

# Response template



European  
Payments Council

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Public

Approved

## Response template for the public consultation on the SEPA Payment Account Access Scheme Rulebook

### 1 Introduction

The European Payments Council (EPC) is launching a public consultation on the draft rulebook of its new **SEPA Payment Account Access (SPAA) Scheme (EPC012-22)**, which will run for a 90-calendar day period from 13 June up to and including 12 September 2022.

All interested stakeholders are invited to participate in the public consultation by including their comments on the draft SPAA scheme rulebook, in this template and emailing it to [spaa@epc-cep.eu](mailto:spaa@epc-cep.eu) by 12 September 2022 (midnight Brussels time) at the latest. **Kindly note that the EPC will not consider any feedback received after this deadline.**

### 2 Contributor details

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#### Confidentiality:

The EPC will publish the received public consultation comments from all contributors including the name of each comment contributor's organisation on the EPC Website.

Please state if you wish the name of your organization to remain anonymous during the public consultation feedback review process and in the published public consultation comments report:

☐ YES, the name of my organisation should be anonymised

☒ NO, the name of my organisation does not need to be anonymised



### 3 Feedback on the draft SEPA Payment Account Access Scheme Rulebook (EPC012-22)

Rulebook section N°	Comment / Proposed new rulebook text (please indicate via track changes)	Reason for change
<b>2.2.3.1.1 DS-29 List of payment accounts Dataset</b>	GLEIF welcomes the inclusion of the LEI for identifying the “Account Owner” under the “list of payment accounts”. However, GLEIF understands from the description of the dataset that all attributes need to be provided <b>if available</b> to the payer/account owner directly from the asset holder’s online interface, including the LEI for identifying the “Account owner”. This “if available” basis does not bring mandatory data fields, thereby standardization, but allows these fields to be added in the message if provided to the payer.	GLEIF suggests that given Europe is moving towards an ‘open data society’, ensuring data interoperability becomes more important. Persistent use of the LEI will enable interoperability within the Union, thereby reducing reconciliation costs, time, and uncertainties for all involved parties. This also increases the security of the overall framework. As the SPAA builds on investments done in the context of PSD2 and considers it a stepping-stone towards ‘open finance’ beyond payments and ‘open data’ beyond finance, unique and unambiguous identification of entities in an interoperable way becomes much more essential.
<b>2.1.2.6.1 Business Core Datasets</b>	In the proposed SEPA SPAA Scheme Rulebook, AT-P004 Identification code of the Payer, AT-P007 Identification code of the final Payer, AT-005 Payee’s identification code and AT-E010 Identification code of the final Payee were tagged as “Optional” in “DS-01 One-off payment initiation Dataset”, “DS-05 Future dated payment warehoused with defined execution date Dataset”, “DS-09 Dynamic future dated payments Dataset”, “DS-13 Recurring payments warehoused with same amount Dataset”, “Dynamic recurring payments Dataset”, “DS-21 Payment initiation to multiple counterparties Dataset” and “DS-25 Refund payment initiation Dataset”.	<p>Given these datasets describe the minimum API attribute requirements related to the request from the Asset Broker to the Asset Holder, GLEIF suggests that mandatory use of the LEI to identify payer, payee, final payer and final payee can enable the precision and interoperability within the API scheme.</p> <p>GLEIF noticed that in the core datasets mentioned above, the name and IBAN of the payee are tagged as mandatory fields only with respect to identification. GLEIF agrees that the IBAN of the payee allows unique identification of the payment accounts of the payee. While IBAN uniquely identifies an account, the LEI identifies the account holder uniquely. An entity might have multiple accounts, thereby multiple IBANs, but only one LEI throughout its lifecycle. Therefore the IBAN does not meet a fundamental</p>



requirement in payment processing – precise identification of the payer and payee.

Moreover, GLEIF hears concerns from corporates about using the IBAN as the matching key, given the use of virtual IBANs (vIBANs) presents potential challenges in terms of identification and authentication of parties to a payment transaction. While a regular IBAN is matched 1:1 with a bank account, with a virtual IBAN, you can have multiple unique vIBANS that all send payments into the same central bank account. With virtual IBAN accounts, companies do not need to open and maintain several bank accounts to carry out international transactions. Although on one hand it is considered as a measure to make it easier to do business, on the other hand it raises questions on where funds actually go and creates potential challenges for AML/CFT measures. Therefore, GLEIF suggests that the LEI should be added as an additional mandatory data attribute, in addition to the IBAN, for identifying the legal entity payer, final payer, payee, and final payee. Via the IBAN, the involved parties have a precise manner of identifying the accounts involved, and via the LEI, the involved parties would have a precise manner to identify the legal entities involved. Furthermore this enhances interoperability in cross-border payments where multiple identification schemes are involved.

This would also enable effective confirmation of payee. Currently confirmation of payee relies on text strings like the name and address. This approach results in too many false positives and false negatives, meaning that either too much money and human resource is wasted chasing transactions that are legitimate and still too much fraud passes through undetected. Leveraging the LEI in



		confirmation of payee would reduce the possibility of fraud to almost zero.
<b>2.1.2.4 Payment to multiple counterparties</b>	For the use case “Payment to multiple counterparties”, a unique, precise and instant identification of multiple counterparties that are effectuated via one single transaction becomes much more crucial.	<p>The Financial Stability Board is leading a cross-border payments initiative where the LEI is suggested as a solution to identify legal entities in payment messages for full transparency and traceability. In July 2022, FSB published the related report - <a href="#">Options to Improve Adoption of The LEI, in Particular for Use in Cross-border Payments (2022-07-07)</a>.</p> <p>The FSB puts its full weight behind a landmark recommendation that the LEI should be widely adopted across the global payments ecosystem. The FSB encourages global standards-setting bodies and international organizations with authority in the financial, banking and payments space to drive forward LEI references in their work. The report recommends guidance and further outreach on the use of the LEI as a standardized identifier for sanctions lists and as the primary means of identification for legal entity customers or beneficiaries, with specific reference to customer due diligence and wire transfers.</p> <p>Therefore, GLEIF suggests that EPC could consider (i) mandating the AT-A046 LEI of the Account Owner within the SPAA schema and (ii) leveraging the LEI to identify payer, payee, final payer and final payee, if they are legal entities.</p>
8 Annex II: Adherence Agreement and related	Schedule information to the Adherence Agreement for adherence to the SEPA Payment Account Access Scheme	GLEIF suggests that requiring the LEI in the requested information for the Adherence Agreement to the SEPA Payment Account Access Scheme could enhance the usability of the Register and interoperability within the



documents (DRAFT)		Scheme Register of Participants. The Register can leverage the publicly available LEI reference data to monitor for changes, thereby ensuring higher quality data for users of the Register.