

Targeted consultation on instant payments

Fields marked with * are mandatory.

Introduction

This questionnaire aims to collect information from payment service providers (PSPs) and providers of supporting technical services.

Questions cover a number of relevant areas, including PSPs incentives to adhere to an instant credit transfer scheme, PSPs liquidity management, compliance with the sanctions screening obligations with respect to instant credit transfers, addressing the risk of incorrect identification of the beneficiary and development of interoperable front user solutions.

Please note that this targeted questionnaire complements the online public consultation of all stakeholders that will be launched on 31 March 2021.

You are invited to provide answers to both the present questionnaire and the open public consultation, and in particular to questions 15-18 of the public consultation which are addressed to the providers of payment services and supporting technical services.

The present consultation will inform the Commission on remaining obstacles as well as possible enabling actions that it could take to ensure a wide availability and use of instant payments in the EU. It will also enable the Commission to decide on whether EU coordinated action and/or policy measures are warranted in order to ensure that a critical mass of EU PSPs offer instant credit transfers. The consultation also seeks to identify factors that would be relevant for fostering customer demand towards instant credit transfers.

For an instant credit transfer to be successfully completed, at each end of the transfer there needs to be a Payment Services Provider (PSP) adhering to the same set of rules, practices and standards for the execution of that transfer (a single 'scheme'). For euro instant credit transfers within the [Single Euro Payments Area \(SEPA\)](#) such a scheme was developed in 2017 by the [European Payments Council](#) (the 'SCT Inst. Scheme'). A broad level of participation by PSPs in the scheme is a key precondition for the wide availability of euro instant payments at EU level. As of March 2021, just over 64% of PSPs located in 21 Member States had joined the SCT Inst. Scheme. Similar schemes also exist in some non euro area Member States for instant credit transfers in their local currency.

Instant credit transfers can be conveniently used in a variety of situations such as purchases in physical shops and online (so called 'point of interaction' with merchants), or person-to-person payments, such as splitting a restaurant bill. This requires the instant credit transfer to be combined with a 'front-end' solution, such as one based on mobile phone applications, e-invoices, standardised messages requesting payments, etc.

The consultation aims at identifying the concerns that would need to be addressed to incentivise EU payments market players to offer innovative, convenient, safe and cost-efficient pan-European payment solutions based on instant credit transfers. At the same time, it would help establish what features and safeguards would enable the users to reap the benefits of instant payments to the fullest.

This consultation follows from the [Commission Communication from December 2018 "Towards a stronger international role of the euro"](#), which supported a fully integrated instant payment framework in the EU in order to reduce the risks and the vulnerabilities in retail payment systems and to increase the autonomy of existing payment solutions, and the [Commission Communication on a "retail payments strategy in the EU" adopted on 24 September 2020](#), which confirmed the goal of fostering the full take up of instant payments in the EU and listed a number of possible initiatives to support that objective.

The results of this consultation will be used to promote, as part of the Commission's vision for the EU's retail payments market, the availability of competitive home-grown and pan-European payment solutions, supporting Europe's open strategic autonomy in the macro-economic and financial fields, the importance of which was reiterated in the recent [Commission Communication of January 2021 "The European economic and financial system: fostering openness, strength and resilience"](#).

Please note: In order to ensure a fair and transparent consultation process **only responses received through our online questionnaire will be taken into account**. Should you have a problem completing this questionnaire or if you require particular assistance, please contact fisma-instant-payments@ec.europa.eu.

