

# A MATCH MADE IN HEAVEN?

KEY CHALLENGES FOR  
VOP MATCHING CHECKS



# 1. Introduction

The present note zooms in on key responsibilities for both payment service providers involved in conducting verification of payee checks under the Instant Payments Regulation (IPR) and providing the related results. Its main goal is to highlight practical pain points that may impact the outcome of this matching check and negatively affect end-to-end payment processes and the user experience of both the payer and the payee.

In detail, the note outlines the core legal obligations under Article 5c of the IPR, describes the end-to-end process flow for the VOP check, clarifies decision-making responsibilities for the results of this matching check and presents key pain points raised by industry stakeholders – with a particular focus on the complexities of name matching, data quality and customer experience.

The content reflects discussions and analyses conducted in Q3 2025 by the EBA Practitioners Group on Instant Payments (IPG) with the help of a dedicated sub-group, comprising representatives of 20 institutions from 12 SEPA countries. It follows a first publication by the group ([VOP for bulks](#)), focusing on the implementation of verification of payee checks by customers sending bulk payments; this initial note was published in May 2025.

Disclaimer: The present note reflects the understanding of the above-mentioned topic and related input as provided by the contributing payment practitioners. It does not provide a legal interpretation of the relevant IPR articles, nor has it been submitted to compliance experts. It should be noted that the source documents take precedence and any implementation initiatives need to be based on a close analysis of the text of the Instant Payments Regulation and the relevant documents by the European Payments Council (EPC) and the Euro Retail Payments Board (ERPB) Task Force on VOP check – response messages.

## 2. General obligations related to the VOP process for both the payer's and payee's PSPs

**Art. 5c(1)** requires that the payer's PSP provide the VOP service to the payer.\* This needs to be done immediately after the payer provides relevant information about the payee and before the payer is given the possibility to authorise the credit transfer:

*"A payer's PSP shall offer the payer a service ensuring verification of the payee to whom the payer intends to send a credit transfer (service ensuring verification). The payer's PSP shall perform the service ensuring verification immediately after the payer provides relevant information about the payee and before the payer is offered the possibility of authorising that credit transfer."*

**Art. 5c(1a)** clarifies that the payee's PSP needs to verify whether the payment account identifier and the name of the payee provided by the payer match:

*"Upon the request of the payer's PSP, the payee's PSP shall verify whether the payment account identifier [...] and the name of the payee provided by the payer match."*

\* Art. 5c(6) allows PSUs that are not consumers to opt out from the VOP service when submitting multiple payment orders as a package.



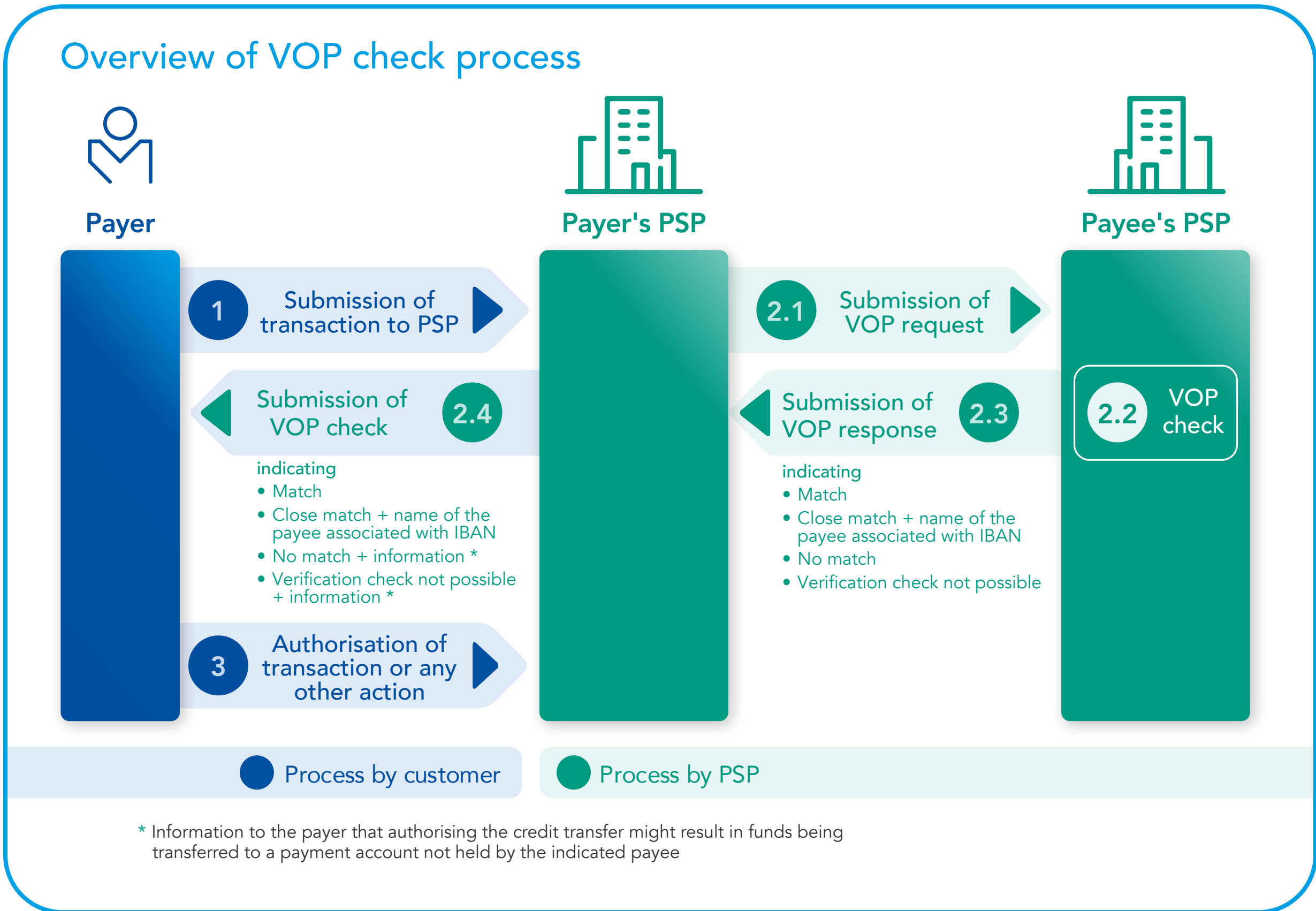
### 3. Payment account identifier\* vs. name match: process overview and legal references

