

**Regulation**

**Year 2013 / Number 05**

**ENTRY INTO  
THE SINGLE EURO PAYMENTS AREA (SEPA)**

(Consolidated text as of 01/11/2015 - Update III)

## PART I INTRODUCTION

### Title I

#### Introduction and definitions

##### Article 1 - Legislative sources

1. The regulatory powers of the Central Bank on the management and organization of the payment system of the Republic of San Marino, find their legislative source in Law No. 96 of 29 June 2005, and in particular in articles 37 and 38.

2. This regulation is also one of the implementing provisions of Law No. 165 of 17 November 2005 referred to in article 39.

##### Article 2 - Preparation

1. The present Regulation, in accordance with the provisions of article 38, paragraph 5 of Law No. 165 of 17 November 2005 and the implementing Regulation n° 2006-02, has been the subject of consultation.

##### Article 3 - Definitions

1. For the purposes of this regulation, the following expressions are intended as having the following meanings:

1. **“Direct debit”**: a payment service for debiting a payer’s payment account, where a payment transaction is initiated by the payee on the basis of the payer’s, the payee’s or payer’s payment service provider’s consent;
2. **“Central Bank”**: Central Bank of the Republic of San Marino;
3. **“Payee”**: the subject or the subjects who hold a payment account and who are the intended recipients of funds which have been the subject of a payment transaction;
4. **“BIC”**: a business identifier code that unambiguously identifies a Payment Service Provider, the elements of which are specified by the ISO (International Organization for Standardization);
5. **“Payment order”**: a previously filled-in payment order sent by the payee to the payer and used by the latter to make a payment in cash at any bank, regardless of whether he owns a payment account, in order to credit the payment account of the payee;
6. **“Payment Order on Postal Current Account”**: a previously filled-in payment order – which may be filled in by the payee or by the payer – used by the payer to execute a payment which is credited onto the payment account held by the payee;
7. **“Credit Transfer”**: a payment service for crediting a payee’s payment account with a payment transaction or a series of payment transactions from a payer’s payment account by the Payment Service Provider which holds the payer’s payment account, based on an instruction given by the payer;

8. **“Fee”**: a surcharge applied by a payment service provider to the user directly or indirectly linked to a payment transaction;
9. **“Payment account”**: an account held at a payment service provider in the name of one or more payment service users which is used for the execution of payment transactions;
10. **“Framework Contract”**: a payment service contract which governs the future execution of single and recurring payment transactions and which may contain the obligations and conditions for setting up and managing a payment account;
11. **“Settlement Date”**: a date on which obligations with respect to the transfer of funds are discharged between the payer’s Payment Service Provider and the payee’s Payment Service Provider;
12. **“Sanctions Decree”**: Decree No. 76 of 30 May 2006 and subsequent amendments;
13. **“Funds”**: banknotes or coins, paper and electronic money;
14. **“IBAN”**: an international payment account number identifier, which unambiguously identifies an individual payment account in San Marino or in the EU, the elements of which are specified by the ISO;
15. **“Mandate”**: the expression of consent and authorization given by the payer to the payee and (directly or indirectly via the payee) to the payer’s Payment Service Provider to allow the payee to initiate a collection for debiting the payer’s specified payment account and to allow the payer’s Payment Service Provider to comply with such instructions;
16. **“MIF”**: a multilateral interchange fee which is subject to an arrangement between more than two Payment Service Providers;
17. **“Payment transaction”**: an act, initiated by the payer or by the payee, for transferring funds between payment accounts, where at least one of them is held in the Republic of San Marino, irrespective of any underlying obligation between the payer and the payee;
18. **“R-Transaction”**: a payment transaction which cannot be properly executed by a Payment Service Provider or which results in exception processing, inter alia, because of a lack of funds, revocation of a collection order, a wrong amount or a wrong date, a lack of mandate or wrong or closed account;
19. **“Sepa Country”**: a country which is a member State of the EU or otherwise adhering to the single euro payments area;
20. **“National payment”**: payment transaction processed electronically or by the payee or through him, when the payment service provider and the payee’s payment service provider are both registered in the Republic of San Marino;
21. **“Cross-border payment”**: payment transaction processed electronically and initiated by the payer or payee, or through him, when the payment service provider and the payee’s payment service provider are registered respectively in the Republic of San Marino and in a SEPA Country or vice-versa;
22. **“Payer”**: the subject (or the subjects) who holds a payment account and makes a payment order from that payment account or, where there is no payer’s payment account, the subject who makes a payment order;

