



flow briefing



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The new SEPA Rulebook and what it means for you

The new SEPA Rulebook by the European Payment Council comes into effect in March 2024, bringing with it a new era of ISO 20022 messages.

On 17 March 2024, a new version of the SEPA Rulebook published by the European Payment Council (EPC) will go into effect, allowing for future services and introducing a couple of changes, which will be further outlined below. Please note that some of the changes may have an impact on your SEPA transaction processing, even if you do not plan to actively use any of the new options.

The main part of this year’s Rulebook changes is the adoption of the ISO 20022 XML format Version 2019 for the SEPA Credit Transfer (SCT) and SEPA Direct Debit (SDD Core and B2B). The Rulebook update comes with new optional fields to allow for structured information, additional XML tags, as well as some updated format rules.

While an upgrade from the currently used XML versions to the ISO version 2019 is not necessary if you do not want

to make use of the newly introduced XML tags, you might still find that some of these new elements or values will lead to changes in the current account information messages (MT940x/camt.05x).

In the interbank space, the new ISO 20022 version 2019 will be mandatory for the settlement of transactions. However, for you it will be optional to use version 2019.

Supported ISO Versions

Deutsche Bank will continue to accept the currently supported 2009 version of the ISO 20022 XML format (ISO version 2009), which includes pain.001.001.03 and pain.008 as well as the 2006 version.

However, by the end of 2025, Deutsche Bank will discontinue ISO version 2006, which includes pain.001.001.02 and DK versions pain.001.002.02, pain.008.002.01, pain.001.002.03, pain.008.002.02, pain.001.003.03, pain.008.003.02.



Figure 1: ISO XML version supported by Deutsche Bank AG

From November 2026 fully unstructured address information will be discontinued. Therefore, we recommend that you start taking time to clean up the address details of your clients and ideally consider an upgrade to ISO version 2019.

With this in mind, we would like to bring the following points to your attention:

Changes at a glance

1) Structured address

ISO version 2019 offers (as per the EPC Rulebook change) the option to use structured information for any postal addresses. This means there is a dedicated sub element for each part of a postal address (e.g., street name, building number, postal code etc.) instead of using the unstructured address line element in place

today. However, the unstructured address lines are still supported until November 2026.

From November 2026 onwards, unstructured address details are no longer permitted. You can either provide address details as part of the structured information or make use of a hybrid address option by providing structured fields with minimum TownName, Country and PostCode if available, plus maximum two address lines of 70 characters each for additional address information.

Impact on clients using account information MT or camt messages:

For incoming SEPA transactions, it is planned to discontinue the reporting of postal address information from Q1 2024 onwards.

| Preferred | New |
|---|--|
| Fully structured | Hybrid <i>in scope of Payments Market Practice Group (PMPG) change request</i> |
| <ul style="list-style-type: none"> All available address data is mapped into one of the 14 ISO 20022 fields No co-mingling of data No combination with "AdrLine" allowed | <ul style="list-style-type: none"> Combination of structured ISO 20022 address elements and up to 2 lines of 70 characters of unstructured "AdrLine" allowed Elements available in structured format must be mapped into the respective structured element (minimum: TownName & Country) Structured elements must not be repeated in the AdrLine element(s) |
| <pre> <Cdtr> <Nm>JOHN SMITH</Nm> <PstlAdr> <StrtNm>HOOGSTRAAT</StrtNm> <BldgNb>6</BldgNb> <Flr>18</Flr> <PstlCd>1000</PstlCd> <TwnNm>BRUSSELS</TwnNm> <Ctry>BE</Ctry> </PstlAdr> </Cdtr> </pre> | <div> <div> <pre> <Cdtr> <Nm>JOHN SMITH</Nm> <PstlAdr> <PstlCd>1000</PstlCd> <TwnNm>BRUSSELS</TwnNm> <Ctry>BE</Ctry> <AdrLine>HOOGSTRAAT 6, 18th floor</AdrLine> </PstlAdr> </Cdtr> </pre> </div> <div> <p>Network validation rules</p> <p>Textual rule</p> </div> </div> |

Figure 2: Fully structured and hybrid address formats (Source: Swift Payments Market Practice Group document centre | Swift)

2) Legal Entity Identifier

A new optional sub element to carry the Legal Entity Identifier (LEI) is introduced.

Impact on clients using existing account information camt V02:

If LEI is provided, it will be reported in the camt V02 messages (element OrgId/Other/Id along with code "LEI" under OrgId/Othr/SchmeNm/Prtry).

MT940/942 is not impacted, as it does not support LEI information.

3) Alias/Proxy

For potential future use cases, a new field is available to hold an Alias/Proxy (e.g., e-mail address or mobile number) to derive the IBAN by the order party bank. This service can only be offered in conjunction with an interbank database maintaining this information. This is currently not offered in the entire SEPA region. Therefore, as of March 2024, we expect the usage of this element to be very limited.

Impact on clients using account information camt V02 or V08:

There will be no impact, as Deutsche Bank will not report proxy information for the time being, if provided.

