

# Procedure file

Basic information	
<p>COD - Ordinary legislative procedure (ex-codecision procedure) Regulation</p> <p>Instant payments in euro</p> <p>Amending Regulation 2012/260 <a href="#">2010/0373(COD)</a> Amending Regulation 2021/1230 <a href="#">2020/0145(COD)</a></p> <p>Subject 2.50.04.02 Electronic money and payments, cross-border credit transfers 5.20.02 Single currency, euro, euro area</p> <p>Legislative priorities <a href="#">Joint Declaration 2023-24</a> <a href="#">Joint Declaration 2022</a></p>	<p>2022/0341(COD)</p> <p>Procedure completed</p>

Key players			
European Parliament	Committee responsible	Rapporteur	Appointed
	<p><b>ECON</b> <a href="#">Economic and Monetary Affairs</a></p>	<p> <a href="#">HOOGVEEN Michiel</a></p> <p>Shadow rapporteur</p> <p> <a href="#">GARCÍA-MARGALLO Y MARFIL José Manuel</a></p> <p> <a href="#">BELKA Marek</a></p> <p> <a href="#">IJABS Ivars</a></p> <p> <a href="#">GRUFFAT Claude</a></p> <p> <a href="#">RINALDI Antonio Maria</a></p> <p> <a href="#">SCHIRDEWAN Martin</a></p>	05/12/2022
Council of the European Union European Commission	Committee for opinion	Rapporteur for opinion	Appointed
	<p><b>IMCO</b> <a href="#">Internal Market and Consumer Protection</a></p>	The committee decided not to give an opinion.	
European Economic and	Commission DG	Commissioner	
	<a href="#">Financial Stability, Financial Services and Capital Markets Union</a>	MCGUINNESS Mairead	

Key events			
26/10/2022	Legislative proposal published	<a href="#">COM(2022)0546</a>	Summary
21/11/2022	Committee referral announced in Parliament, 1st reading		
28/06/2023	Vote in committee, 1st reading		
28/06/2023	Committee decision to open interinstitutional negotiations with report adopted in committee		
03/07/2023	Committee report tabled for plenary, 1st reading	<a href="#">A9-0230/2023</a>	Summary
10/07/2023	Committee decision to enter into interinstitutional negotiations announced in plenary (Rule 71)		
12/07/2023	Committee decision to enter into interinstitutional negotiations confirmed by plenary (Rule 71)		
11/12/2023	Approval in committee of the text agreed at 1st reading interinstitutional negotiations	<a href="#">PE757.151 GEDA/A/(2023)006763</a>	
05/02/2024	Debate in Parliament		
07/02/2024	Decision by Parliament, 1st reading	<a href="#">T9-0065/2024</a>	Summary
26/02/2024	Act adopted by Council after Parliament's 1st reading		
13/03/2024	Final act signed		
19/03/2024	Final act published in Official Journal		

Technical information	
Procedure reference	2022/0341(COD)
Procedure type	COD - Ordinary legislative procedure (ex-codecision procedure)
Procedure subtype	Legislation
Legislative instrument	Regulation
	Amending Regulation 2012/260 <a href="#">2010/0373(COD)</a> Amending Regulation 2021/1230 <a href="#">2020/0145(COD)</a>
Legal basis	Treaty on the Functioning of the EU TFEU 114
Other legal basis	Rules of Procedure EP 159
Mandatory consultation of other institutions	<a href="#">European Economic and Social Committee</a>
Stage reached in procedure	Procedure completed
Committee dossier	ECON/9/10495

Documentation gateway					
Legislative proposal		<a href="#">COM(2022)0546</a>	26/10/2022	EC	Summary
Document attached to the procedure		<a href="#">SEC(2022)0546</a>	27/10/2022	EC	

