

MAKSUFOORUMI 2023

REQUEST-TO-PAY OSANA PIKAMAksAMISEN ARVOKETJUA, SAMI KARHUNEN



Real value and importance of the messaging layer

- SEPA Request-to-Pay is a missing piece of a puzzle.
- Visa and Mastercard are messaging layers. They are now moving into more use case agnostic and more real-time.
- Message layer connects payee and payer, buyer and seller, customer and merchant.
- Prior attempts to create European payment schemes (payment card scheme, mobile payment scheme, e-invoicing scheme) have failed because there has not been any existing messaging layers to utilize.
- SEPA Request-to-Pay is not a payment method nor a e-invoicing method. SRTP is use case agnostic and payment method agnostic messaging layer which works as a foundation for European payment services and payment schemes and European e-invoicing services and e-invoicing schemes.



SEPA REQUEST-TO-PAY EXPLAINED

What is new *must have* payment type? Foundation for all new payment methods and invoicing methods in Europe is finally here

- SEPA Request-to-Pay is **use case agnostic** and **payment method agnostic** messaging layer. It is **standardized** and **real-time**.
- SEPA Request-to-Pay works as a foundation for new payment services and for new e-invoicing services in Europe.
- SEPA Request-to-Pay will deliver what open banking can not.

Benefits of the SRTP scheme:

- The SRTP Scheme facilitates the request of a payment in a digital way. The entire payment and payment related flows are digital and can be done instantly.
 - Fast and available 24/7/365.
 - Harmonised operating rules.
 - Applicable across all SEPA scheme countries.
 - Giving more flexibility to the Payee as well as the Payer.
 - Paper invoices may be replaced by electronic attachments.
 - Helping to control expenses, simplifying reconciliation and bookkeeping.
 - Covering a wide range of use cases.

SEPA Request-to-Pay (SRTP) Scheme - A new driver for innovation in Eur...



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The Single Euro Payments Area (SEPA) Request-to-Pay (SRTP) scheme managed by the European Payments Council (EPC) covers a set of operating rules and technical elements (including messages) that allow a Payee to request digitally the initiation of a payment from a Payer in a wide range of physical or online use cases. The SRTP scheme is effective since 15 June of this year and the second release of the SRTP scheme rulebook has just been published. This is the perfect opportunity to shed some light on this new SEPA scheme for Insights readers.

Funding institutions

List of the financial institutions operating across Europe that have committed in 2019 to supporting and funding the development and implementation of EBA CLEARING's R2P service:

- ABN AMRO Bank
- Banco BPM
- Banca Sella Holding SpA
- Banco de Sabadell
- Banco Bilbao Vizcaya Argentaria
- Bank of Ireland
- BNP Paribas
- Caixa
- Citibank
- Commerzbank
- Crédit Agricole
- Deutsche Bank
- DNB Bank
- DZ BANK
- Elavon
- Erste Group Bank
- HSBC France
- ING Bank
- Intesa Sanpaolo
- J.P. Morgan
- KBC
- Nordea Bank
- OP Corporate Bank Plc
- Santander
- Société Générale
- UniCredit Bank AG (HypoVereinsbank)
- UniCredit SpA

17.5.2023



MARKET SIZE AND REFERENCE POINTS

Sopra Banking Software: “We estimate that there will be 4.9 billion SEPA Request-to-Pay transactions per annum in Europe in 2025”

www.soprabanking.com

BLUE OCEAN FOR R2P

EUROPEAN E-INVOICING MARKET

“The e-Invoicing market in Europe was valued at **US\$ 1,241.7 million in 2019** and is projected to reach **US\$ 4,217.6 million by 2027**; it is expected to grow at CAGR of 17.1% from 2020 to 2027. In Europe, the adoption of electronic and digital processes/solutions is quite high among businesses, and the e-Invoicing practices in this region are being driven by governments in various countries. The wide market fragmentation and high cross-border trade between European countries is driving the demand for efficient Invoicing solutions. Countries are also increasingly working to formulate a common e-Invoicing standard to boost the digital agenda of the European...”

European payments in 2021: Cards remain No. 1 for consumers,
www.paymentscardsandmobile.com

MARKET TO OVERCOME

ACCOUNT-TO-ACCOUNT PAYMENTS (DEBIT CARD AND OPEN BANKING PAYMENTS)

“Debit card payments were up 11.80 percent across Europe to **76.11 billion**, with spending on debit cards growing at a compound rate of 13.17 percent over the last five years – more than twice the rate at which debit cards have been issued – demonstrating the popularity of the debit function.”

Europe E-Invoicing Market Forecast to 2027 – COVID-19 Impact and Regional Analysis By Type; End-User

Europe Open Banking Market and Trends 2023: Open Banking Shows Gradual Increase Throughout Europe, with a High Share of UK's Population Estimated to Make Use of Open Banking Services by 2023 - ResearchAndMarkets.com

March 03, 2023 05:50 AM Eastern Standard Time

DUBLIN--(BUSINESS WIRE)--The "Europe Open Banking Market and Trends 2023" report has been added to **ResearchAndMarkets.com's** offering.

