

CHANGE PROPOSAL SUBMISSION DOCUMENT FOLLOWING THE 2024 PUBLIC CONSULTATION ON COP CHANGE REQUESTS

NPC CONFIRMATION OF PAYEE SCHEME RULEBOOK

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Public

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Version History

Version	Date	Edited by	Comments
0.1	2024-06-25	NPC Secretariat	First draft
0.2	2024-08-20	NPC Secretariat	Second draft, approved by the CoP WG 2024-08-22
1.0	2024-08-28	NPC Secretariat	Final version created as decision basis for the Scheme Management Committee (SMC)

1 Foreword: Principles of NPC Payment Scheme Development

1.1 Introduction

This document contains the results and comments received on the change requests submitted for public consultation on possible modifications to be introduced into the Nordic Payments Council (NPC) Confirmation of Payee (CoP) rulebook. It provides feedback to all stakeholders on the results of the 2024 public consultation.

The Nordic Payments Council (NPC) schemes evolve based on a transparent change management process adhered to by the Nordic Payments Council (NPC).

This evolution reflects changes in market needs and updates of technical standards developed by international standardisation bodies, such as the International Organization for Standardization (ISO).

The principles governing the evolution of the NPC payment schemes are set out in section 4 of the NPC Scheme Management Rules.

1.2 NPC scheme rulebook release management – important notice to all NPC stakeholders

The NPC publishes updated versions of the rulebooks at a minimum every two years in the month of November. In accordance with industry best practice, payment service providers (PSPs) and their suppliers therefore have sufficient lead time to address rulebook updates prior to such changes taking effect.

The 2024 version of the NPC Confirmation of Payee rulebook will be published in November 2024 and come into effect immediately. In future versions of the scheme at least one year lead time will be given to the market between publication and entry into effect date.

1.3 NPC scheme development: NPC scheme change management

The first step in the NPC scheme change management cycle is the **submission of change requests** to the schemes by any interested party.

In consideration of the change requests received, the NPC CoP working group (CoP WG) develops a **public consultation document**, containing the change requests and the related CoP WG recommendations.

The preparation of the public consultation documents involves the analysis of the change requests received which may include, as appropriate, an impact analysis. Based on this analysis, the CoP WG issues a recommendation on how each change request should be handled.

All submitted change requests to modify the rulebooks received by the NPC are published through the public consultation documents on the NPC Website, permitting such a list to be openly viewed by all stakeholders. The public consultation documents are released for a **three-month public consultation** in the second quarter of the year.

From the moment the three-month public consultation has ended, the CoP WG shall collect and consolidate the comments received from all NPC payment scheme participants and stakeholders during

the public consultation. The CoP WG then analyses the expressed support and the comments received for each change request. After that, it develops **change proposals** based on the level of support and comments received from the public consultation.

A change proposal as developed by the CoP WG may bring together more than one change, developed from one or more change requests. The CoP WG consolidates the change proposals, along with each change request and the related comments received from the contributors during the public consultation, in the **change proposal submission document**.

The change proposal submission document is then submitted to the **NPC Scheme Management Committee (SMC)** and the **NPC Stakeholder Forum**. The SMC will have its final decision-making deliberations in accordance with section 4.2.5 of the NPC Scheme Management Rules.

2 Executive Summary

This Change Proposal Submission document describes that each stage of the 2024 CoP rulebook change management cycle, from the initiation to the public consultation, has been properly completed in respect of each change request submitted.

The first step in the change management cycle has been the **submission of change requests** to the CoP scheme by any interested party. The deadline for receipt of such suggestions was November 31, 2023. In total, NPC has handled 13 major change requests to be introduced in the CoP rulebook.

The public consultation on possible modifications to be introduced into the CoP rulebook, was held between 1st of March 2024 and 1st of June 2024. The NPC received input from 4 (communities of) PSPs and other stakeholders. Please refer to the Annex I for the full list of contributors.

The documents circulated for the public consultation were the document CoP Rulebook 2024 Change Request Public Consultation (NPC063-01) and the Response Template (NPC063-02). Both documents have been made available on the NPC Website.

This Change Proposal Submission Document contains for each change request:

- a) A description of the change request;
- b) The CoP WG analysis and the recommendation given for the public consultation;
- c) Rulebook impact
- d) The CoP WG change proposal submitted to the SMC;
- e) The comments received during the public consultation;
- f) The SMC decision on each CoP WG change proposal.

The SMC took into account the position document NPC099-04 NPC Stakeholder Forum position 2024 Confirmation of Payee Rulebook when making its decision on each change request and the related CoP WG change proposal.

Overview of the 2024 CoP change requests and the final SMC decision.

