# Change Request for the update of an External Code Set

Note: this document is to be completed by parties that request to either add new codes or clarify the definition of existing codes or replace existing codes by new one(s) or expire existing codes in one of the [*External Code Sets*](http://www.iso20022.org/external_code_list.page) used in ISO 20022 messages. All change requests conforming to this template that are received prior to the end of a quarter (31 March, 30 June, 30 September, 31 December) will be evaluated by the SEG and, if approved, incorporated in the following quarterly publication cycle of the External Code Sets (respectively, by end of May, August, November and February), unless otherwise specified by the SEG.

# Origin of the request:

## A.1 Submitter:

|  |  |
| --- | --- |
| Name of the company, organization, group, initiative or community that submits the change request. | Berlin Group as a European Standardisation Initiative, in the name of BITS, Dutch Payment Association, Nexi, CBI Italy, Worldline, MasterCard, EuroKartensysteme, Firstdata, German Banking Industry Committee, PAN Nordic Card Association, Payment Services Austria, Redsys, SIBS, STET, Trionis, and many other bank associations, banks or processors from the European region and beyond. |

## A.2 Contact person:

Person that can be contacted for additional information on the request

|  |  |
| --- | --- |
| A.2.1. First name, Last name | Ortwin, Scheja |
| A.2.2. Email address | ortwin.scheja@src-gmbh.de |
| A.2.3. Telephone | +49 228 2806109 |

## A.3 Sponsors:

If the submitter acts on behalf of or has gained support from other organisations, groups, initiatives or communities, these should be listed as sponsors.

|  |
| --- |
|  |

# Description of the change request:

Specify the request type: creation of new code set, update of existing code set, deletion of existing code set.

For the creation of a new code set or for updating an existing code set, also complete the table in section H below. For the addition of new codes, all the details must be specified, including a proposed code, a proposed code name, a clear definition, and any other indications, such as an example or format to be published with the code set.

|  |  |
| --- | --- |
| Request type: creation, update, deletion | update |

# Related External Code Set:

For updating or deleting an existing code set, indicate the exact name of the code set as indicated in the [*External Code Sets*](http://www.iso20022.org/external_code_list.page)documents on iso20022.org. For creating a new code set, indicate a proposed name for the new code set.

A specific change request form must be completed for each code set to be updated.

|  |
| --- |
| ExternalPaymentTransactionStatus1Code |

# Purpose of the change:

Background, business context, community of users interested by the change and expected benefits/savings.

This section must explain why the existing code set needs to be changed. The reason for the update may be a business reason (e.g., evolution of market practice, or creation of new financial instruments), a technical reason (e.g., automation of the business process, or switch from a batch to a real time process), a regulatory reason (introduction, generally mandatory, of new rule/law) or the extension of the user community (newly identified business requirements).

