



Discontinuation of payment slips (IS/ISR).

Checklist for banks.

Introduction

- With the launch of the QR-bill on 30 June 2020, it was already communicated that the parallel phase for the new and old documents would be kept relatively short. After consulting with the Swiss financial center, PostFinance has now decided to take the products **red and orange payment slip (IS/ISR) off the market as of 30 September 2022.**
- **Invoice Issuers that have not yet switched to QR-bill or eBill need to act accordingly.** Financial institutions are asked to assist their customers with the switchover, especially to eBill, and provide them with the appropriate support.
- **The time requirements for adjusting standing orders with an ISR reference are still being examined.** Further information will follow in a bank circular in March 2021.
- Banks are recommended **to point out to their invoice issuers that when the switch is made the invoice issuers should provide their invoice recipients their invoice data directly, but only with the IBAN and without any proprietary (old) account numbers.**
- **All market participants and bank customers are affected by the specified changes.**

Information on using the checklist

The **target group** for the checklist includes **payment transaction experts and product managers** at the banks. It is also advised to forward the list as an aid to other teams that are affected by the topic.

All titles have been activated. With a click you reach the topic you are looking for. And via (1-6) you are placed back on the contents page.

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Note:

IS = red payment slip = payment types 2.1 and 2.2
ISR = orange payment slip = payment type 1

1	Affected products and processes	Activities	Comments
1.1	Invoice issuers with their own invoice printing		
	Invoice issuers that use physical invoices, invoices based on eBill, or e-mail invoices (PDF) based on an ISR for billing purposes.	Invoice issuers that use physical invoices, invoices based on eBill, or e-mail invoices (PDF) based on an ISR for billing purposes must be informed that they should switch to the QR-bill as soon as possible. Banks should decide on the end date for issuing new bank ISR IDs and communicate this date to invoice issuers accordingly.	
1.2	Use of pre-printed payment slips		
	Invoice issuers that use pre-printed IS/ISR for billing purposes.	Financial institutions that provide their customers with pre-printed IS/ISR for billing purposes must decide on an end date for providing these slips and communicate this to their customers.	
1.3	Information on credit files		
	As of the reference date, the type 3 ISR credit record can no longer be used for payment receipts from ISR.	Inform customers as of when the last delivery will take place.	For receipts from LSV+/BDD, the type 3 ISR credit record can still be used.
	Notifications of payment receipts from QR bills will be sent electronically using the bank-to-customer message type camt.05x in accordance with the ISO 20022 standard.	Inform customers that notifications of payment receipts from QR-bills with a QR reference or Creditor Reference will be sent electronically using the bank-to-customer message type camt.05x in accordance with the ISO 20022 standard.	A notification with the type 3 ISR credit record is not possible for payment receipts from QR-bills. Electronic notifications of credits from QR-bills with a QR reference or a Creditor Reference must always use the camt.05x message type. Notifications of credits are sent as a batch resolution in a camt.053 or camt.054 message. Paper-based notification (physical batch or individual notifications) is still possible. Each financial institution is free to decide whether and which forms of the paper-based notification it wishes to offer to its customers.
1.4	Customer payments		
	Payments based on an IS/ISR – payment orders submitted physically, payment orders issued online or electronically, and orders entered internally.	Irrespective of how the order is issued, such payments can be accepted only with an execution date up to the reference date agreed upon. Execution must be completed by the SIC release in November 2022 at the latest.	

1	Affected products and processes	Activities	Comments
	<p>Validation of pain.001 – orders issued with a payment file</p>	<p>With SPS (Swiss Payment Standards) 2022, payment types 1 (ISR), 2.1 and 2.2 (IS) will be removed from the business rules and the implementation guidelines for credit transfers.</p>	<p>Payers are free to submit payments with payment type 2.1/2.2 (IS) as payment type 3 (bank or postal payment in CHF/EUR).</p>
	<p>Use of the PC/ISR list</p>		<p>Banks must check whether this file is still wanted. From the perspective of SIX, it is no longer necessary after the discontinuation of the ISR. If there is a need to update the list, banks should contact SIX directly.</p>
<p>1.5</p>	<p>Standing orders</p>		<p>The time requirements for adjusting standing orders with an ISR reference are still being examined. Further information will follow in a bank circular in March 2021.</p>
	<p>Standing orders based on an IS</p>	<p>Standing orders based on an IS can be continued by the debtor bank as a bank or postal payment (payment type 3). In the case of the “red bank IS” payment slip (two-tier IS), it must be ensured that the payment goes directly to the creditor agent (see section 6).</p>	<p>In the case of the “red bank IS” payment slip (two-part IS), the IBAN under “Zugunsten von” (“In favor of”) determines the creditor bank.</p>
	<p>Standing orders based on an ISR</p>	<p>Standing orders based on an ISR can be executed only up until the reference date agreed upon. The last execution must be completed by the SIC release in November 2022 at the latest.</p>	
	<p>Existing standing orders with an execution date after the reference date that cannot be switched over.</p>	<p>Customers are to be informed that such standing orders can no longer be processed after the reference date. Customers must be informed that a new standing order needs to be set up.</p>	
	<p>New standing orders based on an IS/ISR</p>	<p>The bank must ensure that new standing orders based on an IS/ISR have a maximum term ending by the SIC release in November 2022 at the latest.</p>	<p>Enter standing orders based on an IS as a bank or postal payment (payment type 3). Inform customers that the entry would make more sense based on a payment section using the Swiss QR Code.</p>

