



## INSTANT PAYMENT REGULATION (IPR) & VERIFICATION OF PAYEE (VoP)

### FAQ



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# Q & A - IPR

## INSTANT PAYMENT REGULATION ROADMAP

**Will BNP Paribas meet the regulatory timelines, including non-euro transactions? Will local resources be needed?**

BNP Paribas has already met the January 2025 deadline for SCT Inst reachability and will be able to send SCT Inst from October 2025 in all euro-zone countries where it operates. For non-euro countries, BNP Paribas is planning a **progressive rollout until early 2027**.

For further details regarding the SCT Inst offer (Channels, Bulk...), please refer to our Roadmap.

**Are instant payments between euro and non-euro countries in scope for October 2025?**

The SCT Inst scheme already applies across the entire SEPA zone. However, the **new regulatory requirements** (mandatory reachability, VoP, etc.) will start applying to EUR EEA countries as of October 2025 and in 2027 for non-EUR EEA countries.

**When will Instant Payments have no transaction limit, similar to Standard SCT?**

From October 2025, the interbank limit of €100,000 for SCT Inst will be removed. However, individual PSPs may still impose limits for fraud prevention and risk management.

## SCT INSTANT PAYMENTS – TECHNICAL ASPECTS

**Will BNP Paribas allow clients to disable outgoing instant payments?**

As per regulation, BNP Paribas must offer SCT Inst to all clients with access to Standard SCT. However, if a company does not want to send instant payments, they will be able to use the upcoming feature to **set their user limit to zero euro**.

**How is an SCT Inst designated in Host-to-Host payment files?**

A **specific request type** must be used for the **pain.001** files to indicate that a payment should be executed as SCT Inst. BNP Paribas provides **technical guidelines** to support clients in configuring their files.

**Will there be constraints on large SCT Inst transactions (e.g., M&A payments)?**

Some restrictions may remain along the **payment chain**, particularly for **large or unusual transactions**. BNP Paribas recommends that clients conducting **major transactions** (e.g., M&A, high-value treasury payments) consult their **Relationship Manager** in advance to ensure smooth processing.

## PAYMENT LIMITS & COMPLIANCE

**Can clients set their own payment limits? Are the rules the same for corporates and individuals?**

Yes, with the upcoming feature, **all clients** (both individuals and corporates) will be able to define **transaction limits** for their accounts. However, some **channel-specific restrictions** (e.g., fraud



prevention measures) may also apply.

#### How is compliance screening performed?

BNP Paribas **does not disclose details** about its screening process but confirms that its **sanction screening system** complies with regulatory requirements as of January 9<sup>th</sup>, 2025.

#### What about countries like Spain, which lack national bank databases?

The regulation applies to **all EU countries**, including Spain. Spanish banks will be required to comply with VoP obligations, adapting their processes accordingly.

## Q & A - VERIFICATION OF PAYEE (VOP):

### VOP – GEOGRAPHICAL AND FUNCTIONAL SCOPE OF APPLICATION

#### What is the scope of application of VoP?

The VOP scheme applies to SEPA Credit Transfers (SCT) and SEPA Instant Credit Transfers (SCT Inst), Single and Bulk transactions, between 2 accounts located in the European Economic Area.

#### I don't use SEPA Instant payment, so I am not concerned by VOP?

Yes you are, as VOP will apply to all SEPA credit transfers: both standard and instant. Note that you are concerned by both outgoing and incoming: If you receive SEPA Credit Transfers, VoP may be performed on your account before being credited.

#### How does VOP affect direct debit payments?

SEPA Direct Debits (SDD) are not covered by VOP. Only SEPA Credit Transfer (SCT & SCT Inst).

#### SCTs initiated from UK and CH accounts will bypass the VOP control?

In case of SEPA countries not part of the EU and out of EEA, they do not have any legal obligation to apply VoP in the timeline dictated by the IPR. Thus, it will depend on the bank itself, whether in UK or Switzerland, if they have adhered to the VOP scheme and opened the Request and Respond service. Some might choose to propose it

Example:

In case of a SEPA transfer sent from a UK account to a French account, if the UK Bank has adhered to VOP Scheme, VoP could be applied.

In case of a SEPA transfer sent from a French account to a Swiss account: this could lead to an Impossible Match, as the bank may not be reachable.

## VOP – KEY PRINCIPLES

### How long will payments be on hold while awaiting VoP information?

Payments are **not put on hold** for VoP checks. The verification happens **before payment authorization**, meaning results are available **before validation**.

The VOP results will be provided within 5s maximum for single orders.

