



SEPA INSTANT PAYMENT READINESS CHECKLIST

As early as January 2025, Banks operating in the Eurozone are expected to be compliant with the instant payment legislation. FinTechs have until 2027.

According to the [instant payment regulation](#), we know that you can expect the following impacts to your business:

1



EXCLUSION FROM THE
INSTANT PAYMENT NETWORK

2.



MISSED MARKET
OPPORTUNITIES

3.



PENALTIES POTENTIALLY
BASED ON ANNUAL TURNOVER

Instant payments level the playing field between banks and non-bank payment service providers by fostering innovation to better service customers. This can enhance financial inclusion, by breaking down cross-border payment barriers.



Here are some considerations for assessing the scope of support to being SEPA Instant compliant:

1. IS YOUR ORGANIZATION WITHIN THE REGULATION SCOPE?

1. Yes, and we have a plan
2. Yes, and we need a plan
3. No, but we want to offer instant payments
4. Unsure, we need to explore what is involved.

2. HAVE YOU DETERMINED AN IMPLEMENTATION DEADLINE?

1. Yes, we have a roadmap with milestones to hit the readiness deadline
2. Not quite, we need support

3. HOW DO YOU PLAN TO JOIN THE INSTANT PAYMENT NETWORK? DIRECTLY

We recommend you understand your:

1. Tech stack's instant payment processing capabilities
 - Customer channels' readiness for instant processing
 - Core banking systems' ability to handle instant payments
2. Frequency of sanctions screening. Do you screen your customers daily?
3. Confirmation mechanism for receiving instant payments
4. Verification of payee procedures
5. Out of hours (nights and weekends) liquidity management
6. Fraud risk management capabilities

VIA A SPONSOR BANK

We recommend you understand if they:

1. Are a potential competitor for your corporate client book
2. Have a compatible tech stack
3. Will use SWIFT, API or other channels
4. Have a compatible KYC reliance model
5. Offer the ability to reconcile rejections and failures
6. Have the ability to operate at scale



The instant payment regulation is the future of banking, setting the standard for modern banking and consumer demand— instantaneous, efficient and cost-saving. Compliance is not the sole motivation. In fact, for many, the most compelling incentive is the opportunity to meet market expectations.

Banking Circle is here to help our customers navigate and lay the foundations to be instant payment ready, whatever spurs you on to be ready.

If you envision yourself as a trailblazer for the modern banking era, get in touch with Banking Circle at

institutionalbanking@bankingcircle.com

About Banking Circle:

Banking Circle is a fully licensed bank headquartered in Luxembourg, and has branches in Denmark, Germany, and the UK. Banking Circle group has a presence in the US, Singapore, Lichtenstein and Australia. With the stability of a bank, and the flexibility of a FinTech, our advanced technology unlocks access to a local and global network of clearing, and one of the first real-time instant settlement providers.

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