23. **“Payment Service Provider” or “PSP”**: banks, payment institutions, electronic money institutions, Postal Institutions, the European Central Bank and other national central banks when not acting in their capacity as monetary authorities;
24. **“Electronic Bank Receipt”**: a collection order sent by the payee to his/her bank, via a special interbank procedure of the Electronic Data Transmission System, to the payer’s bank which forwards a notice to the payer;
25. **“Fixed-amount Direct Debit ”**: a direct debit transaction the amount of which is fixed and stated in the authorization given for debiting the account; together with the “Financial Direct Debit”, the cumulative market share of these instruments in San Marino is less than 10% of the total number of direct debit transactions;
26. **“Financial Direct Debit”**: a direct debit transaction connected with the management of financial instruments or with the execution of investment transactions; together with the “Fixed-amount Direct Debit”, the cumulative market share of these instruments in San Marino is less than 10% of the total number of direct debit transactions;
27. **“Money Remittance”**: a payment service where funds are delivered from a payer, without any payment accounts being created in the name of the payer or the payee, for the sole purpose of transferring a corresponding amount to a payee or to another payment service provider acting on behalf of the payee, and/or where such funds are collected on behalf of and made available to the payee;
28. **“Payment scheme”**: a single set of rules, practices, standards and/or implementation guidelines agreed between Payment Service Providers for the execution of payment transactions, which is separated from any infrastructure or payment system that supports its operations;
29. **“Public administration”**: the public subject as defined by law No. 188 of 5 December 2011 and subsequent amendments and additions;
30. **“National Payments System”**: all payment instruments, infrastructures, subjects and rules that are used to transfer money from one operator to another within the territory of the Republic of San Marino;
31. **“Retail Payment System”**: a payment system the main purpose of which is to process, clear or settle credit transfers or direct debits, which are generally bundled together for transmission and are primarily of small amount and low priority, and that is not a large-value payment system;
32. **“Large-value Payment System”**: a payment system the main purpose of which is to process, clear or settle single payment transactions of high priority and urgency, and primarily of large amount;
33. **“National Payments System”**: all payment instruments, infrastructures, subjects and rules that are used to transfer money from one operator to another within the territory of the Republic of San Marino;
34. **“Standard ISO 20022 XML”**: a standard for the development of electronic financial messages as defined by the ISO, encompassing the physical representation of the payment transactions in XML syntax, in accordance with business rules and implementation guidelines of Union- wide schemes for payment transactions falling within the scope of this Regulation;

35. **“Payment Service User” or “User”**: a person making use of a payment service in the capacity of either payer or payee, or both;

2. In the course of the text, the use of the above-listed definitions is shown with SMALL CAPS font.

3. For all non-defining terms please refer to the definitions and concepts contained in Law No. 165 of 17 November 2005, as amended

#### **Article 4 - Recipients of the Regulation**

1. This Regulation shall apply to PAYMENT SERVICE PROVIDERS and to USERS.

#### **Article 5 - Purpose and structure of the Regulation**

1. This regulation aims at harmonizing the NATIONAL PAYMENT SYSTEM with the rules introduced at a European level by Regulation (EC) no. 924/2009 of 16 September 2009, in order to ensure that the commissions applied to CROSS-BORDER PAYMENTS are the same as those applied to the corresponding NATIONAL PAYMENTS in euro, coherently with the Monetary Convention in force between the Republic of San Marino and the European Union for use of the euro as the national currency.

2. This Regulation shall, in particular, be designed to allow entry into the single euro payments area (so-called SEPA) through the adoption of implementing rules and of greater detail than the Community Regulations referred to in the previous paragraph, which were introduced by Regulation (EU) no. 260/2012 of 14 March 2012 and have common technical and commercial requirements for credit transfers and direct debits.

3. The current Regulation shall consist of 4 parts and no. 1 Annex, which forms an integral part. of the Regulation itself. The first Part is introductory and has defining contents; the second Part and the Annex deal with the aforementioned requirements of SEPA PAYMENT TRANSACTIONS the third Part describes the general principles of CROSS-BORDER PAYMENTS within SEPA COUNTRIES; the fourth Part is dedicated to transitory rules.