["Europe Open Banking Market and Trends 2023"](#)

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Within Europe, UK and Germany are the frontrunners in the open banking market

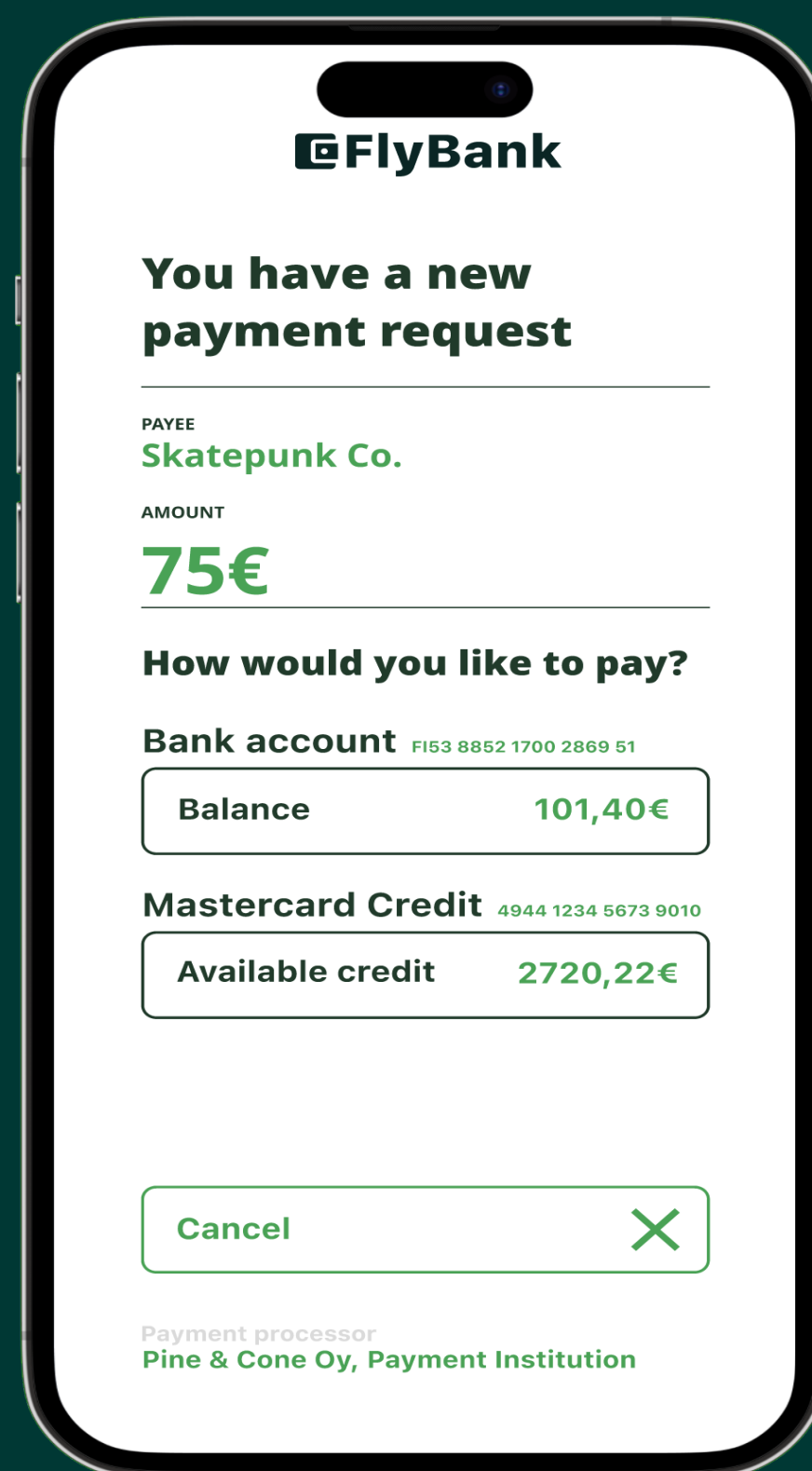
The shift of consumers and businesses globally towards digital and virtual means of payment has prompted regulators worldwide to implement the concept of open banking. With open banking gaining in popularity globally, Europe is no exception to this trend. Thus, within Europe, the UK, followed by Germany and Sweden are the most advanced markets when it comes to the open banking ecosystem development. Open banking in the UK was established in 2017 and has been growing since, with a high percentage of the country's population forecasted to use open banking by September 2023, according to this report.



