

Welcome to the NPC Information meeting!

The meeting will start at 9:30 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.



# NPC

The Nordic Payments Council  
*Creates, owns and manages NPC Schemes*

Information meeting March 20, 2024



# Agenda

- NPC General Information
- NPC Payment Schemes
  - Change Management Cycle 2025 versions
  - One-Leg Out
- NPC Confirmation of Payee Scheme
  - Change Management Cycle 2024 version
  - Related market initiatives
- NPC Membership & Scheme Adherence
  - NPC Schemes and market implementations
- Monitoring activities
- Questions and comments
- NPC going forward and next meetings



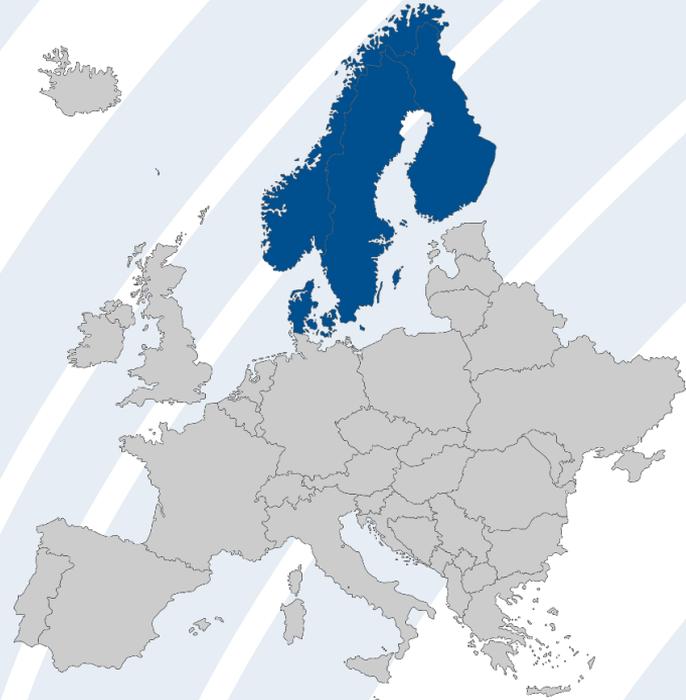
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# NPC's vision

One Nordic payment area  
aligned with  
Single European Payments Area  
SEPA



# NPC's mission

To harmonise payments across the Nordics for the Nordic currencies by developing and maintaining common Nordic standards and rulebooks



# Important NPC steering documents

- NPC Bylaws
- NPC Internal Rules
- NPC Scheme Management Rules
- NPC Scheme Rulebooks – eligibility criteria

Published at NPC's web:

<https://www.nordicpaymentscouncil.org/>

## Bylaws of the Nordic Payments Council

Approval Date: 10<sup>th</sup> of June 2021

Effective Date: 10<sup>th</sup> of June 2021

Replacing: Bylaws of the Nordic Payments Council approved the 7<sup>th</sup> of June 2019

### 1. Name and legal form

1.1 The Nordic Payments Council ("NPC") is a Swedish "Ideell företag".

### 2. Offices

2.1 The NPC's registered offices shall be located in Sweden.

### 3. Purpose

3.1 The purpose of the NPC is to create, own and manage a payment scheme, based upon, but not limited to, the Single Euro payment scheme as well as to develop and rules in close dialogue with the scheme use decided by the Members. This should be done in an economically balanced and sustainable, cross-currency payments in communities where the NPC shall ensure competitiveness and innovation.

### 4. Definitions

4.1 In the present Bylaws, unless the context otherwise requires:

**Board Member:** is a member of the Board of Directors;

**Board of Directors:** is the group of Representatives appointed pursuant to section 11.2 and limited pursuant to section 11.3 of the Bylaws respectively provided for under section 11.1 of the Bylaws;

**Bylaws:** means the present Bylaws as amended;

**Eligibility Requirements for Scheme Rulebooks:** are stipulated in the section 11.4 of the rulebook(s) of the Scheme(s).

## Internal Rules of the Nordic Payments Council

Approval Date: 8<sup>th</sup> of June 2023

Effective Date: 8<sup>th</sup> of June 2023

Replacing: Internal Rules of the Nordic Payments Council 2021

### 1. Organisation

1.1 The Nordic Payments Council (NPC) consists of a General Assembly (including a Secretary General), a Nomination Committee. Its internal rules (the "NPC Internal Rules") shall be approved by the General Assembly.

### 2. Definitions

2.1 In these NPC Internal Rules defined terms shall have the meaning given in the Bylaws unless given a specific meaning in these Internal Rules.

