

SEPA INSTANT PAYMENTS

A Guide to Navigating Europe's
Real-Time Payments Revolution



IN A NUTSHELL



New Regulation: The Instant Payment Regulation (IPR) mandates all Eurozone banks and PSPs to offer instant payment capabilities, with receiving required by January 2025 and sending by October 2025.



Real-Time Standard: All euro transfers must comply within ten seconds, available 24/7/365, at the same cost as regular transfers, transforming every bank account into a real-time payment wallet.



Powered by Ivy: Through Ivy's Open Banking platform, merchants can instantly tap into this transformation across 5,000+ banks and 400M+ connected users today.

By breaking down the essentials of the IPR and highlighting what the new regulation means for businesses, this guide helps you to navigate change with clarity and turn compliance into an opportunity.

WHO THIS GUIDE IS FOR

Whether you're a PSP expanding instant payment coverage, a fintech building real-time products, or a crypto business bridging fiat and digital assets, this guide shows why SEPA Instant is essential for modern payments and how to stay ahead as Europe moves to a 10-second standard.

TL;DR

Regulatory Overview

Explore what the new Instant Payments Regulation means for banks, PSPs, and crypto.

Operational Insights

Understand key technical requirements such as the ten-second rule and verification protocols.

Strategic Opportunities

Learn how to turn compliance into strategic opportunities and how Ivy enables businesses to deliver on them today.

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INTRODUCING INSTANT PAYMENTS

EUROPE ENTERS THE ERA OF INSTANT PAYMENTS

The Instant Payments Regulation (EU 2024/886) (IPR) introduces a new standard, making instant money movement the norm across the European Union. Payments in euros must be executed and received within seconds, available at all times, and priced on par with standard SEPA transfers.

This reform marks a turning point for Europe's payment ecosystem. It makes instant payments mandatory, creating a level playing field for all providers and unlocking real-time liquidity for businesses and consumers.

WHAT THIS MEANS IN PRACTICE

For Merchants

✓ Faster cash flow

✓ Fewer intermediaries

✓ Instant liquidity

For Customers

✓ 24/7 access to funds

✓ Instant refunds and transfers

✓ Better payment experience

With the next phase of the regulation taking effect on 9 October 2025, when all Eurozone banks must support instant payments, the shift from optional to mandatory participation is imminent.

This article provides an overview of the regulation, its key milestones, and its impact on payment service providers within SEPA.

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WHAT IS THE REGULATION ABOUT?



Instant Payments are a fast, secure payment method that lets customers pay directly from their bank account — **no cards, no hassle.**



WHICH ACCOUNTS ARE IN SCOPE?

The obligation to offer instant credit transfers applies to all payment service providers that already enable standard SEPA credit transfers in euros. Whether an account falls under the IPR depends on whether it qualifies as a payment account, meaning it allows transactions to

or from third parties. Loan or credit card accounts are generally excluded unless transfers can be initiated directly, for example, through online banking. Each account type must therefore be assessed individually to determine whether it meets the SEPA definition.

📌 **Good to know:** Beyond institutional scope, the IPR specifies its geographical and currency reach. While focused on euro payments, it also extends to cross-currency transactions within SEPA. Providers offering euro transfers from non-euro accounts must enable them instantly, with currency conversion completed within the same ten-second window.

IMPLEMENTATION TIMELINE

The IPR introduces a phased timeline to ensure the full rollout of real-time euro payments across SEPA.

For banks in the Eurozone, the obligation to receive instant payments commenced on January 9, 2025, while the obligation to send them **will take effect on October 9, 2025**.

Institutions outside the Eurozone have longer transition periods: credit institutions must comply by January 2027 for receiving and July 2027 for sending, while payment and e-money institutions have until April 2027. For non-Euro accounts, the rules will take effect from June 2028, providing additional time for alignment across currencies.

The following table summarises the phased implementation of the requirements.

TIMELINES FOR IPR IMPLEMENTATION

PSP	Receiving Instant Payments	Sending Instant Payments
CIs in Eurozone	9 January 2025	9 October 2025
PIs and EMI's in the Eurozone	9 April 2027*	9 April 2027*
CIs outside the Eurozone	9 January 2027	9 July 2027
PIs and EMI's outside the Eurozone	9 April 2027*	9 July 2027*

** In respect of non-euro payment accounts, the requirements will not apply until 9 June 2028.*



From PSD2's data access to SEPA Instant's mandatory real-time payments, we've witnessed Europe's payment rail transformation from closed and slow to open and instant. This defines the new normal for merchants and customers. Now, every bank account becomes a real-time payment wallet in an open, real-time ecosystem with instant by default. Exciting times for Instant Payments in Europe!

