



Secure and simple instant payments

The path to a unified Confirmation of Payee solution

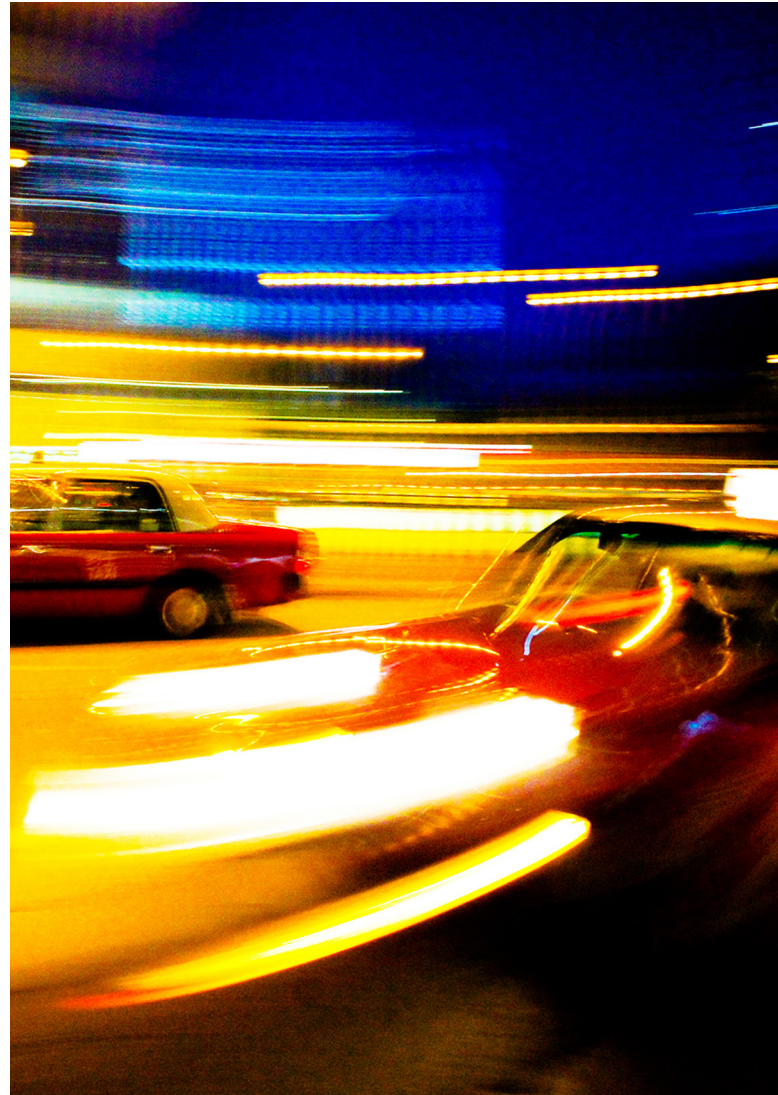
In brief

- Instant payments are becoming increasingly popular for consumers, banks, and scammers.
- Around the world, Confirmation of Payee solutions are popping up.
- Going forward, the world of finance will need a simpler, unified solution.

Instant payments are on the rise

Instant payments have gained an unstoppable momentum. According to [Capgemini's World Payments Report 2025](#), over 80 countries have implemented instant payment schemes, and by 2028 they're projected to represent [22% of the total non-cash transaction volume](#).

The ubiquity of mobile banking has fundamentally shifted consumer expectations, with people now demanding instant experiences across all facets of life – including financial transactions. For businesses too, instant payments offer clear advantages. These include enhanced cash flow, reduced delays, and a competitive edge in attracting and retaining customers. Financial institutions are also on board, recognizing that instant settlements improve efficiency, and align with



regulatory mandates aimed at modernizing the financial ecosystem. The convergence of technological innovation, consumer demand, and business benefits underscores that instant payments are more than just a trend – they're the inevitable next step.

...and so are instant payment scams

Unfortunately, the explosion of instant payments has also created a lucrative environment for scammers. According to ACI Worldwide's [Scamscope Fraud Report](#), losses to Authorized Push Payment (APP) scams are expected to grow at a compound annual growth rate (CAGR) of 11% between 2022 to 2027, reaching a total of USD 6.8 billion. In the UK, regulators reported nearly USD 505 million in losses due to APP scams in 2022, with less than 60% of affected customers receiving

reimbursement. Notably, instant payments were used in [98% of these fraudulent cases](#).

In the US, before FedNow's launch, 17% of U.S. consumers reported using instant payments for purchases they never received, and 43% believed friends or family had been scammed similarly. For banks and their customers, protection against fraud has become an urgent priority.

Speed with safety: Confirmation of Payee in instant payments

According to [Capgemini's World Payments Report 2025](#), the majority of the payment executives are concerned about instant payment fraud. In fact, 80% of banking executives have already begun implementing Confirmation of Payee (CoP) checks. This caution has led many banks to prioritize receiving instant payments rather than initiating them. Interestingly, the survey found that [78% of firms](#) are in the inception stage when it comes to instant payment services, out of which around 25% currently only receive – but do not send – instant payments. This hesitancy creates a system bottleneck, and is not a sustainable solution. In Europe, banks will be required to facilitate receiving instant payments by January 2025, and sending by October 2025. To meet those deadlines, banks must solve the question of instant payment fraud.