Change Request NPC Item	Topic/Comment title	Contributor	SMC decision
Internal Change Requests			
#COP01	Replace “Customer” with “Payment Service User”	CoP WG	For inclusion in the 2024 CoP rulebook version 1.0.
#COP02	Private Payer requesting corporate Payee confirmation based on unique corporate ID	CoP WG	For inclusion in the 2024 CoP rulebook version 1.0.
External Change Requests			
#COP03	Matching rules and examples	Banfico	For inclusion in the 2024 CoP rulebook version 1.0.
#COP04	Scope and application of the scheme	Banfico	Not to be included in the 2024 CoP rulebook version 1.0.
#COP05	Execution Time Cycle, timeout and retries	Banfico	Not to be included in the 2024 CoP rulebook version 1.0.
#COP06	Technical response to a bulk request	Banfico	For inclusion in the 2024 CoP rulebook version 1.0.
#COP07	Obligatory risk-related front-end messages to the Customer	Banfico	Not to be included in the 2024 CoP rulebook version 1.0.
#COP08	Corporate IDs available for use in CoP requests	Banfico	Not to be included in the 2024 CoP rulebook version 1.0.
#COP09	API communication details of bulk response	Banfico	Not to be included in the 2024 CoP rulebook version 1.0.
#COP10	Opt-out for PSUs	Banfico	Not to be included in the 2024 CoP rulebook version 1.0.
#COP11	Enrich CoP responses with a trust score layer	Banfico	Not to be included in the 2024 CoP rulebook version 1.0.
#COP12	Matching rules and examples for corporate names, account type indicator in requests	Banfico	For inclusion in the 2024 CoP rulebook version 1.0.
#COP13	Verticalized scheme documentation	Banfico	Not to be included in the 2024 CoP rulebook version 1.0.
#COP14	Introduce the timestamp attribute	CoP WG	For inclusion in the 2024 CoP rulebook version 1.0.

3 Overview of Change Requests Submitted for the 2024 Public Consultation

All change requests to the CoP rulebook were reviewed by the CoP WG.

This section lists the change requests which were presented for public consultation along with the recommendation given by the CoP WG for each change request.

All change requests include a recommendation from the CoP WG unless the CoP WG is not able to provide a recommendation for the public consultation.

3.1 Possible recommendations for a change request

Each recommendation reflects one of the options detailed in items a) through f) below:

- a) The change is **already provided for** in the Scheme: no action is necessary for the NPC
- b) The change **should be incorporated into the Scheme**: the Change Request becomes part of the Scheme and the Rulebook is amended accordingly
- c) The change **should be included in the Scheme as an optional feature**:
 - The new feature is optional and the Rulebook will be amended accordingly;
 - Each Scheme Participant may decide to offer the feature to its customers, or not.
- d) The change is not considered fit for Nordic wide use and **could be handled as an additional optional service (AOS)** by interested communities:
 - The proposed new feature is not included in the Rulebook or in the Implementation Guidelines released by the NPC related to the Rulebook;
 - The development of AOS is out of scope of the NPC. However, the NPC does publish declared AOS arrangements on the NPC Website for information purposes;
 - The NPC may consider the inclusion of AOS arrangements, if supported by a sufficient number of communities, in a future version of the Rulebook;
- e) The change request **cannot be part** of the existing scheme for one of the following reasons:
 - It is technically impossible or otherwise not feasible (to be explained on a case by case basis);
 - It is out of scope of the scheme;
 - It does not comply with the SEPA Regulation or any other relevant EU, Nordic or Swedish legislation.
- f) The change request may be considered for the development of a **new scheme**:
 - The change request reflects major changes which cannot be integrated into an existing scheme;
 - To develop the change request further, i.e. to develop a new scheme, the following requirements must be met:
 - The benefits of the new scheme for payment end users are demonstrated prior to the launch of the development phase;
 - It is demonstrated that a sufficient number of stakeholders will make use of the new scheme;

- A cost-benefit analysis is provided;
- It complies with the SEPA Regulation or any other relevant EU, Nordic or Swedish Regulation.

3.2 Summary of change requests and the expressed support following the public consultation

The two tables below express the level of support from the contributors to the NPC CoP WG recommendations presented during the public consultation. The list of contributors can be found in Annex I at the end of this document.

The tables summarise the responses from the scheme participants and the other contributors respectively for each change request. The contributors were requested to indicate in the response template if they support the CoP WG recommendation (“Yes”) or not (“No”). They also had the choice to express no position on the change request or on the CoP WG recommendation (“No Opinion”). The number of “No Opinion” positions have not been taken into account when determining the level of support for each change request.

Please note that contributors may have expressed a “Yes”, a “No” or a “No Opinion” position without having provided further comments. The section “Explicit public consultation comments received” for each change request in chapter 4 will only report the explicit comments received from each contributor but not a simple “Yes”, a “No” or a “No Opinion” position itself without any other comment of that contributor.

Summary of change requests and the expressed support following the public consultation

NPC Item	Change request title	NPC NCT & CoP recommendation	Count 'YES'	Count 'NO'	Count 'No opinion'
#COP01	Replace “Customer” with “Payment Service User	Should be incorporated into the scheme as of November 2024 - option b	4	0	0
#COP02	Private Payer requesting corporate Payee confirmation based on unique corporate ID	Should be incorporated into the scheme as of November 2024 - option b	4	0	0
#COP03	Matching rules and examples	Should be incorporated into the scheme as of November 2024 - option b	4	0	0
#COP04	Scope and application of the scheme	Cannot be part of the existing scheme - option e	4	0	0
#COP05	Execution Time Cycle, timeout and retries	Cannot be part of the existing scheme - option e	4	0	0
#COP06	Technical response to a bulk request	Should be incorporated into the scheme as of November 2024 - option b	4	0	0
#COP07	Obligatory risk-related front-end messages to the Customer	Cannot be part of the existing scheme - option e	4	0	0
#COP08	Corporate IDs available for use in CoP requests	Cannot be part of the existing scheme - option e	4	0	0
#COP09	API communication details of bulk response	Cannot be part of the existing scheme - option e	4	0	0
#COP10	Opt-out for PSUs	Cannot be part of the existing scheme - option e	4	0	0
#COP11	Enrich CoP responses with a trust score layer	Cannot be part of the existing scheme - option e	4	0	0
#COP12	Matching rules and examples for corporate names, account type indicator in requests	Should be incorporated into the scheme as of November 2024 - option b	4	0	0
#COP13	Verticalized scheme documentation	Cannot be part of the existing scheme - option e	4	0	0