FERDINAND DABITZ
Co-Founder and CEO, IVY

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WHAT THE IPR REQUIRES



With Ivy, you can tap into SEPA Instant to power fully compliant real-time payments already today, delivering instant settlement, better cash flow, and stronger customer trust.

Get in touch with our [payments experts](#) and let's build the future of finance together.



OPERATIONAL AND TECHNICAL REQUIREMENTS

The IPR outlines operational and technical standards to ensure instant payments operate reliably across Europe. All participants must maintain systems that are continuously available, interoperable, and capable of processing transactions within seconds.



Continuous Availability

Payments must run 24/7/365 with no downtime. This requires full real-time connectivity to systems such as TIPS and EBA RTI, supported by resilient infrastructure, active monitoring, and contingency measures.



Liquidity Management

With instant settlement, institutions must maintain sufficient liquidity at all times. For non-euro accounts, real-time conversion within ten seconds applies, while predefined rates keep processing stable when markets are closed.

Together, these measures redefine the European payments landscape. The regulation requires continuous processing, transparent pricing, and real-time secure verification.

The following sections examine two of its most demanding elements: the **ten-second execution rule** and the **verification and authentication protocols** that guarantee transaction security.

THE 10-SECOND INSTANT PAYMENT WINDOW

Each instant payment must be processed, settled, and credited to the recipient within ten seconds of initiation, at any time and from any location.

This strict rule redefines not only the speed of European payments but also how institutions design and manage their systems.



Seamless system coordination

Instant payments demand tight synchronisation. Clearing networks, fraud detection, and compliance checks must run automatically and in parallel to meet regulatory performance and reliability standards.



Low-latency infrastructure

Executing ten-second payments requires automation with minimal delay. Real-time monitoring and sanctions screening must operate through low-latency infrastructure to handle continuous volumes securely.

VERIFICATION AND AUTHENTICATION PROTOCOLS

Security and trust are essential to the success of instant payments.

The IPR highlights two key safeguards to ensure payments executed within seconds remain safe and compliant:



Verification of Payee

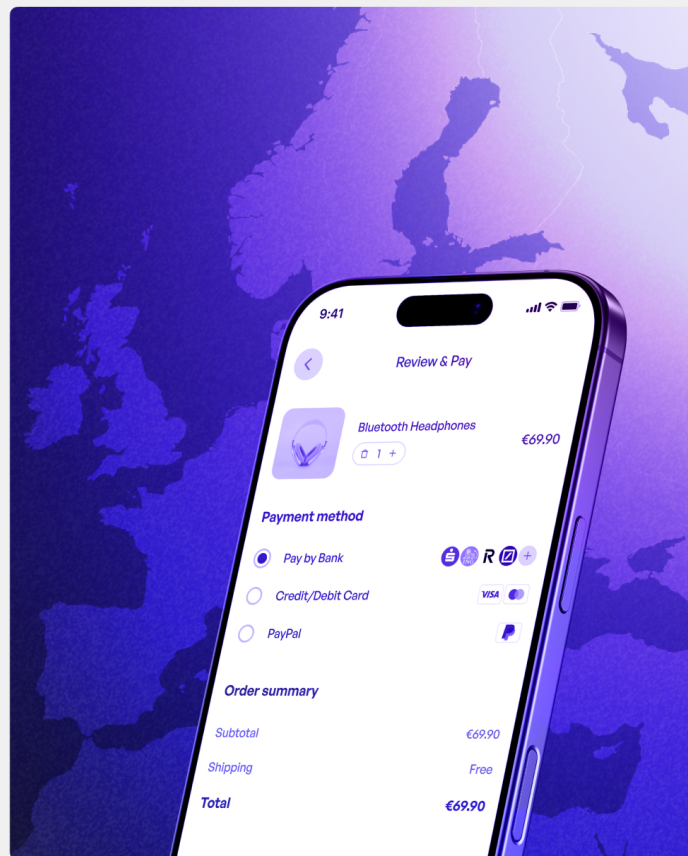
Providers must automatically check that the payee's name and IBAN match before authorisation. Any mismatch must trigger a payer alert, with checks completed within ten seconds across all channels.



