



Instant Payment in Switzerland

Text Modules



More information at instant-payment.ch

Slogan

Instant payment – When every second counts.

Key Messages for Instant Payment

What Instant Payment Is

Instant payment is a type of payment where money is transferred from one account to another immediately, i.e., within 10 seconds, 24 hours a day, 7 days a week, 365 days a year.

Fast Payment Processing

- › Instant payment allows the payer to transfer money in less than 10 seconds.
- › Once an instant payment is initiated, the money is finally credited to the beneficiary's bank account in less than 10 seconds.

7x24x365 Payment Execution

- › Instant payments are made anytime 24 hours a day, 7 days a week, 365 days a year.
- › The difference between a traditional credit transfer and an instant payment is striking. With a conventional transfer within Switzerland, the money may be "in transit" for a long time before being credited after a few hours, the next day or, in the worst case, even later – depending on whether the transfer is initiated during the day or at night, on the weekend, on a working day or on a holiday. With instant payment, on the other hand, it doesn't matter what time or day of the week the payer initiates the transfer – the payer's account is always debited immediately and almost simultaneously with the availability of the money in the beneficiary's account.

Secure and Final

A successful instant payment has an immediate and final impact on accounts. This eliminates uncertainty and credit risk for all parties involved in the payment.

Immediate Confirmation of Payment Execution

Depending on the financial institution involved, both the payer and the beneficiary can receive immediate confirmation of execution. This lets the payer know that the money has been credited to the beneficiary's account, which is especially useful when the latter is in need of a quick credit entry.

Launch and Reachability

- › Next year, the largest Swiss financial institutions will introduce instant payment. Customers of these institutions – which cover more than 98% of payment volume – will be able to receive instant payments of up to 20,000 Swiss francs from August 2024.
- › As of 20 August 2024, financial institutions will be able to process instant payments up to a limit of 20,000 Swiss francs, with the remaining banks following suit by 2026.
- › The largest financial institutions active in payment transactions will enable their customers to receive instant payments from 20 August 2024. However, the customer offer to initiate instant payments may vary from institution to institution.

Background and Context

Switzerland is an innovative financial center with a lot of catching up to do in the area of instant payments and must not be overtaken or left behind by other countries. In addition, while the pressure from big techs and neobanks will increase in the future, the playing field must be level for all participants in payments. For financial institutions, payments are the most frequent point of contact with their customers – an advantage that must be preserved.

The Swiss National Bank therefore wants to do everything in its power to ensure that instant payment becomes the new standard in Switzerland. This requires both the expansion of the technical infrastructure and the participation of the banks in the new procedure.

Together with the Swiss National Bank, SIX is developing the new infrastructure for processing instant payments. This will be technically available in November 2023, after which the onboarding of the banks will take place.

Swiss financial institutions will gradually be required to accept instant payments:

- › from August 2024 for the larger banks
- › end of 2026 for the remaining banks that process customer payments.

The roadmap is in place: By late summer 2024, at least 50 banks, which together process around 98% of customer payments in Switzerland, will be able to accept instant payments and process them within seconds.