



Report on the Results from Part I of the Consultation Process on SPS 2022

Swiss Payment Standards

Version 1.0, valid from 31.05.2021

Introduction

SIX Interbank Clearing participates in committees and commissions that deal with standardization issues in national and international payment traffic. It helps to ensure that Swiss financial institutions can set up their products and services in a timely manner on solid platforms that are networked in line with the market, thus ensuring a continued smooth flow of payment traffic.

The Swiss Payment Standards 2022 (SPS 2022) include Business Rules, Implementation Guidelines for camt Messages, Implementation Guidelines for Credit Transfer, and Implementation Guidelines for Status Report, as well as other similar standards. They are issued under the leadership of SIX Interbank Clearing and are periodically subject to further development.

For the purpose of widespread coordination and as preliminary information, SIX Interbank Clearing publishes all planned changes to the “Swiss Payment Standards” (SPS) at an early stage and invites interested parties to submit their opinions on these planned changes as part of the consultation process.

In view of the more significant changes resulting from switching schemas, two consultation processes will be conducted as an exception. The first consultation process will handle the high-level information on the planned changes. The second consultation process will cover the usual detailed information.

The comments received in the first part of the consultation process on SPS 2022 have already been taken into consideration in the second part of the consultation process.

Part I of the consultation process on SPS 2022

The first part of the consultation process comprises general statements and an overview of the changes to be expected under SPS 2022.

A total of 12 planned modifications have been published:

- General adjustments: 2 planned modifications
- Credit transfer: 7 planned modifications
- Cash management: 3 planned modifications

A total of six market participants (banks and software partners only) took part in the first part of the consultation process. Their comments and explanations have already been incorporated into the second part of the consultation process.

For one of the planned changes, three of the six parties expressed opposition. For three changes, two of the six parties expressed opposition. For another three changes, one of the six parties expressed opposition in each case. In addition, two further comments were submitted as part of the opposing feedback.

Two of the six parties expressed approval for two of the planned changes. For four planned changes, one of the six parties expressed approval in each case. In addition, two further comments were submitted as part of the approving feedback.

Unanimously accepted changes without any comments are not discussed in this report.

General modifications

Under items 2.1 and 2.2 and in another approving comment, three parties ask about the modification to the Implementation Guideline for QR-bill. This is in connection with the general changes and the requirement for structured addresses. The IG QR-bill will not be adjusted as part of the SPS but at a later date instead. The revision will be implemented in a timely manner before the mandatory transition to using structured addresses, which is scheduled for 2025. Up until this date, it will be ensured that the processing of combined address data from the QR-bill is supported in pain.001 messages.

Further feedback regarding item 2.1, General Technical Modifications Due to the Change in ISO Version:

One party expresses a desire for clear, streamlined Implementation Guidelines. The objective is to formulate and structure all IGs in a manner that is understandable for all users. With regards to their scope, a distinction must be drawn between the different domains. For Cash Management, the bank is required to be able to pass on all information received. This requirement leaves little opportunity for customization or restrictions. For Credit Transfer and Status Reports, it's not just a matter of supporting a minimum scope of functionality but rather taking account of the various needs and offerings of the financial institutions and software partners. The Swiss Payment Standard (SPS) represents the basis for all participants in the Swiss financial market. For this reason, the exchange of cross-border messages and the underlying standards and market regulations were also taken into account for all domains.

Another party asks about responsibility for external code lists and XSDs, as well as modifications in the event of changes to regulatory standards or market trends, for example. Responsibility for the external code lists and XSDs and for updates to these lies with the RMG (Registration Management Group) for ISO 20022. Responsibility for the SPS schemas, including updates, lies with SIX Interbank Clearing. The necessary changes and product modifications are covered as part of the annual SPS publication.

Further feedback for item 2.2, Statement on Structured Addresses:

Two parties ask for clear truncation rules. In this regard, the required fields need to be prioritized. The Implementation Guideline for Credit Transfer will include information on the maximum number of characters allowed. However, the individual financial institutions are responsible for how the truncation will be implemented at the detail level

One party also expressed its view that the <Addressline> element, which contains the street name and building number, or the postal code and the name of the city, should be seen as a structured address or converted into a structured form. Here, we refer to the strong recommendation now already to supply the address data in the structured fields provided for this purpose. The <Addressline> element will no longer be available after the requirement is introduced.

One party reports that it must be ensured that all structured elements can always be supplied, saying that it is the financial institutions' task to be able to handle these and filter non-required elements where necessary. The participants of the banking committees confirm that from SPS 2022 onward the financial institutions in the Swiss market will support the full set of structured address data and deal with forwarding the information accordingly.

One party addresses the topic of tolerance ranges, saying that these must be clearly regulated and mandatory for all financial institutions in the Swiss market. The feedback will be taken into consideration for the further development of the requirement for structured addresses in the

relevant committees. The reporting party also brings up the problem that PostFinance, for example, does not accept the street and building number in the street field for QR-bills at the counter. It should be noted here that the rejection of the QR-bill relates to the Implementation Guidelines for QR-bill and is not connected with the Implementation Guidelines for Credit Transfer (pain.001).