\* To keep things clear and simple, we will use the term “IBAN” when referring to the payment account identifier.

#### Description of process steps

Sources: IPR and EPC VOP Scheme Rulebook (pp. 9-11 and 20-22)

- 1 The PSU (“payer”) submits the payment details to its PSP (“payer’s PSP”)
- 2 The payer’s PSP must perform the VOP service immediately after the payer provides the relevant information about the payee
  - 2.1 The payer’s PSP transmits a VOP request, which contains the payee’s details, to the payee’s PSP.
  - 2.2 The payee’s PSP receives the VOP request and immediately verifies whether the provided payee details match with the corresponding data kept by the payee’s PSP.
  - 2.3 The payee’s PSP promptly transmits the VOP response to the payer’s PSP, indicating the outcome of the verification.
  - 2.4 The payer’s PSP receives the VOP response from the payee’s PSP. If the VOP response indicates anything other than a match, the payer’s PSP must notify\*\* the payer of
    - any no matches – and inform the payer that authorising the credit transfer might lead to transferring the funds to a payment account not held by the payee indicated by the payer.
    - any close matches – and indicate to the payer the name of the payee associated with the IBAN.
    - NB: The EPC VOP Scheme Rulebook also includes the response ‘verification check not possible’. In this case, the payer needs to receive the same additional information as provided for no matches.
- 3 The payer authorises the payment order (or takes any other action, e.g. cancels the order).



\*\* The “Guidance for VOP messages” document by the “ERPB Task Force on VOP check – response messages” provides recommendations on the content of the notification messages for the payer. It includes draft message templates and aims to facilitate a smooth introduction of the VOP for PSUs. In cases where a VOP check is not possible, it is recommended to indicate a reason to the payer in order to reduce any potential confusion on their side.

## 4. Matching decisions and decision-makers

### a) What can be considered as a match, close match or no match?

Recital (21) of the IPR gives a non-exhaustive list of examples that could be considered cases of “almost match”, such as

- presence of diacritics or different possible transliterations of names in different alphabets
- differences between habitually used names, and
- names indicated on formal documents.

Recommendations for the matching outcomes and how the payee's PSP might determine the outcome of the verification process (including what constitutes a match, close match or no match) can also be found in the document [“EPC recommendations for the matching processes under the VOP Scheme Rulebook”](#).

### b) Who decides whether a response is a match, close match or no match?

According to the EPC recommendations on matching processes (page 1), the payee's PSP bears full responsibility for the outcome and is therefore free to apply different criteria to determine whether the result of the verification process constitutes a match, close match or no match.

