



Instant Payments & VOP

All you need to know to plan in good time

1st of July 2025 ING Wholesale Banking, Transaction Services



Your presenters of today



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Agenda

1. Welcome

2. The inception of SEPA

3. Experience the future with Instant Payments

4. Quest for real-time treasury

5. Verification of Payee

6. Q&A

Connecting Europe through seamless payments: The inception of SEPA

SEPA:

Single Euro Payments Area, started in 2008



EURO Countries

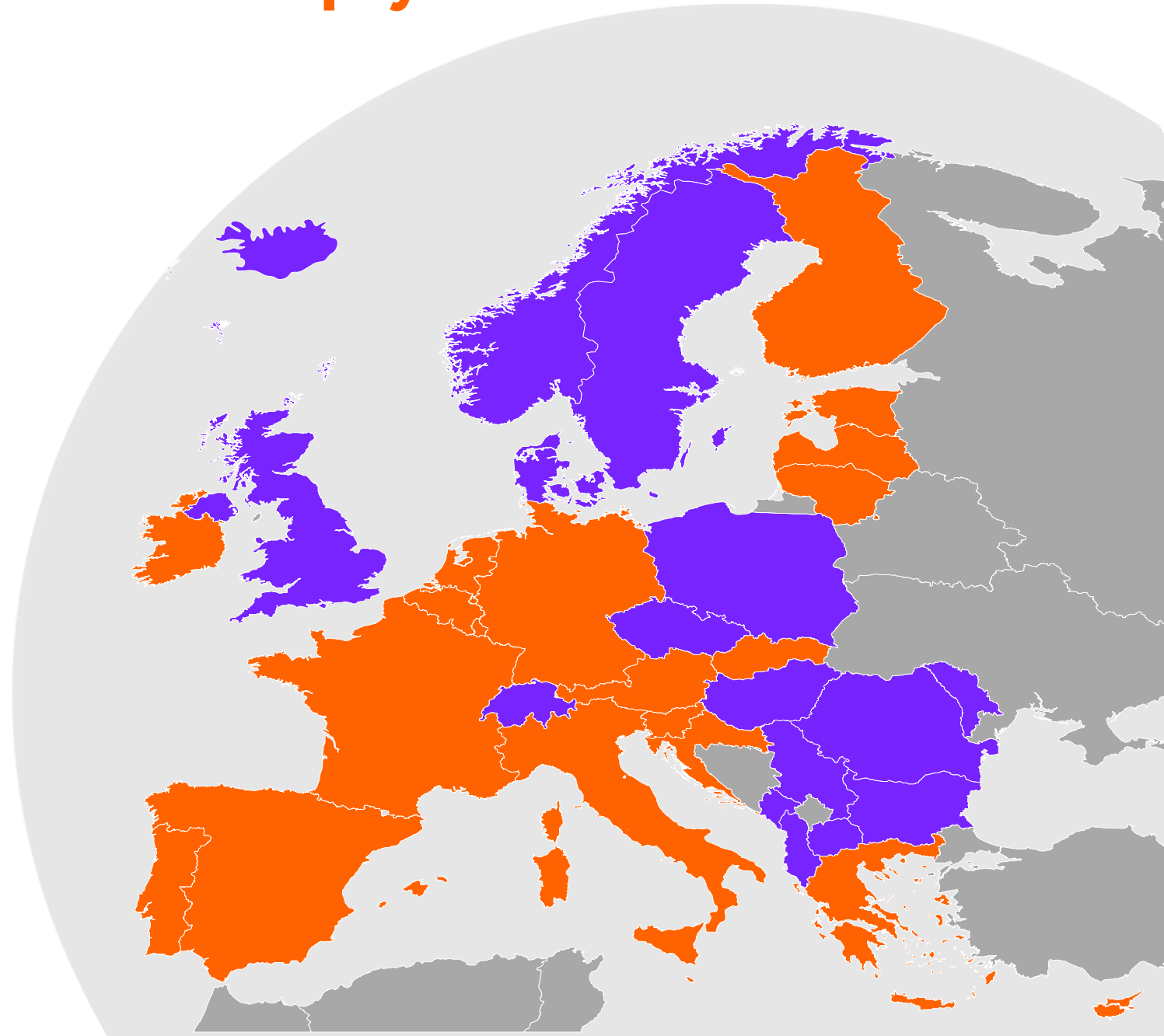


Non-EURO countries



Goals:

To achieve a true single European market, harmonization including banknotes and electronic euro transactions





**Experience the
future with
Instant Payments**



Question

SEPA Instant Payments aims to accelerate the adoption of instant credit transfers across the EU



IBAN/Name check (VoP) to be implemented on initiation
October 2025



Mandatory initiation and reachability for SCT Inst into Foreign currency accounts
January/October 2025



Mandatory initiation and reachability for EURO
January/October 2025
and non-EURO EEA countries
January/October 2027



EU list sanctions screening should be verified daily and no longer transaction-based
January 2025



Charges not to be higher than regular EURO credit transfer
January 2025



Support in all initiation channels – including batch payments and Host-2-Host channels
October 2025



Instant Payments, instant progress—business at the speed of now

	SEPA Credit Transfer	SEPA Instant Payment	
Single/batch	Singles and Batches	Single trx only	Singles and Batches
Processing windows	Business Day / COT	24/7	24/7
Execution time	Within a business day	Within 20 sec	Within 10 seconds
Transparency	No confirmation messages	Instant confirmations Verification of Payee	
Value limit	Limit 1/bil -/- € 0.01	€ 100/k Limit	Limit 1/bil -/- € 0.01



Question



Quest for real-time treasury

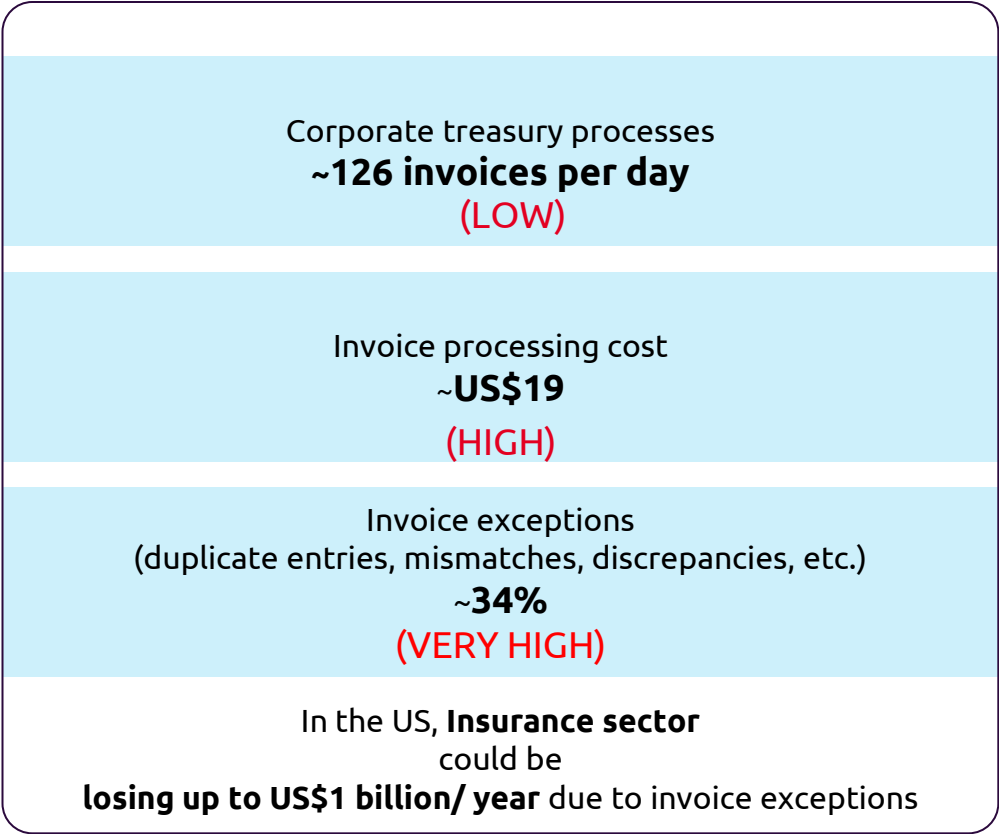
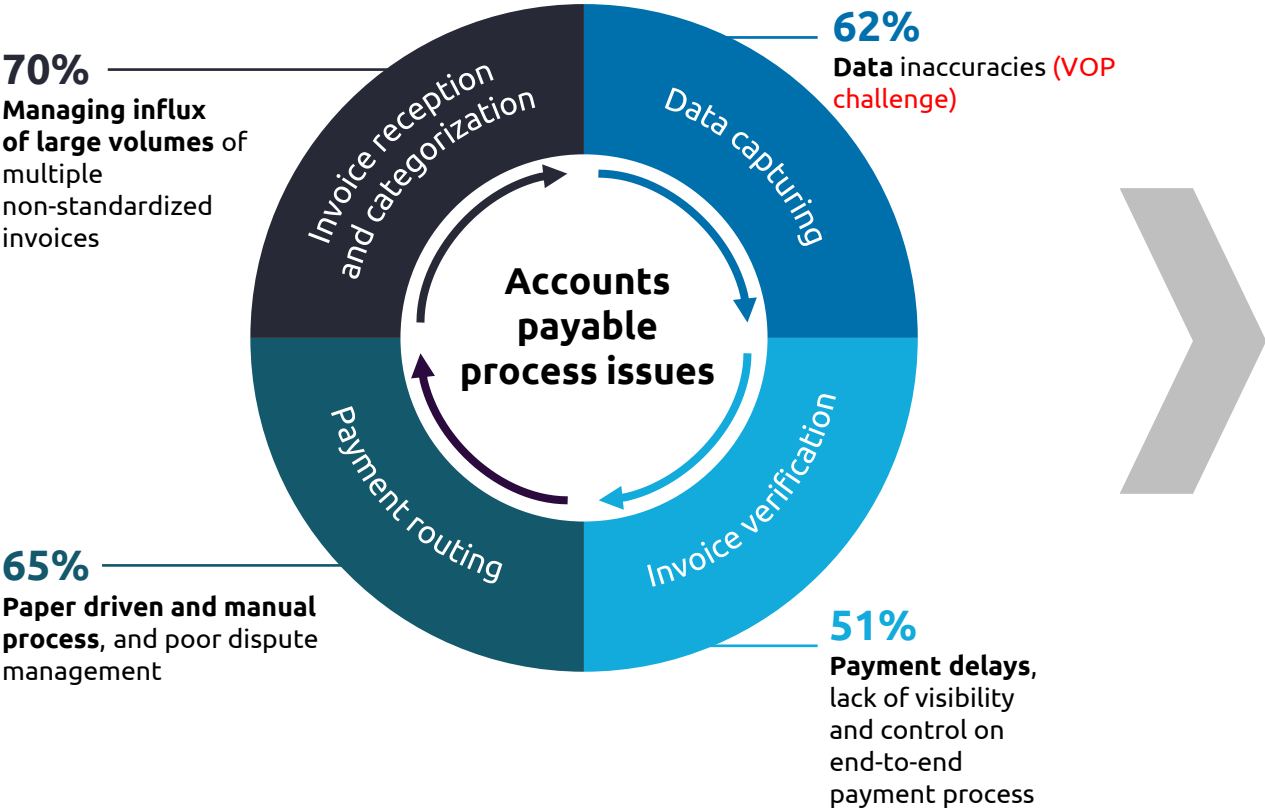
Address payment and process complexities in corporate treasury



MANUAL, ERROR PRONE, AND TIME-CONSUMING ACCOUNTS PAYABLE PROCESSES HINDER CASH MANAGEMENT EFFICIENCY



Challenges in accounts payable processes (as per corporate treasurers, N=600)

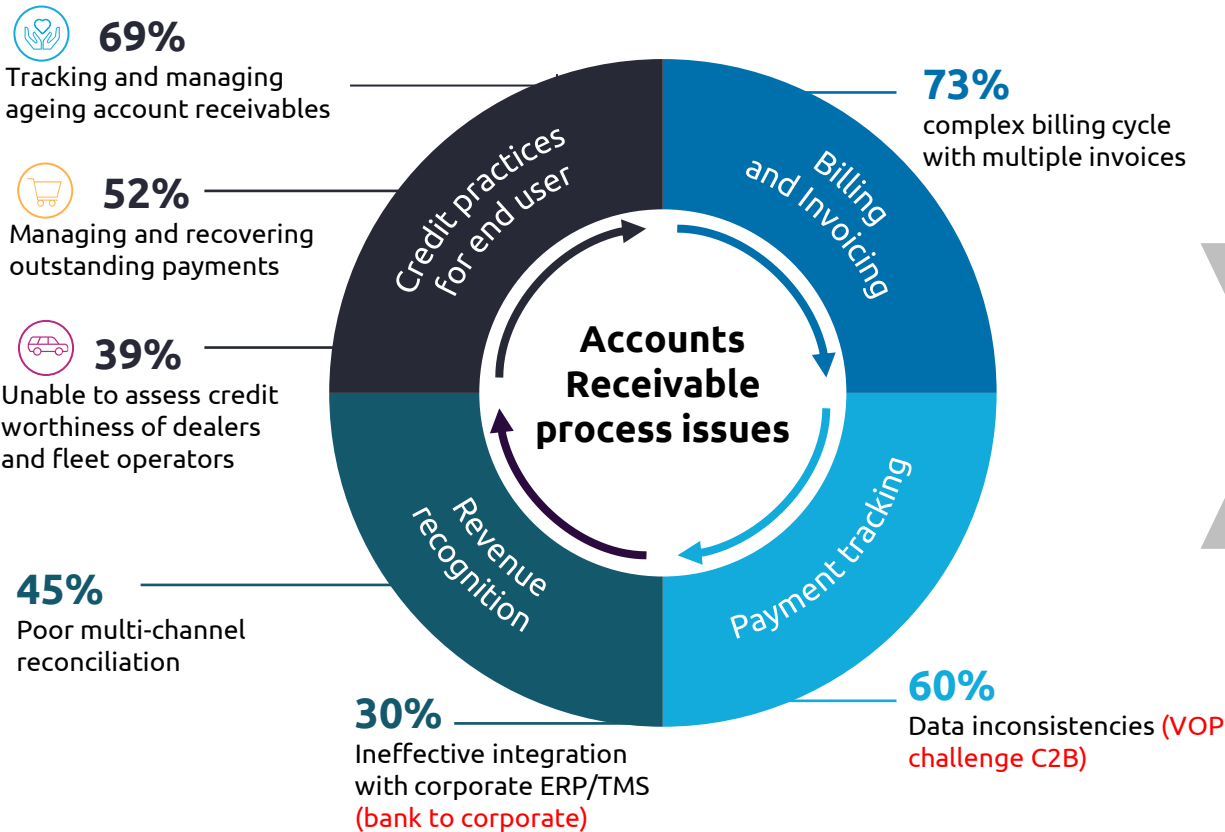


Invoicing and payments are still operating in **silos** creating **Accounts Payable inefficiencies**.

POOR MULTI-CHANNEL ORCHESTRATION AND COLLECTION INEFFICIENCY IN ACCOUNTS RECEIVABLE LEADING TO REVENUE RECOGNITION CHALLENGES



Challenges in accounts receivable processes (as per corporate treasurers, N=600)



Collection efficiency across industries:
~84%



Inefficient collection processes lead to increased **days sales outstanding (DSO)**, negatively impacting working capital and liquidity



Question

Changing the game: Instant Payments, instant expectations

It brings opportunities...



Immediate pay-off
of insurance
claims



Deliver 24/7
services and
products



Flexibility with
salary payments,
received instantly



Pay
declarations
more instantly

... and challenges



24/7 reconciliation +
cash management



Receive weekend payments
impacts client support,
operations, IT systems



Include weekend in
the Annual report

Instant Payments bring many benefits for consumers and corporates

Benefits for consumers



- More efficient use of money
- Faster availability of money
- Faster delivery of purchased goods

Benefits for corporates



- Having instant access to funds 24/7
- Sell and deliver products and services 24/7
- Opportunities for innovations and new products and services



Verification of Payee:

**Enhancing accuracy
through IBAN-name
checking**

Ensure your payments reach the right beneficiary account with Verification of Payee

VOP

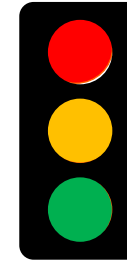
- Regulatory requirement as from **October 2025**
- SEPA **Instant** Credit Transfer and SEPA **Classic** Credit Transfer
- VOP ensures the payee's details match the account holder's information
- Opt-out option for Batches (i.e. only perform a check every quarter)