Document attached to the procedure		<a href="#">SWD(2022)0546</a>	27/10/2022	EC	
Document attached to the procedure		<a href="#">SWD(2022)0547</a>	27/10/2022	EC	
Document attached to the procedure		<a href="#">N9-0011/2023</a> <a href="#">OJ C 060 17.02.2023, p. 0012</a>	19/12/2022	EDPS	
European Central Bank: opinion, guideline, report		<a href="#">CON/2023/0004</a> <a href="#">OJ C 106 22.03.2023, p. 0002</a>	01/02/2023	ECB	
Economic and Social Committee: opinion, report		<a href="#">CES5312/2022</a>	22/02/2023	ESC	
Committee draft report		<a href="#">PE742.661</a>	02/03/2023	EP	
Amendments tabled in committee		<a href="#">PE746.795</a>	21/04/2023	EP	
Committee report tabled for plenary, 1st reading/single reading		<a href="#">A9-0230/2023</a>	03/07/2023	EP	Summary
Coreper letter confirming interinstitutional agreement		<a href="#">GEDA/A/(2023)006763</a>	29/11/2023	CSL	
Text agreed during interinstitutional negotiations		<a href="#">PE757.151</a>	29/11/2023	EP	
Text adopted by Parliament, 1st reading/single reading		<a href="#">T9-0065/2024</a>	07/02/2024	EP	Summary
Draft final act		00076/2023/LEX	13/03/2024	CSL	

## Final act

[Regulation 2024/886](#)  
OJ OJ L 19.03.2024

## Instant payments in euro

**PURPOSE:** to establish at EU level the necessary uniform rules for cross-border instant credit transfers in euro and to increase the overall use of instant transfers in euro.

**PROPOSED ACT:** Regulation of the European Parliament and of the Council.

**ROLE OF THE EUROPEAN PARLIAMENT:** the European Parliament decides in accordance with the ordinary legislative procedure and on an equal footing with the Council.

**BACKGROUND:** instant payments (IPs) are a form of credit transfer whereby funds pass from the payers account to the payees in a matter of seconds, at any time, day or night, and any day of the year. This distinguishes IPs from other credit transfers, which are processed by payment service providers (PSPs) only during business hours, with the funds credited to the payee only by the end of the following business day.

Universal availability of euro IPs is a necessary part of updating and modernising the Single Euro Payments Area (SEPA). SEPA allows European consumers, businesses and public administrations to make and receive cross-border payments in euro as easily as domestic payments and enables the public to use their existing payment accounts in their home Member State to receive their salary or pay bills between different Member States.

In the EU, the architecture for instant payments in euro already exists. It comprises several payment systems offering instant settlement, and the Single Euro Payments Area (SEPA) instant credit transfer scheme (SCT Inst. Scheme) launched in November 2017 by the European Payments Council (EPC).

The significant potential benefits of IPs to consumers and businesses in the EU are however impeded by the slow rollout and low uptake of IPs. At the end of 2021, only 11% of euro credit transfers sent in the EU were instant payments.

Legislative intervention is therefore needed to develop euro instant payments across the EU and unlock their benefits for EU citizens and businesses, in particular SMEs.

**CONTENT:** this proposal aims to amend the Single Euro Payments Area (SEPA) Regulation of 2012, which already contains general provisions for all euro credit transfers (SEPA), by adding specific provisions for instant euro payments (SEPA).

In concrete terms, the proposal provides for:

- a requirement for PSPs providing a regular euro credit transfer service (with targeted exclusions) to offer sending and receiving of IPs in euro;
- a requirement for PSPs not to charge more for IPs in euro than for regular credit transfers in euro;

- a requirement for sanctions screening in the form of very frequent checking of clients against EU sanctions lists (as is already done in certain Member States for domestic payments), rather than for each individual transaction;

- a requirement for PSPs to offer a service enabling customers to be notified when a mismatch is detected between the payees name and international bank account number (IBAN), as supplied by the payer.

The obligations set out in the proposal will be introduced in stages, allowing payment service providers to spread their internal resources over a longer period and thus optimise their implementation costs.

## Instant payments in euro

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The Committee on Economic and Monetary Affairs adopted the report by Michiel HOOGEVEEN (ECR, NL) on the proposal for a regulation of the European Parliament and of the Council amending Regulations (EU) No 260/2012 and (EU) 2021/1230 as regards instant credit transfers in euro.

The committee responsible recommended that the European Parliament's position adopted at first reading under the ordinary legislative procedure should amend the proposal as follows:

### Instant credit transfer transactions

The amended text stated that payment service providers that offer to their payments services users a payment service of sending and receiving credit transfers will offer to all their payment services users a payment service of sending and receiving instant credit transfers.

