

## Communication on PSP unavailability in the SCT Inst inter-PSP space

SMART2 recommendations – version 1.0 of 31/10/18

### Background

The SEPA Instant Credit Transfer (SCT Inst) Scheme Rulebook of the European Payments Council requires that adhering payment service providers (PSPs) are available for SCT Inst processing 24/7/365, albeit recognising that PSPs may be temporarily unavailable<sup>1</sup>.

Indeed, participants may be faced with problems leading to them being unavailable, particularly during the SCT Inst ramp-up phase. Communication on unavailability could help to increase transparency in the inter-PSP space and support PSPs in better managing their customers' experience and expectations.

Today there is no established practice in place around the communication on a PSP's unavailability to other parties involved in the inter-PSP space. This recommendation note is aimed at helping to remedy this situation and encourage PSPs to communicate quickly and in an automated fashion on any SCT Inst-related unavailability for the benefit of end-users and their experience with this new payment instrument.

### Best practice recommendations

Participants in the SCT Inst Migration Round Table (SMART2) fully support the requirement that PSPs providing euro instant payments should be available 24/7/365. To this effect, they recommend that any PSPs processing SCT Inst transactions should make sure that their internal SCT Inst processing systems operate around the clock and can be maintained and updated without any service interruptions.

At the same time, and despite all technical and organisational arrangements supporting business continuity, there may still be cases where PSPs are unavailable for SCT Inst processing due to exceptional circumstances; such cases may be more likely to arise during the current ramp-up period. To minimise and optimally manage customer impact, and support scheme acceptance, timely and automated communication of a PSP's unavailability for SCT Inst is key. In order to support this timely and automated communication, it is further recommended that:

- PSPs processing SCT Inst transactions should be enabled to inform the next party in the chain in an automated fashion that they or one of their addressable PSPs are unavailable for receiving and processing SCT Inst transactions.
- This communication on unavailability could be made via the messaging channel<sup>2</sup> (if the messaging channel is not affected) or via an alternative channel such as a graphical user interface (GUI). In order to cover all eventualities, CSMs should ideally provide both options to their users.

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<sup>1</sup> "It is recognized that a Participant may temporarily not be reachable in exceptional circumstances." (SCT Inst Scheme Rulebook, v1.0, section 5.3, p. 64)

<sup>2</sup> For reasons of efficiency and harmonisation, the preferred solution would be ISO 20022-based messages.

The present note is geared at encouraging SCT Inst-processing PSPs to implement the above recommendations in order to support SCT Inst Scheme acceptance and minimise any impact caused by the unavailability of PSPs processing instant payments. It should be noted that the benefits for end-users of any unavailability-related communication in the inter-PSP space can only be reaped if this practice is followed by a large number of institutions offering SCT Inst services.

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### List of endorsing AS-PSPs

This note has been created by participants in the SCT Inst Migration Action Round Table (SMART2), an infrastructure-agnostic forum aimed at dealing with issues of an operational nature impacting a smooth end-to-end execution of instant payments in SEPA that might benefit from joint analysis and exchange.

For more information about SMART2, please consult:

<https://www.abe-eba.eu/market-practices-regulatory-guidance/sct-inst-migration-round-table-smart2/>

The note has been endorsed by representatives of the following account-servicing payment service providers (AS-PSPs) operating in Europe:

ABN AMRO  
Banco BPM  
Bank of Ireland  
BCEE  
BIL  
DZ BANK  
ERSTE Group AG  
GDS Cusa – Caixabank  
KBC  
Nordea  
SEB  
Swedbank  
UniCredit Bank AG

### Contact details

For any comments or questions concerning the above note, please contact the Secretariat of the SCT Inst Migration Action Round Table at [association@abe-eba.eu](mailto:association@abe-eba.eu).