### Can VoP be used for salary payments?

Yes, VoP can be applied to SEPA salary payments (SCT and SCT Inst).

### Who is informed in case of a VoP no-match? The initiator or the debtor?

The payer receives the VoP result before validating the payment, allowing them to decide whether to proceed.

### Can the VoP check identify if an account is closed?

VoP verifies the match between the beneficiary's name and the IBAN. In case of a closed account, the results would most likely be "verification impossible".

### What happens with accounts under two names if the payer only knows one (e.g., salary payments)? What about joint accounts?

If the account is a **joint account**, such as for a married couple, the verification will be performed for both account holders. The system will check the name entered by the payer against all account holders details, and if there is a match for at least one, the result will be positive. In case of Close Match, it is expected that the name of the beneficiary with the best matching results will be sent back

i.e.: Joint account for Mr John DOE and Ms Mary PLANT. If the payer only indicates Mary Plant for a transfer to this joint account, it will match.

## VOP - WITH BNP PARIBAS :

### We process grouped payments from different banks. Does VoP apply only to payment files initiated from BNP Paribas, or does it cover files from all banks?

VoP will be mandatory for EUR SEPA EEA PSPs from October 2025 and for non-EUR SEPA EEA PSPs from July 2027. This applies to all payment service providers (PSPs & PISP) operating within the SEPA area, not just BNP Paribas.

### Will VoP be free of charge?

Yes, VoP is a free service when performed within the regulatory framework, meaning during the payment initiation and before payment authorization

## VOP - IMPLEMENTATION IN CHANNELS



**If we activate VoP for SCT payments scheduled days before execution, when will the check be done?**

For online channels, or a non-signed file the VoP check is performed before payment authorization, not at the time of execution. This means there are no rejections at execution time, as discrepancies will have already been flagged before validation.

For a signed file sent via H2H channels, the VoP will be done at the reception of the file, provided other technical controls are successful.

**Will VoP obligations apply across all acquisition channels, including non-signed payments (e.g., SWIFTNet)?**

Yes, VoP applies across all payment channels, but its implementation may vary depending on whether the file is signed or unsigned.

**Will VoP apply to payments presented in signed files?**

The regulation does not impose to process a VoP for signed files, as the verifications must be done prior to the payment validation.

**Will BNP Paribas allow clients to configure VoP preferences (opt-in/opt-out)?**

Yes, in Connexis Gateway, VoP preferences will be set at the client level and will be applied to all files. In Host-to-Host (H2H) channels, a specific request type will indicate whether VoP is required on a file-by-file basis. For file upload, the opt in/opt out can be activated file per file

**Is VoP configured per Host-to-Host (H2H) channel or per file?**

For Host-to-Host (H2H) channels, VoP will be applied on a file-by-file basis.

## VoP - FOR BULK PAYMENTS & PROCESSING SCENARIOS

**What happens if a batch file contains one transaction that fails VoP? Will the entire file be rejected?**

By default, BNP Paribas will perform partial processing, executing only full match transactions.

**At what level in the file do we indicate whether we opt in or out of VoP?**

For Host-to-Host transactions, VoP is managed via a request type or file naming convention. For bulk payments via Connexis Gateway, the VoP setting is configured at the client level and applies to all files.

For file upload, the opt in/opt out can be chosen on file per file basis.

**If I submit a file via FileAct with only one signed transaction, can I opt out of VoP?**

For bulk transactions VoP will be handled based on the client request or set up.

**What happens when a bulk file contains payments both below and above €100,000 with VoP?**

VoP is not linked to transaction amounts.

**Will clients using Host-to-Host (H2H) file payments be impacted by VoP from October 2025?**

No, not by default. VoP is not mandatory for Corporates submitting Bulk payments. If your company uses H2H files for SCT Inst and does not explicitly opt in to VoP, your current payment process will





continue without payee verification. VoP will only apply if you activate the service using the dedicated opt-in request.

For further details, contact your Relationship Manager and refer to our One Pager.

If we upload CT files from an ERP system, then VoP is not applied, which means payments are still processed even if a recipient name in an individual payment does not match?

Yes, if you don't use the new set up (request type; filename) we will process your payments like we do today without VoP.

## VoP - RESULTS – WHAT WILL I GET AND HOW?

How will VoP results be received? Will they be available via SWIFT?

VoP results will be available via Web-Banking Channels or through Payment Status Reports (Pain.002) sent via Host-to-host channels (including SWIFTNet file Act). The chosen option depends on whether the file is signed or unsigned and the channel used.