To combat APP fraud, robust verification mechanisms like Confirmation of Payee (CoP) have become critical.

CoP, also known as Verification of Payee (VoP), IBAN check or Name check, plays a vital role in ensuring that payments are accurately directed to the intended recipient. This is done by cross-referencing the account details provided by the payer with those of the payee's payment service provider. This system significantly mitigates the risk of funds being transferred to fraudulent accounts, as it verifies the payee's information before any money changes hands.

This layer of verification is crucial in preventing scams where fraudsters deceive individuals into transferring money to incorrect or fraudulent accounts. By integrating CoP into payment processes, both users and financial institutions are protected from potential losses. Confirmation of Payee has emerged as a crucial verification tool, and CoP initiatives are expanding across the globe, as illustrated in Figure 1.

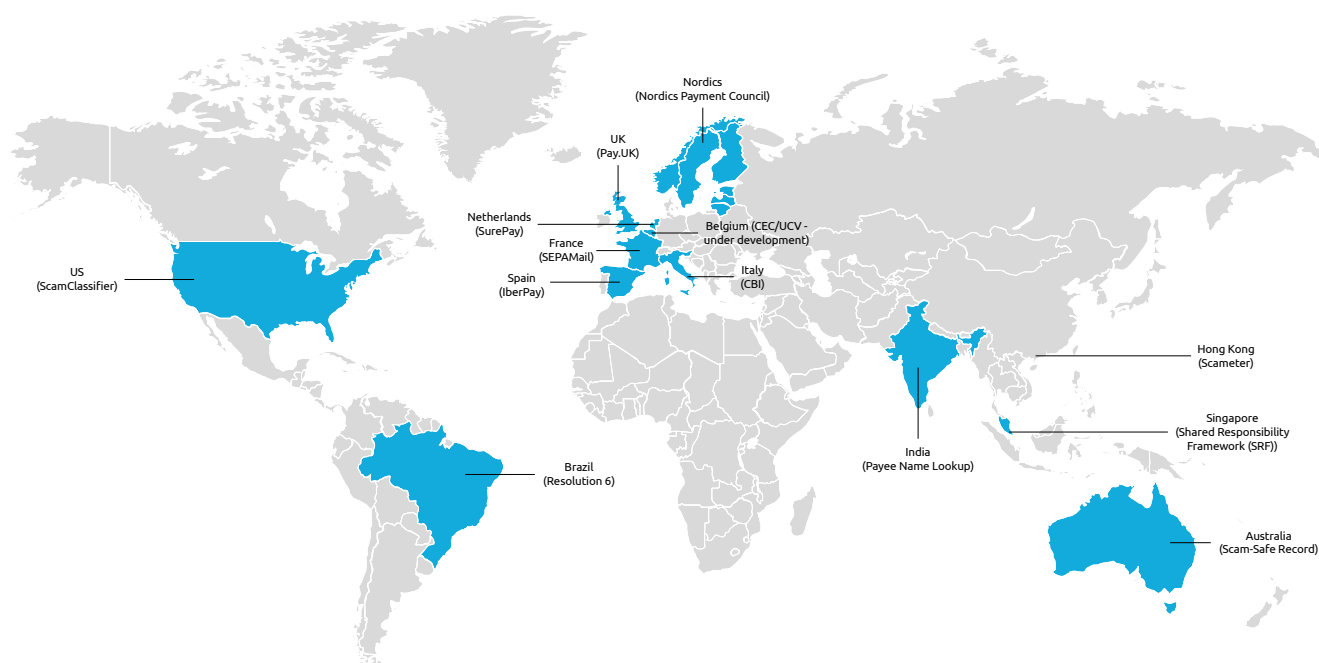


Figure 1: Confirmation of Payee initiatives globally

Here is a snapshot of Confirmation of Payee initiatives:

Public initiatives

- **United Kingdom:** The [UK's Confirmation of Payee scheme](#), led by Pay.UK, enhances payment security by verifying account names to reduce misdirected payments. The Payment Systems Regulator (PSR) mandates that nearly 400 organizations join CoP by October 2024. CoP operates as an API-based peer-to-peer service, enabling account name checks before transactions without a central infrastructure.
- **Nordic countries:** The Nordic Payment Council's [Confirmation of Payee scheme](#) enhances payment security in the Nordic region by confirming payee details before transactions. It aims to prevent misdirected and fraudulent payments while reducing payment rejections. The scheme's Rulebook outlines processes and standards for verifying payee information.
- **Brazil:** The Central Bank of Brazil's [Resolution 6](#), effective from November 2023, requires financial institutions to collect and share data on fraudulent transactions. This initiative aligns with similar moves by the UK's Payment Service Regulator and the European Union, enhancing cross-border efforts to combat fraud through improved data sharing.
- **European Payments Council:** The EPC consulted on the [Verification of Payee \(VoP\) scheme rulebook](#) from February 20 to May 19, 2024. Feedback was reviewed from May to August 2024. The final rulebook and API specifications are expected by September 2024, with the rulebook taking effect on 5th October 2025. The Instant Payment Regulation also requires banks and Payment Service Providers (PSPs) to offer verification of payee services for SEPA instant payments from October 9, 2025 (euro countries) and July 9, 2027 (non-euro countries).

