



## EUROPEAN COMMISSION

DIRECTORATE-GENERAL FOR FINANCIAL STABILITY, FINANCIAL SERVICES AND CAPITAL  
MARKETS UNION

Horizontal policies  
Retail financial services

### CONSULTATION DOCUMENT

### PUBLIC CONSULTATION ON INSTANT PAYMENTS

#### **Disclaimer**

This document is a working document of the Commission services for consultation and does not prejudice the final decision that the Commission may take.

The views reflected on this consultation paper provide an indication on the approach the Commission services may take but do not constitute a final policy position or a formal proposal by the European Commission.

The responses to this consultation paper will provide important guidance to the Commission when preparing, if considered appropriate, a formal Commission proposal.

You are invited to reply **by 23 June 2021** at the latest to the **online questionnaire** available on the following webpage:

[https://ec.europa.eu/info/publications/finance-consultations-2021-instant-payments\\_en](https://ec.europa.eu/info/publications/finance-consultations-2021-instant-payments_en)

Please note that in order to ensure a fair and transparent consultation process **only responses received through the online questionnaire will be taken into account.**

This consultation follows the normal rules of the European Commission for public consultations. Responses will be published in accordance with the privacy options respondents will have opted for in the online questionnaire.

Responses authorised for publication will be published on the following webpage:  
[https://ec.europa.eu/info/publications/finance-consultations-2021-instant-payments\\_en](https://ec.europa.eu/info/publications/finance-consultations-2021-instant-payments_en)

Any question on this consultation or issue encountered with the online questionnaire can be raised via email at [fisma-instant-payments@ec.europa.eu](mailto:fisma-instant-payments@ec.europa.eu).

## INTRODUCTION

**If you are a provider of payment services (PSP) and supporting technical services, please note that in addition to [this public consultation](#) you are invited to respond to the [targeted consultation](#) which contains questions of a more technical nature.**

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 payment service providers (PSPs) offer instant credit transfers. The consultation also seeks to identify factors that would be relevant for stimulating customer demand (from consumers, corporate users and merchants alike) towards instant credit transfers.

EU citizens and companies expect to have at their disposal convenient, secure and cost-efficient payment solutions to make their payments, both domestically and cross-border. Instant payments technology can be a powerful enabler for the emergence of payment solutions meeting these expectations. Most credit transfers today reach the beneficiary on the following business day and some even take longer. In contrast, instant credit transfers allow funds to be available on the account of the beneficiary within seconds, 24 hours a day, every day of the year, including weekends and public holidays. This entails potential advantages for consumer and corporate users alike.

For an instant credit transfer to be successfully completed, at each end of the transfer there needs to be a 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 transfers at EU level. As of March 2021, only 64.6% of PSPs located in 21 Member States have joined the SCT Inst. Scheme. Similar schemes also exist in some non euro area Member States for instant credit transfers in their local currency.

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 public consultation is addressed to a broad range of stakeholders: payment services users (consumers, corporate users and merchants), PSPs and providers of supporting technical services, clearing and settlement mechanisms, relevant public authorities, national regulators and others - all playing an important role in ensuring a smooth transition towards well-functioning and efficient pan-European instant payment solutions.

This consultation follows from the [Commission Communication from December 2018 “Towards a stronger international role of the euro”](#)<sup>1</sup>, 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](#)<sup>2</sup> 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”](#).<sup>3</sup>

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<sup>1</sup> [https://ec.europa.eu/info/publications/towards-stronger-international-role-euro-commission-contribution-european-council-13-14-december-2018\\_en](https://ec.europa.eu/info/publications/towards-stronger-international-role-euro-commission-contribution-european-council-13-14-december-2018_en)

<sup>2</sup> <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:52020DC0592>

<sup>3</sup> <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:52021DC0032>

## CONSULTATION QUESTIONS: PAYMENT SERVICE PROVIDER PERSPECTIVE

### User perspective

- To your knowledge, does your payment service provider (e.g., your bank) provide you with the possibility to make instant credit transfers<sup>4</sup>?
  - Yes
  - No
  - I don't know
  - Not applicable

### Consumer preferences

Consumer preferences for instant credit transfers (for example in the context of using online banking)

- Please rate the importance of the reasons/conditions listed below, which would incentivise you as consumer to opt for an instant credit transfer:

	1 (unimportant)	2 (somewhat unimportant)	3 (neutral)	4 (somewhat important)	5 (important)	No opinion	Not applicable
Need for the funds to be credited to the beneficiary within seconds							
Need for the funds to be credited to the beneficiary within seconds also outside business hours (24 hours a day, any day of the							