4) BIC 4 format

The format rules for Bank Identifier Codes (BIC) will change. With ISO version 2019, the BIC may include numeric values at the first four digits of the BIC (also called "BIC4"), which is not supported in the ISO 2009 version messages.

Impact on clients using existing account information camt V02:

If a "BIC4" is provided, it will be reported in the camt V02 under OrgId/Other/Id along with code "BIC4" under OrgId/Othr/SchmeNm/Prtry. These

elements are used because in V02 the "BIC4" format pattern is not supported.

In the MT940/942, the "BIC4" format can be reported in the existing BIC fields. "BIC4" reporting in camt V02 for related parties, related agents, charges, return information:

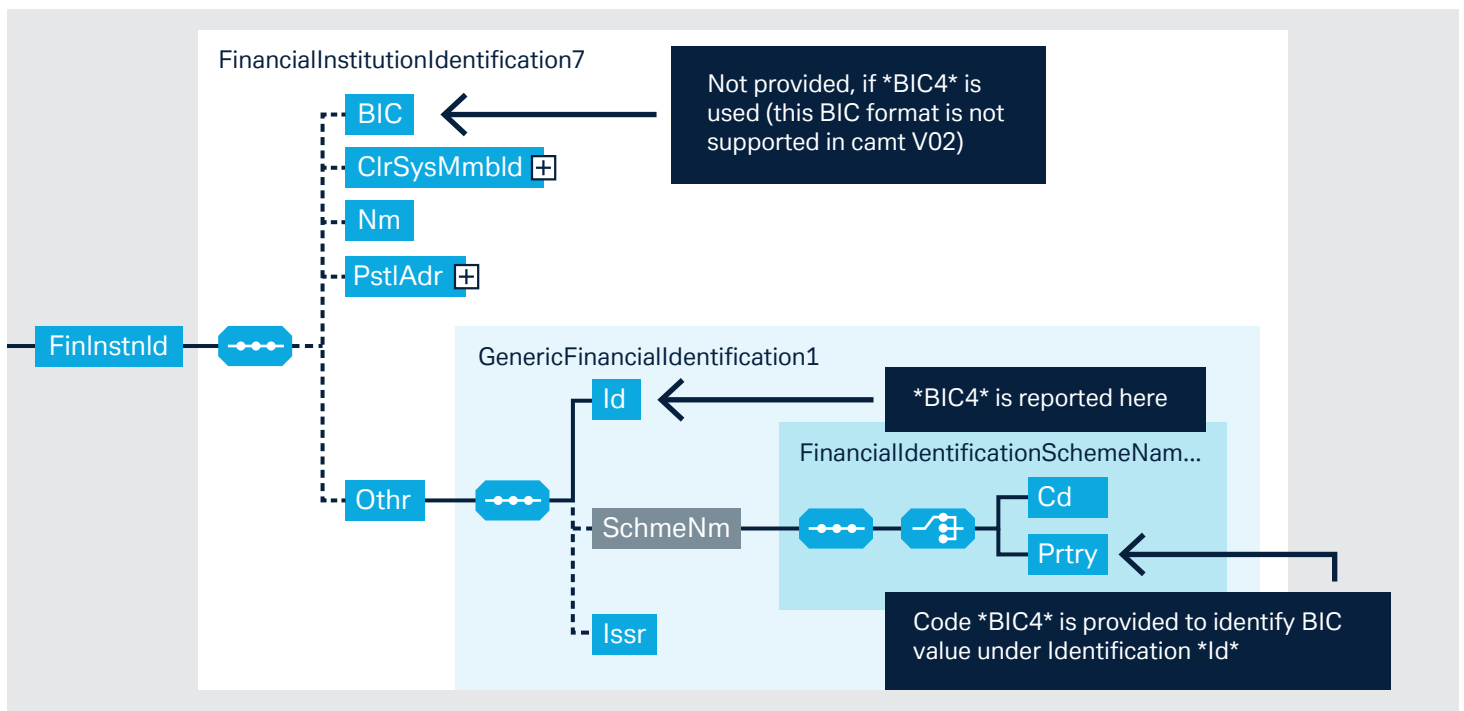


Figure 3: BIC4 in camt v02 (Source: Deutsche Bank)

Prepare for (some) impact

With the release of the SEPA Rulebook Changes in March 2024 it is our main goal to ensure a smooth introduction of the XML ISO version 2019 for our clients. However, some of the new services and changes may be used already and affect you indirectly, if received from Clearing.

We highly recommend that you review the changes internally to address any possible impact on your side.

With the introduction of the structured address, we highly recommend to use this change to update the currently used XML format to the latest version. For further details please visit EPC for Implementation Guides.^{1 2}

¹www.europeanpaymentscouncil.eu/what-we-do/epc-payment-schemes/sepa-credit-transfer/sepa-credit-transfer-rulebook-and

²www.europeanpaymentscouncil.eu/what-we-do/sepa-direct-debit