WIN(customer) – WIN(merchant) – WIN(bank)

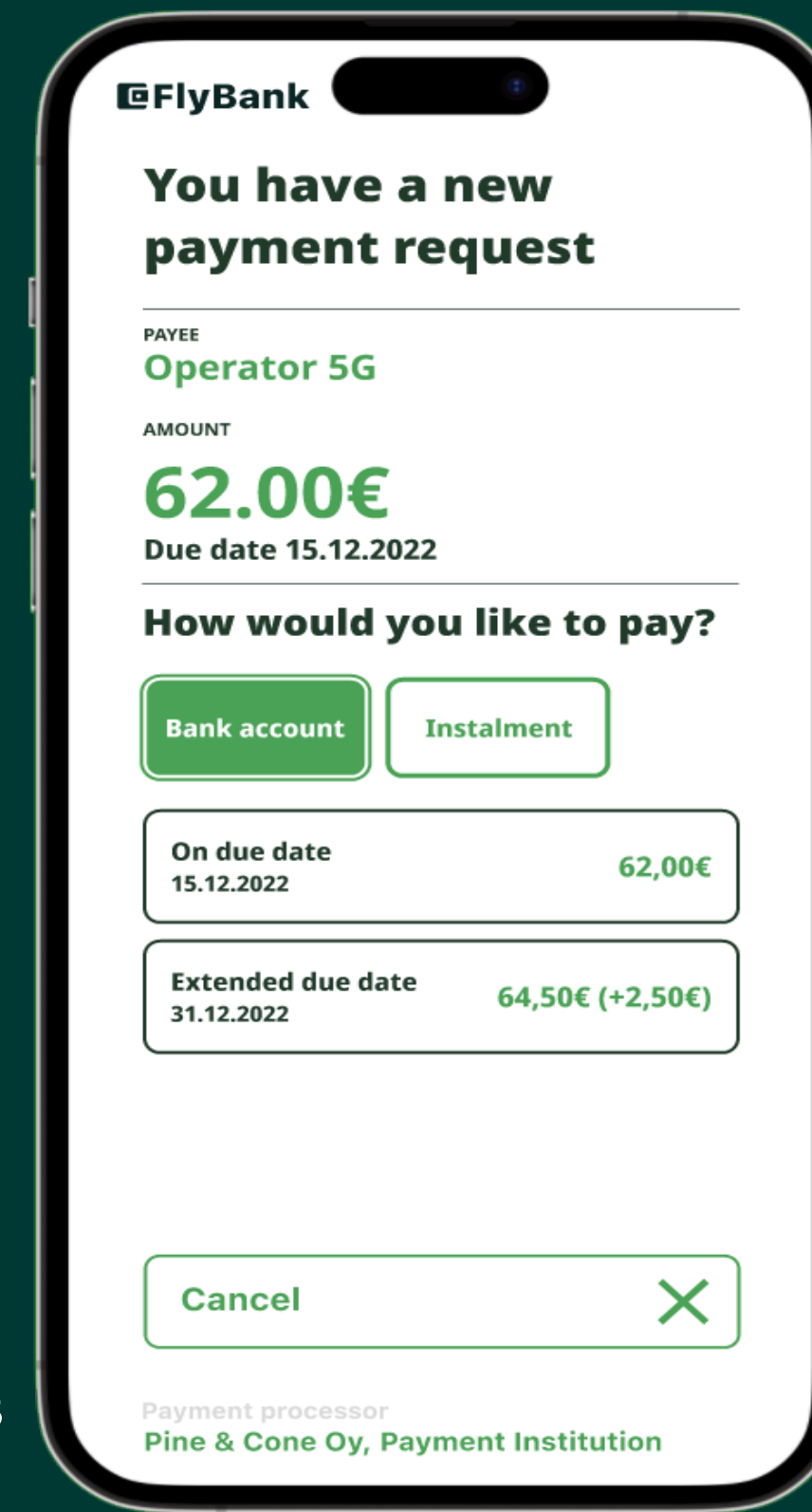