### 3. Governing rules

3.1 The NPC and the rights and obligations of its Members shall be governed by the Bylaws.

3.2 These NPC Internal Rules are a part of the Bylaws.

3.3 Beside the Bylaws and the NPC Internal Rules is a set of rules for the composition and work of the Board of Directors.

### 4. Usage Categories

4.1 The amount of the Scheme Management Fees shall be divided proportionally among the Members for the purpose of a fair allocation.



## NPC SCHEME MANAGEMENT RULES

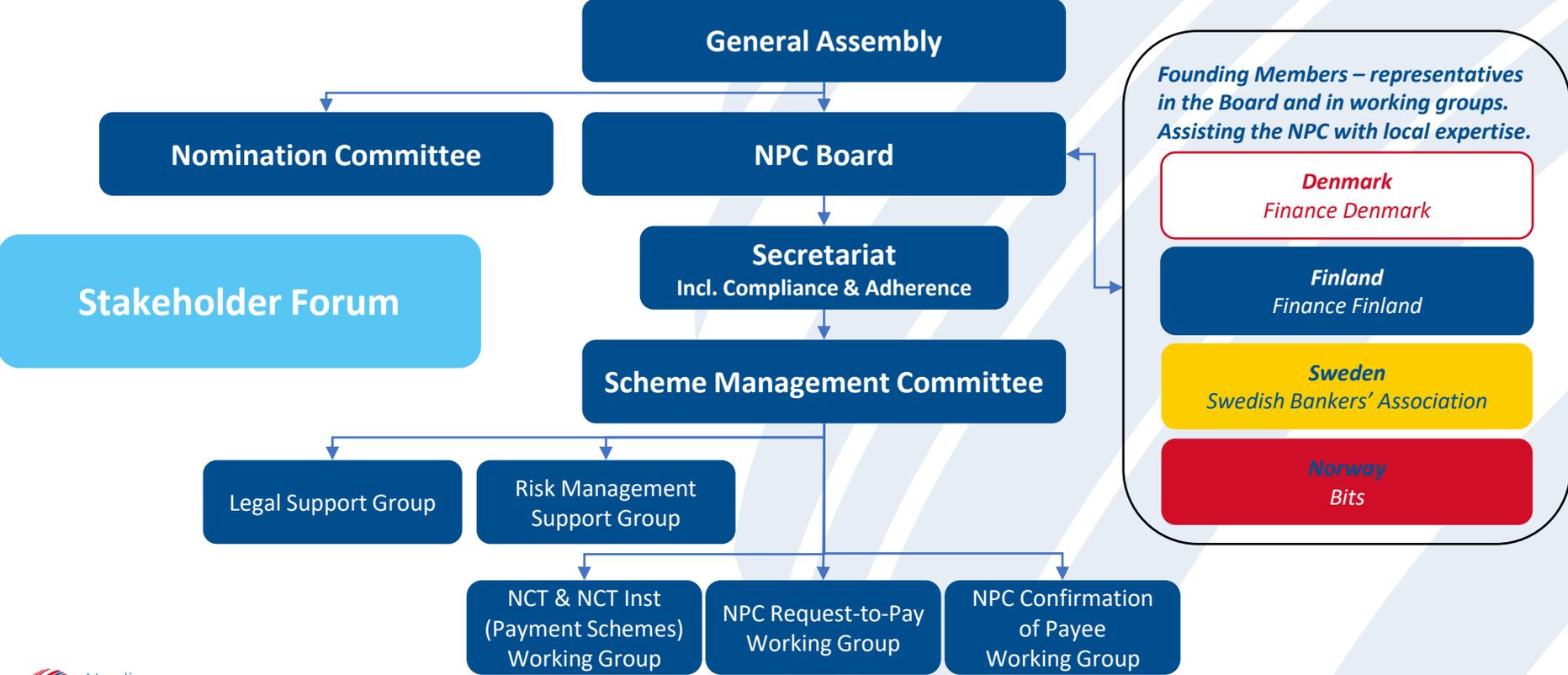
NPC/SMO/01 / Version 1.2 / Draft issued: 20 June 2022 / Date effective: 28 June 2022  
Public



# NPC Members



# NPC Organisation – non-profit association

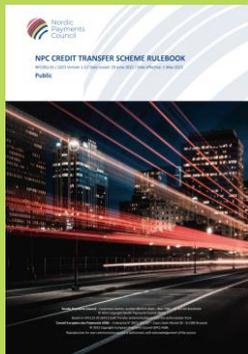


# Overall structure – the different entities



# NPC Schemes

## NPC Credit Transfer Scheme Rulebook



**NPC Scheme Currencies**  
DKK, NOK, SEK

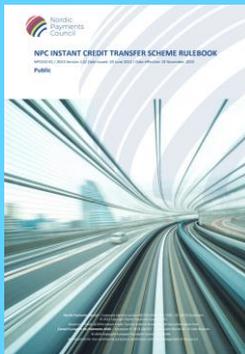
NPC Credit Transfer  
PSP to Customer  
Recommendation on ISO 20022  
customer reporting

