

EU INSTANT PAYMENTS REGULATION

What exactly will change for our customers from October 9, 2025?

On October 9, 2025, the EU Regulation on Real-Time Payments (=Instant Payments) will come into force, with the aim of promoting real-time payments across the EU and thus making payment transactions faster, more secure, and more transparent.

A SEPA real-time transfer is a transfer that is executed within a few seconds (maximum 10 seconds) around the clock on any calendar day.

I. What will change?

1. SEPA- real-time transfers

- SEPA real-time transfers will be possible wherever the bank already offers SEPA transfers (e.g., in electronic/internet banking, at the counter, at self-service terminals).
- The transfer limit of €100,000 for real-time transfers is being abolished.

2. Transparent status informationen

For real-time transfers, information about the status of the payment is provided in real time. The payer is informed immediately whether the transfer was successful or not.

3. Limits for real-time transfers

To further protect yourself against fraud or your own input errors, you have the option of setting an individual limit for real-time transfers. Any real-time transfer that exceeds the set limit will be rejected immediately!

4. Recipient verification

Banks within the EEA are required to perform recipient verification for SEPA credit transfers and SEPA instant credit transfers in order to minimize incorrect transfers and fraud.

- For EEA- countries with EUR currency: mandatory from October 9, 2025
- For EEA- countries with other national currencies: mandatory from July 9, 2027

II. Recipient verification

The recipient verification is carried out for every SEPA transfer and SEPA real-time transfer before the payment is authorized. The specified recipient name is checked against the actual account holder of the specified recipient account in order to minimize incorrect transfers.

The payer receives immediate feedback from the bank about the result, which may be worded as follows or in a similar manner:

- „The name provided matches the owner of the recipient account.“
- „The name provided closely matches the owner of the recipient account.“
 - In this case, the correct name stored in the recipient account is also returned.
- „The name provided does NOT match the owner of the recipient account.“
- „Recipient verification could not be performed.“
 - The recipient account is not a payment account (e.g., savings accounts).
 - The recipient account is closed.
 - There is a technical problem.
 - The recipient account is held at a bank that does not (yet) support the recipient verification service.

Regardless of the outcome of the recipient verification, customers always have the option of making the transfer. The bank will explain any associated liability consequences before releasing the transfer.

III. Exceptions to recipient verification

- Transfers outside the EEA area
- Transfers that are not made in EUR
- SEPA direct debits
- SEPA express transfers
- Transfers to accounts that are not payment accounts, e.g., savings accounts, credit accounts, etc.
- Transfers where the bank pre-fills the recipient details when creating the transfer (e.g., internal transfers, tax office payments)
- Companies can dispense with recipient verification for bulk transfers.

In these cases, recipient verification by banks is not mandatory under the IP Regulation.

IV. Specific recommendations regarding recipient verification

- Before initiating the transfer, copy the correct recipient name from an existing invoice.
- If available on the invoice: Make the transfer using the QR code (the correct recipient details are already stored there). The recipient details must always be checked for plausibility.
- In the event of **near-matches**:
 - The name stored in the recipient account is reported back and can be used for the transfer or changed in the master data for future transfers.
 - If the name suggestion is incorrect:
 - Contact the recipient before approving the transfer to verify the details.
 - Check the correct name of the payee on the invoice.
 - Check for typos.
 - Regardless of the outcome of the recipient verification, customers always have the option of making the transfer. The bank will explain any associated liability consequences before releasing the transfer.
- In the event of **a negative result**:
 - Check the correct name of the payee on the invoice.
 - Check for typos.
 - Contact the recipient before approving the transfer to verify the details.
 - Regardless of the outcome of the recipient verification, customers always have the option of making the transfer. The bank will explain any associated liability consequences before releasing the transfer.
- If **recipient verification cannot be performed**:
 - Contact the recipient before approving the transfer to verify the details.
 - If the recipient is known but the recipient bank does not yet participate in recipient verification, for example, the transfer can still be carried out.
 - Regardless of the outcome of the recipient verification, customers always have the option of making the transfer. The bank will explain any associated liability consequences before releasing the transfer.

V. Additional recommendations for commercial customers:

Recommendations for commercial customers to avoid the risk of possible non-payment of invoices due to a negative recipient check on the payer:

- Check your payment processes and systems to see if they need to be adapted to the new requirements and activate the latest electronic/internet banking version of your bank, if available.
- As the payee, include the correct account holder on your invoices.
 - If necessary, contact your bank advisor for possible solutions.
- Check whether SEPA direct debit can also be used for regular payments.
- Use the QR code on invoices to ensure that the payee details are entered correctly.
- Avoid issuing SEPA payment instructions (possible misinterpretations when scanning) and, in any case, avoid enclosing unprinted SEPA payment instructions.

Please note:

Recipient verification is an additional measure to make SEPA payments even more secure. This reduces the number of incorrect transfers. However, the result of the recipient verification only provides information about whether the recipient name matches the account holder name. Regardless of the reported result of the recipient verification, measures to protect against fraudulent payments should be observed.

The following still applies:

- Never follow links to login pages via SMS, email, or WhatsApp!
- For links in emails, please check the sender and the link provided before clicking on it!
- Check payment details carefully (amount, recipient IBAN, etc.) and only confirm transfers/card transactions that you have entered yourself or authorized!
- Never share your activation codes with third parties (via photo, screenshot, etc.)!
- Please note that your bank would never ask you for confidential information such as passwords or similar details.