<sup>4</sup> For the purpose of the questionnaire, instant credit transfers mean either SCT Inst. (euro instant credit transfers), or instant credit transfers in another EU currency

year)							
Cost (compare d with a regular credit transfer)							
Existence of safeguards regarding the risk of fraud or error (e.g. the possibility to receive an immediate confirmati on as to whether the IBAN number of the beneficiar y account matches the name featuring on the beneficiar y account)							
Other (please specify)							

Please explain your answers [open box]

**3.** In order to be able to send the funds 24 hours a day, any day of the year (including weekends and public holidays) and be certain that the beneficiary receives the funds within seconds, would you, as consumer, be willing to pay a premium fee for instant credit transfers compared to regular credit transfers? Please explain.

- Yes
- No

**3.1.** If your answer is yes please indicate if possible how much of a ‘premium’ you would be ready to pay for an instant credit transfer as % increase compared to a regular credit transfer (e.g. 5%, 10%, 50%, etc.).

**4.** As consumer, if you opt for an instant credit transfer, do you consider that, in order to prevent the risk of fraud or error, your bank should offer a service allowing, prior to the initiation of the transfer, for the immediate verification of the ‘match’ between the IBAN of the beneficiary and the name on the beneficiary account?

- Yes, automatically and free of charge for the consumer
- Yes, automatically and I accept that there could be a fee to pay for that service
- Yes, but as an optional service with a fee
- No, I don't believe this is necessary
- I don't know / no opinion
- Not applicable

5. Please rate the importance of the factors below which would incentivise you as consumer to opt for an instant credit transfer when paying in a shop or online (at 'point of interaction'):

	1 (unimportant)	2 (somewhat unimportant)	3 (neutral)	4 (somewhat important)	5 (important)	No opinion	Not applicable
Speed (funds are credited to the beneficiary within seconds, 24 hours a day, any day of the year, e.g. to ensure quicker delivery of goods/services in e-commerce)							
Cost							
Possibility to ask for a refund (in cases of non-delivery of the goods, damaged or non-conform goods etc.)							
Possibility to pay in a broad range of places and situations (shops,							

restaurants, gas stations, public administrat ions, etc.)							
Possibility to pay not only in your own country but also anywhere in the EU							
Global acceptance (possibility to pay worldwide)							
Convien ce (e.g., if used via a mobile payment app/digital wallet no need to carry cash or a card)							
Possibility to integrate in a mobile payment app/digital wallet loyalty points or additional features							
Presence of a visible label or recognisabl e brand similar to card brands							
Other (please specify)							

Please explain your answers [open box]



## Merchant preferences

6. As merchant, please rate the importance of each of the factors below when deciding on whether to offer customers the possibility to pay with instant credit transfers at 'point of interaction'. Please explain.

	1 (unimportant)	2 (somewhat unimportant)	3 (neutral)	4 (somewhat important)	5 (important)	No opinion	Not applicable
Cost (e.g. lower merchant fees than for cards)							
Speed: Instantaneous availability of funds 24 hours a day, any day of the year							
Ability to accept payments from customers from other Member States							
Seamlessness at check-out (minimum number of steps to complete the							

transacti on)							
Availabi lity of a merchan t account reconcil iation service (i.e. the process of matchin g a payment recorde d in the bank account of the merchan t with the sales of the merchan t)							
Availabi lity of an omnicha nnel point of sale (POS) solution offering payers means of selectin g their preferre d means of payment (e.g. card, credit transfer,							

instant credit transfer, direct debit, etc.)							
Ability to set up a default selection of payment applications, including instant credit transfer option							
Availability of services allowing the incorporation of loyalty points of the merchant in the payment method							
Possibility to accept payments without (or with very little) acceptance hardware required (e.g. accepta							

nce integrat ed in the check outs or using a tablet so no need for a dedicate d payment terminal )							
Other (please specify)							

Please explain your answers [open box]

### Corporate user preferences

7. As corporate user, what benefits do you see in using instant credit transfers? Please rate the importance of the type of benefits listed below:

	1 (unimpo rtant)	2 (somet hat unimpor tant)	3 (neutral )	4 (somet hat importa nt)	5 (import ant)	No opinion	Not applicab le
Being able to manage cash flows more efficient ly							
Timely payment of invoices or any other payment obligati ons							
Being able to							

offer services to clients more efficiently (e.g. provide instant refunds)							
Other (please specify)							

Please explain your answers [open box]

**8.** Would an immediate availability of funds enable you to fulfil your obligations (e.g. instant shipment of the order) sooner, compared to the situation when the funds are not immediately available?