## **PART II**

### **TECHNICAL AND COMMERCIAL REQUIREMENTS FOR CREDIT TRANSFERS AND DIRECT DEBITS IN EURO**

#### **Title I**

#### **Subject matter**

#### **Article 6 - Object and subject matter**

1. The current Part shall apply to CREDIT TRANSFERS and DIRECT DEBITS in euro currency if:

a) both PSPs are located in the Republic of San Marino;

b) the only PSP involved in CREDIT TRANSFER or DIRECT DEBIT transactions is located in the Republic of San Marino;

c) a PSP is located in the Republic of San Marino and the other PSP is located in a SEPA COUNTRY.

2. CREDIT TRANSFERS initiated in cash, that is those CREDIT TRANSFERS in which the funds are given in cash by the PAYER to the used PSP, shall be considered as CREDIT TRANSFERS, as referred to in the previous paragraph.

3. Without prejudice to paragraphs 1 and 2, this Regulation shall not apply to:

a) PAYMENT TRANSACTIONS initiated

a.1) directly:

- through a PSP;

- within a PSP, including its agents and branches;

a.2) on behalf of another PSP;

b) PAYMENT TRANSACTIONS processed and settled through LARGE-VALUE PAYMENT SYSTEMS, excluding DIRECT DEBIT payment transactions which the PAYER has not explicitly requested to be routed via a LARGE-VALUE PAYMENT SYSTEMS;

c) PAYMENT TRANSACTIONS through a payment card or similar device, including cash withdrawals, unless the payment card or similar device is used only to generate the information required to directly make a CREDIT TRANSFER or DIRECT DEBIT to and from a PAYMENT ACCOUNT identified by IBAN;

d) PAYMENT TRANSACTIONS by means of any telecommunication, digital or IT device, if such PAYMENT TRANSACTIONS do not result in a CREDIT TRANSFER or DIRECT DEBIT to and from a PAYMENT ACCOUNT identified by IBAN;

e) PAYMENT TRANSACTIONS transferring electronic money, on the taking up, pursuant and prudential supervision of the business of electronic money institutions, unless such transactions result in a CREDIT TRANSFER or DIRECT DEBIT to and from a PAYMENT ACCOUNT identified by IBAN;

f) BANKING PAYMENT ORDER;

g) PAYMENT ORDER ON POSTAL CURRENT ACCOUNT;

h) a collection order based on a notice sent to the PAYER who can execute the payment at any PSP through a specific interbank procedure (MAV);

i) a collection order based on a notice sent to the PAYER to collect amounts entered in the tax rolls by government collection agencies via a specific interbank procedure (RAV);

l) ELECTRONIC BANK RECEIPT (Ri.Ba.);

m) MONEY REMITTANCE.

Without prejudice to paragraphs 1, 2 and 3, where PAYMENT SCHEMES are based on PAYMENT TRANSACTIONS through CREDIT TRANSFERS or DIRECT DEBITS but have additional optional features or services, this Regulation applies only to the underlying CREDIT TRANSFERS or DIRECT DEBITS.

1. **Article 7 - Application to currencies other than the euro** This Regulation shall apply also to CREDIT TRANSFERS and DIRECT DEBITS denominated in the national currency of the Member States which have notified their decision to extend the application of Regulation (EC) n. 924/2009.

2. Where a Member State has notified its decision to extend the application of Regulation n. 924/2009 (EC), CREDIT TRANSFER and DIRECT DEBITS denominated in the national currency of that state are considered as corresponding to a CREDIT TRANSFER or DIRECT DEBITS denominated in euro.

### **Article 8 - Accessibility**

1. For the purposes of this Regulation:

a) a PAYEE's PSP which is reached for a national CREDIT TRANSFER under a PAYMENT SCHEME shall also be reachable, in accordance with the rules of a Union-wide PAYMENT SCHEME, for CREDIT TRANSFERS initiated by a PAYER through a PSP located in any SEPA COUNTRY;

b) a PAYER's PSP which is reachable for a national DIRECT DEBIT under a PAYMENT SCHEME shall also be reachable, in accordance with the rules of a Union-wide PAYMENT SCHEME, for DIRECT DEBITS initiated by a PAYEE through a PSP located in any SEPA COUNTRY.

