SWIFT / SIC / PostFinance / SECOM / SEPA 2021

Customization Upgrade Guide
Release Independent
Area: Settlement

Latest version of this document

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Version History

Version / Date	Section	Description of the change
Release Independent v1 / 22 October 2021	"SIC Changes for November 2021" on page 15 "Upgrading SIC for November 2021" on page 19	Updated to: • Clarify that Avaloq has not made changes to implement the **Amendment to Customer Payments (pacs.008) for payment type CSTPMT**, because none were required to fulfill the required modifications. • Improve the explanation for camt.029_V08 outgoing under **Amendments due to SCT Rulebook 2021 Version 1.0**. • Improve the explanation of potentially required changes for outgoing validation for **Amendments due of Validation of \<Strd>\<CdtrRefInf>\<Ref> in Customer Payments (pacs.008)**(also reflected in checklist for upgrading SIC).
	"BBK Changes for November 2021" on page 22	• Improved the description of pacs.008 changes for **Payment of fees and/or interest compensation in connection with a SCT inquiry**.
	"Deutsche Bank Changes for November 2021" on page 24	• Removed section on **Validation rule change to camt.029.001.08 message**, which had been erroneously included. • Improved description of changes for **Payment of fees and/or interest compensation in connection with a SCT inquiry (pacs.008.001.02)**.
	"EBA Step2 Changes for November 2021" on page 25	• Improved description of changes for **Multiple requests for status update on a request for recall by the originator and on a SCT inquiry (pacs.028.001.01)**. • Improved description of changes for **Payment of fees and/or interest compensation in connection with a SCT inquiry (pacs.008.001.02)**. • Formatting improvements.

	[Natixis Changes for November 2021" on page 27](#)	• Removed section **Multiple requests for status update on a request for recall by the originator and on a SCT inquiry (pacs.028.001.01)**, which had been erroneously included. • Improved description of **Payment of fees and/or interest compensation in connection with a SCT inquiry (pacs.008.001.02)**.
	"Crédit Agricole Changes for November 2021" on page 29	• Improved description of changes for **Extension of the deadline for initiating a recall for the reason "fraud"**. • Improved description of changes for **Payment of fees and/or interest compensation in connection with a SCT inquiry (pacs.008.001.02)**. • Formatting improvements.
	"KBC Changes for November 2021" on page 30	• Improved description of changes for **Extension of the deadline for initiating a recall for the reason "fraud"**. • Improved description of changes for **Payment of fees and/or interest compensation in connection with a SCT inquiry (pacs.008.001.02)**.
	"DFÜ Changes for November 2021" on page 30	• Minor formatting improvement.
Release Independent v0 / 4 October 2021		This is a new document.

Contents

1   Introduction

This section describes the required changes to prepare the upgrade of SWIFT, SIC, PostFinance, SECOM and SEPA in November 2021.

Further Reading

For more information, read the following:

SWIFT Release 2021 - Business User Guide (doc. ID: 1420)	Provides information about the SWIFT Standards MT release in November 2021.
SIC Release 4.8 - November 2021 - Business User Guide (doc. ID: 2140)	Provides an overview of the changes in Avaloq Core regarding SIC Release 4.8.
SEPA Release 2021 - Business User Guide (doc. ID: 1422)	Provides an overview of the changes in Avaloq Core regarding the SEPA update that takes effect on 21 November 2021.

Table 1: Further reading

2 Customization Upgrade November 2021

2.1 Checklist for November 2021

This section serves as an overview for necessary upgrade steps in November 2021.

SWIFT

The table below provides a checklist of steps to be done before or after an upgrade.

Upgrade Step	Done
Before upgrade	
On the productive Avaloq Core, on the date the release upgrade is productive on the SWIFT FIN network, set the `netw_release_id` item of the `avq.msg.swift` base parameter to "swift$sss21".	[ ]
Check / adapt your CSS in accordance with the changes to the SWIFT messages listed in "Upgrading SWIFT MT for November 2021" on page 12. For more information, see *SWIFT Release 2021 - Business User Guide (doc. ID: 1420)*.	[ ]
After upgrade	
Upload the Bank Directory Plus directory.	[ ]

Table 2: Migration checklist SWIFT (November 2021)

SIC

The table below provides a checklist of steps to be done before or after an upgrade.

Upgrade Step	Done
Before upgrade	
On the productive Avaloq Core, on the date the release upgrade is productive on the SIC network, set the `netw_release_id` item of the `avq.msg.swift` base parameter to "swift$sss21".	[ ]
Review any existing customization for CSTPMT pacs.008 messages to ensure that it is compatible with the 2021 specification.	[ ]
Review any existing customization for DETREC and CNCREC list types in camt.052 messages to ensure that it is compatible with the 2021 specification.	[ ]
Review any existing customization for pacs.008, camt.052, camt.029 and camt.029v08 messages to ensure that it is compatible with the SCT Rulebook changes in the 2021 specification.	[ ]
Review any existing customization for pacs.008 messages to ensure that it is compatible with the `<Strd><CdtrRefInf><Ref>` validation changes in the 2021 specification. If you need to validate an outgoing customer payment, you can do so using the CSS exit `mx_pacs008n_sic_out_css.ovr_msg` or by implementing an order validation.	[ ]

Upgrade Step	Done
Review any existing customization for pain.001, camt.053, pain.008 and pain.002 messages to ensure that it is compatible with the customer-bank message changes in the 2021 specification.	[ ]

Table 3: Migration checklist SIC (November 2021)

SEPA

The table below provides a checklist of steps to be done before or after an upgrade.

