of the NCT scheme rulebook stipulates that the Beneficiary PSP reports at just one occasion the total amount in interest compensation and/or fees for handling an NCT inquiry for the reason 'Claim for Value Date Correction': either at the moment it communicates the claim to receive first the interest compensation and/or the fee before executing the value date correction, or at the moment it communicates that the value date correction has been done.

This business rule has been translated in the technical message specifications of the sections *2.17 Inter-PSP Positive Response to Claim for Value Date Correction (DS-10)* and *2.18 Inter-PSP Confirmed Positive Response to Claim for Value Date Correction (DS-10)* of the NCT Inter-PSP IGs.

The following diagram shows how the Beneficiary PSP can use the camt.029 message to claim an interest compensation and/or Inter-PSP fee when responding positively to the relevant NCT inquiry:

Inter-PSP positive response with status ACVA (IG chapter 2.17)		Inter-PSP confirmed positive response with status MODI (IG chapter 2.18)	
Interest compensation	**Fees**	**Interest compensation**	**Fees**
Yes	Yes	Forbidden	Forbidden
Yes	Absent	Forbidden	Forbidden
Absent	Yes	Forbidden	Forbidden

If no Inter-PSP positive response with status ACVA was sent:	
Yes	Yes
Yes	Absent
Absent	Yes

Some NCT scheme participants question how the Beneficiary PSP can indicate in the camt.029 message that the inquiry fees and the interest compensation are to be paid in two separate payments or in just one payment, and in case of two payments, how to indicate these payments are to be paid to two different accounts.

The Originator PSP will make two payments only when Beneficiary PSP mentions two different accounts in its camt.029 message.

It is the decision of the Originator PSP to make just one payment, even if the Beneficiary PSP mentions in its camt.029 message the same account number for both the inquiry fee and the interest compensation.

When the Beneficiary PSP wants to receive two payments, it also must realize that the Originator PSP may send these two payments in just one pacs.008 message or in two different pacs.008 messages.

The following diagram shows the possibilities for the Originator PSP allowed under the NCT Inter-PSP IGs, to send NCT inquiry fee and interest compensation payments via pacs.008 messages: