

Factsheet - EU Instant Payment Regulation

Instant Payments in Europe – are you ready for the new regulations?

Addressing the challenges of instant payments doesn't need to be a complex or lengthy process if you partner with Finastra.

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Sixty-eight percent of
European businesses
expect growth in instant
payments volumes."**

Datos Insights

The EU Parliament has been attempting for several years to increase the uptake of Instant Payments in the EU – however it still stands at only around 11% of CT traffic. New regulations have now been approved by the EU Parliament, in summary financial institutions must:

- Be ready to receive instant payments in 9 months
- Be ready to also send instant payments in 18 months
- Meet a 10 sec turnaround time
- Charge no more for the service than current SCTs
- Provide a scalable, 24x7x365 service
- Support instant payments through any incoming channel (e.g. mobile banking)
- Be able to process bulk payments as instant payments
- Have real-time fraud prevention systems
- Provide confirmation of payee

At its heart, the legislation aims to make payment transfers faster, more secure, and affordable for consumers and businesses. In addition, it also aims to liberate liquidity trapped in the system (at any given time up to EUR 127 billion is caught in transit because of delays in payment execution).

However, compliance will be a challenge for many financial institutions; for example, supporting any incoming channel, batch processing, and real-time fraud management will require a full review of the current payments ecosystem.

Financial institutions must respond now – but it needs to be in a cost-effective way that also allows them to innovate and grow.

Call us today.

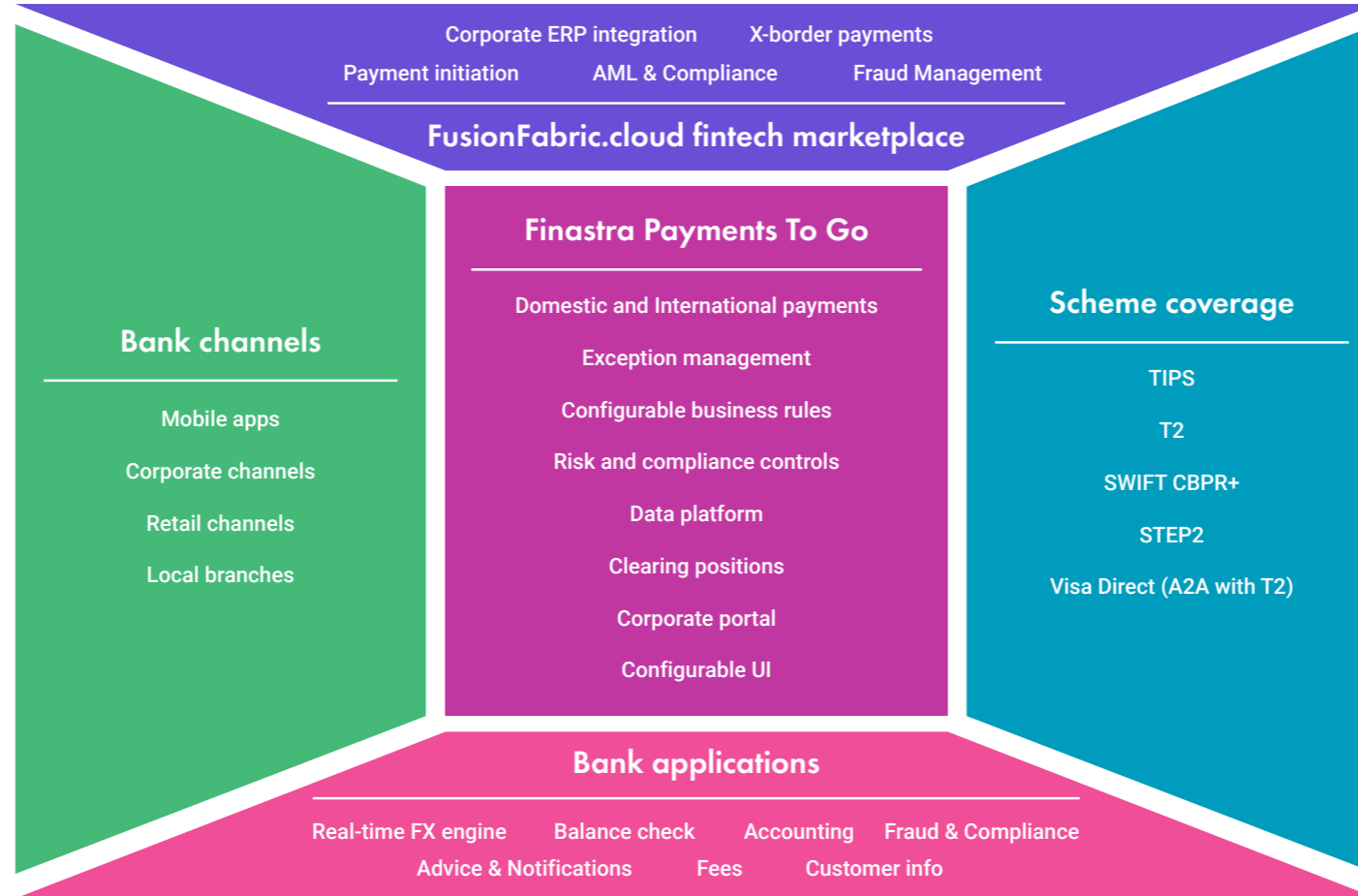
Delivering instant payments in Europe with Finastra

Finastra Payments To Go is our PaaS multi-rail Payments Hub; working alongside our Fusion Total Messaging solution, which provides technical connectivity to the clearing systems, it delivers a pre-configured, pre-certified, end-to-end service allowing financial institutions to rapidly onboard to a solution with best-practice instant payment workflows.

As a service offering, hosted on Azure, the required scalability, speed, security, availability, and resilience demanded by Instant Payment schemes (and specifically the new EU regulations) is covered.

The value-added services needed to meet the new regulations including compliance scanning, real-time fraud management, and Confirmation of Payee are provided through our network of pre-integrated fintech partners via FusionFabric.cloud (FFDC), Finastra's marketplace for accelerated open innovation.

[Find out more.](#)



This unique combination of capabilities positions Finastra to provide a full solution to the challenges of the new EU Instant Payment regulations (see table).

So, the benefits of partnering with Finastra are clear:

- Proven track record in the global delivery of immediate payment solutions since 2008.
- Delivery of a PaaS solution means simplified onboarding to a future-proof service.
- Through our partner network we can offer a full solution covering all aspects of the new legislation.

If you're looking for a solution to the challenges of complying with the new European regulation on instant payments, Finastra is the right choice for you.

EU Instant Payment Regulatory Requirement	Finastra Solution Feature
Receive instant payments in 9 months	Best practice, pre-configured, instant payment workflow for SCT Inst available out-of-the-box. As a PaaS solution, onboarding is simple to achieve through a web-based configuration tool. Support for both direct and indirect participants (note indirect connectivity provided through Active MQ rather than Fusion Total Messaging).
Send instant payments in 18 months	
Meet a 10 sec turnaround time	Instant Payment workflow is optimized with an average payment processing latency <300 ms.
Charge no more for the service than current SCTs	Fees can be configured as required. As a PaaS, costs are kept competitive reducing pressure on margins.
Provide a scalable, 24x7x365 service	Hosted on cloud (Azure).
Support for any incoming channel	Payment initiation through APIs provides multi-channel support.
Support bulk payments	Coming soon - support for de-bulking where required into individual transactions, enabling banks to manage complex corporate payment file requirements.
Provide Confirmation of Payee	Provided through pre-integrated fintech partners on Finastra's Marketplace FusionFabric.cloud (FFDC).
Provide real-time fraud prevention	Fraud management provided through API (Partners access via FFDC to be developed).

Contact us

About Finastra

Finastra is a global provider of financial software applications and marketplaces, and launched the leading open platform for innovation, FusionFabric.cloud, in 2017. It serves institutions of all sizes, providing award-winning software solutions and services across Lending, Payments, Treasury & Capital Markets and Universal Banking (Retail, Digital and Commercial Banking) for banks to support direct banking relationships and grow through indirect channels, such as embedded finance and Banking as a Service. Its pioneering approach and commitment to open finance and collaboration is why it is trusted by over 8,000 institutions, including 45 of the world's top 50 banks. For more information, finastra.com

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