

## Instant Payments Regulation – Schematic overview provisional agreement



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### Topic

Provisional agreement – Instant Payments Regulation

This document provides a schematic overview of articles 5a-5d of the [Instant Payments Regulation](#) as published in the Official Journal of the European Union. These articles represent the requirements to offer instant payments and verification of payee, and describe sanction screening requirements. Next to articles 5a-5d, the Instant Payments Regulation contains other articles that are **not** covered in this text.

This document should not be used as a replacement for the legal text, but rather as a document that supports your organisation when analysing the legal text.

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### [Art. 5a - Instant credit transfer transactions](#)

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#### [Obligation to offer instant payments](#)

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**Art. 5a(1):** PSPs that offer to their PSUs a payment service of sending and receiving credit transfers shall offer to all their PSUs a payment service of sending and receiving instant credit transfers.

PSPs as referred to in the first subparagraph shall ensure that all payment accounts that are reachable for credit transfers are also reachable for instant credit transfers 24 hours a day and on any calendar day.

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### PSPs located in a Member State outside the eurozone

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**Art. 5a(2):** By way of derogation from paragraph 1, and subject to having obtained the prior permission of its competent authorities based on those authorities' assessment of its access to liquidity in euro, a PSP located in a Member State whose currency is not the euro shall not be obliged to offer PSUs the payment service of sending instant credit transfers in euro beyond a limit per transaction, from payment accounts denominated in the national currency of that Member State, during the time when that PSP neither sends nor receives non-instant credit transfer transactions in euro with respect to such payment accounts. That limit shall be set by the competent authorities and shall not be lower than EUR 25 000. Competent authorities may grant prior permission at the request of the PSP for a period of one year. At the request of the PSP, competent authorities may extend that prior permission by further periods of one year following a reassessment by the competent authorities of the PSP's access to liquidity in euro. Competent authorities shall inform the Commission on an annual basis of prior permissions and extensions granted in accordance with this paragraph.

The ECB and any national central bank, when not acting in its capacity as monetary authority or other public authority, may limit its offer of a payment service of sending instant credit transfers to the period of time during which it offers a payment service of sending and receiving non-instant credit transfers.

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Time of receipt

<p>Requirement</p>	<p><b>Art. 5a(3):</b> Notwithstanding Article 78(1), second subparagraph, of Directive (EU) 2015/2366, the time of receipt of a payment order for an instant credit transfer shall be the moment it has been received by the payer’s PSP, regardless of the hour or calendar day. [...]</p>
<p>Derogations</p> <ul style="list-style-type: none"> <li>(i) Non-electronic payment order;</li> <li>(ii) individual payment order belonging to a package;</li> <li>(iii) payment order from non-euro payment accounts.</li> </ul>	<p><b>Art. 5a(3):</b> [...]</p> <p>Notwithstanding Article 78(2) of Directive (EU) 2015/2366, if the payer and the payer’s PSP agree that execution of the payment order for an instant credit transfer is to take place at a specific time on a specific day or at the moment when the payer has put funds at the disposal of the PSP, the time of receipt of the payment order for an instant credit transfer shall be deemed to be the agreed time, regardless of the hour or calendar day.</p> <p>By way of derogation from the first and second subparagraphs of this paragraph, the time of receipt of the payment order for an instant credit transfer shall be:</p> <ul style="list-style-type: none"> <li>(i) for a non-electronic payment order for an instant credit transfer, the moment when the payer’s PSP has introduced the payment order information into its internal system, which shall occur as soon as possible after the non electronic payment order for an instant credit transfer has been placed by the payer with the payer’s PSP;</li> <li>(ii) for an individual payment order for an instant credit transfer belonging to a package as referred to in paragraph 7 of this Article, where the conversion of that package into individual payment transactions is carried out by the payer’s</li> </ul>

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	<p>PSP, the moment when the ensuing payment transaction has been unpacked by the payer’s PSP; the payer’s PSP shall start the conversion of the package immediately after it has been placed by the payer with the payer’s PSP and complete that conversion as soon as possible;</p> <p>(iii) for a payment order for an instant credit transfer from payment accounts that are not denominated in euro, the moment when the amount of the payment transaction has been converted into euro; such currency conversion shall take place immediately after the payment order for an instant credit transfer has been placed by the payer with the payer’s PSP.</p>
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Requirements instant payments

General requirements for offering instant payments (art. 5a(4)).		<b>Art. 5a(4):</b> When carrying out instant credit transfers, PSPs shall, in addition to the requirements set out in Article 5, comply with the following requirements:
	Requirement payer PSP	a) PSPs shall ensure that payers are able to place a payment order for an instant credit transfer through all of the same payment initiation channels as the ones through which those payers are able to place a payment order for other credit transfers;
	Requirement payer PSP	b) notwithstanding Article 83 of Directive (EU) 2015/2366, immediately after the time of receipt of a payment order for an instant credit transfer, the payer’s PSP shall verify whether all of the necessary conditions for processing the payment transaction are met and whether the necessary funds are available, reserve or debit the amount of the payment transaction from the account of the payer, and immediately send the payment transaction to the payee’s PSP;
	Requirement payee PSP	c) notwithstanding Article 83 and Article 87(2) of Directive (EU) 2015/2366, the payee’s PSP shall, within 10 seconds of the time of receipt of the payment order for an instant credit transfer by the payer’s PSP, make the amount of the payment transaction available on the payee’s payment account in the currency in which the payee’s account is denominated and confirm the completion of the payment transaction to the payer’s PSP;
	Requirement payee PSP	d) notwithstanding Article 87(1) of Directive (EU) 2015/2366, the payee’s PSP shall ensure that the credit value date for the payee’s payment account is the same date as the date on which the payee’s payment account is credited by the payee’s PSP with the amount of the payment transaction; and
	Requirement payer PSP	e) immediately upon receiving the confirmation of completion referred to in point (c), or where no such confirmation of completion is received by the payer’s PSP within 10

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		seconds of the time of receipt of the payment order for an instant credit transfer, the payer’s PSP shall, free of charge, inform the payer, as well as, where applicable, the payment initiation service provider, whether the amount of the payment transaction has been made available on the payee’s payment account.
Requirement to restore payment account (subject to certain conditions) account (art. 5a(5)).	Requirement payer PSP	<b>Art. 5a(5):</b> Notwithstanding Article 89 of Directive (EU) 2015/2366, where the payer’s PSP has not received a message from the payee’s PSP confirming that the funds were made available on the payee’s payment account within 10 seconds of the time of receipt, the payer’s PSP shall immediately restore the payment account of the payer to the state in which it would have been had the transaction not taken place.
Maximum amount (art. 5a(6)).	Requirement payer PSP	<b>Art. 5a(6):</b> Upon the request of the PSU, a PSP shall offer a PSU the possibility of setting a limit fixing a maximum amount that can be sent by means of instant credit transfer. That limit may be either on a per day or per transaction basis, at the sole discretion of the PSU. PSPs shall ensure that PSUs are able to modify that maximum amount at any time prior to the placing of a payment order for an instant credit transfer. Where a PSU’s payment order for an instant credit transfer exceeds, or leads to exceeding of, the maximum amount, the payer’s PSP shall not execute the payment order for the instant credit transfer, shall notify the PSU thereof and shall inform the PSU as to how to modify the maximum amount.
Batch payment (art. 5a(7)).	Requirement payer PSP	<b>Art. 5a(7):</b> When offering the payment service of sending and receiving instant credit transfers, PSPs shall offer their PSUs the possibility of submitting multiple payment orders as a package if PSPs offer such possibility to their PSUs for other credit transfers.  PSPs shall not impose limits on the number of payment orders that can be submitted in a package of instant credit transfers which are lower than the limits they impose in respect of packages of other credit transfers.

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### Implementation timeline

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#### Art. 5a(8)

	Receiving	Sending
Credit institutions*	9 January 2025	9 October 2025
Payment- and electronic money institutions*	9 April 2027	9 April 2027

\*Institutions that are active in the euro zone.

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### [Art. 5b – Charges in respect of credit transfers and verification of a payee](#)

#### Charges

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Charges instant payments	<b>Art. 5b(1):</b> Any charges levied by a PSP on payers and payees in respect of sending and receiving instant credit transfers shall not be higher than the charges levied by that PSP in respect of sending and receiving other credit transfers of corresponding type.
Charges verification of payee	<b>Art. 5b(2):</b> The services referred to in Article 5c shall be provided to PSUs free of charge.

#### Implementation timeline

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Credit institutions*	9 January 2025
Payment- and electronic money institutions*	9 January 2025

\* Institutions that are active in the euro zone.

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[Art. 5c – Verification of a payee in the case of credit transfers](#)

Obligation to offer verification of payee

**Art. 5c(1):** 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. The payer’s PSP shall offer the service ensuring verification regardless of the payment initiation channel used by the payer to place a payment order for the credit transfer. [...]

Requirements verification of payee

General requirements verification of payee (art. 5c(1)).		<p><b>Art. 5c(1):</b> [..]</p> <p>The service ensuring verification shall be provided in accordance with the following:</p>
	Requirement payer PSP	<p>(a) where the payment account identifier specified in point (1)(a) of the Annex and the name of the payee have been inserted in the payment order for the credit transfer by the payer, the payer’s PSP shall provide a service for matching the payment account identifier specified in point (1)(a) of the Annex with the name of the payee. Upon the request of the payer’s PSP, the payee’s PSP shall verify whether the payment account identifier specified in point (1)(a) of the Annex and the name of the payee provided by the payer match. Where they do not match, the payer’s PSP shall, based on information provided by the payee’s PSP, notify the</p>

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		<p>payer thereof 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. Where the name of the payee provided by the payer and the payment account identifier specified in point (1)(a) of the Annex almost match, the payer’s PSP shall indicate to the payer the name of the payee associated with the payment account identifier specified in point (1)(a) of the Annex provided by the payer;</p>
	<p>Requirement payer PSP and payee PSP</p>	<p>(b) where the payee is a legal person and the payer’s PSP offers a payment initiation channel which allows the payer to place a payment order by providing the payment account identifier specified in point (1)(a) of the Annex to this Regulation together with data elements other than the name of the payee that unambiguously identify the payee, such as a fiscal number, a European unique identifier as referred to in Article 16(1), second subparagraph, of Directive (EU) 2017/1132 of the European Parliament and of the Council (*) or an LEI, and where those same data elements are available in the internal system of the payee’s PSP, that PSP, upon the request of the payer’s PSP, shall verify whether the payment account identifier specified in point (1)(a) of the Annex to this Regulation and the data element provided by the payer match. Where the payment account identifier specified in point (1)(a) of the Annex to this Regulation and the data element provided by the payer do not match, the payer’s PSP shall, based on information provided by the payee’s PSP, notify the payer thereof;</p>

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	Requirement payer PSP and payee PSP	(c) where a payment account identified through a payment account identifier specified in point (1)(a) of the Annex provided by the payer is held by a PSP on behalf of multiple payees, additional information allowing the payee to be unambiguously identified may be provided by the payer to the payer’s PSP. The PSP maintaining that payment account on behalf of multiple payees or, where appropriate, the PSP holding that payment account, shall, upon the request of the payer’s PSP, confirm whether the payee indicated by the payer is among the multiple payees on whose behalf the payment account is maintained or held. The payer’s PSP shall notify the payer if the payee indicated by the payer is not among the multiple payees on whose behalf the payment account is maintained or held;
	Other	(d) in cases other than those described in points (a), (b) and (c) of this paragraph, and, in particular, where a PSP provides a payment initiation channel which does not require the payer to insert both the payment account identifier specified in point (1)(a) of the Annex and the name of the payee, the PSP shall ensure that the payee to whom the payer intends to send a credit transfer is correctly identified. For that purpose, the PSP shall inform the payer in a way that allows the payer to validate the payee before authorising the credit transfer.
Input from PISP instead of payer (art. 5c(2)).	Requirement payment initiation service provider (PISP) under PSD2.	<b>Art. 5c(2):</b> Where the payment account identifier specified in point (1)(a) of the Annex or the name of the payee is provided by a payment initiation service provider, rather than by the payer, that payment initiation service