NPC Extended Remittance Information  
(ERI) - optional

NPC Credit Transfer Inter-PSP  
Implementation Guidelines

NPC Credit Transfer  
Customer to PSP  
Implementation Guidelines - recommendation

## NPC Instant Credit Transfer Scheme Rulebook



**NPC Instant Credit Transfer**  
**Maximum Amount**

NPC Instant Credit Transfer **Inter-PSP**  
Implementation Guidelines

NPC Instant Credit Transfer  
**Customer to PSP**  
Implementation Guidelines –  
recommendation

## NPC Confirmation of Payee Scheme Rulebook



NPC Confirmation of Payee  
Implementation Guidelines

NPC Confirmation of Payee  
API examples

+ Local Market Practice (Agreements and Recommendations)

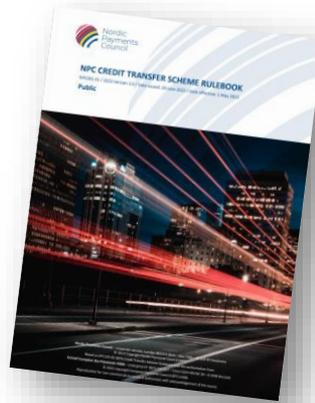
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## NPC Credit Transfer Scheme

- Rulebook
- Extended Remittance Information (ERI) option
- Inter-PSP Implementation Guideline
- Customer-to-PSP Implementation Guideline
- Clarification papers



## NPC Instant Credit Transfer Scheme

- Rulebook
- Maximum amount
- Inter-PSP Implementation Guideline
- Customer-to-PSP Implementation Guideline
- Clarification papers



- Recommendation of customer reporting (camt.052, camt.053, camt.054)
- Scheme currencies (DKK, NOK, SEK)

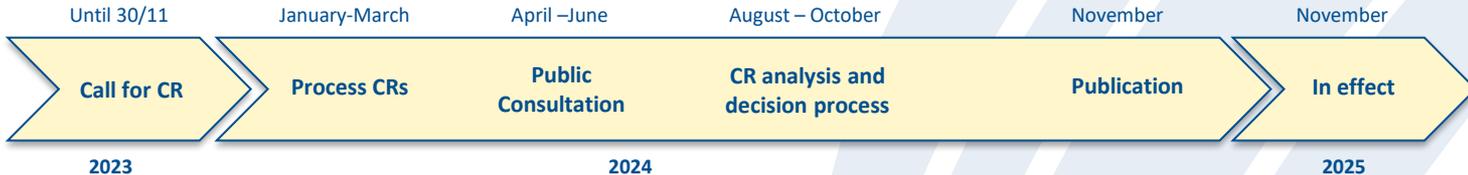
A **payment scheme** is a set of rules which have been agreed upon to execute transactions through a specific payment message (such as credit transfer, direct debit, card, etc). It is different from a payment system, which is a technical infrastructure that processes transactions in line with the rules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

# EPC & NPC 2025 Change Management Process

## EPC CM process



## NPC CM process



# Change Management NCT & NCT Inst 2025 version

During **call for change requests** between August 30<sup>th</sup> and November 30<sup>th</sup>, 2023, NPC received:

- 2 external change requests (Finance Denmark)
- 8 Internal change requests (NCT & NCT Inst WG)
- 10 change requests originating from EPC and the SCT & SCT Inst 2025 version are recommended for NCT & NCT Inst Schemes 2025 version

**Public consultation** between March 1<sup>st</sup> and June 1<sup>st</sup>

- Rulebook 2025 Public Consultation Change Request
- Rulebook Response template 2025 CR public consultation
- Annex with original CR documents

• All information and documents are found here:

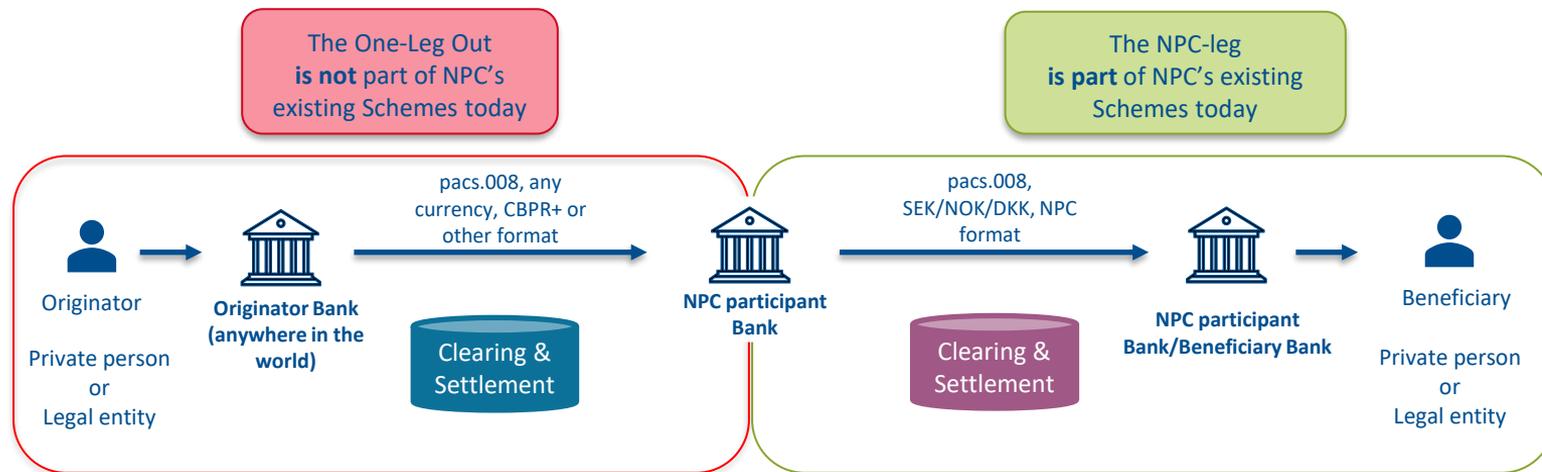
<https://www.nordicpaymentscouncil.org/get-involved/public-consultations-npc-payment-schemes-2025-and-cop-scheme-2024/>



# NPC Payment scheme versions going forward



# Exampel of NPC One-Leg Out (OLO) transaction scenario



## Cross border NCT & NCT Inst One-Leg Out

- Transactions **starting** or **ending** outside the NPC schemes
- New possibility - Cross border (low-value payments incoming and outgoing) using the NPC payment rails for the first or final leg of the transaction.
- Sanction screening and other controls are needed for cross border

## Domestic NCT & NCT Inst

- Transactions between scheme participants (in Scheme currency) within the same country

## Cross border NCT & NCT Inst within the Scheme

- Transactions between scheme participants in different Nordic countries
- New possibility - Cross border within the Nordics (in Scheme currency)
- Opt-out possibility
- Sanction screening is needed for cross border (even in Scheme currency)
- All participants need connection to Settlement for Scheme currency/ies

# NPC OLO Task Force

- OLO Task Force earlier:
  - Any need for OLO in the Nordics? In a long term yes, no common timeline right now. Strong need in Norway
  - Following EPC One-leg Out Inst Scheme development
  - Initiatives connected to OLO - G20 roadmap enhancing cross border, implementation of ISO 20022, interoperability to Instant Payment Systems
- OLO Task Force ongoing work:
  - Support Norway in its need for OLO in the transition to NCT and NCT Inst Schemes as an AOS
  - Monitor initiatives for cross-border (instant) payments, especially EPC One-Leg Out Inst Scheme
  - Dialogue with relevant market actors, e.g., Swift, Central Banks, European Payments Council (EPC)



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# 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
- 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



# Change Management NPC CoP 2024 version

During **call for change requests** between May 30<sup>th</sup> and November 30<sup>th</sup>, 2023, NPC received:

- 11 external change requests (Stakeholder Forum Member Banfico)
- 2 internal change requests (NPC CoP WG)

**Public consultation** between March 1<sup>st</sup> and June 1<sup>st</sup>

- Rulebook 2024 Public Consultation Change Request
- Rulebook Response template 2024 CR public consultation
- Annex with original CR documents
  
- All information and documents are found here:  
<https://www.nordicpaymentscouncil.org/get-involved/public-consultations-npc-payment-schemes-2025-and-cop-scheme-2024/>



# NPC CoP scheme versions going forward



# Instant Payments Regulation and IBAN/name check in the Eurozone

- The Instant Payments Regulation is the first EU law to mandate i.e., an IBAN/name check before euro credit transfers to verify the recipient of the payments and their account
- To enable a harmonised compliance with that requirement, the European Payments Council created a scheme for SEPA PSPs. → **Verification of Payee scheme** published for Public Consultation 20th February 2024