Upgrade Step	Done
Before upgrade	
On the productive Avaloq Core, on the date the release upgrade is productive on the SEPA network, set the `netw_release_id` item of the `avq.msg.swift` base parameter to "swift$sss21".	[ ]
Review and, if required, modify your customization for camt.056 messages to reflect the extension of the deadline for initiating a recall for the reason "Fraud".	[ ]
Review and, if required, modify your customization for handling pacs.028 messages to reflect the changes to allow multiple transactions to be included for SCT Inquiry requests.	[ ]
Review and, if required, modify your customization for camt.029 messages to reflect the discontinuation of the interim solution for the `<Compensation>` element.	[ ]
Review and, if required, modify your customization for camt.029 messages to reflect the changes to field rules for responses to a recall, particularly with reference to the `<Additional Information>` element.	[ ]
Review and, if required, modify your customization for camt.029 messages to reflect the validation rule change for the `<Compstn>` element.	[ ]
Review and, if required, modify your customization for pacs.008 messages to reflect the changes relating to the payment of fees and/or interest compensation in connection with a SCT Inquiry.	[ ]
Review and, if required, modify your customization for pacs.028 messages to reflect the `<Original Group Information>` element moving from the 'GroupHeader' to 'TransactionInformation'.	[ ]
Review and, if required, modify your customization for camt.027, camt.087, camt.029.001.08 and pacs.002S2 messages to reflect the schema validation updates.	[ ]
Review and, if required, modify your customization for camt.052, camt.053 and camt.054 messages to reflect ISO version 08.	[ ]

Table 4: Migration checklist SEPA (November 2021)

3 SWIFT MT Customization Upgrade November 2020

3.1 SWIFT MT Changes for November 2021

The following sections describe the changes you must make to your SWIFT MT implementation for the SWIFT MT 2021 release.

For more information about kernel changes made to comply with the latest SWIFT specification, see *SWIFT Release 2021 - Business User Guide (doc. ID: 1420)*.

3.1.1 SWIFT MT Modified Avaloq Constructs November 2021

The following constructs were modified:

Construct	Description
Network Structure: SWIFT2	Format of field 26K "Calculation Agent" changed to `4!c`

Table 5: Modified Avaloq constructs for SWIFT November 2021

3.2 Upgrading SWIFT MT for November 2021

To keep up to date with the SWIFT MT 2021 release upgrade, complete the following steps.

The `netw_release_id` item of the `avq.msg.swift` base parameter defines the currently valid release for SWIFT, SIC, SEPA and PostFinance. This item must be set at the date of a release upgrade. If this base parameter is not set, or is set with the value from a previous release, the implementation assumes the lowest possible or previous release for a given stream.

The `netw_release_id` base parameter item of the `avq.msg.sic` base parameter is no longer used and does not need to be updated. Instead, the `netw_release_id` item of the `avq.msg.swift` base parameter is used for all S4 and PostFinance releases.

> The changes for the 2021 release can be installed *before* the actual release date.
>
> Message structures are extended to support the old and new releases. Outgoing message handlers are capable of completing the messages in both the old *and* new formats for each network.
>
> The decision of which version to use is specified in the `netw_release_id` item of the `avq.msg.swift` base parameter.

3.2.1 Prerequisite

Before testing the changes delivered for SWIFT Standards MT Release November 2021, you must set the `netw_release_id` item of the `avq.msg.swift` base parameter to "swift$sss21" on the testing environment. When moving the change to production, you must also ensure that this value is set.

3.2.2 Steps to Follow

1. On the productive Avaloq Core, on the date the release upgrade is productive on the SWIFT FIN network, set the `netw_release_id` item of the `avq.msg.swift` base parameter to "swift$sss21".

2. Check your CSS for the following messages types. Some fields and options have been removed or replaced by new fields and options. For information about the changes that have been delivered, ensure you read *SWIFT Release 2021 - Business User Guide (doc. ID: 1420)*.

   - MT300 Foreign Exchange Confirmation
   - MT304 Advice/Instruction of a Third Party Deal
   - MT305 Foreign Currency Option Confirmation
   - MT306 Foreign Currency Option Confirmation
   - MT527 Triparty Collateral Instruction
   - MT536 Statement of Transactions
   - MT537 Statement of Pending Transactions
   - MT540 Receive Free
   - MT541 Receive against Payment
   - MT542 Deliver Free
   - MT543 Deliver against Payment
   - MT544 Receive Free Confirmation

- MT545 Receive against Payment Confirmation

- MT546 Deliver Free Confirmation

- MT547 Deliver against Payment Confirmation

- MT548 Settlement Status and Processing Advice

- MT558 Triparty Collateral Status and Processing Advice

- MT564 Corporate Action Notification

- MT565 Corporate Action Instruction

- MT566 Corporate Action Confirmation

- MT567 Corporate Action Status and Processing Advice

- MT569 Triparty Collateral and Exposure Statement

- MT575 Report of Combined Activity

- MT600 Commodity Trade Confirmation

- MT601 Commodity Option Confirmation

- MT700 Issue of a Documentary Credit

- MT707 Amendment to a Documentary Credit

- MT708 Amendment to a Documentary Credit

- MT710 Advice of a Third Bank's or a Non-Bank's Documentary Credit

- MT720 Transfer of a Documentary Credit

- MT734 Advice of Refusal

- MT754 Advice of Payment / Acceptance / Negotiation

- MT756 Advice of Reimbursement or Payment

- MT760 Guarantee/Standby Letter of Credit

- MT767 Guarantee/Standby Letter of Credit Amendment

- MT768 Acknowledgement of a Guarantee/Standby Message

- MT769 Advice of Reduction or Release

- MT799 Free Format Message

3.2.3   Result

The SWIFT MT implementation is up to date.