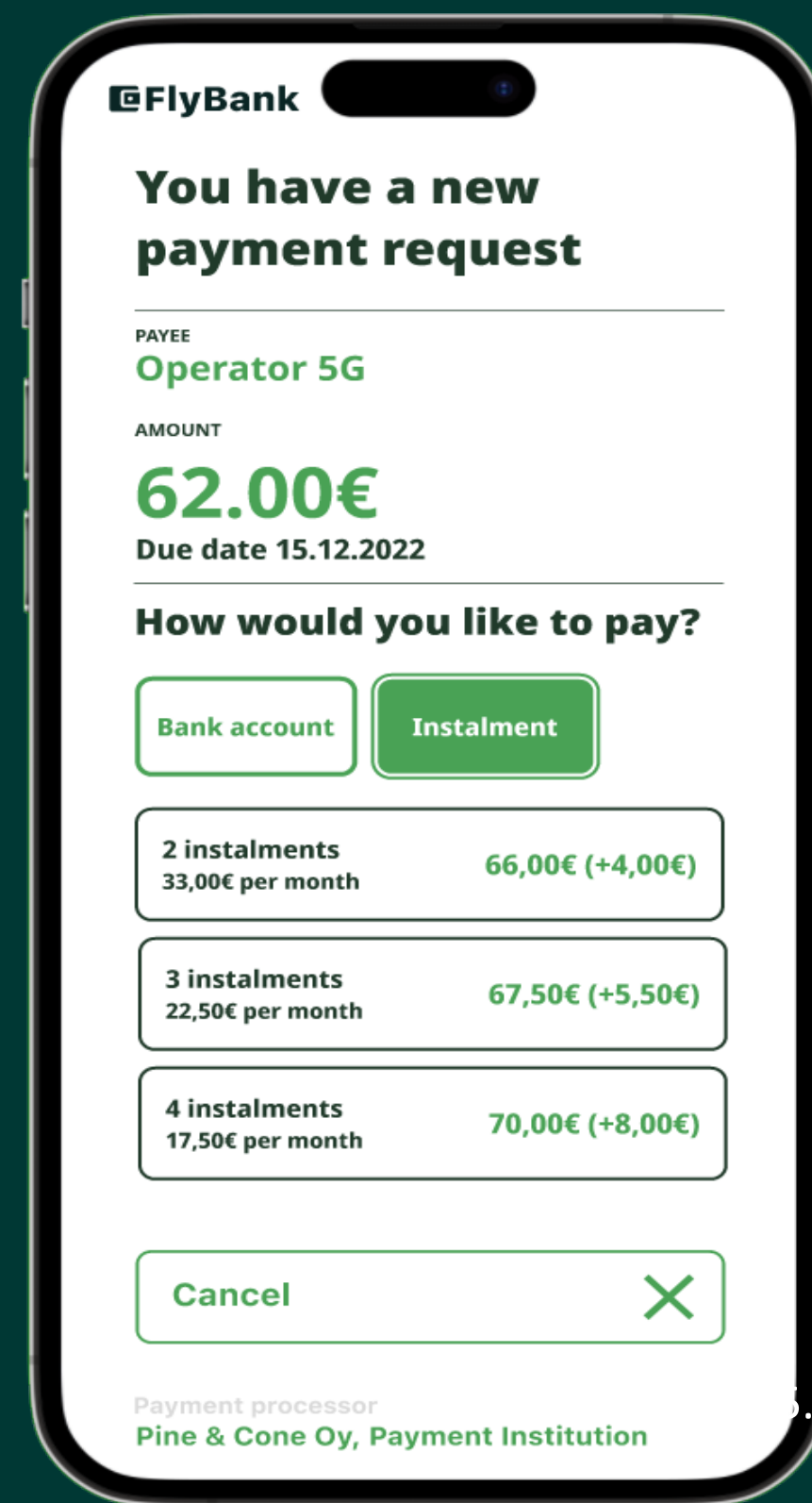
R2P PAYMENT

Bank may offer different payment methods to it's customers in addition to bank transfer; credit card, consumer lending, cryptos...



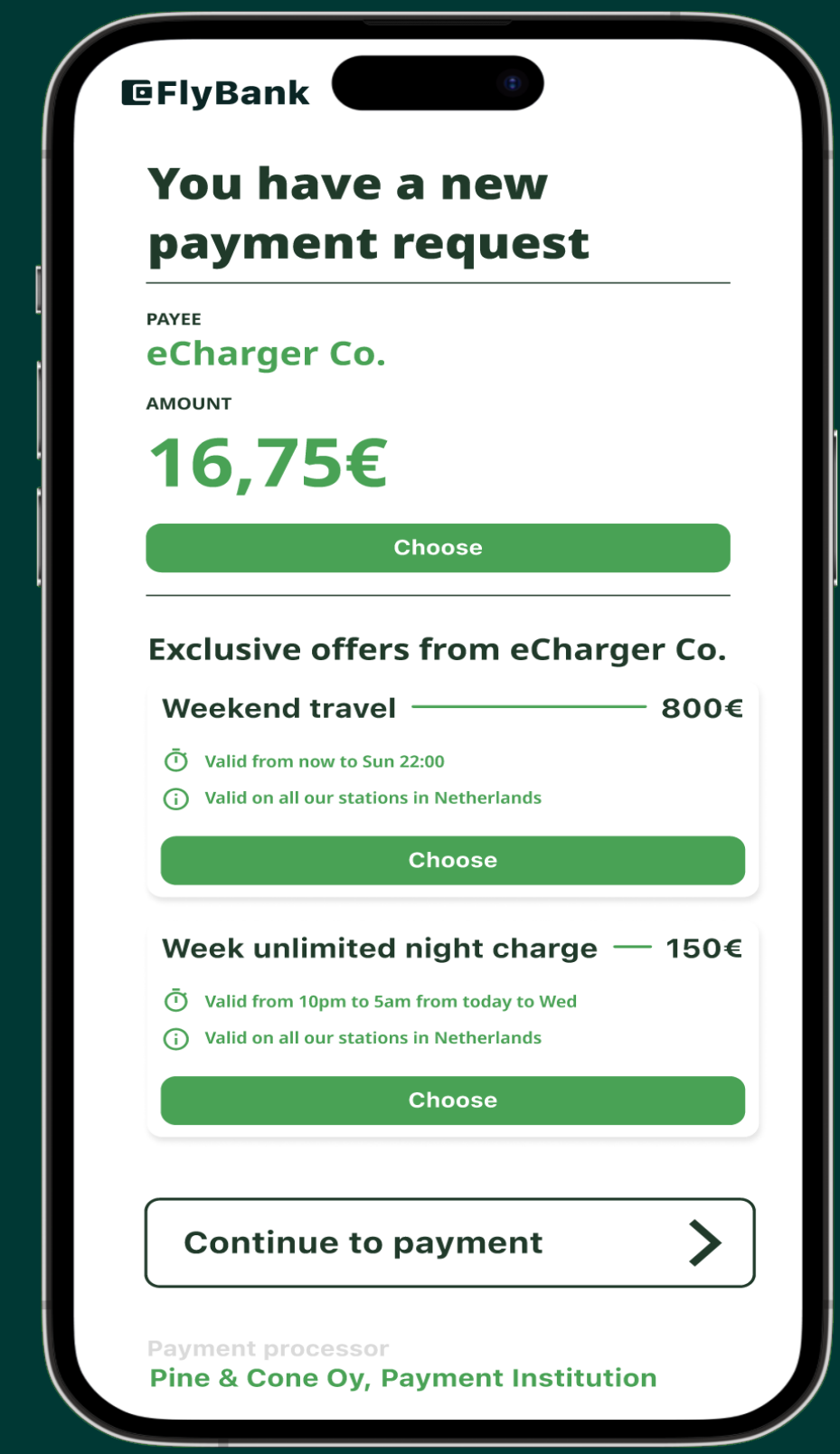
R2P INVOICE

Pay on due date.
Pay later.
Pay in parts.