Benefits

- **Reduced Fraud:** Minimizes the risk of sending money to the wrong account
- **Reach:** Available for all SEPA countries
- **H2H pre-validation** Current way of initiating payments will not change

Points of attention

- Ensure that the name of your account matches the name you send on your invoices
- Separate procedure for Batches
- Maintaining accurate and up-to-date payee information is crucial



No Match – adjust or ignore

Close Match – please check

Full Match – good to go

VOP failed

Confidence at scale

Verification of Payee for Packages/Batches

Channels in scope

- InsideBusiness Connect File Transfer
- InsideBusiness Connect for EBICS
- InsideBusiness Connect for Swift
- API's
- InsideBusiness Payments



- To perform a VOP check, you must upload the **pain.001** file for VOP check
- Supported formats:
 - SCT classic **Pain.001.001.003** & **Pain.001.001.009**
 - SCT Instant: **Pain.001.001.009**
 - File name format: **VOP_XXX_DDMMYYYY / VOPxxxxxxxxxxxx.xml**
- VOP results are reported back in **Pain.002** format or shown on screen



No Match – adjust or ignore

Close Match – please check

Full Match – good to go

VOP failed

We strongly advice you to adjust the payment file and your address book based on the VOP results and upload it in the regular way for execution

End-to-End Impact: How Instant Payments and VOP impact the Payments Ecosystem

END CLIENT



CLIENT CONTACT

- Instant notification
- Payment status on request



CLIENT PROPOSITIONS

- Direct billing
- Innovation
- Improved services

CORPORATE



ENTERPRISE RESOURCE SYSTEM

- Real time booking
- 24/7 and instant



BACK OFFICES

- Real time interface



RISK MANAGEMENT

- Alerting
- Detection / screening



LIQUIDITY & CASH MANAGEMENT

- Sweeps on non-target days
- Forecasting



STAFF AVAILABILITY

- 24/7 availability

BANK



ONLINE BANKING CHANNEL

- Account information
- Real time booking
- End of day reporting

IT systems, Operations and Services, Treasury 24/7 x 365
also outside Target2 opening hours

Questions?

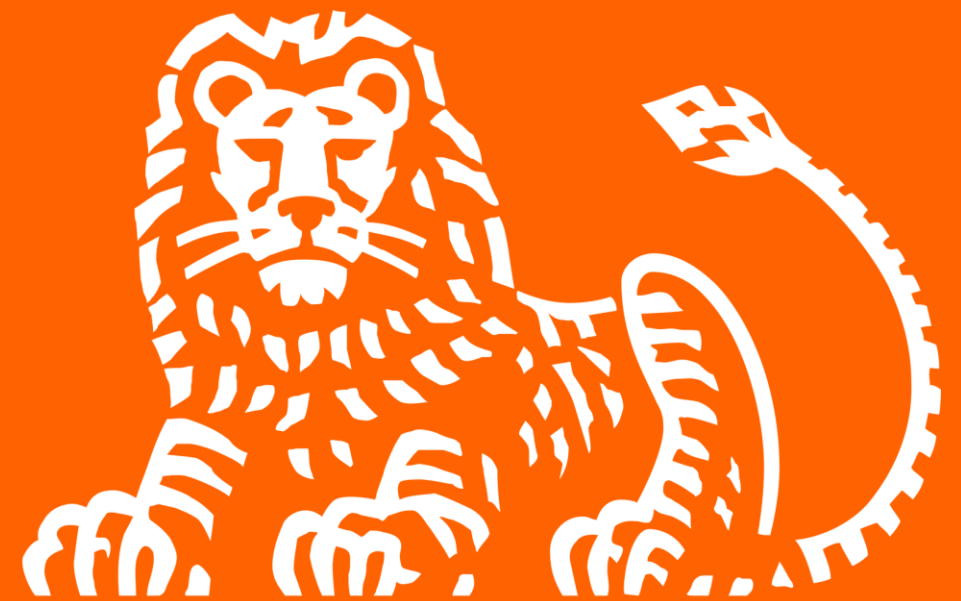


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