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		provider shall ensure that the information concerning the payee is correct.
Robust internal controls (art. 5c(3)).	Requirement PSPs	<b>Art. 5c(3):</b> PSPs, for the purposes of paragraph 1, point (d), and payment initiation service providers, for the purposes of paragraph 2, shall maintain robust internal procedures to ensure that the information concerning payees is correct.
Paper-based payments (art. 5c(4)).	Requirement payer PSP	<b>Art. 5c(4):</b> In the case of paper-based payment orders, the payer’s PSP shall perform the service ensuring verification at the time of receipt of the payment order, unless the payer is not present at the time of receipt.
Freedom for payer (art. 5c(5))	Requirement payer PSP	<b>Art. 5c(5):</b> PSPs shall ensure that the performance of the service ensuring verification and of the service described in paragraph 2 does not prevent payers from authorising the credit transfer concerned.
Providing information to payer on consequences initiating a payment with close match or no match	Requirement payer PSP	<b>Art. 5c(7):</b> Whenever the payer's PSP notifies the payer in accordance with paragraph 1, point (a), (b) or (c), that PSP shall at the same time 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. A PSP shall provide that information to the PSU that is not a consumer when that PSU opts out from receiving the service ensuring verification when submitting multiple payment orders as a package. PSPs shall inform their PSUs of the implications for PSP liability and PSU refund rights resulting from a decision by PSUs to ignore a notification as referred to in paragraph 1, points (a), (b) and (c).

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### Opt-out function

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**Art. 5c(6):** PSPs shall provide PSUs that are not consumers with the means to opt out from receiving the service ensuring verification when submitting multiple payment orders as a package.

PSPs shall ensure that PSUs that opted out from receiving the service ensuring verification have the right to opt in at any time to receive that service.

### Liability

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**Art. 5c(8):** A PSP shall not be held liable for the execution of a credit transfer to an unintended payee on the basis of an incorrect unique identifier, as laid down in Article 88 of Directive (EU) 2015/2366, provided that it has fulfilled the requirements of this Article.

Where the payer’s PSP fails to comply with paragraph 1 of this Article, or where the payment initiation service provider fails to comply with paragraph 2 of this Article, and where that failure results in a defectively executed payment transaction, the payer’s PSP shall without delay refund the payer the amount transferred and, where applicable, restore the debited payment account to the state in which it would have been had the transaction not taken place.

Where the failure to comply occurs because the payee’s PSP, or the payment initiation service provider, failed to comply with its obligations under this Article, the payee’s PSP or, where relevant, the payment initiation service provider, shall compensate the payer’s PSP for the financial damage caused to the payer’s PSP by that failure.

Any further financial loss caused to the payer may be compensated in accordance with the law applicable to the contract concluded between the payer and the relevant PSP.

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### Implementation timeline

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Credit institutions*	9 October 2025
Payment- and electronic money institutions*	9 October 2025

\* Institutions that are active in the euro zone.

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### [Art. 5d – Sanction screening](#)

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Screening of PSUs to verify whether a PSU is a listed person or entity in case of instant credit transfers

**Art. 5d(1):** PSPs offering instant credit transfers shall verify whether any of their PSUs are persons or entities subject to targeted financial restrictive measures.

PSPs shall carry out such verifications immediately after the entry into force of any new targeted financial restrictive measures, and immediately after the entry into force of any amendments to such targeted financial restrictive measures, and at least once every calendar day.

**Art. 5d(2):** During the execution of an instant credit transfer, the payer’s PSP and the payee’s PSP involved in the execution of that instant credit transfer shall not verify whether the payer or the payee whose payment accounts are used for the execution of that instant credit transfer are persons or entities subject to targeted financial restrictive measures in addition to carrying out verifications under paragraph 1 of this Article.

The first subparagraph of this paragraph is without prejudice to actions taken by PSPs in order to comply with restrictive measures, other than targeted financial restrictive measures, adopted in accordance with Article 215 TFEU, with restrictive measures that are not adopted in accordance with Article 215 TFEU, or with Union law on the prevention of money laundering and terrorist financing.

### Implementation timeline

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Credit institutions*	9 January 2025
Payment- and electronic money institutions*	9 January 2025

\* Institutions that are active in the euro zone.