#COP14	Introduce the timestamp attribute	Should be incorporated into the scheme as of November 2024 - option b	N/A	N/A	N/A
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4 Major Change Requests Details, the related public consultation comments and CoP WG change proposal

4.1 #COP01 Replace “Customer” with “Payment Service User”

4.1.1 Description

This change request was initially indicated by the NPC Legal Support Group in 2022 and taken forward by the CoP WG.

The suggestion is to start using the PSD2¹ term and definition of “Payment Service User” (PSU) instead of the current “Customer” in the CoP scheme rulebook.

NPC CoP 2023 version 1.0 defines the Customer to be: a physical (Private individual) or legal entity which fulfils the following three criteria; (i) is a Payer or Payee (ii) is not active in the business of providing Payment Account used for the execution of payments (and therefore not eligible for Scheme participation in accordance with section 4.4 of the Rulebook); and (iii) is a payment service user under the Payment Services Directive. (Chapter 6, page 34)

While the PSD2 Title 1, Article 4, paragraph 10 defines a Payment Service User to be a natural or legal person making use of a payment service in the capacity of payer, payee, or both.

The main argument behind the proposal was to align the CoP scheme with NPC payment schemes and the terminology used in relevant regulation (PSD2, PSD3, PSR, Instant Payment Regulation).

Additionally, this Change Request suggests stating even more explicitly in the rulebook that a participating PSP is allowed to leverage the scheme on their own behalf and act as Payer. This use case was always allowed but will be further highlighted to avoid misinterpretation.

4.1.2 CoP WG analysis and recommendation

Should be incorporated into the scheme as of November 2024 - option b.

The CoP WG recommends starting using “Payment Service User” instead of “Customer” according to this CR. A confirmation of payee request must be followed by a subsequent payment which further confirms that it is performed by a PSU, even though CoP is not a payment service per se. The old definition could be seen as repetitive, so the CoP WG supports simplifying the approach by using the PSD2 definition as it is complete and exhaustive on its own.

4.1.3 Rulebook Impact

No general impact on the Rulebook and the functionality of the scheme itself.

4.1.4 CoP WG change proposal and explicit public consultation comments received

CoP WG change proposal

All contributors to the 2024 public consultation expressed support for the CoP WG recommendation that this change request should be part of the scheme (option b).

¹ The second Payment Services Directive: Directive (EU) 2015/2366 of the European Parliament and of the Council of 25 November 2015 on payment services in the internal market, amending Directives 2002/65/EC, 2009/110/EC and 2013/36/EU and Regulation (EU) No 1093/2010, and repealing Directive 2007/64/EC (Text with EEA relevance)

After taking the market's input into consideration, the CoP WG proposal for this change request is include it in the scheme as of 2024 (option b).

Explicit public consultation comments received

No explicit comments were submitted.

4.1.5 SMC decision

For inclusion in the 2024 CoP rulebook version 1.0.

4.2 #COP02 Private Payer requesting corporate Payee confirmation based on unique corporate ID

4.2.1 Description

The Request type CPR (Confirmation of Payee Request as per section 3.2.2. of the v1.0 of the NPC CoP rulebook) is used when confirming that the Payee's Payment Account is correct and open for deposits in combination with confirming that Payee name or Payee Id matches that specific Payment Account. This change request originates from the NPC CoP Working Group that observed an unmotivated restriction of the current rulebook where a private individual was only able to send such CPR request based on name and payment account (as opposed to payment account and unique identification).

4.2.2 CoP WG analysis and recommendation

Should be incorporated into the scheme as of November 2024 - option b.

Unique IDs of corporates are publicly available online and being able to use them in CPR requests will make them more specific and contribute to Payer confidence in the subsequent payment. A CPR request from one private individual to another based on name and ID remains not allowed under the rulebook.

4.2.3 Rulebook Impact

If this change request is supported, this will impact the Rulebook as well as the Implementation Guidelines.

4.2.4 CoP WG change proposal and explicit public consultation comments received

CoP WG change proposal

All contributors to the 2024 public consultation expressed support for the CoP WG recommendation that this change request should be part of the scheme (option b).

After taking the market's input into consideration, the CoP WG proposal for this change request is include it in the scheme as of 2024 (option b).

The below comment requesting clarification on ID and the edge case of sole trader bank accounts was thoroughly discussed by the WG and the submitter (Swedbank) was satisfied with the level of clarity reached.

Explicit public consultation comments received

Contributor	Comments received (original)
Swedbank	We see that it a needs of a clarification, what we mean with ID and what we say about "enskildfirma" and social security number.

4.2.5 SMC decision

For inclusion in the 2024 CoP rulebook version 1.0.