2. Without prejudice to the derogations of article 7 paragraph 1 and article 11 paragraphs 3 and 4, national CREDIT TRANSFER and DIRECT DEBIT operations must be applied by the PSP the same PAYMENT SCHEMES applied to cross-border CREDIT TRANSFER and DIRECT DEBIT operations, if performed within a SEPA COUNTRY.

### **Article 9 - Adjustments**

1. Without prejudice to the communication duties towards its customers, to be carried out at least by 15 January 2014, PSPs, by 31 January 2014, shall apply to customers all changes, where necessary, in line with the provisions laid down in this Regulation, referring to the terms of the contract concerning the execution of CREDIT TRANSFERS and DIRECT DEBITS.

2. The PAYEE of a national DIRECT DEBIT service must inform the PAYER in advance of the intention to use, with effect from 1 February 2014, the DIRECT DEBIT in accordance with the provisions of this regulation with a notice of at least 30 days from the date of activation of the service and, in any event, no later than 15 January 2014.

3. PSPs, which store national DIRECT DEBIT MANDATES, shall provide DIRECT DEBIT PAYEES with mandate-related information so as to enable them to correctly execute DIRECT DEBIT transactions in compliance with the current Regulation.

### **Article 10 – Requirements for CREDIT TRANSFER and DIRECT DEBIT transactions**

1. PSPs that carry out CREDIT TRANSFER and DIRECT DEBIT transactions shall:

- a) use the PAYMENT ACCOUNT identifier specified in point 1 (a) of the Annex for the identification of PAYMENT ACCOUNTS regardless of the location of the relevant PSP
- b) use the message formats specified in point 1 (b) of the Annex, when transmitting PAYMENT TRANSACTIONS to another PSP or via a RETAIL PAYMENT SYSTEM;
- c) ensure that USERS use the PAYMENT ACCOUNT identifier specified in point 1 (a) of the Annex for the identification of PAYMENT ACCOUNTS, and that the other PSPs of the USERS are located in the Republic of San Marino or in another SEPA COUNTRY;
- d) ensure, without prejudice to article 7 paragraph 2, that the message formats specified in point 1 (b) of the Annex (ISO 20022 XML STANDARD) are used, if the USER places or receives individual CREDIT TRANSFERS or DIRECT DEBITS, that are transmitted bundled together and not individually.

2. Without prejudice to paragraph 1 point b), PSPs shall, upon specific request of a USER, use the message formats specified in point 1 (b) of the Annex.

3. PSPs shall also make CREDIT TRANSFERS in such way that:

- a) their PAYER provides the data elements specified in point 2 (a) of the Annex;
- b) the PAYEE's PSP is provided with the data elements specified in point 2 (b) of the Annex to the PAYEE's PSP;
- c) their PAYEE is provided or made available the data elements specified in point 2 (d) of the Annex.

4. PSPs shall carry out DIRECT DEBITS in such way that:

- a) the PAYEE's PSP ensures that the PAYEE provides the data elements specified in point 3 (a) of the Annex with the first DIRECT DEBIT and the one-off DIRECT DEBIT, as well as with any subsequent PAYMENT TRANSACTION;
- b) the PAYER gives consent both to the PAYEE and to the PAYER's PSP (directly or indirectly via the PAYEE), so that the MANDATES, together with later modifications or cancellations, are stored by the PAYEE or by a third party on behalf of the PAYEE and that the PAYEE is informed of this obligation by the PSP;
- c) the PAYEE's PSP provides the PAYER's PSP with the data elements specified in point 3 (b) of the Annex;
- d) the PAYER's PSP provides or makes available to the PAYER the data elements specified in point 3 (c) of the Annex;
- e) the PAYER has the right to instruct his/her PSP:
  - to limit a DIRECT DEBIT collection to a certain amount or periodicity or both;
  - where a MANDATE under a PAYMENT SCHEME does not provide for the right to a refund, to verify each DIRECT DEBIT transaction, and to check whether the amount and periodicity of the submitted DIRECT DEBIT transaction is equal to the amount and periodicity agreed to in the MANDATE, before debiting the PAYMENT ACCOUNT, based on the MANDATE-related information,
  - to block any DIRECT DEBIT to the PAYER's PAYMENT ACCOUNT or to block any DIRECT DEBIT initiated by one or more specified PAYEES or to authorize DIRECT DEBITS only initiated by one or more specified PAYEES;

The PAYER's PSP shall inform the PAYER of the rights referred to in point (e).