# Different needs, different schemes



**Eurozone:**  
Verification of Payee

IBAN/name check to enable Inst Payments Compliance

Ensure interoperability across the eurozone

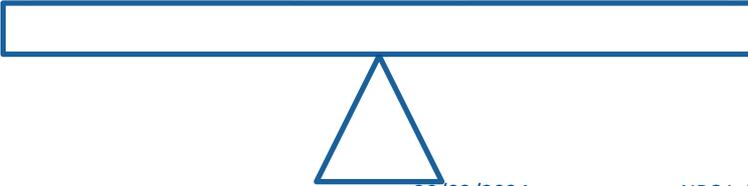
Specific scope for verifying payee before SEPA payments

**Nordics:**  
Confirmation of Payee

No specific CoP regulation for Nordic currencies

Created with local requirements in mind as part of transformation to ISO

Wide and open scope to fulfil business needs and future regulation



# Confirmation of Payee in the Nordics

## From business need to legal requirement

### EUR Payments

**Step 1** – 19<sup>th</sup> March 2024: Official Journal Publication of Instant Payments Regulation

**Step 2** – October 2025 (18 months after publication): Eurozone PSPs perform CoP before all SEPA credit transfers

**Step 3** – July 2027 (39 months after publication): PSPs outside Eurozone perform CoP before all SEPA credit transfers

### SEK, NOK, DKK Payments

**Step 1** – 28/06/2023: European Commission does a press release on PSD3 and Payment Services Regulation (PSD2 review): the package will mandate CoP before all payments in the EU