4.3 #COP03 Matching rules and examples

4.3.1 Description

This change request was submitted by a technical solutions provider Banfico (member of the Stakeholder Forum).

Current NPC CoP Implementation Guidelines (v1.1, paragraph 1.5.5.2) specify three types of responses to a CoP Request – Match, No Match and Close Match. A "Close match" is said to occur when there is a "small deviation" between the Payer's provided name and the name on the Payee's account. Banfico believe that the Implementation Guidelines are not specific enough when it comes "Close Match" outcomes and therefore suggest defining "small deviation" and providing more exact rules on how the Infrastructure Providers are expected to perform name matching to avoid a fragmented service implementation in the market.

4.3.2 CoP WG analysis and recommendation

Should be incorporated into the scheme as of November 2024 - option b.

The CoP WG wants to keep the current approach where they see the matching algorithm as the responsibility of the market (out of scope of the rulebook). The CoP rulebook states that the party responsible for the providing the matching result is the Payee PSP but the practise most often leads to Participants outsourcing that action to the Infrastructure Providers (which is allowed under the rulebook and a common market practise as well). Therefore a "small deviation" can't be explicitly defined as the rulebook doesn't in detail regulate that part of the actual service implementation. The CoP WG admits though that the examples provided in the CoP Implementation Guidelines are sparse and don't cover anything related to e.g. matching of corporate names or how to handle Confirmation of Payee Requests (CPR) requests towards joint accounts. As a response to this CR, NPC will publish a Clarification Paper providing a more extensive set of examples as a support document for Infrastructure Providers building their own matching algorithms.

4.3.3 Rulebook Impact

Choosing a Clarification Paper as the form here is deliberate as it doesn't affect the rulebook and allows for publication and updates regardless of where in the Change Management cycle the scheme is at any given point in time.

4.3.4 CoP WG change proposal and explicit public consultation comments received

CoP WG change proposal

All contributors to the 2024 public consultation expressed support for the CoP WG recommendation that this change request should be part of the scheme (option b).

After taking the market's input into consideration, the CoP WG proposal for this change request is include it in the scheme as of 2024 (option b).

Explicit public consultation comments received

No explicit comments were submitted.

4.3.5 SMC decision

For inclusion in the 2024 CoP rulebook version 1.0

4.4 #COP04 Scope and application of the scheme

4.4.1 Description

This change request was submitted by a technical solutions provider Banfico (member of the Stakeholder Forum).

The submitter found that the rulebook is not clear on before what kind of payments (scheme/currency/channel) the Participants are allowed to do an NPC CoP check. They suggest specifying the payment initiation channel of the subsequent payment (e.g. account-to-account transfers, Point Of Sale payments, cheques) and explicitly opening for cross-border transfers between the Nordic currencies and euro.

4.4.2 CoP WG analysis and recommendation

Cannot be part of the existing scheme as of November 2024 - option e.

The current NPC CoP scheme rulebook does leave the scope and application area of the scheme quite open. It is stated that a CoP request is a pre-step to a payment (section 1.1 in CoP rulebook v1.0) but otherwise no further information about that payment is provided (what scheme should it adhere to, in what currency should it be denominated). The only way the rulebook scopes in the NPC CoP usage is by saying that a scheme participant must be an Account Servicing Payment Service Provider, active in Denmark, Greenland, Faroe Islands, Finland, Norway or Sweden (section 4.4 CoP rulebook 1.0).

The CoP WG agrees that the above can lead to ambiguity and recommends a deeper analysis of the Eligibility criteria and scope of the scheme to restrict it in a smart and fit-for-purpose way. One possibility would be to mandate the subsequent payment to be in one of the Nordic currencies but not necessarily following NCT or NCT Inst (NPC payment schemes). Opening for cross-border payments between the Nordic currencies and euro is less likely as The European Payments Council has recently published a scheme called Verification to Payee that caters specifically to euro payments.

As stated above, the CoP WG is not yet able to state which approach is best, but it acknowledges the need for clearer scope.

4.4.3 Rulebook Impact

If this change request is supported, this will impact the Rulebook in a major way as well as the Implementation Guidelines.

4.4.4 CoP WG change proposal and explicit public consultation comments received

CoP WG change proposal

All contributors to the 2024 public consultation expressed support for the CoP WG recommendation that this change request should not be a part of the scheme (option e).

After taking the market's input into consideration, the CoP WG proposal for this change request is not to include it in the scheme as of 2024 (option e).

Explicit public consultation comments received

Contributor	Comments received (original)
Swedbank	Don't think it have so much to do with currencies.

4.4.5 SMC decision

Not to include in the 2024 CoP rulebook.

4.5 #COP05 Execution Time Cycle, timeout and retries

4.5.1 Description

This change request was submitted by a technical solutions provider Banfico (member of the Stakeholder Forum).

Here the submitter raised three separate issues. They find that the rulebook should set a time limit for responding to the CoP request to ensure uniformity of the service in the market. The current CoP rulebook only states that there must be an Execution Time Cycle but it's up to Participants and the Infrastructure Provider to determine it. Based on the experience with other European implementations of the confirmation of payee, Banfico suggests the time limit to be 1-2 seconds. On top of that, they advise mandating a timeout response towards the Customer after 2-4 seconds.