6. Upon the first DIRECT DEBIT transaction or a one-off DIRECT DEBIT transaction and upon each subsequent DIRECT DEBIT transaction, the PAYEE shall send the MANDATE-related information to his or her PSP and the PAYEE's PSP shall transmit the MANDATE-related information to the PAYER's PSP with each DIRECT DEBIT transaction.

7. In addition to the requirements referred to in paragraphs 1, 2 and 3, the PAYEE accepting the CREDIT TRANSFER shall communicate its PAYMENT ACCOUNT identifier specified in point 1 (a) of the Annex and, until 1 February 2016 for PAYMENT TRANSACTIONS, but only where necessary, its PSP's BIC to its PAYERS.

8. Before the first DIRECT DEBIT transaction, a PAYER shall communicate its PAYMENT ACCOUNT identifier specified in point 1 (a) of the Annex. The BIC of a PAYER's PSP shall be communicated until 1 February 2014 for national PAYMENT TRANSACTIONS and until 1 February 2016 for cross-border PAYMENT TRANSACTIONS by the PAYER, but only where necessary.

9. Where the FRAMEWORK CONTRACT between the PAYER and the PAYER's PSP does not provide for the right to a refund, the PAYER's PSP shall, without prejudice to paragraph 4 (b), verify each DIRECT DEBIT transaction to check whether the amount of the submitted DIRECT DEBIT transaction is equal to the amount and periodicity agreed to in the MANDATE before debiting the PAYER's PAYMENT ACCOUNT, based on the MANDATE-related information.

10. After 1 February 2014 for national PAYMENT TRANSACTIONS and after 1 February 2016 for cross-border PAYMENT TRANSACTIONS, PSPs shall not require the USER to indicate the BIC of the PAYER'S or of the PAYEE'S PSP.

11. The PAYER's PSP and the PAYEE's PSP shall not levy additional charges or other fees on the read-out process that automatically generates a MANDATE for those PAYMENT TRANSACTIONS initiated directly or indirectly through or by means of a payment card at the point of sale, which result in DIRECT DEBITS.

#### **Article 11 - End-dates**

1. Without prejudice to article 6 paragraph 3 and article 7, by 1 February 2014, the CREDIT TRANSFERS shall be performed in accordance with the technical requirements laid down in article 10, paragraphs 1, 2, 3 and 7, and in points 1 and 2 of the Annex.

2. Without prejudice to article 6 paragraph 3 and article 7, by 1 February 2014, DIRECT DEBITS shall be carried out in accordance with article 13 and with the requirements laid down in article 10, paragraphs 1, 4, 5, 6, 8, 9 and 11 and in points 1 and 3 of the Annex.

3. Without prejudice to the previous paragraph 1, no later than 1 February 2016, national CREDIT TRANSFERS shall be performed in accordance with the technical requirements laid down in article 10, paragraphs 1, 2, 3 and 7, and in points 1 and 2 of the Annex.

4. Without prejudice to the previous paragraph 2, no later than 1 February 2016, DIRECT DEBITS in favour of the PUBLIC ADMINISTRATION shall be carried out in accordance with article 13 and with the requirements laid down in article 10, paragraphs 1, 4, 5, 6, 8, 9 and 11 and in points 1 and 3 of the Annex.

#### **Article 12 - Validity of mandates and right to a refund**

1. The MANDATES related to DIRECT DEBITS, concluded before 1 February 2014, containing a valid authorization issued to the PAYEE for the collection of such DIRECT DEBITS, shall remain valid also after the mentioned date of 1 February 2014.

2. The MANDATE referred to in the previous paragraph shall be regarded as the consent given to the PSP of the PAYER to make periodical DIRECT DEBITS collected by the PAYEE in accordance with this Regulation.

3. The MANDATES referred to in this article provide for unconditional refunds and refunds applied retroactively to the date of the refunded payment, if those refunds were provided for under the existing MANDATE.

