

How the EPC is supporting payment innovation in Europe - a focus on SCT Instant

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Everything you always wanted to know about the EPC but were afraid to ask...



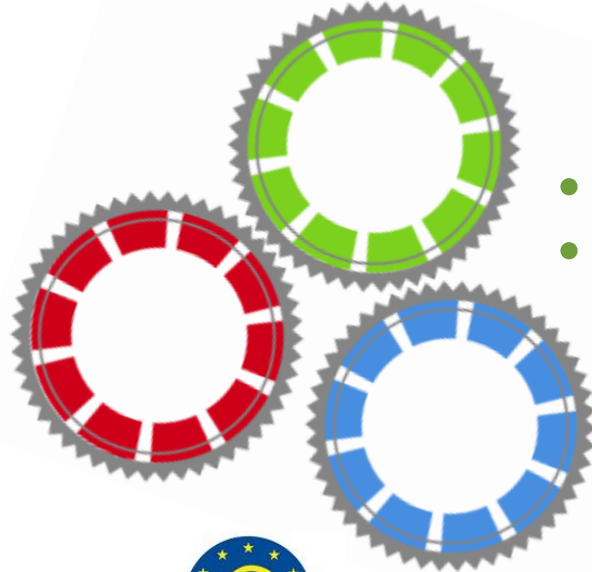
- What? to support and promote European payments integration and development, notably SEPA
- How?
 - By developing and managing pan-European payment schemes (SCT, SDD)
 - By formulating positions and proposals on European payment issues
 - In constant dialogue with other stakeholders and regulators
- Who? 76 Members + 1 Associate Member
 - Individual PSPs
 - National PSP associations
 - European PSP associations
- Where? 34 European countries
- How big? 40 billion transactions per year



Stakeholder cooperation to develop and harmonise payments in Europe



- Scheme Stakeholder Fora
- Change management cycle (public call for change requests, public consultation)
- Multi-stakeholder groups



ECSG

- 5 sectors
- Card-based payments



ERPB



- Supply and demand sides
- Facilitate the further development of an integrated, innovative and competitive market for euro retail payments

Payment harmonisation in Europe – achievements and ongoing actions



- 1 SEPA schemes (SCT, SDD) - 2014 (2016) migration
- 2 SCT Inst – November 2017 (progressive) implementation
- 3 2-year cycle for evolution of the SCT and SDD schemes
- 4 PSD2 – API (e.g. for PIS) – 2018
- 5 EIPP – Request to Pay – end-2018
- 6 Harmonisation of mobile payments – 2018/2019
- 7 Proxy look-up (mobile phone number - IBAN conversion) – end 2018
- 8 ECSG – “Card Standardisation Volume” release 9.0 - end-2019/early 2020

SCT Instant - timeline



November 2015

●
ERPB
invitation

November 2016

●
publication of
Rulebook and IGs

November 2017

●
scheme is
effective

December 2017

●
deadline for
submission of
change requests

2020

●
“critical mass” reached
(end of 3-year exemption
under Article 4.4 of the
“SEPA Regulation”)

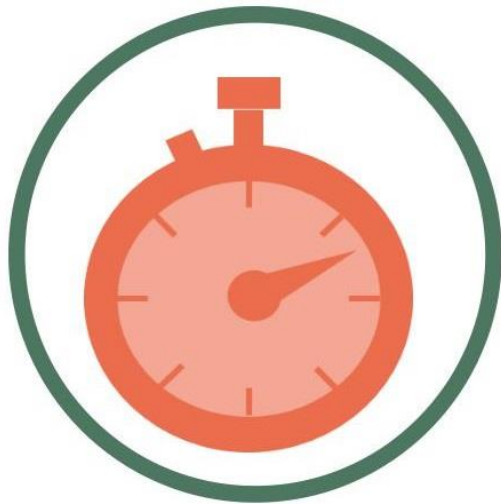
November 2019

●
• new versions
of Rulebook
and IGs are
effective

November 2018

●
• publication of 2019 versions
of Rulebook and IGs
• first review of scheme
maximum amount
(initially set at € 15,000)

Key features of SCT Inst



The money will be available on the account of the payee within ten seconds.



It will apply to credit transfers made in euro, up to an initial maximum amount of 15,000 euro.



SCT Inst transactions will be available 24/7/365.



Transactions will be possible in the 34 countries which are within the scope of the current SEPA schemes.