The ECB and national central banks, when not acting in their capacity as monetary authorities or other public authorities, may limit their offer to payment services users of a payment service of sending instant credit transfers in euro to the period of time during which they receive and send non-instant credit transfers in euro.

Where a payment order for an instant credit transfer in euro is submitted from a payment account that is not denominated in euro, the time of receipt will be the moment when the payment service providers, immediately upon receiving that payment order, converts the amount of transaction from the currency in which the payment account is denominated into euro.

### Charges in respect of instant credit transfers

The report stated that any charges applied by a payment service provider on payers and payees in respect of sending and receiving instant credit transfer transactions in euro will not be higher than the charges applied by that payment service provider in respect of sending and receiving other, corresponding, credit transfer transactions in euro.

Payment service providers will not increase, directly or indirectly, their charges in respect of sending and receiving other, corresponding, credit transfer transactions in euro. Competent authorities may, where they suspect that a payment service provider is engaged in a circumvention practice, request from that payment service provider any information they deem necessary to determine whether that payment service provider has engaged in such practice and will take all necessary measures to ensure compliance by that payment service provider.

EBA will submit a report to the European Parliament, to the Council and to the Commission, by four years after the date of entry into force of this amending Regulation, on the impact of the application on the pricing of credit transfers and instant credit transfers. The Commission will consider the results of that report and shall submit, where appropriate, a legislative proposal to the European Parliament and to the Council.

### Verification of a payee in the case of credit transfers

Regarding regular and instant credit transfers, Members proposed that a payers payment service provider will verify whether the payment account identifier and the name of the payee provided by the payer match. Such verification will be provided free of charge to payment services users and regardless of the payment services user interface used by the payer to place a payment order for an instant credit transfer. The payers payment service provider will immediately notify the payer of any discrepancies detected and the degree of match.

### Screening of payments services users with regard to Union sanctions in case of instant credit transfers

Payment service providers offering instant credit transfers will verify whether any of their payment services users are listed persons or entities. It is proposed that the EBA and AMLA prepare a joint report on potential methods for enabling payment service providers that execute instant credit transfers to verify whether any of their payment services users are persons or entities designated on EU lists or national lists of Member States. Such methods may include the development of a single list aggregating persons and entities designated on Union and national lists.

## Instant payments in euro

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The European Parliament adopted by 599 votes to 7, with 35 abstentions, a legislative resolution on the proposal for a regulation of the European Parliament and of the Council amending Regulations (EU) No 260/2012 and (EU) 2021/1230 as regards instant credit transfers in euro.

Parliament's position adopted at first reading under the ordinary legislative procedure should amend the proposal as follows:

### Instant credit transfer transactions

Payment service providers (PSPs) that offer to their payment service user (PSU) a payment service of sending and receiving credit transfers should offer to all of their PSUs a payment service of sending and receiving instant credit transfers. Payment service providers should ensure that all payment accounts that are reachable for credit transfers are also reachable for instant credit transfers 24 hours a day and on any calendar day.

A payment service provider located in a Member State whose currency is not the euro should not be obliged to offer payment service users PSUs the payment service of sending instant credit transfers in euro beyond a limit per transaction, from payment accounts denominated in

the national currency of that Member State, during the time when that payment service provider neither sends nor receives non-instant credit transfer transactions in euro with respect to such payment accounts. That limit should be set by the competent authorities and should not be lower than EUR 25 000. Competent authorities may grant prior permission at the request of the payment service provider for a period of one year. At the request of the PSP, competent authorities may extend that prior permission by further periods of one year.

The ECB and any national central bank, when not acting in its capacity as monetary authority or other public authority, may limit its offer of a payment service of sending instant credit transfers to the period of time during which it offers a payment service of sending and receiving non-instant credit transfers.