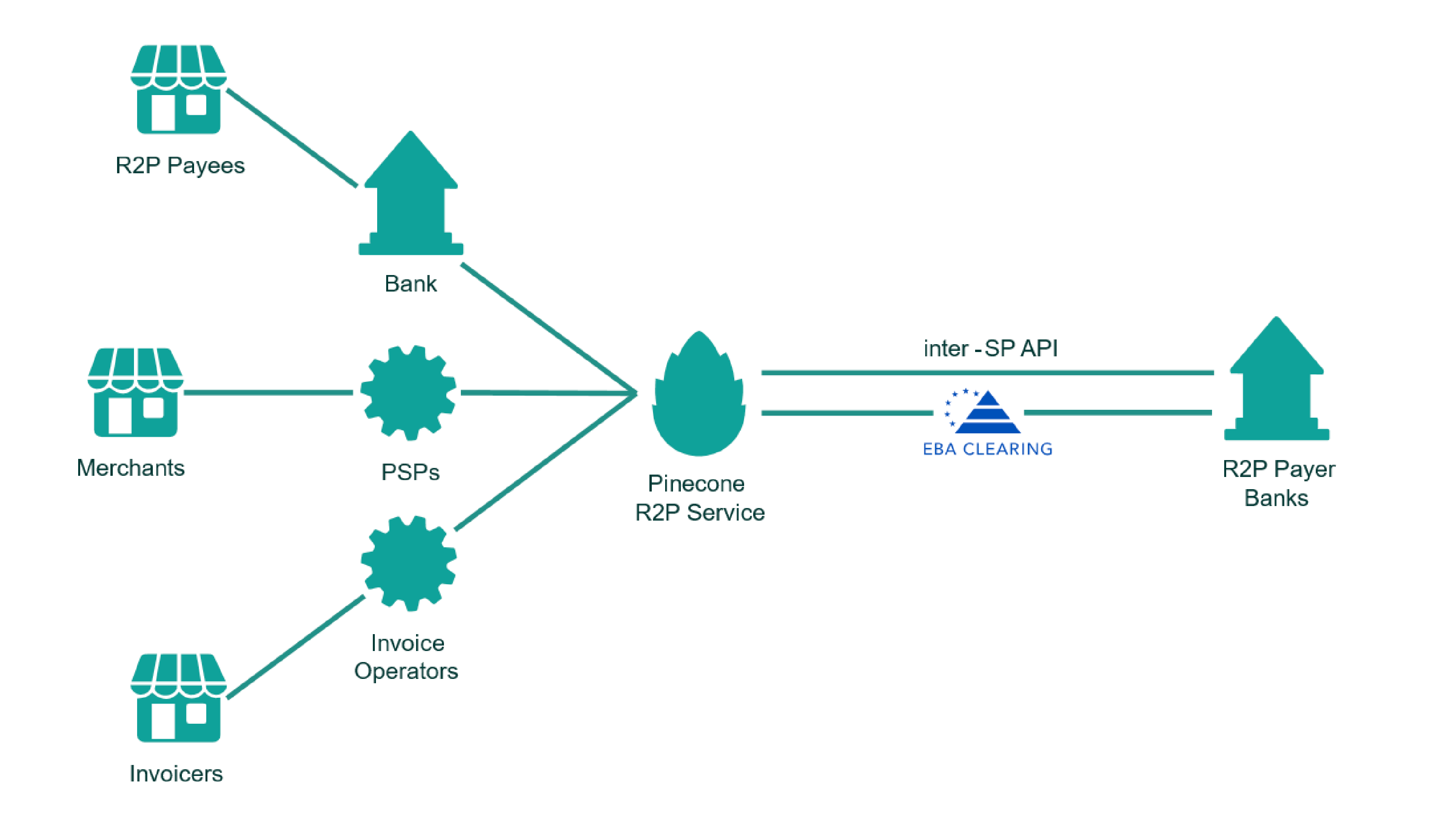


R2P SALES CHANNEL

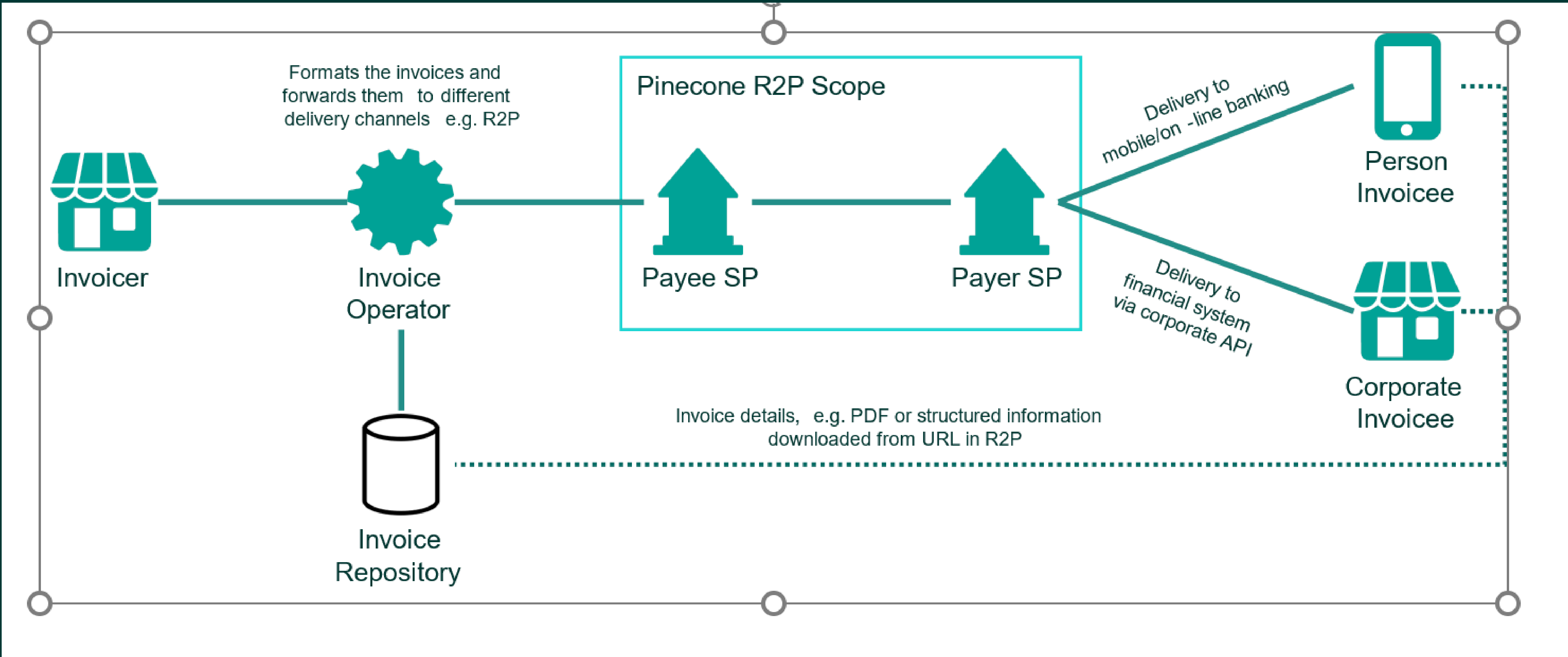
Offer merchants dynamic upsell space integrated into R2P message.