#### **Article 13 - Interchange fees for direct debit transactions**

1. Coherently with the general principles referred to in the following Article 16, without prejudice to the following paragraph 2, no MIF per DIRECT DEBIT transaction or other agreed remuneration with an equivalent object or effect shall apply to DIRECT DEBIT transactions.

2. For R-TRANSACTIONS a MIF may be applied, provided that all the following conditions are complied with:

a) the arrangement aims at efficiently allocating costs to the PSP which, or the USER of which, has caused the R-TRANSACTION, as appropriate, while taking into account the existence of transaction costs and ensures that the PAYER is not automatically charged and the PSP is prohibited from charging USERS in respect of a given type of R-TRANSACTION fees that exceed the cost borne by the PSP for such transactions;

b) the fees are strictly cost based;

c) the level of the fees does not exceed the actual costs of handling an R-TRANSACTION by the most cost-efficient comparable PSP that is a representative party to the arrangement in terms of volume of transactions and nature of services;

d) the application of the fees in accordance with points a), b) and c) prevents the PSP from charging additional fees relating to the costs covered by those interchange fees to their respective USERS;

e) there is no practical and economically viable alternative to the arrangement which would lead to an equally or more efficient handling of R-TRANSACTIONS at an equal or lower cost.

3. For the purposes of the first paragraph, only cost categories directly and unequivocally relevant to the handling of the R-TRANSACTION shall be considered in the calculation of the R-TRANSACTION fees. Those costs shall be precisely determined. The breakdown of the amount of the costs, including separate identification of each of its components, shall be part of the arrangement to allow for easy verification and monitoring

4. Paragraphs 1, 2 and 3 shall apply mutatis mutandis to unilateral arrangements by a PSP and to bilateral arrangements between PSPs that have an object or effect equivalent to that of a multilateral arrangement.

#### **Article 14 - Payment accessibility**

1. A PAYER making a CREDIT TRANSFER to a PAYEE holding a PAYMENT ACCOUNT located within the Republic of San Marino or another SEPA COUNTRY shall not specify the State in which that PAYMENT ACCOUNT is located, provided that the PAYMENT ACCOUNT is reachable in accordance with Article 8 paragraph 1.

2. A PAYEE accepting a CREDIT TRANSFER or using a DIRECT DEBIT to collect funds from a PAYER holding a PAYMENT ACCOUNT located within the Republic of San Marino or another SEPA COUNTRY shall not specify the Member State in which that PAYMENT ACCOUNT is located, provided that the PAYMENT ACCOUNT is reachable in accordance with Article 8 paragraph 1.

### **PART III**

## **GENERAL RULES ON CROSS-BORDER PAYMENTS**

### **WITHIN SEPA COUNTRIES**

#### **Article 15 – Measures to facilitate the automation of payments**

1. The PSP shall, if applicable, inform the USER of his IBAN code and the BIC code of the PSP. Where due, the PSP it shall also indicate the IBAN of the USER and the BIC code of the PSP in statements or in an attachment to them.

2. The PSP provides information for the purposes of this article to the USER without any charge.

3. For any billing of goods and services in San Marino or in a SEPA COUNTRY, having regard to the nature of the PAYMENT TRANSACTION in question, the provider of goods and services that accepts payments regulated by this Regulation, shall notify its customers of its own IBAN code and the BIC code of its PSP.

#### **Article 16 - Fees for cross-border payments**

1. The Fee, without prejudice to those of currency conversion, enforced by a PSP to a USER for CROSS-BORDER PAYMENTS are equal to those applied by the same PSP to USERS for corresponding NATIONAL PAYMENTS of the same value and in the same currency.

2. The PSP, in considering for the purposes of the preceding paragraph the level of FEES for CROSS-BORDER PAYMENT, it must identify the corresponding NATIONAL PAYMENT, taking account of any guidelines issued by the CENTRAL BANK .

3. The PSP can apply additional FEES to those referred to in the preceding paragraph 1 to the USER if the latter requests that the PSP make a CROSS-BORDER PAYMENT without communicating the IBAN and where due, the BIC of the PAYMENT ACCOUNT in another SEPA COUNTRY. These FEES are appropriate and related to the costs and agreed between the PSP and the USER. The PSP shall inform the USER of the amount of the additional fees in good time before the USER that is bound by such an agreement.