When carrying out instant credit transfers, payment service providers should comply with the following requirements:

- payment service providers should ensure that payers are able to place a payment order for an instant credit transfer through all of the same payment initiation channels as the ones through which those payers are able to place a payment order for other credit transfers;
- immediately after the time of receipt of a payment order for an instant credit transfer, the payers payment service provider should verify whether all of the necessary conditions for processing the payment transaction are met and whether the necessary funds are available, reserve or debit the amount of the payment transaction from the account of the payer, and immediately send the payment transaction to the payees payment service provider;
- the payees payment service provider should, within 10 seconds of the time of receipt of the payment order for an instant credit transfer by the payers payment service provider, make the amount of the payment transaction available on the payees payment account in the currency in which the payees account is denominated and confirm the completion of the payment transaction to the payers payment service provider;
- the payees payment service provider should ensure that the credit value date for the payees payment account is the same date as the date on which the payees payment account is credited by the payees payment service provider with the amount of the payment transaction;
- where no confirmation of completion is received by the payers payment service providers within 10 seconds of the time of receipt of the payment order for an instant credit transfer, the payers payment service providers should, free of charge, inform the payer, as well as, where applicable, the payment initiation service provider, whether the amount of the payment transaction has been made available on the payees payment account.

#### Maximum amount of credit transfers

Upon the request of the payment service users, a payment service providers should offer a payment service user the possibility of setting a limit fixing a maximum amount that can be sent by means of instant credit transfer. That limit may be either on a per day or per transaction basis, at the sole discretion of the payment service user. Payment service providers should ensure that PSUs are able to modify that maximum amount at any time prior to the placing of a payment order for an instant credit transfer.

#### Charges in respect of credit transfers and verification of the payee

Any charges levied by a payment service providers on payers and payees in respect of sending and receiving instant credit transfers should not be higher than the charges levied by that payment service provider in respect of sending and receiving other credit transfers of corresponding type.

#### Verification of the payee in the case of credit transfers

Payment service providers should have in place robust and up-to-date fraud detection and prevention measures, to avoid credit transfers going into the wrong account due to fraud or error. To this end, payment service providers operating in the EU should immediately, and without any additional charges or fees, provide a service to verify the identity of the recipient.

If a payment service provider does not fulfil its fraud prevention duties and this results in financial damage, a client may demand to be compensated by the service provider, according to the new rules.

Payment service providers offering instant credit transfers should also verify whether any of their clients are subject to sanctions or other restrictive measures related to money laundering and terrorist financing.

#### Report

The Commission should submit a report to the European Parliament and to the Council evaluating the development of charges for payment accounts as well as for national and cross-border credit transfers and instant credit transfers in euro and in other currencies since the date of the adoption of the Commissions legislative proposal for this amending Regulation, in other words 26 October 2022, in order to monitor any effects of this amending Regulation on the pricing of accounts, non-instant credit transfers and instant credit transfers.

Transparency				
IJABS Ivars	Shadow rapporteur	ECON	30/05/2023	Modulr Finance BV (MFBV)
IJABS Ivars	Shadow rapporteur	ECON	18/04/2023	Deutsche Bank AG
GRUFFAT Claude	Shadow rapporteur	ECON	13/04/2023	Qonto
GRUFFAT Claude	Shadow rapporteur	ECON	16/03/2023	Ministère FR
GRUFFAT Claude	Shadow rapporteur	ECON	15/03/2023	BEUC

BELKA Marek	Shadow rapporteur	ECON	02/03/2023	BLIK
BELKA Marek	Shadow rapporteur	ECON	27/02/2023	European Banking Federation
IJABS Ivars	Shadow rapporteur	ECON	24/02/2023	ESBG
BELKA Marek	Shadow rapporteur	ECON	08/02/2023	BEUC
IJABS Ivars	Rapporteur	ECON	06/02/2023	Kreab
KELLEHER Billy	Member	04/07/2023	Wise Ltd	
FITZGERALD Frances	Member	26/06/2023	Bank of Ireland Group plc	
BENJUMEA BENJUMEA Isabel	Member	13/04/2023	Representación Permanente de España ante la UE	
FERNÁNDEZ Jonás	Member	30/03/2023	Bizum Kreab	
FERNÁNDEZ Jonás	Member	28/03/2023	Asociación Española de Banca Bizum	
KELLEHER Billy	Member	20/03/2023	Stripe, Inc.	
KELLEHER Billy	Member	06/03/2023	Banking & Payments Federation Ireland	
KELLEHER Billy	Member	28/02/2023	Payments Europe	