4 PostFinance Customization Upgrade November 2021

4.1 PostFinance Changes for November 2021

No kernel changes are delivered for the PostFinance network. To keep your system current for the PostFinance November 2021 update, review the official specification and modify the relevant customization sources if required.

5 SIC Customization Upgrade November 2021

5.1 SIC Changes for November 2021

For information about the changes that Avaloq has implemented in kernel code to comply with the latest SIC specifications, see *SIC Release 4.8 - November 2021 - Business User Guide (doc. ID: 2140)*.

5.2 SIC Changes for November 2021

The information below describes the changes delivered to implement the modifications for the SIC 4.8 release in November 2021 release. Review any existing customization for the related message types to ensure that your implementation is valid for the 2021 specification.

For more information about kernel changes made to comply with the latest SWIFT specification, see *SWIFT Release 2021 - Business User Guide (doc. ID: 1420)*.

5.2.1 Amendment to Customer Payments (pacs.008) for payment type CSTPMT

With effect from Release 4.8 on 19 November 2021, the following validations are amended:

In Customer Payments (pacs.008) with payment type CSTPMT, the following sub-elements can now be used within the Remittance Information/Structured element independently of the payment reference of the creditor in the Creditor Reference Information element:

- Referred Document Information
- Referred Document Amount
- Invoicer
- Invoicee
- Additional Remittance Information

Avaloq has made no changes, as no changes were required to fulfill the modifications described above.

5.2.2 Amendment of Validation of the SWIFT gpi codes in Customer Payments (pacs.008) and Bank and Third-party System Payments (pacs.009)

The validity of all SWIFT gpi codes are currently checked by SIC/euroSIC. As SWIFT expands services, this list of gpi codes grows. This implies that an amendment is necessary every time in Customer Payments (pacs.008) and Bank and Third-party System Payments (pacs.009).

With effect from Release 4.8 on 19 November 2021, the following validations are amended:

In Customer Payments (pacs.008) and Bank and Third-party System Payments (pacs.009), more flexibility is now permitted for the use of SWIFT gpi codes. The SWIFT gpi code will no longer be validated in SIC and euroSIC. Only the syntax will be validated. The SWIFT gpi code permits value Gnn, where nn is a 2-digit numeric value.

Avaloq has implemented these changes as follows:

- **pacs.008 incoming**:

  An `InstrId` containing any prefix with format 'GNN' is accepted as a GPI UETR. The UETR is validated and the UETR key is set on the INPAY.

- **pacs.009 incoming**:

An `InstrId` containing any prefix with format 'GNN' is accepted as a GPI UETR. The UETR is validated and the UETR key is set on the INPAY.

- **pacs.004 incoming**:

An `OrgnlInstrId` containing any prefix with format 'GNN' is accepted as a GPI UETR. The UETR is validated and the UETR key is set on the INPAY.

5.2.3 Amendments due to SCT Rulebook 2021 Version 1.0

New payment type SEPA Payment for Fees and/or Interest Compensation (SEPFCP)

A new payment type SEPA Payment for Fees and/or Interest Compensation (SEPFCP) is introduced within customer payments (pacs.008). This serves to pay fees and/or interest compensation arising from the handling of SEPA missing incoming payment queries and SEPA value date adjustment requests.

Avaloq has implemented this requirement as follows:

pacs.008 outgoing:

A new payment type (SEPFCP) is possible for SEPA payments (payment method = SEPA).

The SEPFCP payment type is selected in kernel (and the message is filled accordingly), if the PAY order's payment method is SEPA and category purpose is FCOL, FCIN or INTE.

Category purpose `cd/prtry` is now filled for all payment types except for IPIDEB and ESRDEB.

pacs.008 incoming:

Incoming SEPFCP payments are handled in kernel. The incoming SEPFCP pacs.008 generates an INPAY order. The INPAY is linked to the previous order via the outgoing camt029_v08, which contained the request for the compensation (SEPFCP) payment.

CODE_EXTL_CAT_PURP_CODE:

This code table has been updated with three new codes:

- FCIN
- RPRE
- RRCT

SEPA Value Date Adjustment Request

camt.087 incoming:

Message header field `f5` is populated with the requested modified value date.

camt.029_V08 outgoing:

`rsltn_rltd_inf.intr_bk_sttlm_dt.val_date` is filled from the requested value date in the camt087

Charges and compensation are no longer mandatory: if `amt = 0`, these elements will not be added.

Schema update for camt.029.001.03

There is a new requirement for the provision of additional information in the Additional Information element within the SEPA Return Request Rejection.

Avaloq has implemented this requirement by adding a mandatory additional information element as the first element of additional information. It contains the prefix 'ATR7' and the cancellation ID from the original camt.056 message for a bank origin reason, or the prefix 'AT51' and the cancellation ID for a customer origin reason.

Further additional information elements are allowed for certain reasons. These elements have designated prefixes and are populated in the outgoing camt message from the processing info remark on the PAY order.

Only one type of additional information is supported:

- If the camt.056 reason is AC03, all elements (maximum 10) begin with AT57.
- If the camt.056 reason is FRAD, all elements (maximum 10) begin with FRAD.
- If the camt056 reason is not AC03 or FRAD and the camt.029 reason is LEGL, then the elements (maximum 2) will begin with ATR6.

camt.029 Schema

The camt.029 schema is updated from camt.029.001.03.ch.02 to camt.029.001.03.ch.03.