**Step 2** – End of 2024: final text might be accessible

**Step 3** – End of 2026: PSD3 and PSR come into effect and transition period of 18-24 months starts

**Step 4** – 2027/2028: CoP mandated for all credit transfers in the EU

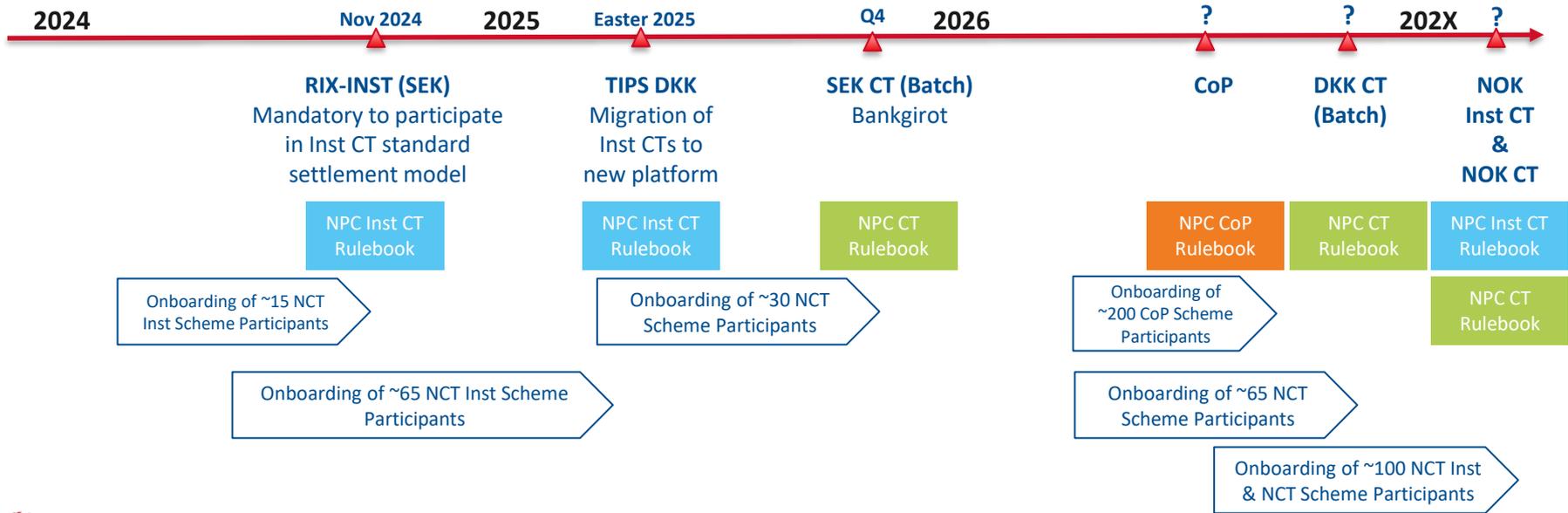
ESTIMATES

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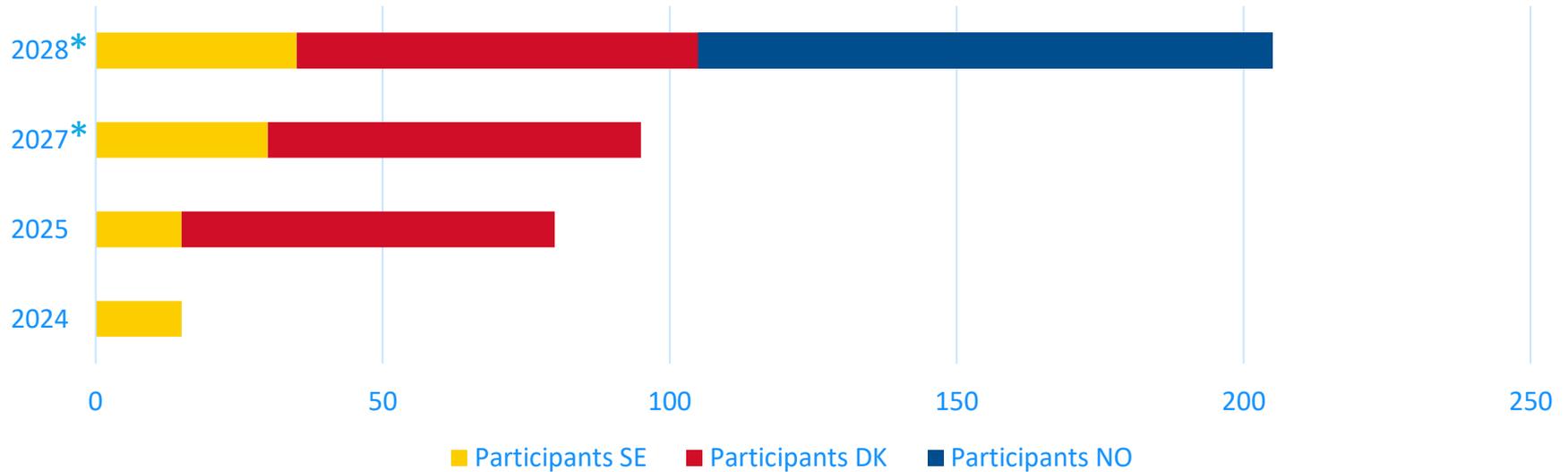


# Indicative Nordic transformation plan



# NPC's Projected Growth Scenario

## NPC Members per geography



\*Time-plans not yet communicated

# Benefits of NPC membership

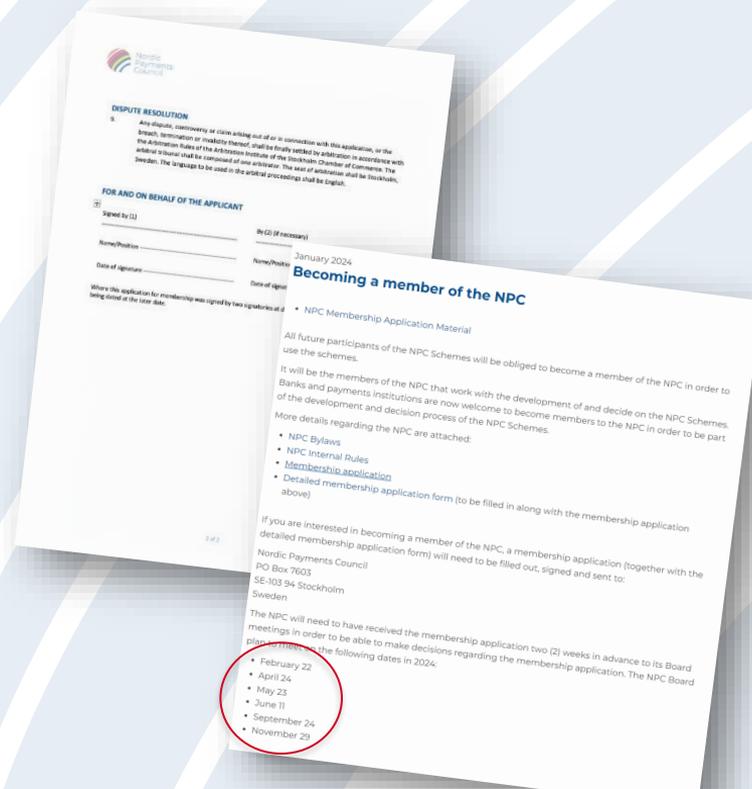
- NPC membership is a prerequisite for adhering to an NPC Scheme
- Certain Clearing and Settlement Mechanisms (CSMs) and other Infrastructure Providers require NPC Scheme adherence for participation
- As an NPC member, you are encouraged to participate and contribute to the development of NPC Schemes and the creation of new schemes
- The NPC Secretariat facilitates cooperation and scheme development while coordinating Nordic input to the EPC
- NPC relies on its members to ensure that our schemes align with market needs