More information on

- [this consultation](#)
- [the consultation document](#)
- [the consultation strategy](#)
- [the related public consultation on instant payments](#)
- [payment services](#)
- [the protection of personal data regime for this consultation](#)

About you

* Language of my contribution

- Bulgarian
- Croatian
- Czech
-

- Danish
- Dutch
- English
- Estonian
- Finnish
- French
- German
- Greek
- Hungarian
- Irish
- Italian
- Latvian
- Lithuanian
- Maltese
- Polish
- Portuguese
- Romanian
- Slovak
- Slovenian
- Spanish
- Swedish

* I am giving my contribution as

- Business association
- Company/business organisation
- Other

* First name

Panya

* Surname

Monford

* Email (this won't be published)

pmonford@woccu.org

* Under which category does your business association stand

- Account Servicing Payment Service Provider
- Payment Initiation Service Provider
- Acquirer
- Provider of other types of payment services
- Technical service provider as defined in Article 3(j) PSD2
- Payment system
- Other

* Please specify under what other category your business association stands

255 character(s) maximum

Trade Association

* Organisation name

255 character(s) maximum

World Council of Credit Unions

* Organisation size

- Micro (1 to 9 employees)
- Small (10 to 49 employees)
- Medium (50 to 249 employees)
- Large (250 or more)

* Please specify if your company is a small and medium sized enterprise (SME) according to the [definition provided by EU recommendation 2003/361](#)

- Yes, it is an SME
- No, it is not an SME
- Don't know / no opinion / not applicable

Transparency register number

255 character(s) maximum

Check if your organisation is on the [transparency register](#). It's a voluntary database for organisations seeking to influence EU decision-making.

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* Country of origin

Please add your country of origin, or that of your organisation.

- Afghanistan
- Åland Islands
- Albania
- Algeria
- American Samoa
- Andorra
- Angola
- Anguilla
- Antarctica
- Antigua and Barbuda
- Argentina
- Armenia
- Aruba
- Australia
- Austria
- Azerbaijan
- Bahamas
- Bahrain
- Bangladesh
- Barbados
- Belarus
- Belgium
- Djibouti
- Dominica
- Dominican Republic
- Ecuador
- Egypt
- El Salvador
- Equatorial Guinea
- Eritrea
- Estonia
- Eswatini
- Ethiopia
- Falkland Islands
- Faroe Islands
- Fiji
- Finland
- France
- French Guiana
- French Polynesia
- French Southern and Antarctic Lands
- Gabon
- Georgia
- Germany
- Libya
- Liechtenstein
- Lithuania
- Luxembourg
- Macau
- Madagascar
- Malawi
- Malaysia
- Maldives
- Mali
- Malta
- Marshall Islands
- Martinique
- Mauritania
- Mauritius
- Mayotte
- Mexico
- Micronesia
- Moldova
- Monaco
- Mongolia
- Montenegro
- Saint Martin
- Saint Pierre and Miquelon
- Saint Vincent and the Grenadines
- Samoa
- San Marino
- São Tomé and Príncipe
- Saudi Arabia
- Senegal
- Serbia
- Seychelles
- Sierra Leone
- Singapore
- Sint Maarten
- Slovakia
- Slovenia
- Solomon Islands
- Somalia
- South Africa
- South Georgia and the South Sandwich Islands
- South Korea
- South Sudan
- Spain

- Belize
- Benin
- Bermuda
- Bhutan

- Bolivia
- Bonaire Saint Eustatius and Saba
- Bosnia and Herzegovina
- Botswana
- Bouvet Island
- Brazil
- British Indian Ocean Territory
- British Virgin Islands
- Brunei
- Bulgaria

- Burkina Faso
- Burundi

- Cambodia

- Cameroon

- Canada
- Cape Verde
- Cayman Islands

- Central African Republic
-

- Ghana
- Gibraltar
- Greece
- Greenland

- Grenada
- Guadeloupe

- Guam

- Guatemala
- Guernsey
- Guinea
- Guinea-Bissau

- Guyana

- Haiti
- Heard Island and McDonald Islands

- Honduras
- Hong Kong

- Hungary

- Iceland

- India
- Indonesia
- Iran

- Iraq
-

- Montserrat
- Morocco
- Mozambique
- Myanmar /Burma
- Namibia
- Nauru

- Nepal

- Netherlands
- New Caledonia
- New Zealand
- Nicaragua

- Niger

- Nigeria
- Niue

- Norfolk Island
- Northern Mariana Islands
- North Korea

- North Macedonia
- Norway
- Oman
- Pakistan

- Palau
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- Sri Lanka
- Sudan
- Suriname
- Svalbard and Jan Mayen
- Sweden
- Switzerland

