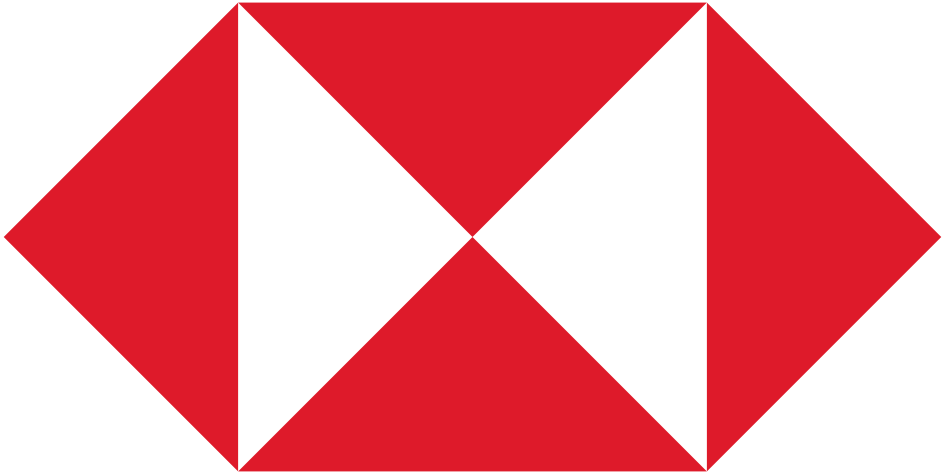


# SEPA Credit Transfer (SCT)



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SEPA Credit Transfer (SCT) is the Pan European Credit Transfer scheme that has replaced domestic and cross border Euro Credit Transfers throughout the SEPA zone. It provides a consistent approach for making payments across Europe and makes these as easy to send and receive as domestic ACH transactions.

## About SEPA

Developed by the European Payments Council ('EPC'), the Single Euro Payments Area ('SEPA') expands on the vision behind the Euro to establish a single monetary and economic union.

Specifically, 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 payments as easy and cost effective as non-urgent domestic payments.

## Important information on SCT

- SCT requires ISO 20022 XML format in the SEPA zone.
- SCT requires the Remitter to provide IBAN<sup>1</sup> details of the Payees/ Beneficiaries.

## Steps towards SEPA implementation

- Ensure you obtain IBAN details from your Payees (e.g. suppliers).
- Add your IBAN 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.

1. 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.

## 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:  
[hsbcnet.com/sepa](https://hsbcnet.com/sepa) for more information.

## 36 SEPA countries

### **Eurozone members of EU**

- Austria
- Belgium
- Croatia
- Cyprus
- Estonia
- Finland
- France
- Germany
- Greece
- Ireland
- Italy
- Latvia
- Lithuania
- Luxembourg
- Malta
- Netherlands
- Portugal
- Slovakia
- Slovenia
- Spain

**Non-Eurozone members of EU**

- Bulgaria
- Czech Republic
- Denmark
- Hungary
- Poland
- Romania
- Sweden

**EEA members**

- Iceland
- Lichtenstein
- Norway

**Additional SEPA members**

- Monaco
- Switzerland
- San Marino
- Andorra
- UK
- Vatican City State/ Holy See

## Key features of SEPA Credit Transfer

**Geographic zone**

EBA Clearing reachable banks in the SEPA region (list available on: [ebaclearing.eu](http://ebaclearing.eu)).

**Currency**

Euro.

**Bank details required**

IBAN.

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**Credit/Debit in full**

Payment made in full with no deduction at any stage (Remitter and Beneficiary are charged separately by their respective banks).

**Maximum amount**

EUR 999.999.999,99 per transaction.

**Format required**

ISO 20022 XML standard messaging.

**Submission timing**

SEPA credit transfers initiated via HSBCnet, HSBC Connect and other Channels (Business Internet Banking, Country/Local E-Channels) by the Customer before the Bank's cut-off time are processed the same Banking Business Day<sup>2</sup> with the same settlement day on the beneficiary's bank account. Submissions after the Bank's cut-off time are processed on a 'best-efforts' basis, which may be on the next Banking Business Day.

**Remittance information**

Up to 140 characters transferred to the beneficiary in full. End-to-end ID (35 characters) is forwarded without alteration to the beneficiary.

**Transmission of rejected transactions**

At latest 3 Banking Business Days following the settlement day.

**Recalls by the Bank<sup>3</sup>**

In exceptional circumstances (duplicated sending or technical error) a recall of a payment can be requested up to 10 Inter-Bank Business Days after the settlement date.

Recall for fraud reasons can be done within 13 months after the execution of the initial SCT Transaction.

2. A day other than a Saturday, a Sunday or a public holiday where HSBC is open for business.

3. 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.

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### **Request for Recall by the Originator ('RFRO')**

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.

### **Claim of non-receipt by the Beneficiary**

Should a beneficiary claim to have not received the initial SEPA Credit Transfer, 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 SEPA Credit Transfer instruction was executed.

### **Claim for value date correction by the Beneficiary**

Should a beneficiary consider the SEPA Credit Transfer has been credited with a value date later than the date the amount would have been value dated had the transaction been correctly executed, a claim for value date correction can be made. The claim must be initiated within 13 months after the debit date on your account. The bank of the beneficiary has to provide an answer to HSBC within 10 Banking Business Days of receiving the request.

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

1. The IBAN of the account from which the payment should be made.
2. The amount of the payment.
3. The IBAN 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.
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 opportunities

- SCT allows you to make payments to suppliers and receive payments from customers in Euros from anywhere in the SEPA zone.
- SCT is HSBC's cheapest cross border payment scheme in Euro currency.
- In non EUR zone countries SCT could be process from local currencies and EUR accounts, please contact HSBC teams for more information. 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.
- Consolidate redundant low volume Euro bank accounts from several countries into fewer or even a single location.
- 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 (e.g. trade invoices).
- Forecast your cashflow and manage internally generated liquidity more efficiently for reduction in bank debt with guaranteed next day settlement.
- Use the same account for suppliers and payroll payments. HSBC's 'Salary' capability ensures payment instructions are treated confidentially by masking the beneficiary's name and IBAN in case of rejections or returns<sup>4</sup>.

4. Not compatible with unitary booking account statements and PSR (pain.002) reports.



## 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.
- We have invested heavily in SEPA compliant payment systems and can deliver payments through a wide range of our award winning electronic channels.

## 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.

Contact your HSBC representative to learn more about how SEPA can help your business with making payments across Europe. Charges will apply for SEPA.

# Accessibility

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There are also lots of other options available to help you communicate with us. Some of these are provided by third parties who are responsible for the service. These include a Text Relay Service and a British Sign Language (BSL) Video Relay Service. To find out more, please get in touch. You can also visit [business.hsbc.uk/accessibility](https://business.hsbc.uk/accessibility) or [business.hsbc.uk/contact-us](https://business.hsbc.uk/contact-us).

**business.hsbc.uk**

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