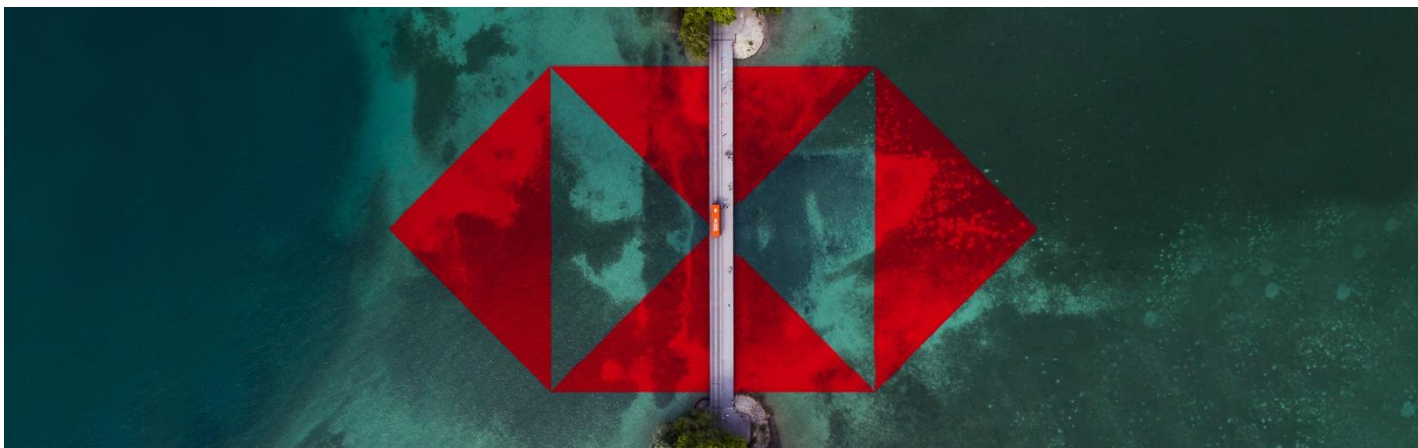


# SEPA Credit Transfer Instant (SCT Inst)

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The SEPA Instant Credit Transfer (SCT Inst) is a pan European instant payment solution that delivers domestic and cross border Euro Credit Transfers throughout the SEPA zone under a unified set of processing rules. It is available 24 hours a day, 365 days per year and allows the transfer of up to 100,000<sup>1</sup> euro to a beneficiary account in less than 10 seconds.

In May 2023 approximately 14% of all SCTs in the SEPA zone were processed via SCT Inst. A European Union project is ongoing to promote new regulation making SCT Inst mandatory within coming years.

## About SEPA

SEPA creates a borderless system of Euro payments throughout SEPA countries and territories by putting a consistent set of standards, rules and conditions in place. The ultimate goal is to make sending and receiving SEPA zone real time payments in harmonized way between 36 countries.

## Important Information on SCT Inst

- ◆ SCT requires ISO 20022 XML format in the SEPA zone
- ◆ SCT requires the Remitter to provide IBAN details of the Payees/Beneficiaries

## Steps towards SEPA implementation

- ◆ Ensure you obtain IBAN<sup>2</sup> details from your Payees (e.g. suppliers)
- ◆ Validate that your payee PSP is SCT Inst reachable
- ◆ Add your IBAN<sup>2</sup> details to your invoice for customers to use
- ◆ Check that your back office or ERP (Enterprise Resource Planning) system is able to manage SEPA data
- ◆ Plan for a testing phase in your implementation

## Availability of SEPA Instant:

SCT Inst is offered by HSBC CE in France, Netherlands, Ireland and Luxembourg. HSBC intends to implement SEPA Inst in all other HSBC markets within the SEPA zone.

## Contact HSBC

HSBC understands the opportunities and challenges that your business is facing with the advance of SEPA. This factsheet has been prepared for general guidance to business customers on our SEPA proposition. As ever, we would be very happy to answer any questions you may have or discuss any aspect in greater depth.

Please contact your HSBC Representative or visit our website: [www.hsbcnet.com/sepa](http://www.hsbcnet.com/sepa) for more information.

## Key Features of SEPA Credit Transfer Instant:

<b>Geographic zone</b>	EBA Clearing reachable banks in the SEPA region (List available on: <a href="http://ebaclearing.eu/">ebaclearing.eu/</a> )
<b>Currency</b>	Euro
<b>Bank details required</b>	IBAN <sup>2</sup>
<b>Deduction</b>	Payment made in full with no deduction at any stage (Remitter and Beneficiary are charged separately by their respective banks)
<b>Maximum amount</b>	EUR 100,000 per transaction <sup>1</sup>
<b>Format required</b>	ISO 20022 XML standard messaging
<b>Submission timing</b>	SCT Inst is available 24 hours a day, 365 days a year. There are no cut-off times.
<b>Execution timing</b>	10 seconds from payment initiation
<b>Remittance Information</b>	Up to 140 characters transferred to the beneficiary in full. End-to-end ID (35 characters) is forwarded without alteration to the beneficiary.
<b>Transmission of rejected transactions</b>	25 seconds
<b>Recalls by the Bank<sup>3</sup></b>	In exceptional circumstances (duplicated sending or technical error) a recall of a payment can be requested up to 10 Inter-Bank Business Days <sup>4</sup> after the settlement date Recall by the Originator ('RFRO') for reasons other than recall can be done within 13 months after the execution of the initial SCT Transaction
<b>Request for Recall by the Originator ('RFRO')<sup>3</sup></b>	Request for Recall by the Originator ('RFRO') for reasons other than those listed above can be done within 13 months after the execution of the initial SCT Transaction
<b>Claim of Non-Receipt by the Beneficiary</b>	Should a beneficiary claim not to have received the initial SCT Inst, a claim of 'non-receipt' may be initiated by the HSBC client on behalf of the beneficiary. HSBC will then be asked to investigate whether the initial SCT Inst instruction was executed.

## To make a payment, make sure you include the following items in the instruction:

1. the IBAN<sup>2</sup> of the account from which the payment should be made;
2. the amount of the payment;
3. the IBAN<sup>2</sup> of the account of the Beneficiary to which the payment is to be made;
4. the name of the Beneficiary to whom the payment is to be made;
5. the Originator's reference for the payment, if applicable; and
6. any other data or information required to be included under the SEPA Rulebook or requested by the Bank from time to time

## Our Services

- ◆ A full XML offering which extends to accounts beyond the SEPA zone. Our SEPA experts can advise you on technical aspects of XML 20022 formats and best practice
- ◆ A range of SEPA reports – We provide you with improved reporting information to make reconciliation easier

## SEPA Inst Opportunities

- ◆ Benefit from standardisation and error reduction: a single format for the entire SEPA zone based on the ISO 20022 XML simplifies multi country payments
- ◆ Simplify your reconciliation process with up to 140 characters of narrative information
- ◆ Centralise your internal operations and transactions into one point (e.g. to a Payment Factory or Shared Service Centre)
- ◆ Assess Euro flows to leverage SEPA payments instead of high value payments where possible
- ◆ Make payments without the constraint of cut-off times with a payment service available 24 hours a day, 365 days per year
- ◆ Immediate availability of funds for the Beneficiary to better manage time-critical transactions
- ◆ Maximise your liquidity with round the clock transactions, with immediate credit to your account 24x7
- ◆ Maximise your cashflow efficiency with just in time payments that can take place during non-traditional business hours including weekends
- ◆ Grow your volume of cashless exchanges for debt reimbursement, Point of Sales and Ecommerce

## Why choose HSBC to help you implement SEPA Credit Transfers?

Our presence in Europe gives us a real advantage in providing a coordinated delivery of SEPA. We can offer you the right solution and expertise:

- ◆ **A network of offices across Europe, with extensive payments capabilities** – We can help you manage and centralise payments from many locations across Europe
- ◆ **Thought Leadership and Expertise** – We can keep you informed on the latest SEPA market news and talk to you about what this means for your business

- ◆ **State of The Art Technical Capabilities** – We have invested heavily in SEPA compliant payment systems and can deliver payments through a wide range of our award winning electronic channels

To find out more about SEPA speak to your Bank Representative or go to [hsbcnet.com/sepa](https://hsbcnet.com/sepa)

## Contact Information

Find out more about SEPA by visiting our website at: [hsbcnet.com/sepa](https://hsbcnet.com/sepa)

Alternatively, speak with your usual HSBC representative. Features and functionality may vary by country. Please confirm availability with your local HSBC Representative. HSBC Bank endeavours to ensure the information in this document is correct and doesn't accept any liability for error or omission. You're solely responsible for making your own independent appraisal of, and investigations, into the products and services referred to in this document and you shouldn't rely on any information in this document as constituting investment advice. This document does not constitute any form of legal, tax or account advice from HSBC Bank plc to you. HSBC Bank isn't responsible for the content of third-party websites. No part of this publication may be reproduced, stored in a retrieval system, or transmitted, on any form or by any means, electronic, mechanical, photocopying, recording, or otherwise, without the prior written permission of HSBC Bank plc.

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<sup>1</sup> In France, the maximum transaction amount for cross border SCT INST transaction is limited to EUR 50,000

<sup>2</sup> The BIC code of the Beneficiary Bank will be requested if HSBC is technically not able to derive the BIC from the IBAN of the account of the Beneficiary when held at a Beneficiary Bank in a non-EEA SEPA country or territory.

<sup>3</sup> Please note that neither the Request for Recall by the Originator, nor the Recall is a guarantee of the return of the funds to the Originator. In all the cases, the decision of fund return should be taken by the Beneficiary and/or Beneficiary Bank.

<sup>4</sup> A day other than a Saturday, a Sunday or a public holiday where HSBC is open for business.