- Syria

- Taiwan
- Tajikistan
- Tanzania
- Thailand

- The Gambia

- Timor-Leste
- Togo

- Tokelau
- Tonga

- Trinidad and Tobago
- Tunisia

- Turkey
- Turkmenistan
- Turks and Caicos Islands
- Tuvalu
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| <input type="radio"/> Chad | <input type="radio"/> Ireland | <input type="radio"/> Palestine | <input type="radio"/> Uganda |
| <input type="radio"/> Chile | <input type="radio"/> Isle of Man | <input type="radio"/> Panama | <input type="radio"/> Ukraine |
| <input type="radio"/> China | <input type="radio"/> Israel | <input type="radio"/> Papua New Guinea | <input type="radio"/> United Arab Emirates |
| <input type="radio"/> Christmas Island | <input type="radio"/> Italy | <input type="radio"/> Paraguay | <input type="radio"/> United Kingdom |
| <input type="radio"/> Clipperton | <input type="radio"/> Jamaica | <input type="radio"/> Peru | <input type="radio"/> United States |
| <input type="radio"/> Cocos (Keeling) Islands | <input type="radio"/> Japan | <input type="radio"/> Philippines | <input type="radio"/> United States Minor Outlying Islands |
| <input type="radio"/> Colombia | <input type="radio"/> Jersey | <input type="radio"/> Pitcairn Islands | <input type="radio"/> Uruguay |
| <input type="radio"/> Comoros | <input type="radio"/> Jordan | <input type="radio"/> Poland | <input type="radio"/> US Virgin Islands |
| <input type="radio"/> Congo | <input type="radio"/> Kazakhstan | <input type="radio"/> Portugal | <input type="radio"/> Uzbekistan |
| <input type="radio"/> Cook Islands | <input type="radio"/> Kenya | <input type="radio"/> Puerto Rico | <input type="radio"/> Vanuatu |
| <input type="radio"/> Costa Rica | <input type="radio"/> Kiribati | <input type="radio"/> Qatar | <input type="radio"/> Vatican City |
| <input type="radio"/> Côte d'Ivoire | <input type="radio"/> Kosovo | <input type="radio"/> Réunion | <input type="radio"/> Venezuela |
| <input type="radio"/> Croatia | <input type="radio"/> Kuwait | <input type="radio"/> Romania | <input type="radio"/> Vietnam |
| <input type="radio"/> Cuba | <input type="radio"/> Kyrgyzstan | <input type="radio"/> Russia | <input type="radio"/> Wallis and Futuna |
| <input type="radio"/> Curaçao | <input type="radio"/> Laos | <input type="radio"/> Rwanda | <input type="radio"/> Western Sahara |
| <input type="radio"/> Cyprus | <input type="radio"/> Latvia | <input type="radio"/> Saint Barthélemy | <input type="radio"/> Yemen |
| <input type="radio"/> Czechia | <input type="radio"/> Lebanon | <input type="radio"/> Saint Helena Ascension and Tristan da Cunha | <input type="radio"/> Zambia |
| <input type="radio"/> Democratic Republic of the Congo | <input type="radio"/> Lesotho | <input type="radio"/> Saint Kitts and Nevis | <input type="radio"/> Zimbabwe |
| <input type="radio"/> Denmark | <input type="radio"/> Liberia | <input type="radio"/> Saint Lucia | |

*** Please choose one of the following options concerning the publication of your contribution:**

The Commission will publish the responses to this public consultation. You can choose whether you would like your details to be made public or to remain anonymous.