The submitter also sees a need to only allow a certain amount of retries that can be performed by the Payer. Such limitation should work against phishing attempts where fraudsters reinitiate the check several times to retrieve personal data of the Payee.

4.5.2 CoP WG analysis and recommendation

Cannot be part of the existing scheme as of November 2024 – option e.

All above issues were considered before the first publication and are seen as being outside of the scope of the rulebook itself. Currently, the CoP WG doesn't yet see a reason to change the approach. They are open to potentially introduce a set Execution Time Cycle or maximal allowed amount of retries but those should be based on market practice and need. Once the CoP scheme will be implemented in the future, it might turn out to be needed and practical to set those limits explicitly on the rulebook level but for now the CoP WG deem it to be too early for those decisions. The CoP WG believes that if a Participant adheres to the Obligations of Payer PSP (section 4.7 in v1.0 of the rulebook), the misuse of the service should be effectively prevented by the means of request pattern monitoring.

The rulebook mandates that a negative response to a CoP Requests (due to e.g. timeout) must be accompanied by an appropriate Reason Code. How that information is presented to the Customer in the Customer-to-PSP space is ruled by terms and conditions of the service, not the scheme rulebook. NPC published a Clarification Paper in the past on suggested front-end messages that PSPs can use and will revisit it to make sure there are appropriate suggestions for a timeout.

4.5.3 Rulebook Impact

If this change request is supported, this will impact the rulebook as well as the implementation guidelines.

4.5.4 CoP WG change proposal and explicit public consultation comments received

CoP WG change proposal

All contributors to the 2024 public consultation expressed support for the CoP WG recommendation that this change request should not be a part of the scheme (option e).

After taking the market's input into consideration, the CoP WG proposal for this change request is not to include it in the scheme as of 2024 (option e).

Explicit public consultation comments received

No explicit comments were submitted.

4.5.5 SMC decision

Not to include in the 2024 CoP rulebook.

4.6 #COP06 Technical response to a bulk request

4.6.1 Description

This change request was submitted by a technical solutions provider Banfico (member of the Stakeholder Forum).

The CoP rulebook states that “A bulk request relates to one Payer who wishes to confirm more than one payment account by one or several Payee PSPs” while the IdentificationVerificationRequest acmt.023.001.03 has a Usage Rule that determines that the recipient (Assignee) of the message can only be a (single) PSP. Banfico raises this contradiction and concludes that the only way to handle bulk requests in the inter-PSP space is for the Infrastructure Provider to split and multiply them before delivering to several Payee PSPs (Assignees). Therefore, the submitter is of the opinion that this should be reflected in the Implementation Guidelines to clarify how the bulk requests are to be handled from the technical and product perspective.

Moreover, Banfico highlights a potential problem where not all Payee PSPs that the request is assigned to are participating in the bulk request type and how that could lead to an undesirable user experience for the Payer if a Participant not adhering to bulk requests is among Assignees in a bulk request.

4.6.2 CoP WG analysis and recommendation

Should be incorporated into the scheme as of November 2024 - option b.

The CoP WG suggests amending some of the Usage Rules in acmt.023 not to prevent various solution architectures. This will open up for implementations where the recipient of the IdentificationVerificationRequest could either be another scheme Participant (bilateral message flow) or an Infrastructure Provider that is a central party in the ecosystem and takes responsibility to potentially split and deliver the message to multiple Payee PSPs participating in bulk request or even to another Infrastructure Provider in the market. How that in turn should be done from technical and product perspective is outside of the scope of the rulebook and up to the Infrastructure Provider.

4.6.3 Rulebook Impact

If this this change request is supported, this will impact the Implementation Guidelines.

4.6.4 CoP WG change proposal and explicit public consultation comments received

CoP WG change proposal

The vast majority of NPC scheme participants and other contributors to the 2024 public consultation supported the CoP WG recommendation that this change request should be part of the scheme (option b).

After taking the market’s input into consideration, the CoP WG proposal for this change request is include it in the scheme as of 2024 (option b).

Explicit public consultation comments received

No explicit comments were submitted.

4.6.5 SMC decision

For inclusion in the 2024 CoP rulebook.

4.7 #COP07 Obligatory risk-related front-end messages to the Customer

4.7.1 Description

This change request was submitted by a technical solutions provider Banfico (member of the Stakeholder Forum).

The submitter finds the Scope of Liability (section 4.9.1 in v1.0 CoP rulebook) problematic as the rulebook makes Participants and their agents (Infrastructure Providers) potentially liable for losses towards each other.

“A Participant who is party to a Request shall be liable to the other Participant who is also party to that Request for all direct losses, costs, damages and expenses as specified in this Clause.”

Banfico suggests shifting the liability to the Customer in some instances. They find that the Infrastructure Provider shouldn't be liable because of technical downtime and instead, the rulebook should mandate appropriate customer-facing messages that would inform the Payers that if they authorize a payment despite the CoP service not being available, it might lead to fraud or misdirection that no PSP in the chain will be liable for.

4.7.2 CoP WG analysis and recommendation

Cannot be part of the existing scheme as of November 2024 - option e.

The submitter's interpretation of the NPC CoP liability clause is correct - according to the NPC CoP rulebook, an Infrastructure Provider (in the capacity of an agent of a Participant) could end up liable for direct losses resulting from operational failure, depending on the agreements in place between the Infrastructure Provider and the scheme participant. The CoP WG thinks that there is no reason to revisit the Liability clause as the approach is not uncommon in the financial and banking industry.