Another party emphasizes the importance of the strong recommendation for the structured address and a clear definition of this structure. The mandatory scope is already defined on the basis of CBPR+ and is widely known.

Credit transfer

With regards to item 3.3, the Character Set, there are follow-up questions from two parties about the following statement: "If characters that are not permitted are transmitted, the message will be rejected."

Here, the banking committee participants point out that the validation has not changed as compared to the 2009 schema version. The financial institutions are free to validate at different levels of complexity or, in this case, to carry out a truncation or replacement of invalid characters. In addition, the new AOS "Transaction-Related Handling of Schema Errors" is being introduced as part of the Implementation Guideline for Status Report. This states that if individual transactions in a message include schema errors, then a financial institution can reject only the transactions affected instead of the complete message.

Feedback for item 3.4, Modification of Payment Types:

One party feels that the renaming of the previous payment types does not make sense and proposes that this should not be enacted. The banking committee participants are convinced that maintaining the old designations would lead to confusion. The proposal will not be adopted.

Another party makes the following three proposals:

- The title for payment type X is felt to be incorrect. It should be renamed as: "Foreign country and/or all foreign currencies except CHF&EUR." The banking committee participants reject this proposal. Information on the currency can be seen in the elements table. The title should be kept short and concise.
- For the payment type S, it is proposed that the BIC should not be mentioned, as it is no longer required. The proposal is rejected by the banking committee participants. This is because the BIC is still permitted in the SEPA Rulebook. In addition, it is clearly marked as optional in the elements table.
- In the final proposal, a clarification of the description of the creditor account is requested on the basis that it must be clear to see whether the IBAN is from Switzerland or Liechtenstein. The banking committee participants agree to this proposal. The table of payment types will be adjusted accordingly. This adjustment is not yet shown in the change documentation for the second consultation process.

Another participant makes a request for the various presentation types for the creditor agent to be still listed in the table of payment types. The banking committee participants have decided not to grant this request. This information will not be provided in the elements table, as it is not required for determining the payment type.

Feedback for item 3.5, Information on the Software Used:

Two parties comment on the <Othr> element and its “R” status and on the sub-elements and their “M” status. They ask about the potential rejection of a message due to this element. In addition, concerns are expressed that these fields might not contain up-to-date information in every case.

The <Othr> element has the status “Recommended.” This means that use of the element is recommended. If the <Othr> element is not used, the financial institutions will still process the message.

If the <Othr> element is used, it is mandatory to supply both sub-elements. If the sub-elements are not both supplied, this will result in a schema error and the message will be rejected. It should be noted that the sub-elements are used as a key/value pair and only make sense together. Use of the <Othr> element is permitted a total of four times. If the <Othr> element is supplied fewer than four times, the message will nonetheless be processed by financial institutions.

With regards to item 3.7, Use of New Data Elements, one party reports that the following elements would not provide any added value for the customer: <UETR>, <Prxy>, <TaxRmt>, <GrnshmtRmt>. The party states that the content to be provided is also unclear. It is proposed that the status for these elements should be changed from “O” to “BD.” The banking committee participants partly agree to this proposal. For the following elements, the status will be changed to “BD”: <UETR>, <Prxy>. For the following elements, the status “O” will be maintained: <TaxRmt>, <GrnshmtRmt>. This is because remittance information fields are to be forwarded unchanged.

Cash management

With regards to item 5.4, Use of the “Reporting Source” Element, one party reports that it agrees with the removal of the AOS but that from a software perspective it is no longer clear without the Reporting Source element what type of camt.054 is involved. The party includes several proposals in its feedback. The banking committee participants point out that the reporting source in accordance with ISO is not stipulated for a distinction between intraday and end-of-day messages. There are already several elements for identifying and allocating bookings, which can be interpreted in combination. The status helps classify whether a booking can be made. For the element <AcctSvcrRef>, the status cannot be modified from “O” to “M.” However, this is usually already supplied by Swiss financial institutions. The banking committee participants maintain that the AOS is no longer required.

Further comments

The comment relates to the IG Credit Transfer (pain.001). One party requests further information on the use of the “Required Execution Date” and its new sub-elements “Date” and “DateTime.” In the context of this discussion, the banking committee participants have decided to change the status of both sub-elements to “D.” It should be noted that the sub-element “DateTime” (<DtTm>) is permitted to be supplied only if it is supported by the financial institution. If the <DtTm> sub-element is supplied to a financial institution that does not support it, this may lead to rejection of the message.

The comment relates to the IG Cash Management (camt.05x). One party asks a general question as to how the “Date” and “DateTime” fields are to be handled in the “Booking Date” element in future. It is proposed that DateTime (<DtTm>) should always be supplied. The banking committee participants recognize the importance of this topic and will address it in the relevant working groups. At present, however, not all systems can supply the time of the booking as well as the date. The proposal is rejected, as no requirement to use DateTime is to be introduced at present.