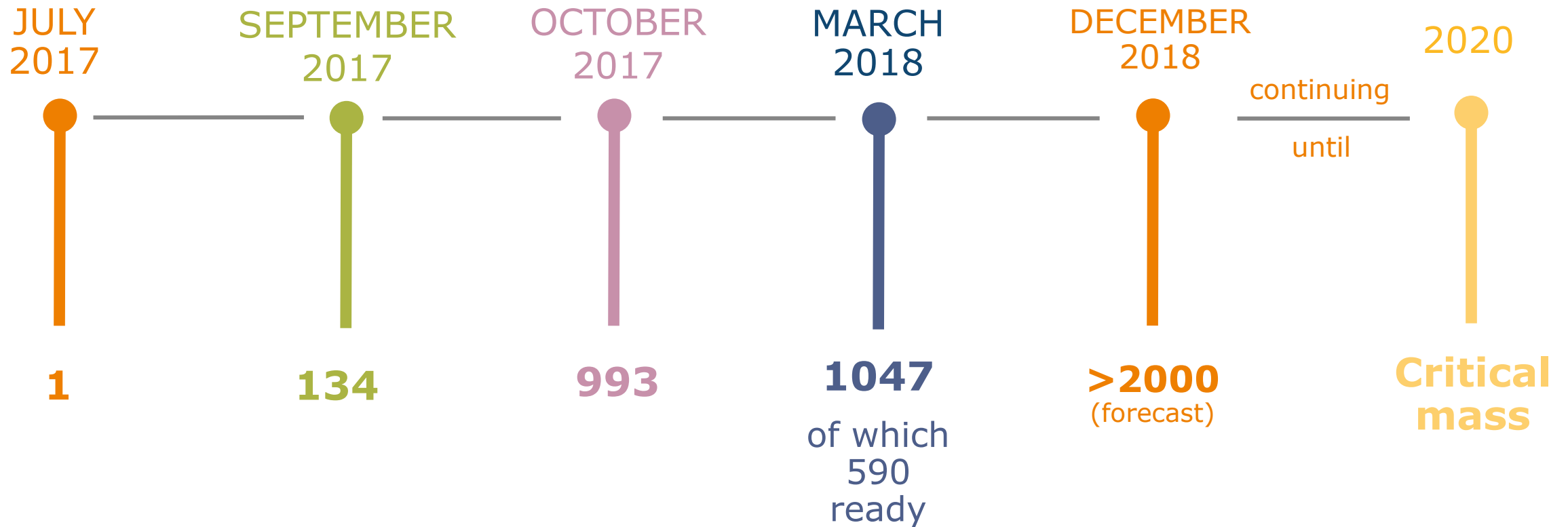
SCT Inst – other features



- Built on existing SCT scheme
- “Optional” scheme
- Flexibility for two key parameters maximum (processing time and amount)
- Use-case agnostic
- Cash and cheque replacement
- Monitoring of implementation to learn early lessons and adjust/clarify the scheme
- Maximum amount to be reviewed annually starting in 2018