The rulebook doesn't go as far as to mandate front-end messages towards the Payers as it is the Customer-to-Bank space that is covered by service terms and conditions of a PSP. It is though highly likely that a PSP would inform a Payer appropriately if the CoP service was down. We will revisit the Clarification Paper about the front-end messages and make sure we recommend fit-for-purpose front-end messages that can easily be applied by the PSPs in such situation (without making it mandatory in the rulebook). It should also be noted that a front-end message to the Customer won't affect the liability in the NPC CoP scheme.

4.7.3 Rulebook Impact

If this change request is supported, it will impact the Rulebook.

4.7.4 CoP WG change proposal and explicit public consultation comments received

CoP WG change proposal

All contributors to the 2024 public consultation expressed support for the CoP WG recommendation that this change request should not be a part of the scheme (option e).

After taking the market's input into consideration, the CoP WG proposal for this change request is not to include it in the scheme as of 2024 (option e).

Explicit public consultation comments received

No explicit comments were submitted.

4.7.5 SMC decision

Not to include in the 2024 CoP rulebook.

4.8 #COP08 Corporate IDs available for use in CoP requests

4.8.1 Description

This change request was submitted by a technical solutions provider Banfico (member of the Stakeholder Forum).

The submitter would like NPC to host a centralised list of all Unique IDs of both private individuals and corporates for the Participants and Infrastructure Providers to know which of those can be utilised for Confirmation of Payee requests.

4.8.2 CoP WG analysis and recommendation

Cannot be part of the existing scheme as of November 2024 - option e.

The CoP WG agreed that having a central list with all local IDs is out of scope of NPC. It's up to the Participants and the Infrastructure Provider to decide which of those can successfully be used to send CPR requests. It is though a good idea for the CoP WG to give some relevant examples of IDs in the AT-24 which at this moment only reads The Payee Identification Code (Id): A code supplied by the Payer that is unique for the Payee.

4.8.3 Rulebook Impact

If this change request is supported, this will impact the Rulebook as well as the Implementation Guidelines.

4.8.4 CoP WG change proposal and explicit public consultation comments received

CoP WG change proposal

All contributors to the 2024 public consultation expressed support for the CoP WG recommendation that this change request should not be a part of the scheme (option e).

After taking the market's input into consideration, the CoP WG proposal for this change request is not to include it in the scheme as of 2024 (option e).

Explicit public consultation comments received

No explicit comments were submitted.

4.8.5 SMC decision

Not to include in the 2024 CoP rulebook.

4.9 #COP09 API communication details of bulk response

4.9.1 Description

This change request was submitted by a technical solutions provider Banfico (member of the Stakeholder Forum).

In this submission, Banfico highlights that the maximum number of account verifications that can be included in a bulk request could be as high as 1 million. This implies that the Bulk request must be an asynchronous call from an API perspective that requires further guidelines on how the results can be communicated back (Push API or Pull API or both options) to the Payer. Banfico finds that the rulebook should determine that question.

4.9.2 CoP WG analysis and recommendation

Should be part of the existing scheme as of November 2024 – option e.

NPC rulebooks are technologically agnostic and don't go into such detail in order not to dictate how the actual solution should work. Therefore, the CoP WG finds this issue to be out of the scope of the CoP rulebook.

4.9.3 Rulebook Impact

If this change request is supported, this will impact the Rulebook as well as the Implementation Guidelines and API examples document.

4.9.4 CoP WG change proposal and explicit public consultation comments received

CoP WG change proposal

All contributors to the 2024 public consultation expressed support for the CoP WG recommendation that this change request should not be a part of the scheme (option e).

After taking the market's input into consideration, the CoP WG proposal for this change request is not to include it in the scheme as of 2024 (option e).

Explicit public consultation comments received

No explicit comments were submitted.

4.9.5 SMC decision

Not to include in the 2024 CoP rulebook.

4.10 #COP10 Opt-out for PSUs

4.10.1 Description

This change request was submitted by a technical solutions provider Banfico (member of the Stakeholder Forum).

The suggestion was to align with the draft text of the Instant Payments Regulation from 26/10/2023 where one of the paragraphs said that PSUs should be granted the possibility to opt out from the CoP service at any time. Banfico finds that the rulebook should mandate the CoP Participants/Infrastructure Providers to comply with this requirement “Customer”.

4.10.2 CoP WG analysis and recommendation

Cannot be part of the existing scheme as of November 2024 - option e.

The current NPC CoP rulebook doesn't mention anything about an opt-out possibility for Customers in the Customer-to-PSP space. During the development of NPC's CoP scheme, it was decided to leave this to PSPs to decide how to handle the opt-out in terms and conditions between them and their customers. Reason Code that can be used for opted out accounts is MS03 ("Reason (for No Match) not specified by agent"). On top of that, it's worth adding that the Instant Payment Regulation sets requirements for euro credit transfers and the dedicated confirmation of payee scheme to precede those is the European Payments Council's Verification of Payee ([published for Public Consultation on the 20/02/2024](#)).

4.10.3 Rulebook Impact

If this change request is supported, this will impact the Rulebook as well as the Implementation Guidelines.