Why might a payment receive a "Verification Not Possible" response?

A "Verification Not Possible" response occurs in several cases:

- The beneficiary's bank is not reachable or does not support VoP
- A technical incident has occurred
- The format of the request is incorrect (IBAN format incorrect)
- Account is closed

How does VoP work with corporate treasury platforms like SAP or Kyriba?

For clients using Kyriba or SAP, VoP results will be included in Payment Status Reports (Pain.002). If the file is signed and opt-out, there will be no change to current processes. If the file is signed with Opt in option, the corporate will need to adapt its system to integrate the PSR (pain002).

You mentioned pain.002 messages, but what about camt.054?

VoP results will be included in the Payment Status Report (PSR). Currently, the XML format used for PSR is pain.002, while camt.054 is used for Debit/credit events and does not include VoP results.

For further details, contact your Relationship Manager and refer to our One Pager.

Any tips to optimize VoP full Match?

- For Individuals, we recommend using the official & complete first name + Last name.
- For Corporates, use the legal Registered Name of the counterparty; or Commercial Name / Business Name as option. Corporate ID (VAT number, LEI...) could be used where possible.
- For both, avoid nicknames, abbreviations, middle names / Honorifics and titles (e.g., Dr., Mr., Ms) Save the results in your beneficiary list / update accordingly

## VoP VS. EXISTING IBAN CHECK SOLUTIONS:



### How will VoP work in France? Will it use SEPAmail Diamond?

The EPC has launched a new Scheme whose adherence will be mandatory for SCT and SCT Inst participants. It will include mandatory registration to an EPC Directory Service (EDC) allowing PSPs to reach one another.

In France, SEPAmail / STET will provide a new service for its participant (PSP and PISP) to meet VoP requirements.

The existing service Sepamail Diamond for Corporates will remain available for clients already using it. In the future it will most likely evolve to merge with new VOP Scheme.

### How will VoP handle IBAN verification in countries like Italy, where tax ID is required or countries without IBANs?

The VoP Rulebook allows for verification using an identification code (e.g., VAT number, Legal Entity Identifier - LEI), but **availability will depend on the PSPs in each country**. Verification on an ID of a physical person, as done in Italy or Spain **will not be included in the scope of VOP**.

IBAN format is mandatory for VOP. An account that is not under the IBAN format will not be reachable.

### The VOP check is based on beneficiary name and IBAN. Will it also be possible to cross-check the IBAN with LEI Code or VAT code?

The regulation lets the possibility to check IBAN against Identification Number of Corporates such as local ID, VAT Number or LEI (Legal Entity Identifier). Nevertheless, it implies that the acquisition channels of the requesting bank let you input such data, and that the responding bank allows the verification on such ID. The ID matching being optional, the coverage of such verification is uncertain.

In case an ID is input, it has the priority over name matching.

### What's the difference between VoP and SIS-ID?

VoP is a **regulatory European scheme**, while SIS-ID is a **private company** offering verification services, including additional fraud prevention measures beyond the scope of VoP.

### If a match is returned but the IBAN is fraudulent, will BNP Paribas compensate the payer?

The **payee's PSP** is responsible for the accuracy of VoP responses. BNP Paribas will investigate suspicious transactions but is **not automatically liable** for fraud cases.

### If we choose to opt-Out, what is the responsibility for the Corporate, in case of fraud?

In case of bulk payment for corporates, if the payer decides to "opt out" and to continue with the payment, they must accept the risk that the funds may be transferred to an unintended recipient. The liability for any erroneous transfer falls on the payer.

## FINAL CONSIDERATIONS & NEXT STEPS FOR VOP

### Will BNP Paribas provide VoP specifications and technical guidelines?

Yes, BNP Paribas is updating its **technical documentation** to help clients configure their payments correctly. Clients are encouraged to contact their **Relationship Manager** for further details.

### Will BNP Paribas provide additional fraud prevention beyond VoP?





VoP only checks that the **IBAN and beneficiary name match**. It is strongly advised to implement a robust cyber security and fraud prevention set-up to minimize risks. For further fraud prevention (e.g., confirming a legitimate supplier), clients can use **third-party services such as SIS-ID** – Please reach out to your Cash Manager for further information on this solution.

#### Will this initiative be extended worldwide?

Interoperability may develop gradually. Currently, **VoP applies only within the EU**, but similar initiatives, such as the UK's **Confirmation of Payee (CoP)**, already exist. Additionally, solutions like **SIS-ID** provide broader verification services that could enhance global interoperability over time.

