

IMPLEMENTING OCT INST

Why to start planning now
and how to go about it

A call to action by the
EBA Expert Group on
Cross-Border Payments

May 2025



WHAT

Call to action for OCT Inst implementation

- This is a call to action for payment service providers operating in SEPA.
- Based on a stocktaking survey and report issued in 2024 and the state of play of instant and cross-border payments in Europe and around the globe, the EBA Expert Group on Cross-Border Payments (EGXP) would like to recommend the following:

CALL TO ACTION

In order to further improve cross-border customer propositions and meet the related G20 targets, PSPs across SEPA should make themselves reachable via the One-Leg-Out Instant Credit Transfer (OCT Inst) Scheme of the European Payments Council. To this effect, PSPs should begin resource planning now with a goal of starting implementation in 2026.



"This What-Why-How document represents the latest discussions of the EGXP working group. The discussions have turned from what could potentially be delivered to framing some concrete next steps for European PSPs, leveraging the strengths of the OCT Inst Scheme to deliver against the G20 objectives of transparency, speed, cost and access. The next step is in our hands and I look forward to the ongoing work of the group to further support this call to action."

Simon McConnell

Managing Director
Head of European Clearing
& FI Payments
Citi
Chairperson
EBA Expert Group on
Cross-Border Payments

WHAT

- The following slides provide a sneak peek into key reasons **why** OCT Inst should be implemented and outline **how** this should be done.
- This call for action will be followed by a detailed white paper after the summer. The aim of this work is to provide strategic guidance to ensure that OLO solutions can reach their full potential and effectively enable fast, low-cost, predictable and low-friction cross-border transactions for customers.
- The EGXP is an expert group operated by the Euro Banking Association. It comprises 15 institutions from 9 countries and works towards enhancing cross-border payments, fostering harmonisation and avoiding market fragmentation.



"Joining the OCT Inst Scheme isn't just an option—it's a strategic imperative. It enables our industry to deliver instant, cross-border credit transfers with unmatched speed, transparency, and compliance. In a financial world driven by customer expectations for real-time services, OCT Inst puts us at the forefront of innovation and competitiveness. Delay is no longer an excuse—it's time to lead if we want to stay relevant!"

Marc Recker
Managing Director
Global Head of Product Institutional
Cash Management
Deutsche Bank

WHY

Why OCT Inst should be implemented

- OCT Inst is a key building block towards enabling PSPs to develop customer propositions providing enhanced transparency, traceability and cost certainty, essential to the Eurozone meeting the key target objectives of the G20 Roadmap by end of 2027.
- Significant progress is already being made globally toward leveraging instant payment systems for cross-border payments (e.g. in Australia and South-East Asia) – Europe should continue moving forward to ensure reciprocity and avoid lagging behind.
- By October 2025, the Eurozone will be fully capable of both sending and receiving instant payments in euro. With the EPC's OCT Inst Scheme and two OCT Inst infrastructure services already available (RT1 and Iberpay), there are first important building blocks in place for a broad roll-out of OCT Inst.



"The Eurozone is now at the forefront of cross-border payment processing thanks to the implementation of OCT Inst in two consolidated payment infrastructures (RT1 & Iberpay). This provides traceability, eliminates cut-off times and offers a unique customer experience."

Raouf Soussi Laghmich,
Head of International Solutions
BBVA

WHY

- In November 2025, Swift will complete their CBPR+ roll-out for payment instruction, reducing complexity for intermediary PSPs as both the cross-border and the SEPA legs will be speaking the same language.
- PSPs' implementation effort could be minimised by leveraging work already done or (in the case of non-Eurozone EU countries) ongoing in the SCT Inst space.
- According to one early mover from the Spanish community, the implementation effort for OCT Inst is limited compared to Instant Payments Regulation-related and request to pay-related efforts:
 - IPR implementation effort 100%
 - RTP implementation effort 70%
 - OCT Inst implementation effort 10%



"The OCT Inst Scheme is a tremendous opportunity to provide one SEPA-based solution to all non-SEPA-based banks to improve international payments into the SEPA area."

"Time to discuss an agreed adherence date by PSPs within SEPA. Broad adoption of the OCT Inst Scheme in SEPA will contribute to achieving the G20 objectives regarding the improvement of international payments."

Jan Paul van Pul
Senior Payment Advisor
ING

HOW

How OCT Inst should be implemented

- Use of the 2019 version of ISO 20022: encourages the end-to-end processing of OCT Inst transactions via this standard. The euro leg must **always** be in ISO 20022.
- Expectation that PSPs apply the full-amount principle to the SEPA leg of the OCT Inst transaction and limit charge code usage to SHARE.
- **Transport of more data in line with CBPR+ and Cross-Border Instant Payments Plus (IP+) guidelines such as:**
 - **The initial amount in the other currency and currency conversion details**
 - **Other identifiers to BIC and IBAN in the non-Euro Leg** (note: BIC and IBAN are mandatory in the Euro Leg)
 - **More details (e.g., names and address) about the Payer, Payee and their respective reference parties**, the Payee's PSP/FI, the Payer's PSP/FI, the Euro Leg Exit/Entry PSP, the intermediary PSPs/FIs
 - Currency and type of the accounts of the Payer and of the Payee
 - The proxy/alias of the accounts of the Payer and of the Payee
 - The currency requested by the Payer for the funds in the non-Euro Leg
 - Unique End-to-End Transaction Reference (UETR)
 - Charge option, the charges applied and the actor(s) applying them



"The final step in the delivery process is the most expensive and time-consuming part of any supply chain.

This so-called 'last mile issue' makes no exception for our payments industry, as most of a cross-border transaction processing time is spent on the beneficiary leg.

However, thanks to the OCT Inst scheme, our European payments industry now benefits from a powerful tool to provide its users with a 24/7-available and accelerated cross-border payment service."

Frantz Teissèdre
Head of Public Affairs
Cash Clearing Services
Societe Generale
Group

HOW

- **Character set:** follows the CBPR+ character set which supports more special characters (i.e. ! # \$ % & * = ^ _ ` { | } ~ " ; < > @ [\]) than the SEPA character set
- **Supporting alignment in sanction-screening processes as part of implementation efforts**
 - IT implementation impact should be limited, because screening is already done today in SCT Inst for non-EU SEPA flows (e.g. Switzerland, UK). Additional screening filters need to be activated for the international OCT Inst flows in accordance with the requirements applicable to the non-SEPA leg.



"Take action with the OCT Inst Scheme to transform international payments. Broad adoption will determine its success, enhancing efficiency and contributing to the G20 objectives for improved cross-border transactions. Empower your ecosystem to offer 24/7 accelerated payment services. The time to act is now; be part of the transformation."

Ali Haydar Baki
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