4.10.4 CoP WG change proposal and explicit public consultation comments received

CoP WG change proposal

All contributors to the 2024 public consultation expressed support for the CoP WG recommendation that this change request should not be a part of the scheme (option e).

After taking the market's input into consideration, the CoP WG proposal for this change request is not to include it in the scheme as of 2024 (option e).

Explicit public consultation comments received

No explicit comments were submitted.

4.10.5 SMC decision

For inclusion in the 2024 CoP rulebook.

4.11 #COP11 Enrich CoP responses with a trust score layer

4.11.1 Description

This change request was submitted by a technical solutions provider Banfico (member of the Stakeholder Forum).

Driven by caution regarding the lenient matching rules provided in the rulebook, the submitter suggests adding a trust score layer to the CoP responses to provide Customers with more information so they can make a better judgement whether to authorize the payment or not. Such trust score layer could contain data points like age of the payee account and some indicator of the account's transaction activity.

4.11.2 CoP WG analysis and recommendation

Cannot be part of the existing scheme as of November 2024 - option e.

The CoP WG isn't sure whether a trust score layer as described above would help or rather confuse the Customer, so the business benefits of this suggestion aren't clear. In case there is positive market feedback to this CR which would indicate that the NPC Members and other stakeholders see a need for this, the CoP WG would explore feasibility of adding a trust score. The first hurdle that comes to mind are bank secrecy laws – stricter in some Nordics countries than the others but the rule of thumb is that a PSP isn't allowed to reveal any information about their clients, only confirm what the Payer already knows and the suggested trust score functionality goes a step further.

4.11.3 Rulebook Impact

If this change request is supported, this will impact the Rulebook as well as the Implementation Guidelines.

4.11.4 CoP WG change proposal and explicit public consultation comments received

CoP WG change proposal

All contributors to the 2024 public consultation expressed support for the CoP WG recommendation that this change request should not be a part of the scheme (option e).

After taking the market's input into consideration, the CoP WG proposal for this change request is not to include it in the scheme as of 2024 (option e).

Explicit public consultation comments received

No explicit comments were submitted.

4.11.5 SMC decision

Not to include in the 2024 CoP rulebook.

4.12 #COP12 Matching rules and examples for corporate names, account type indicator in requests

4.12.1 Description

This change request was submitted by a technical solutions provider Banfico (member of the Stakeholder Forum).

In this CR Banfico highlights a gap in the Implementation Guidelines where most provided rules and examples pertain to private names matching. They would like to see the same done for corporate names and other use cases like joint accounts. Moreover, the submitter finds a free text string not sufficient for corporate payee names and suggests defining some sort of structured input rule. Lastly, they claim that enabling the Payer to indicate whether they intended to pay a personal or a business account would be helpful for decreasing the No Match responses of the algorithm and therefore increasing user friendliness.

4.12.2 CoP WG analysis and recommendation

Should be incorporated into the scheme as of November 2024 - option b.

This Change Request is partially like the COP03 “Matching rules and examples” and the CoP WG’s response is therefore inline: they admit that the examples provided in the CoP Implementation Guidelines are sparse and don’t cover much related to e.g. matching of corporate names or how to handle CPR requests towards joint accounts. As a response to these two CRs (COP03 and COP12), NPC will publish a Clarification Paper providing a more extensive set of examples as a support document for actors building their own matching algorithms.

When it comes to structured input of corporate names, it is a known culprit in the payment’s world to which the ISO standard doesn’t offer a simple solution now. NPC closely follows the EPC’s work and know that one of their task forces is looking at “futureproofing” the SEPA schemes and one of the goals of the initiative is to enable better customer reporting where the display of the merchant names is an important part of the issue. In case the EPC’s work results in a conclusion for how to best input corporate names for clarity, the NPC might adopt the approach.

Regarding the Payer indicating whether they intend to pay a private or a corporate account, the NPC CoP WG is of the opinion that it could add additional complexity to the matching process that should be sufficiently reliable based on the structure and data points of the existing types of requests under the scheme. If the market does not agree with this opinion, the working group would be open to revisiting it.

4.12.3 Rulebook Impact

If this change request is supported, this will impact the rulebook as well as the implementation guidelines.

4.12.4 CoP WG change proposal and explicit public consultation comments received

CoP WG change proposal

The vast majority of NPC scheme participants and other contributors to the 2024 public consultation supported the CoP WG recommendation that this change request should be part of the scheme (option b).

After taking the market’s input into consideration, the CoP WG proposal for this change request is include it in the scheme as of 2024 (option b).

Explicit public consultation comments received

No explicit comments were submitted.

4.12.5 SMC decision

For inclusion in the 2024 CoP rulebook.

4.13 #COP13 Verticalized scheme documentation

4.13.1 Description

This change request was submitted by a technical solutions provider Banfico (member of the Stakeholder Forum).

In their experience with other confirmation of payee services across Europe, the inclusion of technical, operational, and legal guidelines on scheme application would be vital to ensure a consistent and ubiquitous service. The change would involve a wider suite of CoP documentation that supports different verticals and functions. It would make it easier for different teams (e.g. technical, business, legal) to review specific documentation rather than dealing with an agnostic document that serves all (a rulebook).

4.13.2 CoP WG analysis and recommendation

Cannot be part of the existing scheme as of November 2024 - option e.