5.2.4 Amendments due of Validation of <Strd><CdtrRefInf><Ref> in Customer Payments (pacs.008)

QR bills with a QR-IBAN can also extend to foreign countries and be paid there. Financial institutions outside of Switzerland may not know the rule that a QR reference must be included with a payment that uses a QR-IBAN.

With effect from Release 4.8 on 19 November 2021, the following validations are amended:

The SIC/euroSIC systems allow the value 00000000000000000000 (27 x zero) in the <Strd><CdtrRefInf><Ref> element for Customer Payments (pacs.008). This is only the case if the <DbtrAgt> element differs in content from the <InstgAgt> element for payments with a QR-IBAN.

This allows a correspondent bank to forward payments received from abroad with a QR-IBAN without a valid QR reference by populating the <Strd><CdtrRefInf><Ref> element in a pacs.008 message with the value 00000000000000000000.

No changes were required for incoming validation. You can validate an outgoing customer payment using the CSS exit `mx_pacs008n_sic_out_css.ovr_msg` or by implementing an order validation.

5.2.5 Implementation Guidelines for Customer-Bank Messages

From 19 November 2021, the following new versions will come into effect:

- Swiss Business Rules, version 2.10
- Swiss Implementation Guidelines for Credit Transfers, version 1.11
    - Error Code (CH16) associated to Payment Identification/End To End Identification
- Swiss Implementation Guidelines for Cash Management, version 1.7.2
    - New business transaction code PMNT/ICDT/VCOM
    - QR reference in payments from abroad can also contain a value with 27 zeros
- Swiss Implementation Guidelines for SEPA Direct Debits, version 2.7

- Swiss Implementation Guidelines for Status Reports, version 1.1.2
    - New Status Reason Code – RR05 – Regulatory Information invalid

Avaloq has implemented these changes. Specifically, the following changes have been made:

- Error code for pain001 `EndToEndId` validation is changed from FF01 to CH16.
- New business transaction code PMNT/ICDT/VCOM is added on CODE_EXTL_BANK_TRX_SUB_ FAM.
- New status reason code RR05 for PAIN rejections is added, which will also be available for PAIN002 status reports.

5.3   Upgrading SIC for November 2021

To keep up to date with the SIC 2021 release upgrade, complete the following steps.

Avaloq has implemented some changes to the kernel code. The following changes *must* be made to keep customization in line with these changes.

The `netw_release_id` item of the `avq.msg.swift` base parameter defines the currently valid release for SWIFT, SIC, SEPA and PostFinance. This item must be set at the date of a release upgrade. If this base parameter is not set, or is set with the value from a previous release, the implementation assumes the lowest possible or previous release for a given stream.

The `netw_release_id` base parameter item of the `avq.msg.sic` base parameter is no longer used and does not need to be updated. Instead, the `netw_release_id` item of the `avq.msg.swift` base parameter is used for all S4 and PostFinance releases.

> The changes for the 2021 release can be installed *before* the actual release date.
>
> Message structures are extended to support the old and new releases. Outgoing message handlers are capable of completing the messages in both the old *and* new formats for each network.
>
> The decision of which version to use is specified in the `netw_release_id` item of the `avq.msg.swift` base parameter.

5.3.1   Prerequisite

Before testing the changes delivered for SIC Standards Release 4.8 (November 2021), you must set the `netw_release_id` item of the `avq.msg.swift` base parameter to "swift$sss21" on the testing environment. When moving the change to production, you must also ensure that this value is set.

5.3.2   Steps to Follow

1. On the productive Avaloq Core, on the date the release upgrade is productive on the SIC network, set the `netw_release_id` item of the `avq.msg.swift` base parameter to "swift$sss21".

2. Review any existing customization for CSTPMT pacs.008 messages to ensure that it is compatible with the 2021 specification.

3. Review any existing customization for DETREC and CNCREC list types in camt.052 messages to ensure that it is compatible with the 2021 specification.

4. Review any existing customization for pacs.008, camt.052, camt.029 and camt.029v08 messages to ensure that it is compatible with the SCT Rulebook changes in the 2021 specification.

5. Review any existing customization for pacs.008 messages to ensure that it is compatible with the `<Strd><CdtrRefInf><Ref>` validation changes in the 2021 specification. If you need to validate an outgoing customer payment, you can do so using the CSS exit `mx_pacs008n_sic_out_css.ovr_msg` or by implementing an order validation.

6. Review any existing customization for pain.001, camt.053, pain.008 and pain.002 messages to ensure that it is compatible with the customer-bank message changes in the 2021 specification.

5.3.3   Result

The SIC[4] implementation is up-to-date.

6   SECOM Customization Upgrade November 2021

6.1   SECOM Changes for November 2021

No kernel changes are delivered for the SECOM network. To keep your system current for the SECOM November 2021 update, review the official specification and modify the relevant customization sources if required.

7 SEPA Customization Upgrade November 2021

To keep your system current, review the official specification and modify the relevant customization sources if required.

For more information, see *SEPA Release 2021 - Business User Guide (doc. ID: 1422)*.

7.1   BBK Changes for November 2021

The following sections describe the changes that have been made to the SEPA BBK implementation, in accordance with the latest SEPA BBK specification for 2021.

7.1.1   Extension of the deadline for initiating a recall for the reason "fraud"

The deadline for the initiation of recall have been changed in the case of fraud. The deadline has been extended so that it will be possible to initiate a recall (camt.056) up to 13 months after executing a transaction. For the cases based on technical reason or duplicate execution the 10 banking business day rule will continue to apply.