I agree to my contribution being published in full

Organisation details and respondent details are published: The type of respondent that you responded to this consultation as, the name of the organisation on whose behalf you reply as well as its transparency number, its size, its country of origin and your contribution will be published. Your name will also be published. **Your email address will never be published.**

I agree to my contribution being published in an anonymous way

Only the content of your contribution will be published as received.

Organisation details and respondent details (The type of respondent that you responded to this consultation as, the name of the organisation on whose behalf you reply as well as its transparency number, its size, its country of origin, and your name) **will not be published. Your email address will never be published.** Please do not include any personal data in the contribution itself.

I do not agree to my contribution being published

Nothing you submit will be published and your contribution will be treated as confidential.

I agree with the [personal data protection provisions](#)

Adherence to an instant credit transfer scheme (SCT Inst. Scheme for euro or another scheme for non-euro EU currency)

Question 1. If you are an account servicing PSP (ASPSP), have you adhered to an instant credit transfer scheme?

- Yes
- No
- I don't know
- Not applicable

Liquidity management

Question 2. In case of a sudden surge in the number of payment orders received by ASPSP for initiation of instant credit transfers, would there be a risk that instant credit transfers would not be processed within seconds because of shortage of liquidity at the level of that ASPSP?

- Yes
- No
- No opinion

Please explain your answer to question 2:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Liquidity could be a challenge with some smaller credit unions with tight balance sheets. The larger credit unions tend to have better management of liquidity resources, however, shocks to the system can always create a run on a financial institution.

As regards the effectiveness of liquidity management tools of PSPs and relevant prudential requirements (such as Liquidity Coverage Ratio):

Question 3. Would you agree that they are sufficient to address the liquidity risk inherent to instant credit transfers?

- Yes
- No
- No opinion

Please explain your answer to question 3:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

While credit unions have proven to be more stable and more liquid during economic hardships and economic shocks as people tend to seek their credit unions as institutions of safety. However, any institution is subject to significant economic shocks. Whether the liquidity coverage ratio is sufficient is unknown but likely adequate.

Question 4. Would they continue to be adequate in view of a potential increase in the volume of instant credit transfers?

- Yes
- No
- No opinion

Question 4.1 If they would not continue to be adequate, what additional tools or requirements (or modifications to them) would be necessary?:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

While we support the use of instant credit transfers, as stated above, increased volume of use or a strict requirement that instant payments be used or even implemented would be to the financial detriment of credit unions.

Question 5. What could be the sources of additional liquidity in case of a temporary surge in instant credit transfers?

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Question 6. Would a more central management of liquidity within banking groups be conducive to effectively deal with situations of temporary surge in instant credit transfers?

- Yes
- No
- No opinion

Please explain your answer to question 6:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

It could be beneficial to have access to liquidity from a central bank.

Sanctions screening

Question 7. In the last 12 months, what share of the following types of initiated payment orders could not be processed due to sanctions screening?

a) Regular credit transfers (in %)

 %

b) Card transactions (in %), if applicable

 %

Please explain your answers to question 7:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Question 8. Which of the following solution(s) do you consider to be effective in reconciling instant credit transfers and the sanctions screening obligations resulting from the applicable sanctions legislation:

Solution a) Alleviated screening of transactions by PSPs involving clients vetted or white-listed beforehand:

- Effective
- Neutral
- Not effective
- No opinion
- Not applicable

Please explain your answer on solution a):

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Solution b) No screening of individual transactions within the EU subject to an obligation for PSPs to at least daily check/update their clients lists against relevant sanctions lists (reflecting arrangements in place in some Member States which result in no screening of domestic transactions):

- Effective
- Neutral
- Not effective
- No opinion
- Not applicable

Please explain your answer on solution b):

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

A daily check of clients is a feasible solution that would alleviate the necessity of a digital solution.