- Yes (please explain)
- No (please explain)
- Don't know / no opinion / not applicable

**9.** Please explain the potential impact on your internal operations arising from adapting them to instant credit transfers. [open box]

**10.** In your view, is the fact that euro instant credit transfers under the SCT Inst. Scheme are currently capped at EUR 100,000 an obstacle to their use by corporates?

- Yes (please explain)
- No (please explain)
- No opinion
- Not applicable

**10.1.** If yes, do you think there should be a cap?

- Yes
- No
- No opinion
- Not applicable

**10.2.** Please indicate at what level the cap should be. Please explain:

**11.** Would the availability of batch processing of instant credit transfers (for multiple payment transactions bundled together), as opposed to the processing per each individual transaction, make the use of instant credit transfers more attractive to corporate users?

- Yes (please explain)
- No (please explain)
- No opinion

- Not applicable
- 12.** Are there any other obstacles to the use of instant credit transfers by corporates, both domestically and cross-border?
- Yes (please explain)
  - No (please explain)
  - No opinion
  - Not applicable
- 13.** What type of value added services would make instant credit transfers more useful from your perspective (e.g. Request to Pay, e-invoicing)? Please explain.
- 14.** In order to be able to send the funds 24 hours a day, any day of the year (including weekends and public holidays) and be certain that the beneficiary receives the funds within seconds, would you, as a corporate user, be willing to pay a premium fee for instant credit transfers compared to regular credit transfers?
- Yes (please explain)
  - No (please explain)
  - No opinion
  - Not applicable
- 14.1.** If your answer is yes, please indicate if possible how much of a ‘premium’ you would be ready to pay for an instant credit transfer as % increase compared to a regular credit transfer (e.g. 5%, 10%, 50%, etc.).

**Payment Service Provider (PSP) perspective**

- 15.** If you are a PSP providing and maintaining payment accounts for payers, have you adhered to an instant credit transfer scheme:

	Yes	No	I don't know	Not Applicable
To the SCT Inst. Scheme				
To another scheme (for instant credit transfers in an EU currency other than euro)				

Please explain your answers [open box]

- 16.** What benefits do you see, as PSP, in offering instant credit transfers? (please rate the importance of the benefits listed below):

	1 (unimportant)	2 (somewhat unimportant)	3 (neutral)	4 (somewhat important)	5 (important)	No opinion	Not applicable
New source of revenue							
Attract a larger customer base							
Preserve the existing customer base							
Save costs in other areas of operations (e.g. cash management and distribution, ATM maintenance, security costs)							
Ability to (cross) sell other services							
Provide an alternative to other widely used means of payment such as cards and therefore generate cost savings and become more independent from other							

providers							
Other (please specify)							

Please explain your answers [open box]

**17.** In your opinion, could instant credit transfers aggravate bank runs and thus contribute to bank failures?

- Yes
- No
- Don't know / no opinion / not applicable

**17.1.** If so, which of the following mechanisms or tools would you consider as useful in addressing this type of intense liquidity outflows?

	Yes	No	I don't know	Not Applicable
A daily limit as regards the amount which could be transferred via instant credit transfers?				
A discretionary power allowing competent authorities to suspend instant payment obligations of the financial institution concerned for a certain period of time?				
Other mechanisms that may be available to either PSPs or competent authorities				



(please specify)				
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Please explain your answers [open box]

### Technical standardisation

**18.** In your view, should a single European QR code standard for instant credit transfers be available? Please explain.

- In your view, should a single European QR code standard for instant credit transfers be available?
- Yes, it should be developed by market participants
- Yes, it should be developed by the European standardisation organisations
- Yes, for other reasons
- No, I don't believe there should be a single EU QR code standard, because I think that the same objective could be achieved through the interoperability of existing QR codes
- No, I don't believe there should be a single EU QR code standard, because other technologies (e.g. Near Field Communication) are safer and/or more convenient
- No, for other reasons (please specify)

### Horizontal aspects

**19.** Do you believe that the widespread use of instant credit transfers could trigger risks that could negatively affect operations of a particular financial sector or pose broader societal costs (e.g., in terms of privacy)?

- Yes (please explain)
- No
- Don't know / no opinion

**20.** Do you consider that instant payments could bring broader societal benefits, for example in terms of:

	Yes	No	Don't know / no opinion / not applicable
Financial inclusion			
Public health			
Data protection			
Fiscal benefits			
Other types of broad benefits (please specify)			

Please explain your answers [open box]