Avaloq has modified the logic in the relevant sources so that, if the return reason is FRAUD, the return period is extended to 13 months.

7.1.2   Multiple requests for status update on a request for recall by the originator and on a SCT inquiry (pacs.028.001.01)

It will now be possible to include multiple transactions (instead of the previous single transaction) in bulk in the case of either a:

- Request for Status Update on a Request for Recall by the Originator
- Request for Status Update on a SCT Inquiry

No distinction is made between the above in the SEPA-clearer meaning that it is already possible to transmit multiple transactions in a bulk.

The EPC has also changed the rules for filling in the element `<Original Group Information>` for a Request for Status Update on a SCT Inquiry. The top level `<Original Group Information>` must now be left blank (white field, previously mandatory). Instead the transaction level `<Original Group Information>` is now mandatory (previously white field). The field for Request for Status Update on a Request for Recall by the Originator remains unchanged.

The SEPA-clearer will perform a new check to ensure the `<Original Group Information>` is filled correctly based on the type of transaction (inquiry or recall).

Avaloq has made modifications to the logic of the message processing to implement the modifications described above.

7.1.3   Resolution of investigation (camt.029.001.03)

The field rules for a negative response to a recall have changed. The `<Additional Information>` element will become a mandatory field (it was previously optional). It will contain AT-R7 and the specific reference of the Originator PSP initiating the Recall.

The `<Additional Information>` element can now be used up to 13 times (previously [0..2]) in a negative response to a recall.

For a negative response to a Request for Recall by the Originator, the EPC's Rulebook leaves the SEPA multiplicity [1..11] unchanged for camt.029.001.03.

Avaloq has provided one mandatory additional information element (for all return reasons). This will be the first element of additional information and contains the prefix 'ATR7' and the cancellation ID from the original camt.056 message.

7.1.4 Payment of fees and/or interest compensation in connection with a SCT inquiry (pacs.008.001.02)

For payment of fees and/or interest compensation in connection with a SCT Inquiry, field entry rules have been set when using the pacs.008.001.02 message. The main components of these rules are as follows:

- One data set per claim

- For the `<End To End Identification>` element entering "AT-81 The specific SCT inquiry reference of the Participant initiating the SCT inquiry" (case ID for camt.027/camt.087)

- For the `<Remittance Information><Structured><Creditor Reference Information><Reference>` element entering "AT-88 Reference of the Beneficiary PSP for Inter-PSP fee and/or compensation payment" (Modification Status Identification of camt.029 as Positive Response to Claim Non-Receipt/Claim for Value Date Correction)

- Mandatory use of "category purpose":
    - FCOL (Fee Collection)
    - INTE (Interest)
    - FCIN (Fee Collection and Interest)

The EPC has made some deviations away from a 'normal' pacs.008 message for SEPA credit transfers and therefore will require a change in schema file. Examples of the changes are as follows:

- `<Total Interbank Settlement Amount>` must be left blank (currently mandatory).

- Only one occurrence of `<Credit Transfer Transaction Information>` is permitted.

- Multiple debtor and creditor elements (for example `<Name>`, `<Postal Address>`, `<Private Identification>`, `<Account>`)

- Ultimate elements must be omitted

- `<Remittance Information>` may only read `<Structured>`

Avaloq has implemented modifications to the logic of the message processing to implement the specification changes.

pacs.008 incoming:

Incoming fee and compensation payments are handled in kernel. These messages are identified by the fact that the category purpose code is FCIN, FCOL or INTE.

For incoming fee/compensation payments, the referenced inquiry message is looked up during incoming message processing, so that the new payment order can be linked to the original order (crm-issue).

pacs.008 outgoing:

A new payment type (SEPFCP) is possible for SEPA payments (payment method = SEPA).

If the PAY order's payment method is SEPA and its category purpose identifies it as a fee or compensation payment (that is, the category purpose is one of: FCOL, FCIN, INTE), the SEPFCP payment type is selected in kernel (and the message is filled accordingly).

For ICF bundling, fee and compensation payments are processed in a separate bulk from other pacs.008 payments. This means that, where the payment category purpose code is FCIN, FCOL or INTE, the payment is processed as a fee/compensation payment and the message is filled in accordance with the rulebook, with special handling for the following fields:

- `Dbtr`
- `cdtr`
- `cat_purp`
- `rmt_inf`

7.2 Deutsche Bank Changes for November 2021

The following sections describe the changes that have been made to the SEPA Deutsche Bank implementation, in accordance with the latest SEPA Deutsche Bank specification for 2021.

7.2.1 Extension of the deadline for initiating a recall for the reason "fraud"

The deadline for the initiation of recall have been changed in the case of fraud. The deadline has been extended so that it will be possible to initiate a recall (camt.056) up to 13 months after executing a transaction. For the cases based on technical reason or duplicate execution the 10 banking business day rule will continue to apply.

Avaloq has modified the logic in the relevant sources so that, if the return reason is FRAUD, the return period is extended to 13 months.

7.2.2 Payment of fees and/or interest compensation in connection with a SCT inquiry (pacs.008.001.02)

Changes have been made to rules regarding the population of pacs.008 fields relating to the payments of fees and/or compensation for SEPA Credit Transfer Inquiries, specifically when the following category purpose codes are used:

- FCOL (Fee Collection)
- INTE (Interest)
- FCIN (Fee Collection and Interest)

The rules affect:

- Remittance Information
- Multiple debtor and creditor elements (for example `<Name>`, `<Postal Address>`, `<Private Identification>`, `<Account>`)
- Ultimate elements (must be omitted)
- Purpose

Avaloq has implemented modifications to the logic of the message processing to implement the specification changes.

pacs.008 incoming:

Incoming fee and compensation payments are handled in kernel. These messages are identified by the fact that the category purpose code is FCIN, FCOL or INTE.