Strong Customer Authentication (SCA)

In line with PSD2, authentication must finish before the ten-second window starts. Transactions that fail verification in time must be rejected to maintain instant payment security and compliance.

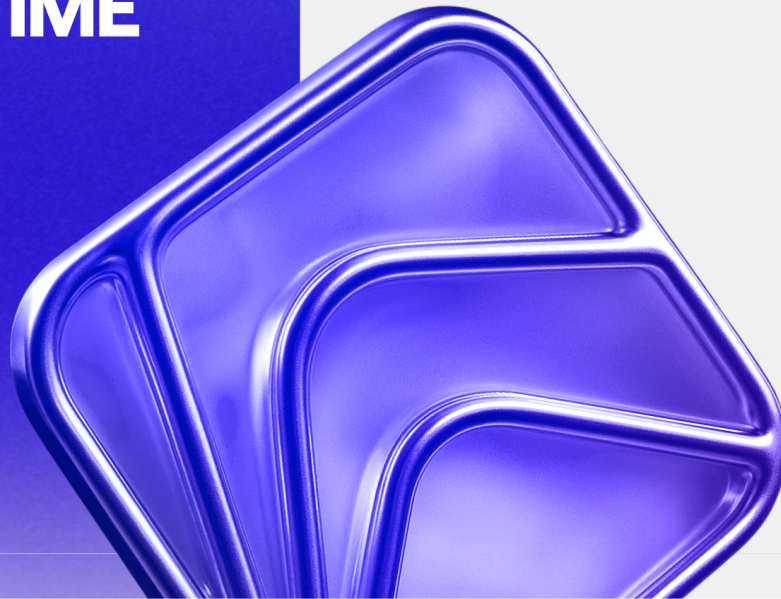
From a compliance perspective, these rules set one of the IPR's toughest standards, requiring institutions to embed real-time verification and authentication into PSD2 systems while ensuring instant, secure, and reliable payments.



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FROM REGULATION TO REAL-TIME WITH IVY

As Europe moves toward real-time payments, Ivy already provides the infrastructure to support it. Built for continuous speed and reliability, Ivy enables institutions to meet regulatory standards today — delivering instant payments that are compliant, connected, and ready to scale.



POWERING THE FUTURE OF SEPA INSTANT WITH IVY

The IPR defines the new standard for how money moves across Europe. With new regulatory change, many businesses and financial institutions are still asking how to implement it effectively. Building true instant payment capabilities requires resilient technology, full connectivity, and the ability to operate around the clock.

While the regulation defines what must be achieved, Ivy provides the infrastructure to make it happen.

Built for Europe's new real-time economy, Ivy enables businesses to deliver instant payments with speed, reliability, and compliance at scale.

Through a single API connection, Ivy integrates directly with SEPA Instant payment rails. This seamless setup, combined with developer-friendly APIs and guided support at every step, enables businesses to integrate quickly and take advantage of regulatory changes in a timely manner.

Ivy's Instant Payment Suite supports diverse payment needs – including **Open Banking, Manual Bank Transfers, Withdrawals, Refunds**, and more – across 28 European markets.

With connections to more than **5,000 banks through a single API**, Ivy eliminates the complexity of fragmented integrations. This enables businesses to **unlock the full potential of real-time payments** with minimal technical effort.

✓ **For merchants**, Ivy enables low-cost, bank-grade secure instant payments that build trust, increase retention, and ensure compliance with Europe's payment regulations.

✓ **For customers**, it turns every bank account into an instant payment wallet. This creates a faster, more transparent, and more reliable payment experience while allowing immediate access to funds at any time.



Stay ahead with Ivy's truly instant payment suite across Europe. While others adapt to regulatory changes, Ivy's infrastructure is already optimised for the future of SEPA Instant – building trust, enhancing loyalty, and driving repeat business across industries.

Get in touch with our payments experts and let's build the future of finance together.

[SPEAK TO AN EXPERT >](#)



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GET IN TOUCH



Ferdinand Dabitz

Co-Founder & CEO, Ivy

ferdinand.dabitz@getivy.io