SRTP Scheme Status Update

European Payments Council

Public

Approved

SEPA Request-to-Pay (SRTP) Scheme: Status Update to the 6 July 2020 Meeting of the Euro Retail Payments Board (ERPB)

1 Introduction

The Request-To-Pay (RTP) Multi-Stakeholder Group (RTP MSG) was set up in early 2019 at the initiative of the EPC Board and following an invitation by the ERPB at its November 2018 meeting.

In line with its "phase 1" mandate, the RTP MSG analysed requirements for the concrete and rapid exploitation of the RTP functionality - from a broader perspective than electronic invoice presentment and payment (EIPP) services - and developed RTP specifications for a standardisation framework which were presented to the ERPB at its November 2019 meeting and subsequently published on the EPC website. Moreover, the RTP MSG had suggested for the EPC to create a SEPA RTP (SRTP) scheme.

As a next step, the EPC created an internal ad-hoc Task Force in early 2020 to work on an SRTP scheme rulebook with a deadline for publication of November 2020 (RTP TF). In addition, the mandate of the RTP MSG was extended, reflecting a consultative role towards the RTP TF ("phase 2"). To this end, two conference calls were organised in April 2020 to allow the RTP MSG to share its recommendations following its review of a draft version of the rulebook.

2 SRTP scheme

The SRTP scheme, which is based on the aforementioned RTP specifications document, covers the set of operating rules and technical elements (including messages) that allow a Payee (Creditor) to request the initiation of a payment from a Payer in a wide range of physical or online use cases. It currently accommodates a set of basic RTP functions (e.g. basic RTP covering accept now/later and pay now/later scenarios; RTP rejection by the Payee's/Payer's RTP Service Provider due to unsuccessful validation; Request for Cancellation (RfC); Request for Status Update on an RTP or RfC).

The EPC considers the RTP described in its rulebook to facilitate the use of credit transfers for a better end-to-end payment user experience in (physical and online) retail, EIPP and person-to-person (P2P) transactions.

The RTP is however a messaging functionality. It is not a payment means or a payment instrument, but a way to request a payment initiation.

3 Public consultation

On 2 June 2020, the EPC launched a 90-day public consultation on the draft rulebook it developed for its new SRTP scheme (with a response deadline of 30 August 2020).

4 Next steps

Eligible entities from all countries in SEPA will be allowed to participate on the basis that the level playing field principle between payment service providers (PSPs) and non-PSPs is respected. In this context it should be noted that work on a so-called 'RTP Trust and Security Framework' will take place in the coming months.

The EPC will assess the outcome of the public consultation based on which it will create an updated version of the rulebook. The RTP MSG will again be invited to share its recommendations regarding the updated version of the rulebook, including the aforementioned 'RTP Trust and Security Framework'.

The publication of the formal first version of the SRTP rulebook, including related implementation guidelines is foreseen by end November 2020 (subject to Board approval). The SRTP scheme itself is expected to enter into force shortly after the rulebook publication date.

In accordance with the other EPC rulebooks, the EPC will also develop a risk management annex (RMA), which will highlight the risks related to the SRTP scheme participants and how these risks should be managed.

Immediately after the publication of version 1.0 of the SRTP rulebook in November 2020, the EPC plans to start working on a second release, which in line with the aforementioned RTP specifications document, will include more elaborated RTP functions such as payment in multiple instalments and payment guarantee.