For incoming fee/compensation payments, the referenced inquiry message is looked up during incoming message processing, so that the new payment order can be linked to the original order (crm-issue).

pacs.008 outgoing:

A new payment type (SEPFCP) is possible for SEPA payments (payment method = SEPA). As the Rulebook is not mandatory for Deutsche Bank until 2022, Avaloq provides a new CSS (`mx_pacs008_sct_db_trx_`

`css.is_fee_compen_enbl`) to set when the SEPFCP payment type should be enabled. Be aware that the default is set to **TRUE** (enabled).

If the PAY order's payment method is SEPA and its category purpose identifies it as a fee or compensation payment (that is, the category purpose is one of: FCOL, FCIN, INTE), the SEPFCP payment type is selected in kernel (and the message is filled accordingly).

For ICF bundling, fee and compensation payments are processed in a separate bulk from other pacs.008 payments. This means that, where the payment category purpose code is FCIN, FCOL or INTE, the payment is processed as a fee/compensation payment and the message is filled in accordance with the rulebook, with special handling for the following fields:

- `Dbtr`
- `cdtr`
- `cat_purp`
- `rmt_inf`

7.2.3 Multiple requests for status update on a request for recall by the originator and on a SCT inquiry (pacs.028.001.01)

Deutsche bank will now accept pacs.028 messages in both ICF and IQF files with multiple occurrences of transaction information. This will be optional for participants. Deutsche Bank will continue to only reference one transaction within each pacs.028 message in OQF files.

There is no impact on Avaloq, so no change has been delivered. If you have customization related to this use case, check that it is compatible with the 2021 specification.

7.3 EBA Step2 Changes for November 2021

The following sections describe the changes that have been made to the SEPA EBA Step2 implementation, in accordance with the latest SEPA EBA Step2 specification for 2021.

7.3.1 Extension of the deadline for initiating a recall for the reason "fraud"

The deadline for the initiation of recall have been changed in the case of fraud. The deadline has been extended so that it will be possible to initiate a recall (camt.056) up to 13 months after executing a transaction. For the cases based on technical reason or duplicate execution the 10 banking business day rule will continue to apply.

Avaloq does not support camt.056 for EBA Step2. There is therefore no impact on Avaloq, and no change has been delivered. If you have customization relating to this use case, check that it is compatible with the 2021 specification.

7.3.2 Multiple requests for status update on a request for recall by the originator and on a SCT inquiry (pacs.028.001.01)

The format of the status update message (pacs.028.001.01) has changed by EPC, allowing the inclusion of multiple requests on a recall request by the originator (RFRO) within the same message. This has no impact on Step2 Clearer because the possibility to send a Pacs.028 including multiple requests in ICF/IQF files is already available.

Avaloq does not support the related camt.056 use case for EBA Step2. There is therefore no impact on Avaloq and no change has been delivered. If you have customization relating to this use case, check that it is compatible with the 2021 specification.

7.3.3 Payment of fees and/or interest compensation in connection with a SCT inquiry (pacs.008.001.02)

Changes have been made to rules regarding the population of pacs.008 fields relating to the payments of fees and/or compensation for SEPA Credit Transfer Inquiries, specifically when the following category purpose codes are used:

- FCOL (Fee Collection)
- INTE (Interest)
- FCIN (Fee Collection and Interest)

The rules affect:

- Remittance Information
- Multiple debtor and creditor elements (for example `<Name>`, `<Postal Address>`, `<Private Identification>`, `<Account>`)
- Ultimate elements (must be omitted)
- Purpose

Avaloq has implemented modifications to the logic of the message processing to implement the specification changes.

pacs.008 incoming:

Incoming fee and compensation payments are handled in kernel. These messages are identified by fact that the category purpose code is FCIN, FCOL or INTE.

For incoming fee/compensation payments, the referenced inquiry message is looked up during incoming message processing, so that the new payment order can be linked to the original order (crm-issue).

pacs.008 outgoing:

A new payment type (SEPFCP) is possible for SEPA payments (payment method = SEPA).

If the PAY order's payment method is SEPA and its category purpose identifies it as a fee or compensation payment (that is, the category purpose is one of: FCOL, FCIN, INTE), the SEPFCP payment type is selected in kernel (and the message is filled accordingly).

For ICF bundling, fee and compensation payments are processed in a separate bulk from other pacs.008 payments. This means that, where the payment category purpose code is FCIN, FCOL or INTE, the payment is processed as a fee/compensation payment and the message is filled in accordance with the rulebook, with special handling for the following fields:

- `Dbtr`
- `cdtr`
- `cat_purp`
- `rmt_inf`

7.3.4 Resolution of investigation (camt.029.001.03)

Following the latest EPC SCT Implementation Guidelines, the field rules for a response to a recall have changed. The `<Additional Information>` element will become a mandatory field when used in the following scenarios:

- Negative response to a Recall

- Request for Recall by the Originator

New rules are also introduced for the filling of the `<Additional Information>` element, dependent on the reason code used in either the camt.029, or the preceding camt.056.

The `<Additional Information>` can now be used up to 13 times (previously [0..2]) in a negative response to a recall.

For negative response to a Request for Recall by the Originator, the EPC's Rulebook leaves the SEPA multiplicity [1..11] unchanged.

Avaloq does not support camt.029 for EBA Step2, so no modification is required and no change is delivered. If you have customization relating to this message, ensure that it is compatible with the 2021 specification.