In addition, the document states that it is at the discretion of each payee's PSP to determine whether a verification result is a match, close match, a no match or whether the verification check cannot be performed. The payee's PSP assumes the liability for providing the response to the payer's PSP.



## 5. Description of pain points impacting the outcome of the VOP matching check

The members of the IPG have identified the following challenges and pain points that may impact the accuracy and overall quality of the outcome of the VOP matching check:

### 1. Lack of standardised name-matching logic and data usage

There is no market-wide standard specifying which data should be used for the VOP check or how this check should be performed. As a consequence, every PSP may have a different approach and apply a different logic when it comes to the data they use for the name check.

This lack of a uniform name-matching logic (e.g. for handling typos or corporate naming variations) leads to inconsistencies in results and increases the risk of payments being rejected due to minor name mismatches, such as ABC Ltd vs ABC Limited.

Special and non-alphabetic characters can also lead to payments being rejected. The EPC provides guidance on handling these characters, as well as honorifics and titles.\*

\* See page 2 of the document "EPC recommendations for the matching processes under the VOP Scheme Rulebook".

### 2. Challenges related to the use of aliases

Determining which name(s) to check during verification is often difficult, especially for companies operating under multiple aliases or branch names.

Companies and associated branches may be registered under different names (e.g. shortened names of their legal entity names or commercial/trade names) – this can lead to many no match or close match results if different entities or branches use the same account and the payee's PSP is not aware of or cannot accommodate all name variations, e.g. due to national obligations or arrangements.

To ensure that the name of a corporate is correctly reflected in the payment instructions sent by their customers, PSPs should recommend to their corporate clients that they explicitly mention the correct name on their invoices and instruct their customers to use this specific name when populating the beneficiary data in their payment instructions.



### 3. Name field length limitations and related truncation issues

The allowed maximum character length for the payee's name field varies across different schemes and initiation channels: it is 140 characters under the VOP Rulebook, 70 characters under the SCT/SCT Inst Rulebooks, and may be even shorter for paper-based transactions.

These discrepancies can lead to inconsistencies, for example due to automatic truncation of longer legal names at payment initiation or the use of abbreviations by the payer. Such inconsistencies at the level of the payee's name can result in mismatches during verification.

### 4. Lack of user understanding / negative customer experience

When clients see messages such as "No match" or "Verification not possible", they are often unsure whether it is safe to authorise the payment.

If clients see mismatches on a regular basis (e.g. due to small variations in naming), this can lead to frustration and mistrust in the system or to habituation effects – clients may end up disregarding any warnings popping up as a result of the VOP check.

### 5. Limitations with regard to virtual accounts (vIBANs) and collection accounts

In case of virtual accounts, several identifiers come into play, which may require special handling.

During a VOP verification, in some cases only the main account holder identifier may be verified. The identities or details of any underlying sub-accounts, such as virtual accounts, are usually not verified or disclosed in the process. This can lead to "no match" results.

In cases where payments are collected on behalf of third parties, this can also lead to no match results, because the verified account name/ID differs from the payee's name.

In order to overcome these challenges and improve the overall VOP matching process when virtual accounts are used, for example in collections on behalf of affiliates, it may be advisable for PSPs to enrich their matching data with the names of the affiliates on behalf of which the account holder is collecting. When carrying out VOP checks, PSPs would then be able to take into consideration, next to the legal name of the main account holder, the name of the affiliate for which the respective virtual IBAN is used or a combination of the account holder name and the name of the affiliate.



## 6. Conclusions

As PSPs continue to roll out and refine their VOP services ahead of the go-live, it is essential to address the operational and technical challenges that arise from matching payee names with account identifiers. The lack of standardised name-matching logic, difficulties with aliases, truncation issues and the complexity of virtual account structures can all lead to inconsistent outcomes and are very likely to create friction for end users.

Moreover, the tight implementation timeline and the mandated 'big-bang' launch for the IPR VOP requirements in the euro area on 9 October 2025 mean that millions of transactions will be subject to VOP checks from day one. This presents significant operational challenges for PSPs and corporates alike, many of which are still in the process of fully integrating VOP-related processes into their systems and conducting database clean-ups to facilitate VOP matching.

Against this background, there is a high risk that the effectiveness and reliability of VOP services may be undermined in practice.

To mitigate these challenges as quickly as possible, collaborative efforts across the industry – including continued guidance from the EPC as scheme owner and proactive communication from PSPs to their customers – will be critical. These efforts should continue beyond the 9 October 2025 IPR deadline to ensure a successful roll-out of this new fraud-fighting instrument and build up the necessary customer trust to unlock its full potential.





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