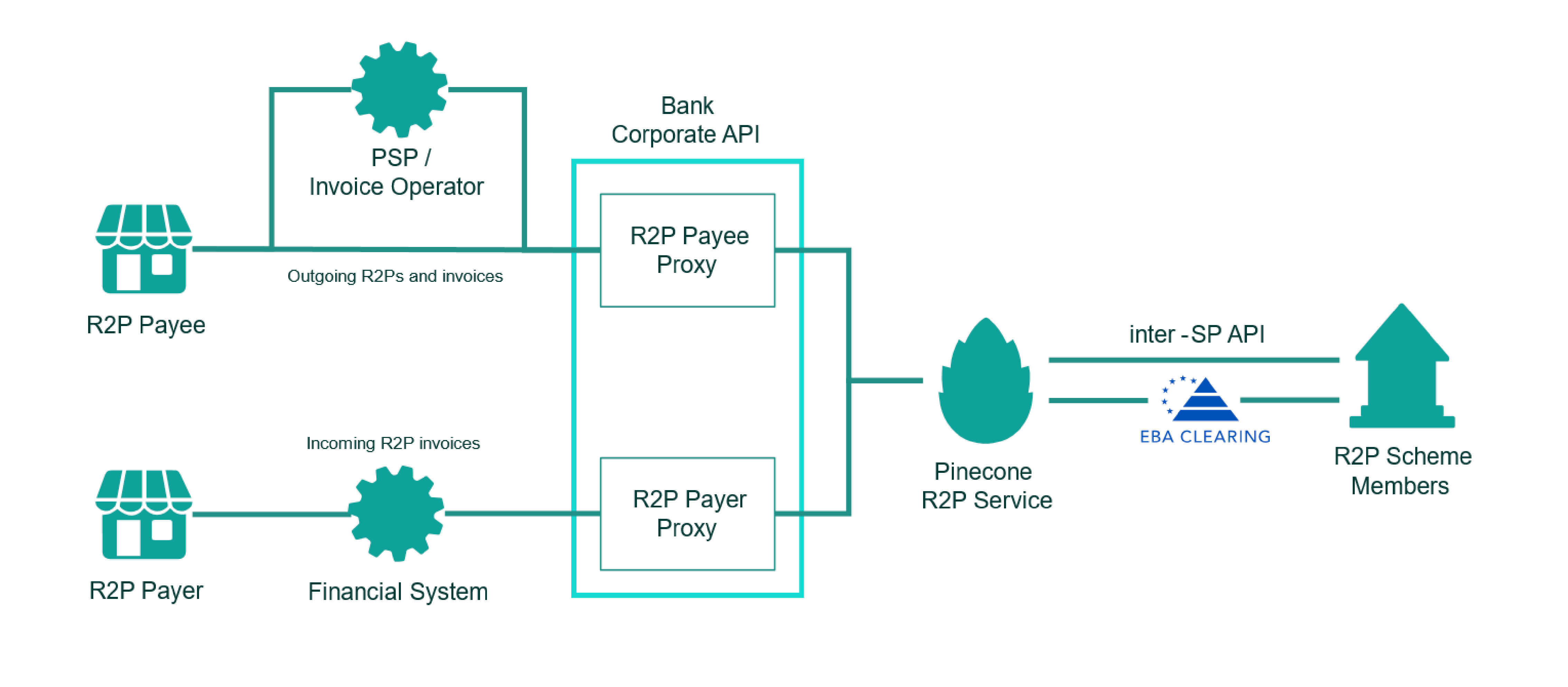
R2P SENDING



R2P INVOICE ECOSYSTEM

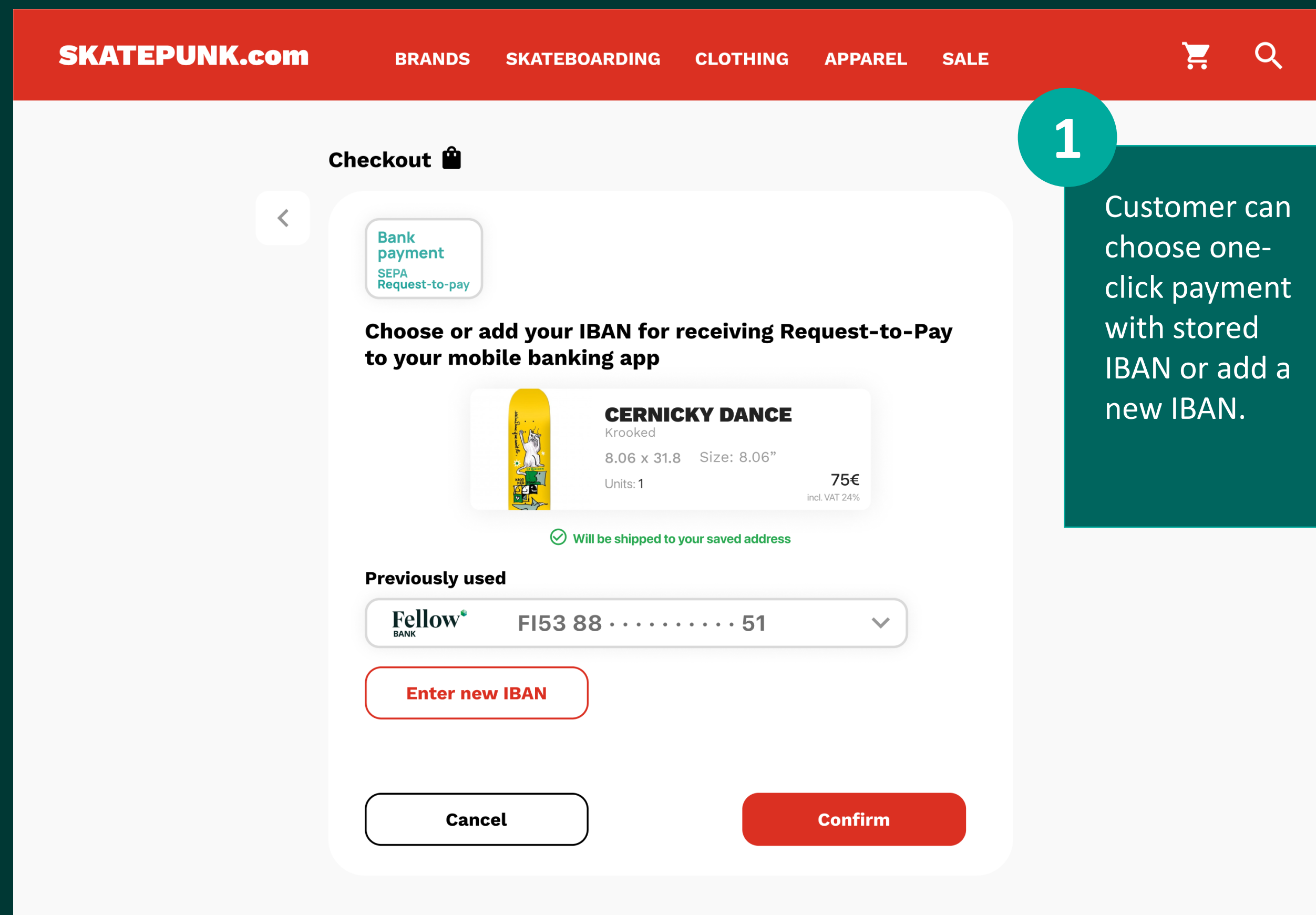


BANK CORPORATE API SUPPORT FOR R2P

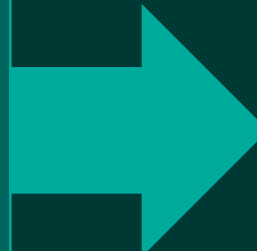


TWO SIMPLE STEPS

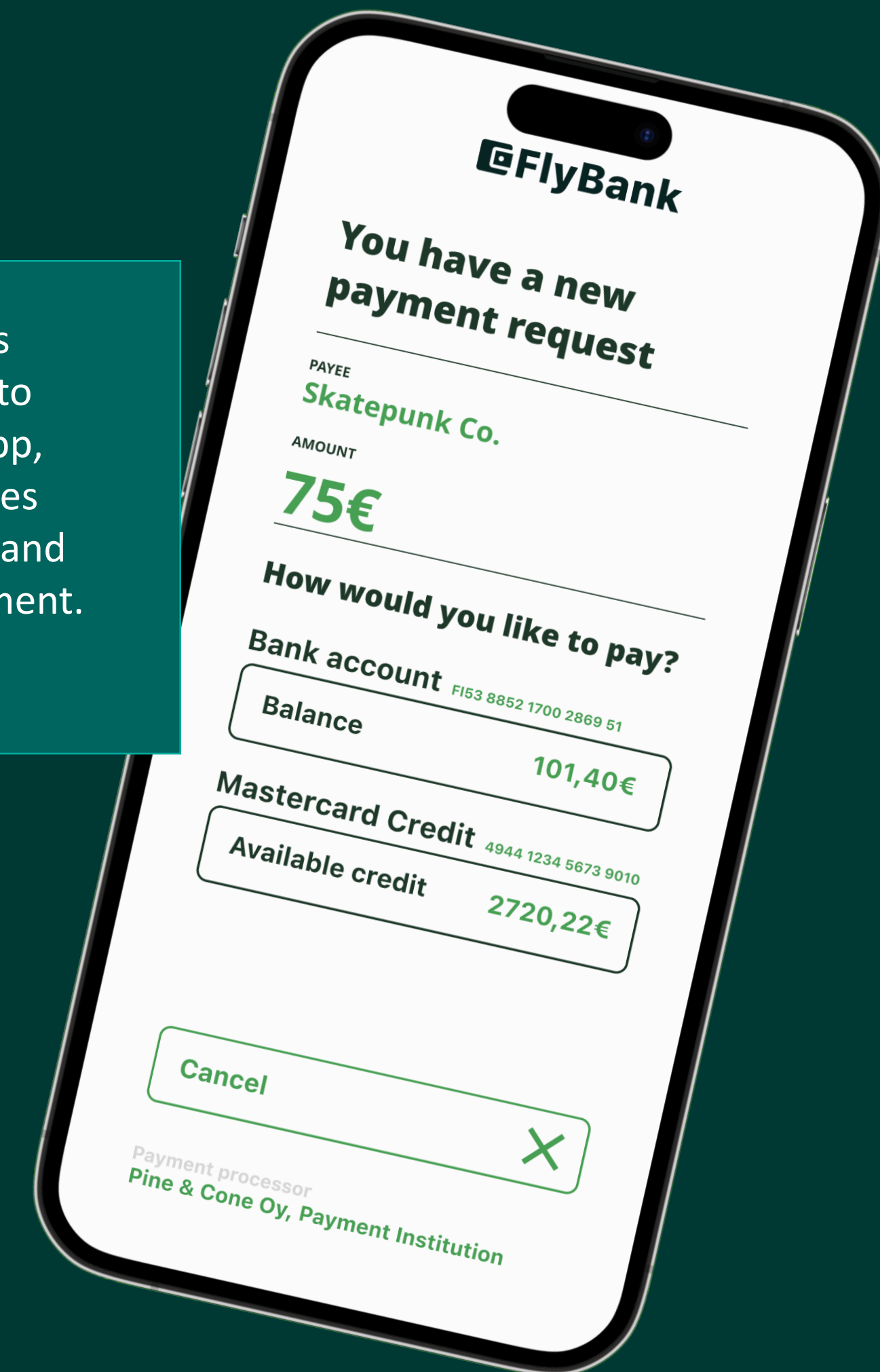
Request-to-Pay payment process on webstore



1 Customer can choose one-click payment with stored IBAN or add a new IBAN.



2 Customer receives payment request to mobile banking app, validates it, chooses payment method and confirms the payment.





Thanks.

**Let's make this
happen together.**