7.3.5 Status Update on a SCT Inquiry Updates (pacs.028.001.01)

With regards to EPC SCT Rulebook requirements, the pacs.028 XSD is changed to move the `<Original Group Information>` element from the 'GroupHeader' to the 'TransactionInformation', when sent in relation to a camt.027 or camt.087.

Avaloq has made a change for the EBA Step2 clearer to implement the modifications described above.

7.3.6 Schema Validation Updates

Further changes have been made to schemas, which are not strictly related to the rulebook updates. Changes have been made as follows:

- Enhanced schema validation for camt.027 and camt.087 (`<case><id>`)

- Enhanced schema validation for camt.029.001.08
  (`<ModDtls><ModStsId>,<ModDtls><OrgnlInstrId>, <ModDtls><OrgnlTxId>`)

- pacs.002S2 enhanced to define the End-to-End tag as collapsed white spaces (CW) to avoid a schema error in output files.

Avaloq has delivered a change for the EBA Step2 clearer to implement the modifications described above.

7.4 Natixis Changes for November 2021

The following sections describe the changes that have been made to the SEPA Natixis implementation, in accordance with the latest SEPA Natixis specification for 2021.

7.4.1 Extension of the deadline for initiating a recall for the reason "fraud"

The deadline for the initiation of recall have been changed in the case of fraud. The deadline has been extended so that it will be possible to initiate a recall (camt.056) up to 13 months after executing a transaction. For the cases based on technical reason or duplicate execution the 10 banking business day rule will continue to apply.

Avaloq has modified the logic in the relevant sources so that, if the return reason is FRAUD, the return period is extended to 13 months.

7.4.2 Resolution of investigation (camt.029.001.03)

Following the latest EPC SCT Implementation Guidelines, the field rules for a response to a recall have changed. The `<Additional Information>` element will become a mandatory field when used in the 'Negative response to a Recall' scenario

New rules are also introduced for the filling of the `<Additional Information>` element, dependent on the reason code used in either the camt.029, or the preceding camt.056.

Avaloq has provided one mandatory additional information element (for all return reasons). This will be the first element of additional information and contains the prefix 'ATR7' and the cancellation ID from the original camt.056 message.

7.4.3   Discontinuation of the interim solution in the camt.029.001.08 message

Previously, the interest compensation field contained within the Interbank Positive Response to Claim for Value Date Correction message was mandatory. Therefore, it was not possible to charge a fee before the value date was corrected without also stating the interest this would entail. The interim solution was to specify €0.01 as the amount of interest compensation. From this point, the `<Compensation>` element is optional, so if `<Status><Confirmation>` is set to either MODI or ACVA then the `<Compensation>` element is optional.

There is no impact on Avaloq and therefore no change has been delivered. If you have related customization, check that it is compatible with the 2021 specification.

7.4.4   Payment of fees and/or interest compensation in connection with a SCT inquiry (pacs.008.001.02)

Changes have been made to rules regarding the population of pacs.008 fields relating to the payments of fees and/or compensation for SEPA Credit Transfer Inquiries, specifically when the following category purpose codes are used:

- FCOL (Fee Collection)
- INTE (Interest)
- FCIN (Fee Collection and Interest)

The rules affect:

- Remittance Information
- Multiple debtor and creditor elements (for example `<Name>`, `<Postal Address>`, `<Private Identification>`, `<Account>`)
- Ultimate elements (must be omitted)
- Purpose

Avaloq has implemented modifications to the logic of the message processing to implement the specification changes.

pacs.008 incoming:

Incoming fee and compensation payments are handled in kernel. These messages are identified by fact that the category purpose code is FCIN, FCOL or INTE.

For incoming fee/compensation payments, the referenced inquiry message is looked up during incoming message processing, so that the new payment order can be linked to the original order (crm-issue).

pacs.008 outgoing:

A new payment type (SEPFCP) is possible for SEPA payments (payment method = SEPA).

If the PAY order's payment method is SEPA and its category purpose identifies it as a fee or compensation payment (that is, the category purpose is one of: FCOL, FCIN, INTE), the SEPFCP payment type is selected in kernel (and the message is filled accordingly).

For ICF bundling, fee and compensation payments are processed in a separate bulk from other pacs.008 payments. This means that, where the payment category purpose code is FCIN, FCOL or INTE, the payment is processed as a fee/compensation payment and the message is filled in accordance with the rulebook, with special handling for the following fields:

- `Dbtr`
- `cdtr`
- `cat_purp`
- `rmt_inf`

7.5 Crédit Agricole Changes for November 2021

The following sections describe the changes that have been made to the SEPA Crédit Agricole implementation, in accordance with the latest SEPA Crédit Agricole specification for 2021.

7.5.1 Extension of the deadline for initiating a recall for the reason "fraud"

A recall for a "Fraudulent originated SCT" can be sent up to 13 months after original transaction as opposed to 10 business days for the other reasons.

Avaloq has modified the logic in the relevant sources so that, if the return reason is FRAUD, the return period is extended to 13 months.

7.5.2 Resolution of investigation (camt.029.001.03)

Following the latest EPC SCT Implementation Guidelines, the field rules for a response to a recall have changed. The `<Additional Information>` element will become a mandatory field when used in the 'Negative response to a Recall' scenario

New rules are also introduced for the filling of the `<Additional Information>` element, dependent on the reason code used in either the camt.029, or the preceding camt.056.

Avaloq has provided one mandatory additional information element (for all return reasons). This will be the first element of additional information and contains the prefix 'ATR7' and the cancellation ID from the original camt.056 message.