|  |
| --- |
| The Berlin Group has published the REST based NextGenPSD2 API Framework. In addition, a new openFinance API Framework is also dealing with many premium services for account to account payments, which are e.g. addressed in the SEPA Payment Account Access Scheme (SPAA) established by the European Payment Council (EPC). The API clients in this case is a TPP (Payment Initiation Service Provider - PISP), which may initiate payments through the dedicated premium interface of the bank on a Payment Service User's (PSU) payment account.  The new Instant Payment Regulation of the European Commission is mandating ASPSPs to offer Verification of Payee (VOP) functions to customers before the authorisation of a payment. This leads to a more complex "Received" phase for the payment initiation.  The Berlin Group NextGenPSD2 API as well as the more advanced openFinance API Framework is based on the ISO20022 dictionary. The API heavily depend on the data element Payment Transaction Status of the ISO20022 to report results   * about the processing status of the payment regarding e.g. formal, semantic and risk management checks of the bank, * about the authorisation process of the PSU.   Different to message based file transfer protocols, REST based APIs are managing the payment initiation in a more granular way through micro services. REST based APIs have a resource oriented approach, where e.g. a payment initiation resource supports to communicate e.g. status changes from the bank to the TPP during the whole life cycle of a payment. Due to this different technical approach, more detailed transaction status reporting is needed than for file transfer based protocols.  With this background, the ISO20022 is kindly asked to add the following codes in the ExternalPaymentTransactionStatus1Code list, where detailed reasons for the codes are given below. These codes are providing more detailed information about the transaction **afte**r the transaction data has been received, but **before** the related payment is authorised by the customer.  **RCCR ReceivedConfirmationRequired.**  Regulatory Reason:  The NextGenPSD2 API/openFinance API Framework has specified an integration of the related VOP service into its PSD2 Compliance APIs. In case, where the VOP function delivers a no match or close match of the IBAN/creditor name or no match for the IBAN/creditor identification pair, the payer bank needs an explicit confirmation of the initiation party, here the PSU via the related TPP, if the payment should be processed nonetheless. This should be signalled in the transaction status, since the payment will fail if no confirmation is provided (in a certain time frame).  Since the transaction status of the related payment resource should be well defined in a REST API, a new transaction status code is needed to signal to the TPP the need to confirm the payment initiation, if the payment shall still be processed under the conditions of the VOP results.  **RCVN ReceivedVerificationNotCompleted**  Regulatory/Technical Reason:  In the above mentioned situation, the TPP could submit a bulk payment initiation request, indicating that VOP needs to be performed by the payer bank. In case of a huge bulk, the VOP function processing could use so much time, that the PSD2 API responses with a transaction status indicating that the VOP function has been started to be applied to the bulk entries, but has not finished yet.  This is an important information to the TPP, because in this case no authorisation of the related bulk might be started yet. A later call on the payment resource will be needed to get a current status. No authorisation of the payment can be started before this function has been completed.  **RCVC ReceivedVerificationCompleted**  Regulatory/Technical Reason:  In the above mentioned situation, the TPP could submit a bulk payment initiation request, indicating that VOP needs to be performed by the payer bank. In case of a huge bulk, the VOP function processing could use so much time, that the PSD2 API responses with a transaction status indicating that the VOP function has been started to be applied to the bulk entries, but has not finished yet, see above.  In addition, the bank needs another dedicated transaction status to inform the initiating party that the verification of payee requests for all entries have been finalised in between positively and that no further confirmation by the PSU are needed. i.e. that the authorisation processes can be started now by the PSU. |

# Urgency of the request:

By default, valid change requests, subsequently approved by the SEG will be included in the following quarterly publication of External Code Sets, unless decided otherwise by the SEG.

If there is a need to have the new version of the related code set published earlier, the reason for the urgency and the expected consequences of a delay should be described here. Acceptance of such an unscheduled publication is subject to approval by the SEG.

|  |
| --- |
| The request for all codes is very urgent, since the European Instant Payment Regulation comes into force in October 2025 related to VOP functions. The Berlin Group NextGenPSD2 APIs are implemented in more than 27 countries in Europe. The enhancement indicated in this document is needed urgently to enable the Berlin Group NextGenPSD2 API to offer Instant Payment Regulation related services within this interface. |

# Business examples:

Provide examples illustrating usage of the code set and indicate messages where the code set may be used.

|  |
| --- |
| Codes to be used in payments APIs for PSD2 APIs or premium payment APIs in the SEPA area and beyond. |

# SEG recommendation:

This section will be completed by the SEG in charge of the related External Code Set.

|  |  |  |  |
| --- | --- | --- | --- |
| Accept | |  | Timing |
|  | | Next possible quarterly release | |  |
|  | | Urgent request | |  |

Comments:

|  |  |
| --- | --- |
| Reject |  |

Reason for rejection:

# DESCRIPTION OF THE CHANGE REQUEST

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Type | Code Value | Code Name | Code Definition | Replaced By | Additional Information |
| Addition | RCCR | ReceivedConfirmationRequired | Verification of party result for the payment counterparty requires an explicit confirmation by the Payment Service User before further acceptance processing. |  | Used in a situation, where the initiating party is asking the payer bank to have a verification of payee performed before the authorisation of the payment as such is performed via payment service user authentication. |
| Addition | RCVN | ReceivedVerificationNotCompleted | Verification of party request is not yet completed. |  | see above |
| Addition | RCVC | ReceivedVerificationCompleted | Verification of party request is completed, no further confirmation required. |  | see above |
|  |  |  |  |  |  |
|  |  |  |  |  |  |
|  |  |  |  |  |  |
|  |  |  |  |  |  |
|  |  |  |  |  |  |
|  |  |  |  |  |  |
|  |  |  |  |  |  |
|  |  |  |  |  |  |