1	Affected products and processes	Activities	Comments
1.6	Scheduled payment orders		
	Payments based on an IS – with an execution date after the reference date.	The bank should ensure that such payments are executed on a scheduled date as payment type 3 (bank or postal payment).	
	Payments based on an ISR – with an execution date after the reference date.	Payments based on an ISR can no longer be executed. The customers concerned must be informed accordingly.	
1.7	Payment templates		
	Payment templates based on an IS – individual templates.	The bank should ensure that such payments can be executed as payment type 3 (bank or postal payment) (see section 1.6).	
	Payment templates based on an ISR – individual templates.	Inform customers that payment templates based on an ISR can no longer be processed after the reference date at the latest.	
	Payment templates based on an IS/ISR – payment lists.	Inform customers that payment lists can no longer be processed after the reference date at the latest.	
1.8	Invoices with eBill – issuing and paying		
	Switching to QR-bill and eBill	Banks should support invoice issuers and invoice recipients with the switch to QR-bill and eBill.	
	Approved invoices with an ISR reference and account and due date after 30 September 2022.	Irrespective of eBill, banks should define how such cases are to be handled.	
2	Direct debit procedures (LSV+/BDD)	Activities	Comments
	Financial institutions that already use LSV+/BDD.	There is no need for action, as the product can be used without any adjustments.	
	Financial institutions that wish to start participating in the LSV+/BDD service after 31 December 2021.	Banks must request the LSV participation number (previously ISR participation number) from SIX Billing & Payments Support.	Note: Until 31 December 2021, participant numbers must be obtained from PostFinance as before.

3	Adjustments at the bank	Activities	Comments
	Processing of physical payment orders by a financial institution, by a service provider on behalf of a financial institution, or at the post office.	Banks must consider how they will handle physical IS/ISR that they receive for scanning after the reference date.	The customers should be informed accordingly.
	Mobile banking solutions of a financial institution	Banks must consider how their mobile banking solution will react if a customer tries to scan an ISR/IS after the reference date.	
	Online banking	Banks must modify their entry screens.	
	Internal entry application (for customer advisor / Operations)	Order entry must be regulated so that the corresponding payment types can be entered only up until the reference date and the corresponding entry screens are available only up until the reference date.	
	Market gateways	As of the SIC release in November 2022, the SIC system will no longer accept ESRPMT or ESRPT payments.	
	Form order application	Financial institutions that provide pre-printed IS/ISR must set a reference date as of when they will no longer accept and execute such orders.	The form order application must be regulated so that the corresponding input screens are available only until the reference date.
	Notification/reporting system	Set last delivery date for type 3 ISR credit record and inform customers.	Deactivate notification with the type 3 ISR credit record as of the reference date. At the latest, after the SIC release in November 2022.
		Financial institutions that use PostFinance's ECA-I service must inform their customers of the discontinuation date.	Customers must be informed that they will no longer receive a credit note with an image in the future but a "normal" credit notification instead.
4	Interbank payments	Activities	Comments
	The payment type ISR payment (ESRPMT) will be discontinued as of the release in November 2022. pacs.008 (ESRPMT) can therefore only be triggered until the SIC release in November 2022. pacs.008 with a PSREF account type will also be rejected after the release.	Inform customers that existing orders with an execution date after the reference date can no longer be executed. Internal suppliers and applications must be adapted accordingly.	

5	Information and communication measures	Activities	Comments
	Internal information & training	Banks should inform and train the teams affected by the upcoming discontinuation of IS/ISR (Operations / Product Management / IT / customer advisors, etc.).	
	Product descriptions and brochures	Banks should adapt their documents and communicate the changes in advance.	
	Manuals & handbooks	Banks should adapt their documents and communicate the changes in advance.	
	Business conditions	Banks should adapt their documents and communicate the changes in advance.	
6	Continuation of payment orders	Activities	Comments
	As things currently stand, payments based on an ISR (payment type 1) will not be continued.	The payment type ISR payment (ESRPMT) will be discontinued as of the release in November 2022. pacs.008 messages with ESRPMT can therefore be triggered only until the SIC release in November 2022. pacs.008 messages with a PSREF account type will also be rejected after the release.	Note: The payment type ISR Payment from Direct Debit (ESRDEB) will remain unchanged.
	Payments based on an IS (payment type 2) could be modified to payment type 3.	pacs.008 messages with the payment type CSTEPMT can still be issued with a PCACC account type after the SIC release in November 2022. Payment type 2.1 (<i>creditor agent must be added if necessary</i>) can still be issued, while orders in payment type 2.2 can be issued as CSTEPMT with the IBAN or account type PRTRY.	

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