7.5.3 Payment of fees and/or interest compensation in connection with a SCT inquiry (pacs.008.001.02)

Changes have been made to rules regarding the population of pacs.008 fields relating to the payments of fees and/or compensation for SEPA Credit Transfer Inquiries, specifically when the following category purpose codes are used:

- FCOL (Fee Collection)
- INTE (Interest)
- FCIN (Fee Collection and Interest)

The rules affect:

- Debtor and Creditor sub-elements (e.g. Name and Account must contain Debtor Bank details.)
- Category Purpose (only permitted at Credit Transfer Transaction level)

Avaloq does not support the related SCT Inquiry use cases for Crédit Agricole and has therefore not delivered a change. If you have customization relating to these changes, check that it is compatible with the 2021 specification.

7.6   KBC Changes for November 2021

The following sections describe the changes that have been made to the SEPA KBC implementation, in accordance with the latest SEPA KBC specification for 2021.

7.6.1   Extension of the deadline for initiating a recall for the reason "fraud"

A recall for a "Fraudulent originated SCT" can be sent up to 13 months after original transaction as opposed to 10 business days for the other reasons.

Avaloq has modified the logic in the relevant sources so that, if the return reason is FRAUD, the return period is extended to 13 months.

7.6.2   Payment of fees and/or interest compensation in connection with a SCT inquiry (pacs.008.001.02)

Changes have been made to rules regarding the population of pacs.008 fields relating to the payments of fees and/or compensation for SEPA Credit Transfer Inquiries, specifically when the following category purpose codes are used:

- FCOL (Fee Collection)
- INTE (Interest)
- FCIN (Fee Collection and Interest)

The rules affect:

- Debtor and Creditor sub-elements (e.g. Name and Account must contain Debtor Bank details.)
- Category Purpose (only permitted at Credit Transfer Transaction level)

Avaloq does not support the related SCT Inquiry use cases for KBC and has therefore not delivered a change. If you have related customization, check that it is compatible with the 2021 specification.

7.7   DFÜ Changes for November 2021

The changes described below have been introduced based on the German Banking Industry Committee (Deutsche Kreditwirtschaft, DK) specification for the SEPA data formats for the customer-to-bank interface, which are, in turn, based on the EPC Implementation Guidelines.

7.7.1   Customer statement message according to ISO standard 20022

With effect from November 2021, to synchronize with the ISO20022 versions used in payments, the German banking industry will adapt the rules used in Customer Statement Messages to the ISO version V08 (2019 version) in November 2021.

This involves the following changes to camt.052/053/054:

- `BxTxCd/Cd` and `BkTxCd/Domn` are now filled in kernel (if `BkTxCd/Prtry` is not filled already e.g. default '+++').
- Any overwritten CAMT reports, or creation of new CAMT messages in CSS, should now use the V08

version.

Change `'with new mem_msg_mx_camt.052n'` to `'with new mem_msg_mx_ camt052n*_v08*'`

- Any use of fields that have changed from V02 to V08 must be wrapped in a `with` statement for v08 to utilize accurate static checks in compilation.

If accessing Ntry/ValDate, Ntry/BookgDt and Ntry/Sts:

```
with mem_msg_mx_camt053n_v08
(i_msg).document.bk_to_cstmr_stmt.stmt_list(1) as stmt_v08 do
with stmt_v08.ntry_list(i_ntry_id) as ntry_v08 do
ntry_v08.val_dt.dt.val_date := evt(i_evt_id).val_date;
...
end with;
end with;
```

As `ntry.val_dt.opt.dt.val_date := evt(i_evt_id).val_date;` will fail at runtime since the `'opt'` node no longer exists.

Required action: Review any existing customization relating to the camt.052/053/054 message types to ensure that it is compatible with the 2021 specification.

7.8   Upgrading SEPA for November 2021

The changes made for the SEPA 2021 release upgrade affect the processing of messages for the BBK, Crédit Agricole, DB, DFÜ, EBA STEP2, KBC and Natixis clearers. If these changes apply to you, complete the following steps to keep up to date with the SEPA 2021 release upgrade:

Steps to Follow

1. On the productive Avaloq Core, on the date the release upgrade is productive on the SIC network, set the `netw_release_id` item of the `avq.msg.swift` base parameter to "swift$sss21".

2. Review and, if required, modify your customization for camt.056 messages to reflect the extension of the deadline for initiating a recall for the reason "Fraud".

3. Review and, if required, modify your customization for handling pacs.028 messages to reflect the changes to allow multiple transactions to be included for SCT Inquiry requests.

4. Review and, if required, modify your customization for camt.029 messages to reflect the discontinuation of the interim solution for the `<Compensation>` element.

5. Review and, if required, modify your customization for camt.029 messages to reflect the changes to field rules for responses to a recall, particularly with reference to the `<Additional Information>` element.

6. Review and, if required, modify your customization for camt.029 messages to reflect the validation rule change for the `<Compstn>` element.

7. Review and, if required, modify your customization for pacs.008 messages to reflect the changes relating to the payment of fees and/or interest compensation in connection with a SCT Inquiry.

8. Review and, if required, modify your customization for pacs.028 messages to reflect the `<Original Group Information>` element moving from the 'GroupHeader' to 'TransactionInformation'.

9. Review and, if required, modify your customization for camt.027, camt.087, camt.029.001.08 and pacs.002S2 messages to reflect the schema validation updates.

10. Review and, if required, modify your customization for camt.052, camt.053 and camt.054 messages to reflect ISO version 08.

7.8.1   Result

The SEPA implementation is up to date for 2021.