- ❖ One Nordic payment area aligned with SEPA
- ❖ NPC is a Nordic market driven initiative and a member organisation

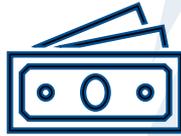
# NPC Member application

- NPC Membership is required in order to participate in an NPC Scheme
- Fill in the Membership application and send to the NPC
- NPC will evaluate the application and the NPC Board will approve according to the published timetable on the website
- Process to become member and participant in NPC Schemes need to start at least 6 months before the intention to start using the Scheme(s)
- Members are categorised according to number of transactions in current clearing systems



*NPC membership applications can be made at any time, preferably before the NPC Scheme Adherence application and at the latest at the same time*

# Adhering to NPC Payment Scheme(s)



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\*\***

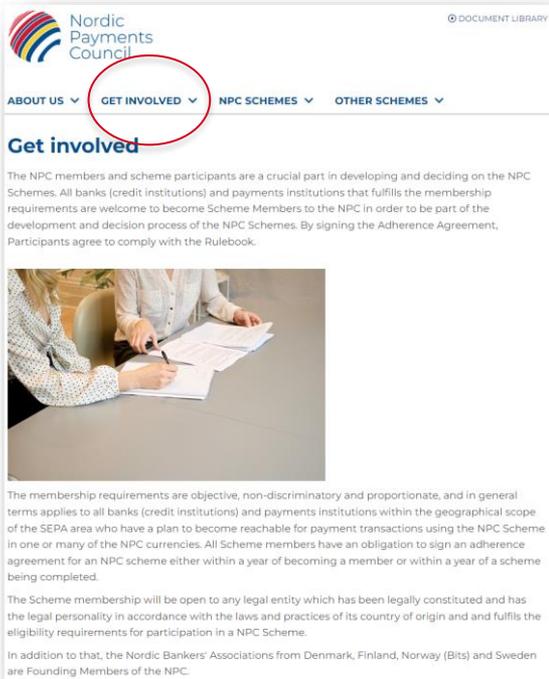
5. Sign Adherence agreement(s) to the Scheme(s) with selected currency/currencies, ERI\* Option  
Need to present a **readiness date\*\*** to sign the agreement

\* 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)



# Adherence documents



Nordic Payments Council

DOCUMENT LIBRARY

ABOUT US ▾ **GET INVOLVED ▾** NPC SCHEMES ▾ OTHER SCHEMES ▾

## Get involved

The NPC members and scheme participants are a crucial part in developing and deciding on the NPC Schemes. All banks (credit institutions) and payments institutions that fulfills the membership requirements are welcome to become Scheme Members to the NPC in order to be part of the development and decision process of the NPC Schemes. By signing the Adherence Agreement, Participants agree to comply with the Rulebook.



The membership requirements are objective, non-discriminatory and proportionate, and in general terms applies to all banks (credit institutions) and payments institutions within the geographical scope of the SEPA area who have a plan to become reachable for payment transactions using the NPC Scheme in one or many of the NPC currencies. All Scheme members have an obligation to sign an adherence agreement for an NPC scheme either within a year of becoming a member or within a year of a scheme being completed.

The Scheme membership will be open to any legal entity which has been legally constituted and has the legal personality in accordance with the laws and practices of its country of origin and fulfills the eligibility requirements for participation in a NPC Scheme.

In addition to that, the Nordic Bankers' Associations from Denmark, Finland, Norway (Bits) and Sweden are Founding Members of the NPC.

## January 2024 Becoming a member of the NPC

- NPC Membership Application Material

All future participants of the NPC Schemes will be obliged to become a member of the NPC in order to use the schemes.

It will be the members of the NPC that work with the development of and decide on the NPC Schemes. Banks and payments institutions are now welcome to become members to the NPC in order to be part of the development and decision process of the NPC Schemes.

More details regarding the NPC are attached:

- NPC Bylaws
- NPC Internal Rules
- [Membership application](#)
- Detailed membership application form (to be filled in along with the membership application above)

If you are interested in becoming a member of the NPC, a membership application (together with the detailed membership application form) will need to be filled out, signed and sent to:

Nordic Payments Council  
PO Box 7603  
SE-103 94 Stockholm  
Sweden

The NPC will need to have received the membership application two (2) weeks in advance to its Board meetings in order to be able to make decisions regarding the membership application. The NPC Board plan to meet on the following dates in 2024:

- February 22
- April 24
- May 23
- June 11
- September 24
- November 29

## November 2023 Becoming an NPC Scheme Participant

Are you wondering how to adhere to the schemes? This guide provides detailed guidelines for applicants wishing to adhere to one or more of the NPC managed payment schemes:

- Adherence guide to NPC Credit Transfer Scheme and NPC Instant Credit Transfer Scheme

Are you looking for the relevant materials to guide the implementation in your systems? Find out more here:

- Adherence pack for the NPC Credit Transfer Scheme
- **Adherence pack for the NPC Instant Credit Transfer Scheme**
- Adherence pack for the NPC Confirmation of Payee Scheme

- Adherence Guide to the NPC Payment Schemes v1.0.pdf
- NPC015-01 Annex A-1 NPC Instant Credit Transfer Adherence Agreement v2.0.pdf
- NPC016-01 Annex A-2 Schedule information to the Adherence Agreement NPC Instant Credit Transfer Scheme v2.0.pdf
- NPC022-01 Annex A-2 NPC Schedule Information to Adherence Agreement - NCT Instant Scheme v2.0.xlsx
- NPC023-01 Annex A-3 Standard Legal Opinion NCT Inst Scheme v2.0.docx
- NPC024-01 Annex A-4 Standard Legal Opinion for PSD2 entities - NCT Inst Scheme v2.0.docx



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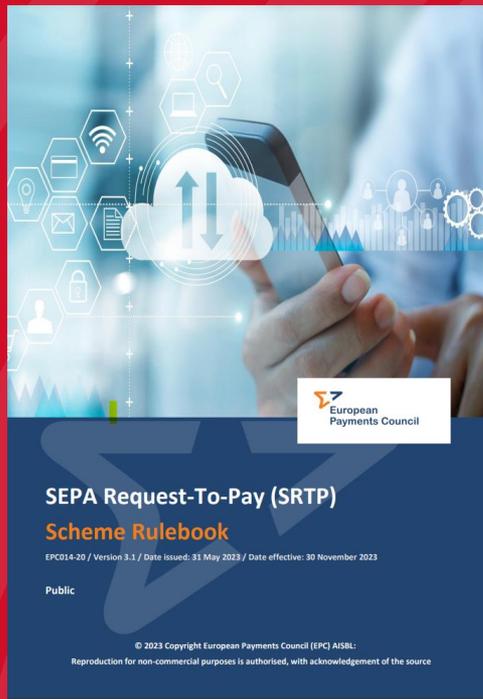
# Monitoring activities

- European Payments Council
  - Change Management SEPA Schemes
  - Verification of Payee Scheme
  - One-Leg Out

# NPC and SEPA Request-to-Pay (SRTP)

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

- In recent years, NPC has analyzed and provided Nordic input to the EPC SRTP work
- The EPC SRTP Scheme is **currency agnostic**, which means that payments in any currency can be requested under the same common Rulebook as the euro – and can be used for the Nordic region
- **2024 Change requests in Public Consultation, March 12<sup>th</sup> until June 9<sup>th</sup>**
- Nordic banks must adhere to SRTP in order to make Request-to-Pay for euros
- No decision (yet) for a Request-to-Pay solution for Nordic currency(ies) based on EPC SRTP Scheme



## SRTP Scheme evolution calendar:

- **Between 1 December 2022 and 29 December 2023**  
Call for change requests to version 3.0 of the [SRTP Scheme Rulebook](#)
- **Q2 2023**
  - Publication of the SRTP related API specifications based on the version v3.0 of the [SRTP scheme rulebook](#)
  - Publication of the version 3.0 of the SRTP scheme Clarification Paper
  - Launch of three new homologation types
- **Q3 2023**  
Launch of the homologation with [APIs](#)
- **Between March and June 2024**  
Three-month public consultation
- **November 2024**  
Publication of the [SRTP Scheme Rulebook \(version 4.0\)](#)

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# NPC going forward

**21 Mar.**

NPC Stakeholder Forum meetings March 21<sup>st</sup>  
– minutes and presentation deck will be published

**Oct. 2024**

Next information meeting in October 2024

- 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 projects for: RIX-INST, T2/T2S & ISO-migration
  - SE Bankgirot
  - SE Transformation Program

# Questions?

## More information:

- Web: [www.nordicpaymentscouncil.org](http://www.nordicpaymentscouncil.org)
- E-mail: [info@npcouncil.org](mailto:info@npcouncil.org)

- Secretary General:

Camilla Åkerman  
[camilla.akerman@npcouncil.org](mailto:camilla.akerman@npcouncil.org)

- Scheme Manager NCT & NCT Inst:

Maria Brogren  
[maria.brogren@npcouncil.org](mailto:maria.brogren@npcouncil.org)

- Scheme Manager Confirmation of Payee:

Paulina Kudlacik  
[paulina.kudlacik@npcouncil.org](mailto:paulina.kudlacik@npcouncil.org)