Number of registered scheme participants



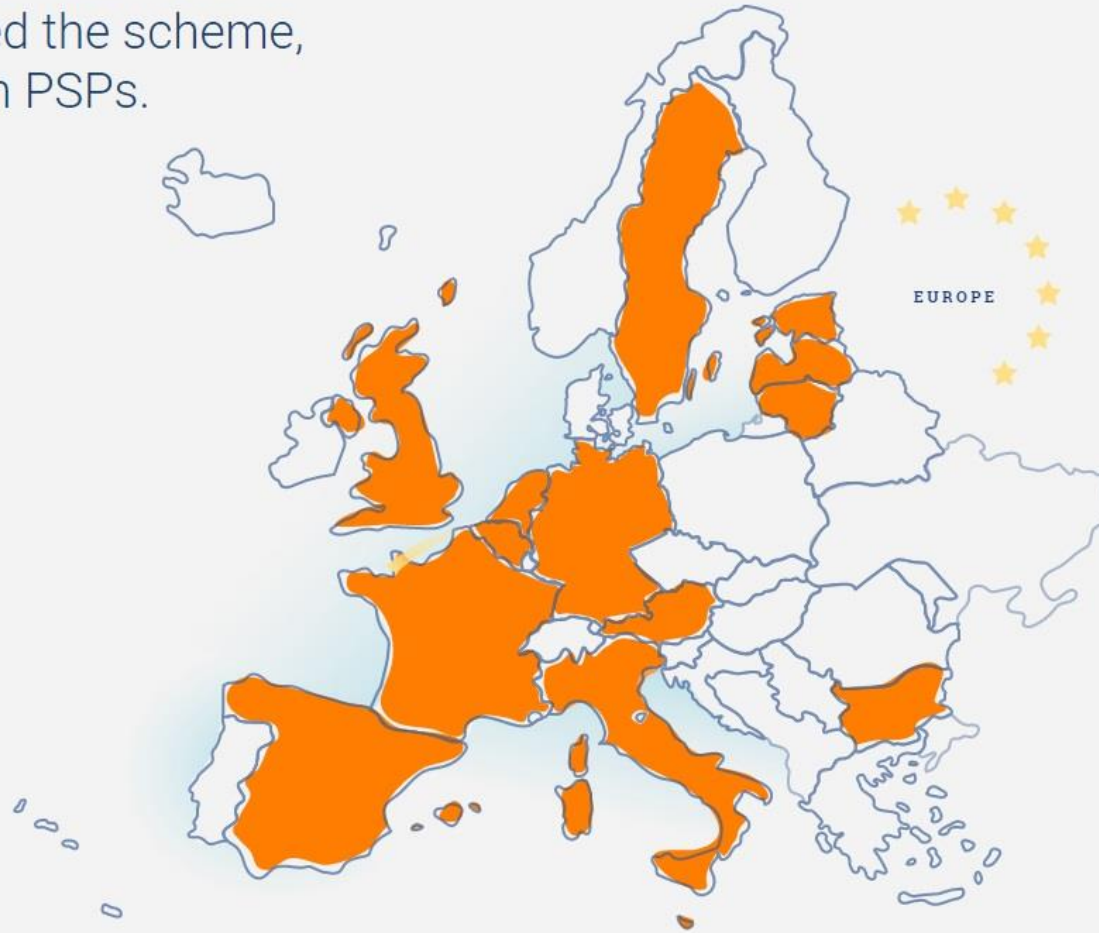
SCT Inst in March 2018



SEPA INSTANT CREDIT TRANSFER SCHEME

Already **1047** payment service providers have joined the scheme, i.e. **25%** of European PSPs.

from
14
COUNTRIES



Critical success factors



PSP
take-up

Reach

Use cases

Availability of
convenient
customer
solutions

Reliability /
performance

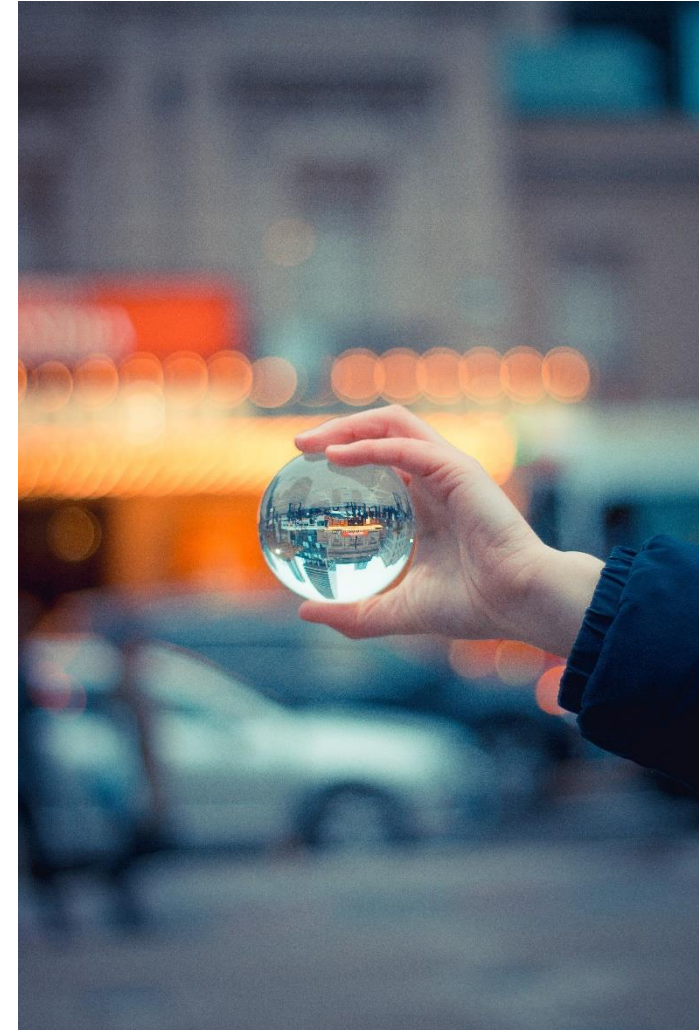
Maximum
amount





Looking into the future...

- Real time payments will happen
- But how fast and how far will SCT Inst develop?
- PSD2 + SCT Inst = ?
- Blurring of payments instruments and experiences
- Future technology evolutions?
- (Cyber)fraud as a threat





QUESTIONS?



БЛАГОДАРЯ !