#### **Article 17 – Scope**

1. The general rules provided for in this Part apply, in reciprocity arrangements with all SEPA COUNTRIES, only for CROSS-BORDER PAYMENTS in the form of a credit transfer or DIRECT DEBIT, within the limits, terms and conditions listed above, except for integration of these rules in order to ensure the continued alignment of the national payment system compared to the future introduction at European level of common technical and business requirements for additional forms of PAYMENT TRANSACTIONS.

### **PART IV** **FINAL AND TRANSITIONAL PROVISIONS**

#### **Article 18 - Questions**

1. The PSP may submit questions to the CENTRAL BANK to request clarification about the content of this Regulation.

2. The question should meet the following requirements:

- a) sender: PSP located in the Republic of San Marino or Sammarinese branch of foreign PSP;
- b) recipient: Payment system Department;
- c) form: letter or e-mail message, signed by the Chief of the Executive structure or by his/her deputy person (Deputy Managing Director) or, upon specific delegation, previously notified to the CENTRAL BANK, by a maximum of 3 employees delegated by each PSP.

#### **Article 19 - Sanctions**

1. Violations of the provisions of this Regulation are punished pursuant to the SANCTIONS DECREE.

#### **Article 20 - Entry into force**

- 1. This Regulation shall enter into force on 31 August 2013.

#### **Article 21 - Derogations**

1. Until 1 February 2016, the FINANCIAL DIRECT DEBIT and the FIXED-AMOUNT DIRECT DEBITS shall be

exempted from the application of articles 10 and 11 of the current Regulation.

2. Until 1 February 2016, the initiation or receipt of individual CREDIT TRANSFERS or DIRECT DEBITS that are bundled together for transmission shall be exempted from the requirement to use the message formats specified in point 1 (b) of the Annex (STANDARD ISO 20022 XML). The PSP fulfils the requirements of STANDARD ISO 20022 XML, if a USER of payment services requires this service.

## ANNEX 1

### TECHNICAL REQUIREMENTS

1) In addition to the essential requirements set out in Article 10, the following technical requirements shall apply to CREDIT TRANSFERS and DIRECT DEBIT transactions:

- a) the PAYMENT ACCOUNT identifier referred to in Article 10 paragraph 1 points a) and c) must be the IBAN.
- b) the standard message format referred to in Article 10 paragraph 1 points b) and d) must be the STANDARD ISO 20022 XML;
- c) the remittance data field must allow for 140 characters. PAYMENT SCHEMES may allow for a higher number of characters, except if the device used to remit information has technical limitations relating to the number of characters, in which case the technical limit of the device applies;
- d) remittance reference information and all the other data elements provided in accordance with points 2) and 3) of this Annex must be passed in full and without alteration between PSPs in the payment chain;
- e) once the required data are available in electronic form, PAYMENT TRANSACTIONS must allow for a fully automated, electronic processing in all process stages throughout the payment chain (USER-to-USER straight through processing), enabling the entire payment process to be conducted electronically without the need for re-keying or manual intervention. This must also apply to exceptional handling of CREDIT TRANSFERS and DIRECT DEBIT transactions, whenever possible;
- f) PAYMENT SCHEMES must set no minimum threshold for the amount of the PAYMENT TRANSACTIONS allowing for CREDIT TRANSFERS and DIRECT DEBITS but are not required to process PAYMENT TRANSACTIONS with zero amount;
- g) PAYMENT SCHEMES are not obliged to carry out CREDIT TRANSFERS and DIRECT DEBITS exceeding the amount of EUR 999 999 999,99.

2) In addition to the requirements referred to in point 1), the following requirements shall apply to CREDIT TRANSFER transactions:

- a) the data elements referred to in Article 10 paragraph 3 point a) are the following:
  - 1) the PAYER's name and/or the IBAN of the PAYER's PAYMENT ACCOUNT;

- 2) the amount of the CREDIT TRANSFER;
- 3) the IBAN of the PAYEE's PAYMENT ACCOUNT;
- 4) where available, the PAYEE's name;
- 5) any remittance information;

b) the data elements referred to in Article 10 paragraph 3 point b) are the following:

- 1) the PAYER's name;
- 2) the IBAN of the PAYER's PAYMENT ACCOUNT;
- 3) the amount of the CREDIT TRANSFER;
- 4) the IBAN of the PAYEE's PAYMENT ACCOUNT;
- 5) any remittance information;
- 6) any PAYEE identification code;
- 7) 7) the name of any PAYEE reference party;
- 8) any purpose of the CREDIT TRANSFER;
- 9) any category of the purpose of the CREDIT TRANSFER;

c) in addition, the following mandatory data elements are to be provided by the PAYER's PSP to the PAYEE's PSP:

- 1) the BIC of the PAYER's PSP (if not agreed otherwise by the PSP involved in the PAYMENT TRANSACTION);
- 2) the BIC of the PAYEE's PSP (if not agreed otherwise by the PSP involved in the PAYMENT TRANSACTION);
- 3) the identification code of the PAYMENT SCHEME;
- 4) the settlement date of the CREDIT TRANSFER;
- 5) the reference number of the CREDIT TRANSFER message of the PAYER's PSP;

d) the data elements referred to in Article 10 paragraph 3 point c) are the following:

- 1) the PAYER's name;
- 2) the amount of the CREDIT TRANSFER;
- 3) any remittance information.
- 3) In addition to the requirements referred to in point 1), the following requirements shall apply to DIRECT DEBIT transactions:

a) the data elements referred to in Article 10 paragraph 4 point a) are the following:

- 1) the type of DIRECT DEBIT (recurrent, one-off, first, last or reversal);
- 2) the PAYEE's name;
- 3) the IBAN of the PAYEE's PAYMENT ACCOUNT to be credited for the collection;
- 4) where available, the PAYER's name;
- 5) the IBAN of the PAYER's PAYMENT ACCOUNT to be debited for the collection;
- 6) the unique MANDATE reference;
- 7) where the PAYER's MANDATE is given after 31 March 2012, the date on which it was signed;
- 8) the amount of the collection;
- 9) where the MANDATE has been taken over by a PAYEE other than the PAYEE who issued the MANDATE,

the unique MANDATE reference as given by the original PAYEE who issued the MANDATE;

10) the PAYEE's identifier;

11) where the MANDATE has been taken over by a PAYEE other than the PAYEE who issued the MANDATE,

the identifier of the original PAYEE who issued the MANDATE;

12) any remittance information from the PAYEE to the PAYER;

13) any purpose of the collection;

14) any category of the purpose of the collection;

(b) the data elements referred to in Article 10 paragraph 4 c) are the following:

1) the BIC of the PAYEE's PSP (if not agreed otherwise by the PSPs involved in the PAYMENT TRANSACTION);

2) the BIC of the PAYER's PSP (if not agreed otherwise by the PSPs involved in the PAYMENT TRANSACTION);

3) the PAYER reference party's name (if present in dematerialized MANDATE);

4) the PAYER reference party's identification code (if present in dematerialized MANDATE);

5) the PAYEE reference party's name (if present in the dematerialized MANDATE);

6) the PAYEE reference party's identification code (if present in dematerialized MANDATE);

7) the identification code of the PAYMENT SCHEME;

8) the SETTLEMENT DATE of the collection;

9) the PAYEE's PSP reference for the collection;

10) the type of MANDATE;

11) the type of DIRECT DEBIT (recurrent, one-off, first, last or reversal);

12) the PAYEE's name;

13) the IBAN of the payee's payment account to be credited for the collection;

14) where available, the PAYER's name;

15) the IBAN of the PAYER's PAYMENT ACCOUNT to be debited for the collection;

16) the unique MANDATE reference;

17) the date of signing of the MANDATE if the MANDATE is given by the payer after 31 March 2012;

18) the amount of the collection;

19) the unique MANDATE reference as given by the original PAYEE who issued the MANDATE (if the MANDATE has been taken over by another PAYEE than the PAYEE who issued the MANDATE);

20) the PAYEE's identifier;

21) the identifier of the original PAYEE who issued the MANDATE (if the MANDATE has been taken over by a PAYEE other than the PAYEE who issued the MANDATE);

22) any remittance information from the PAYEE to the PAYER;

c) the data elements referred to in Article 10 paragraph 4 point d) are the following:

1) the unique MANDATE reference;

2) the PAYEE's identifier;

- 3) the PAYEE's name;
- 4) the amount of the collection;
- 5) any remittance information;
- 6) the identification code of the PAYMENT SCHEME