Private initiatives

- **EBA Clearing:** [EBA Clearing](#) will launch pan-European Verification of Payee services in December 2024, enhancing instant payments. Starting October 9, 2025, SEPA PSPs must provide IBAN/name matching as required by the new Instant Payments Regulation.
- **SWIFT initiative:** The SWIFT [Confirmation of Payee initiative](#) boosts global payment security by verifying payee details before transactions. The European Commission will mandate IBAN-name checks for European institutions to reduce fraud and errors. SWIFT is integrating CoP with Payment Pre-validation for seamless cross-border processing across the Eurozone.
- **J.P. Morgan:** J.P. Morgan has launched the [Confirm](#) service which offers a streamlined solution for validating account information with a focus on speed, simplicity, and security. Institutions can inquire about validation of an account prior to initiating payment, respond to inquiries for account owner and status, or participate either as an inquirer or a responder.
- **iPiD:** [Validate by iPiD](#) is a cutting-edge API solution designed to integrate effortlessly with existing payment systems. It provides real-time confirmation of payee names and bank account details, ensuring that payments are directed to the correct recipients. This advanced tool is crucial in combating fraud and minimizing failed payments, enhancing the overall reliability and security of financial transactions.
- **Netherlands:** [SurePay](#) CoP service was piloted with Rabobank and now includes several major banks. SurePay has a centralized operating model and is connected with SWIFT pre-validation service.
- **Spain:** [IberPay](#) offers CoP verification services, operating as a private initiative within the country.
- **France:** [SEPAMail](#) delivers CoP verification through a secure messaging platform, managed privately.
- **Australia:** Australian banks have united to launch the [Scam-Safe Accord](#), investing \$100 million in a new Confirmation of Payee system to enhance customer protection and combat scammers. This initiative will be rolled out across all banks, helping ensure that transfers are made to the intended recipients and reducing scams.

Hybrid initiatives

- **Italy:** Consorzio Bancario per l'Informazione is expanding its [Confirmation of Payee](#) services across Europe and beyond by leveraging SWIFT's payment pre-validation service. This collaboration will enhance verification networks and security, allowing Italian banks to pre-validate transactions both domestically and internationally.
- **Hong Kong:** The Hong Kong Monetary Authority, Hong Kong Association of Banks, and financial sectors support the launch of [Scameter](#), an anti-fraud search engine by the Hong Kong Police Force aimed at improving fraud prevention, detection, and reducing public financial losses. This tool helps banks and payment providers enhance anti-fraud measures and supports broader fraud intelligence sharing among the central bank, banks, police, and the public.
- **Singapore:** The [Shared Responsibility Framework \(SRF\)](#), led by Monetary Authority of Singapore and Infocomm Media Development Authority, addresses financial scams through a collective model. It assigns scam loss responsibilities to financial institutions, telcos, and consumers, enhancing digital transaction safety and consumer protection by ensuring robust anti-scam measures are in place.

The global landscape of CoP implementation is notably fragmented, presenting a complex mosaic of national and regional solutions. While some nations have developed robust and comprehensive CoP systems designed to bolster payment security and combat fraud effectively, others are still in the early stages of adoption or rely on localized methods that lack broader standardization.



In conclusion

Central orchestration platforms: A unified approach to enhance security and trust

Fragmentation creates challenges for cross-border transactions, as inconsistent CoP protocols and verification processes hinder seamless cross-border payments. For instance, the decision by the EU to separate CoP rails from payment rails will likely lead to more CoP schemes soon, further emphasizing the importance of interoperability. To overcome these hurdles, harmonizing CoP protocols, data formats, and regulatory requirements is crucial. A unified approach would ensure consistent protection across borders, enhancing security and building trust among users worldwide.

We anticipate that local CoP infrastructures will adopt a “Central Orchestration Platform” model. This model does not imply the use of a centralized database, but rather focuses on centralizing certain key functions to enhance efficiency within the local ecosystem of Payment Service Providers. Specifically, a Central Orchestration Platform will streamline processes such as routing CoP requests, performing centralized matching of payee information, enriching data to improve accuracy, and facilitating international interoperability. By concentrating these functions, the model aims to optimize the overall operation and integration of CoP services across different PSPs and regions, ensuring smoother and more reliable payment processes.

Implementing uniform CoP protocols is crucial for ensuring security and accuracy. A unified approach with strong security, consistent practices, and effective orchestration model is essential for a secure, efficient, and seamless global instant payment experience.



Meet our experts



Jeroen Hölscher

Global Head Payment Services

jeroen.holscher@capgemini.com



Marco De Jong

Principal Consultant Payments

marco.de.jong@capgemini.com



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