The CoP WG acknowledges Banfico's point of view on the structure of the documentation published by NPC but would also like to provide some background on why the NPC publishes a rulebook, an implementation guideline, clarification papers and so on. The Nordic Payments Council follows its peers in Brussels, the European Payments Council, in many aspects, including their ways of working. The NPC member PSPs are used to the structure of documents published by EPC and it's helpful for them to deal with similar materials from the NPC.

4.13.3 Rulebook Impact

If this change request is supported, this will impact the Rulebook as well as the Implementation Guidelines.

4.13.4 CoP WG change proposal and explicit public consultation comments received

CoP WG change proposal

All contributors to the 2024 public consultation expressed support for the CoP WG recommendation that this change request should not be a part of the scheme (option e).

After taking the market's input into consideration, the CoP WG proposal for this change request is not to include it in the scheme as of 2024 (option e).

Explicit public consultation comments received

No explicit comments were submitted.

4.13.5 SMC decision

For inclusion in the 2024 CoP rulebook.

4.14 #COP14 Introduce the timestamp attribute

4.14.1 Description

This change request was added after the end of the Public Consultation as the CoP WG realised that the rulebook and implementation guidelines are missing an attribute that would transport the timestamp. This is therefore an internal change request.

The CreationDateTime field in the Assignment section of all four datasets comprising the NPC CoP IGs was already mandatory since the first publication of the specifications but it is a necessary “hygiene factor” that an appropriate attribute exists to make sure that the date is conveyed in a standardised format.

4.14.2 CoP WG analysis and recommendation

Should be incorporated into the scheme as of November 2024 - option b.

The CoP WG found it important to include a timestamp and do it in a standard way that aligns it with other payment and non-payment schemes of NPC and EPC. New attributes are suggested as follows:

AT-56 The timestamp defines the start of Execution Time Cycle defined in section 3.3.1 and is inserted by the Payer PSP. The value must be unambiguous and at least include milliseconds.

The timestamp is inserted by the Payee PSP and defines the moment when the Payee PSP responds to a CAR or CPR Request. The value must be unambiguous and at least include milliseconds.

The corresponding Usage Rule: The timestamp must be unambiguous and at least include milliseconds.

The time zone and exact format is prescribed by the ISODateTime Type within ISO 20022.

4.14.3 Rulebook Impact

If this change request is supported, this will impact the Rulebook as well as the Implementation Guidelines.

4.14.4 CoP WG change proposal and explicit public consultation comments received

CoP WG change proposal

As mentioned above, the market did not have a chance to comment on this specific change request as it was introduced after the end of the Public Consultation, but a timestamp is present in payment and payment-related schemes as a matter of standard practise. The addition was carefully discussed in the CoP WG and during a Scheme Management Committee meeting to make sure that the representatives of the NPC member PSPs are aware that the attributes are new to the scheme but haven't been a part of the Public Consultation as per standard process.

The CoP WG proposal for this change request is include it in the scheme as of 2024 (option b).

Explicit public consultation comments received

CR not published during Public Consultation.

4.14.5 SMC decision

To include in the 2024 CoP rulebook.

5 Changes for Regulatory Reasons

As the NPC is under the legal obligation to ensure compliance of the rulebooks with all legislation and proposed changes to the rulebooks which can be found in this section (if any) were not subject to public consultation. Nevertheless, the contributors to public consultation can comment on these changes. A change is qualified as “Change for Regulatory Reasons” within the meaning of Section 4.2.9 of the SMR, due to legal amendments that “necessitate the urgent alignment of the schemes with such rules and regulations”.

The NPC Confirmation of Payee scheme was created to accommodate a business need in the market, and not to comply with local regulation (since there wasn’t any). As of June 2024, when Public Consultation on Change Requests presented in this document ended, no new laws have been passed that would mandate a confirmation of payee before payments (or transactions) to local accounts based in Denmark, Greenland, Faroe Islands, Finland, Norway or Sweden. It’s worth pointing out that Instant Payments Regulation introduced an obligation to perform an IBAN/name check before euro payments (that some Nordic PSPs partake in). The European Payments Council (EPC) recently published a new scheme, Verification of Payee, designed to meet the needs of SEPA Instant Credit transfer participants with regards to VoP.

After reviewing the second Payment Services Directive, the European Commission published an article² where they state that the IBAN/name verification service introduced for euro payments in the above-mentioned Instant Payments Regulation will be extended to all credit transfers in the entire European Union. It indicates that the NPC CoP scheme will one day inevitably also become a compliance tool as much as a business tool. The estimated enter into force for PSD3 and the Payment Services Regulation can be end of 2026.

Considering the above, this section remains empty in this cycle of NPC Confirmation of Payee Change Management.

[2 Modernising payment services and opening financial services data: new opportunities for consumers and businesses](#)

6 Change Management Process in Respect of Minor Changes

There were no Minor Changes in this Change Management cycle of the Confirmation of Payee Rulebook.

7 Annex I

Input from	List of contributors
Individual PSPs and (national) communities of PSPs	<ol style="list-style-type: none"><li data-bbox="758 383 1289 450">1. Bits on behalf of the Norwegian Banking Community<li data-bbox="758 472 954 506">2. Danske Bank<li data-bbox="758 528 927 562">3. Swedbank<li data-bbox="758 584 1150 618">4. Swedish Bankers Association