
Agreement reached on more accessible instant payments in euros

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- Focus on speed and consumer safety
 - Instant transfers that are affordable and available across the EU
 - Further integration of the Union payments market
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EP negotiators struck a deal with the Spanish Presidency on new rules to secure immediate arrival of transferred funds to bank accounts of retail customers and businesses in the EU.

To make sure that retail clients and businesses, especially SMEs, will not have to wait for their money as well as to provide safe transfers, the agreement updates the [Single Euro Payments Area \(SEPA\)](#) legislation. Payment service providers (PSPs) such as banks, providing transfer services in euro, will be required to offer the service of instant credit transfers.

Member states whose currency is not the euro will also have to apply the rules, where the accounts already offer regular transactions in euros, after a longer transition period. There will be a special derogation for such accounts outside business hours given possible concerns about access to liquidity in euros.

Instant credit transfer

According to the agreement, an instant credit transfer is supposed to be executed regardless of the day or hour and immediately processed, so that the payee's payment account is credited with the amount transferred within 10 seconds after the time of receipt of the payment order. The payer should be also informed within 10 seconds whether or not the funds transferred have been made available to the payee.

Where a payment order for an instant credit transfer in euro is submitted from a payment account that is not denominated in euro, a PSP should convert the amount of transaction from

the currency in which the payment account is denominated into euro, immediately upon receiving that payment order.

Customer safety, penalties and sanctions

Negotiators agreed that PSPs should have in place robust and up-to-date fraud detection and prevention measures, designed to prevent a credit transfer being sent to an unintended payee as a result of fraud or error.

To this end, PSPs operating in the EU should immediately and without any additional charges or fees, provide a service to verify the identity of the payee to whom the payer intends to send a credit transfer.

Where a discrepancy is detected between the payment account identifier of the payee and the name of the payee provided by the payer a client should be notified, and where such information is not provided, a client should be compensated by a PSP for any financial damage. As an additional safeguard against fraud, PSPs should allow its clients to set a maximum amount for instant credit transfers in euro, which could be easily modified prior to the next transfer.

Moreover, PSPs offering instant credit transfers should verify whether any of their clients are subject to sanctions or other restrictive measures related to the prevention of money laundering and terrorist financing.

Charges stay the same

Charges applied by a PSP on payers and payees in respect of instant credit transfer transactions in euro cannot be higher than the charges applied to credit transfer transactions in euro.

Quote

[Michiel Hoogeveen](#) (ECR, NL) the lead MEP said: " With this initiative, EU banks are obliged to provide instant payment services to clients, at no extra cost, under strict deadlines. Customers will enjoy smoother payment options, businesses will face lower costs, and the EU payments systems as a whole will become more competitive. The Parliament negotiating team also secured that, under certain conditions, Fintech companies will be granted direct access to the European Central Bank's payment infrastructure, so they won't have to pay banks anymore to do it for them".

Next steps

The provisional political agreement reached by the EP negotiating team will now have to be approved first by the Economic and Monetary Affairs Committee, followed by a plenary vote. The Council also has to approve the deal, before it can come into force.

Further information

[Procedure file](#)

[Legislative train](#)


[Committee on Economic and Monetary Affairs](#)

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