Solution c) Other harmonised screening method, agreed among national competent authorities, with consistent calibration of screening rules and parameters:

- Effective
- Neutral
- Not effective
- No opinion
- Not applicable

Solution d) Maintenance of a common EU-wide list of false hits:

- Effective
- Neutral
- Not effective
- No opinion
- Not applicable

Solution e) Use of the Legal Entity Identifier (LEI) for firms and digital IDs for individuals:

- Effective
- Neutral
- Not effective
- No opinion
-

Not applicable

Solution f) Employing advanced technologies:

- Effective
- Neutral
- Not effective
- No opinion
- Not applicable

Question 8.1 If there is/are other solution(s) you consider to be effective in reconciling instant credit transfers and sanctions screening, please describe it/them, explain how it/they would work and what advantages it/they would bring:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Incorrect beneficiary

Question 9. In the last 12 months, how many complaints/requests for refunds have you received from your clients related to:

a) Instant credit transfers made to the wrong beneficiary by mistake (i.e. mistyped IBAN number):

 complaints / requests

b) Regular credit transfers made to the wrong beneficiary by mistake (i.e. mistyped IBAN number):

 complaints / requests

c) Instant credit transfers made to a fraudulent beneficiary (i.e. as a result of authorised push payments, when the consumer is manipulated into making an instant credit transfer to a fraudster):

 complaints / requests

d) Regular credit transfers made to a fraudulent beneficiary (i.e. as a result of authorised push payments, when the consumer is manipulated into making a regular credit transfer to a fraudster):

complaints / requests

Please explain your answer(s) to question 9:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Question 10. Do you provide a service to your customers of verifying the match between the IBAN of the beneficiary and the name on the beneficiary account prior to the initiation of the transfer?

- Yes
- No
- I don't know

Front-end solutions

Question 11. As a PSP, do you currently offer to your customers front-end solutions with the following features?

a) Allowing to initiate / accept regular credit transfers:

Please select as many answers as you like

- At physical POI
- In e-commerce
- Between individuals (P2P)

b) Allowing to initiate / accept instant credit transfers:

Please select as many answers as you like

- At physical POI
-

In e-commerce

- Between individuals (P2P)

Additional information

Should you wish to provide additional information (e.g. a position paper, report) or raise specific points not covered by the questionnaire, you can upload your additional document(s) below. **Please make sure you do not include any personal data in the file you upload if you want to remain anonymous.**

The maximum file size is 1 MB.

You can upload several files.

Only files of the type pdf,txt,doc,docx,odt,rtf are allowed

Useful links

[More on this consultation \(https://ec.europa.eu/info/publications/finance-consultations-2021-instant-payments-targeted_en\)](https://ec.europa.eu/info/publications/finance-consultations-2021-instant-payments-targeted_en)

[Consultation document \(https://ec.europa.eu/info/files/2021-instant-payments-targeted-consultation-document_en\)](https://ec.europa.eu/info/files/2021-instant-payments-targeted-consultation-document_en)

[Consultation strategy \(https://ec.europa.eu/info/files/2021-instant-payments-consultation-strategy_en\)](https://ec.europa.eu/info/files/2021-instant-payments-consultation-strategy_en)

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[More on payment services \(https://ec.europa.eu/info/business-economy-euro/banking-and-finance/consumer-finance-and-payments/payment-services_en\)](https://ec.europa.eu/info/business-economy-euro/banking-and-finance/consumer-finance-and-payments/payment-services_en)

[Specific privacy statement \(https://ec.europa.eu/info/files/2021-instant-payments-targeted-specific-privacy-statement_en\)](https://ec.europa.eu/info/files/2021-instant-payments-targeted-specific-privacy-statement_en)

[More on the Transparency register \(http://ec.europa.eu/transparencyregister/public/homePage.do?locale=en\)](http://ec.europa.eu/transparencyregister/public/homePage.do?locale=en)

Contact

fisma-instant-payments@ec.europa.eu

