

Incident Report: IR-2025-DE-055

Subject: SEPA Instant Credit Transfer Timeout

Date of Report: December 20, 2025

Status: Resolved

1. Executive Summary

Following a core banking system update, **Germany**-based users experienced failures with SEPA Instant Credit Transfers. While the Kredila app showed "Success," the funds were stuck in the intermediary clearing layer due to an IBAN validation mismatch.

2. Incident Timeline (CET)

- **Dec 19, 09:00 AM:** First reports of "Missing Funds" despite "Sent" status in the Kredila app.
- **Dec 19, 12:00 PM:** Internal audit reveals that the "Instant" flag was being stripped from the XML payment message.
- **Dec 20, 10:00 AM:** Patch deployed to restore the INST tag in the ISO 20022 message format.

3. Impact Assessment

- **Affected Region:** Germany
- **Impact:** 650 transactions totaling €1.2M were delayed by 24 hours.
- **Root Cause:** ISO 20022 message formatting error following a software deployment.

4. Resolution & Preventive Action

- **Resolution:** Re-sent all affected transactions with the correct "Instant" priority flag and refunded transfer fees.
- **Preventive Action:** Added a **Regression Test Suite** specifically for ISO 20022 payment messaging to our CI/CD pipeline.