Instant Verification Service (IVS)

by Latvijas Banka

28/03/2025

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Our experience in retail

1998	2010	2017	2019	2024	2025
Clearing in LVL	Clearing in EUR	Instant payments	IBAN Proxy registry	Non-bank access	VoP

Instant Verification Service high-level description

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Allowing PSPs to provide mandatory verification of payee prior to authorisation of a SEPA payment

✓ **Message and file exchange** via RabbitMQ

✓ **Several options** for responding incoming VoP requests

✓ **Basic matching** service based on EPC recommendations

✓ **No debulking** service for files

Reminder for SCT/SCT Inst participants

Adhere to EPC VoP Scheme and register in the EPC Directory Service (EDS)

- ✓ SCT and SCT Inst scheme participants affected by SEPA regulation **must adhere to the VoP scheme and pay VoP/EDS fee** according to the timeline to be specified by EPC

- ✓ The EPC plans to open VoP scheme adherence process by **March 2025**

- ✓ When adherence process is completed, PSP will have to **register in the EDS** and may optionally delegate management of the EDS to a RVM

- ✓ After IVS users are registered in EDS Latvijas Banka plans to **manage data in EDS** on behalf of IVS users

Processing of outgoing requests

Relevant for all IVS users

- Routing outgoing VoP requests and forwarding related responses

- Storing PSD2 QWAC certificate and adding it to the outgoing EPC VoP requests

- Timeout management to be performed by IVS user
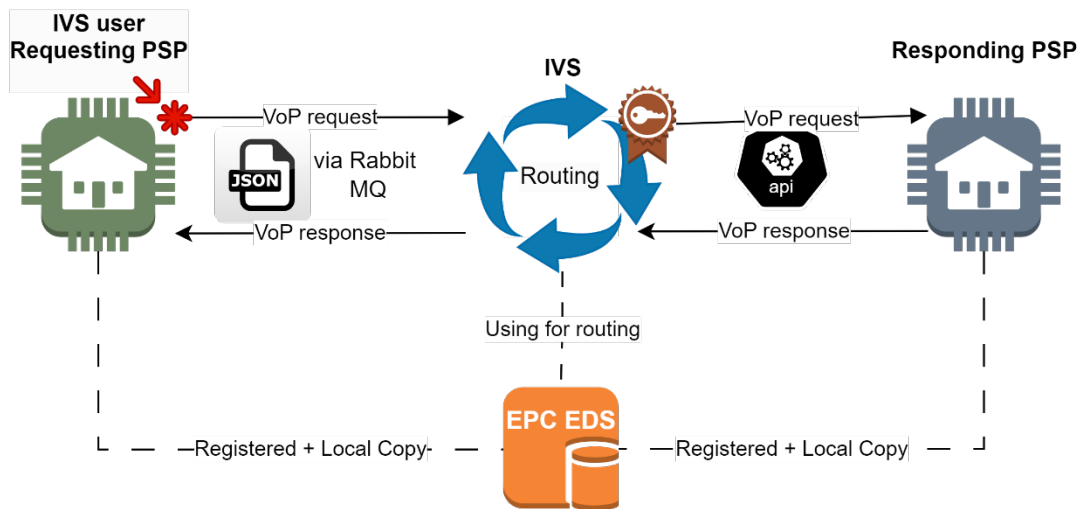
Processing of incoming requests – several options

Option 1: Routing only

- Forwarding incoming VoP requests

- Routing VoP responses generated by the IVS user including provided matching result code
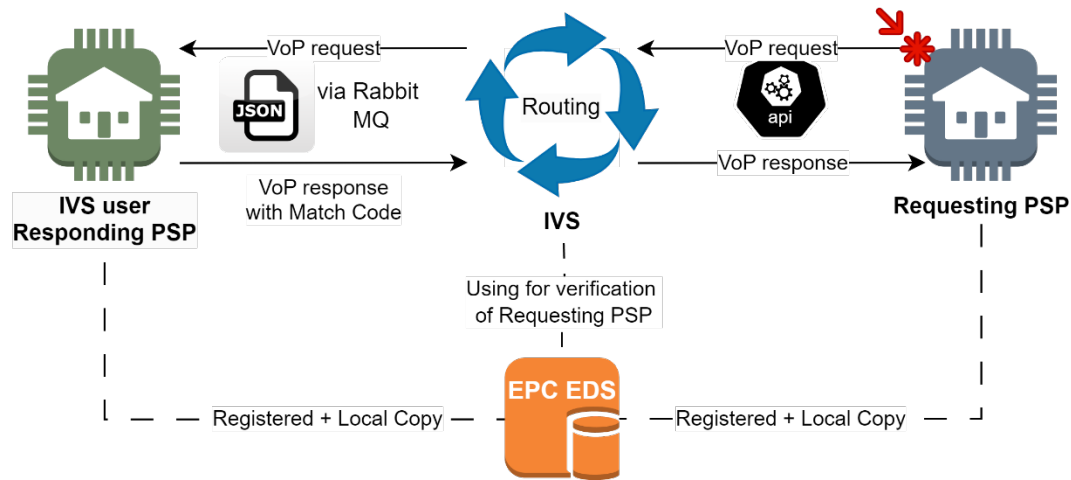
Processing of incoming requests – several options

Option 2: Routing and Matching based on the immediate response from the user

- Forwarding incoming VoP requests

- Generation of matching result based on the list* of names provided by the IVS user as a response to each separate VoP request

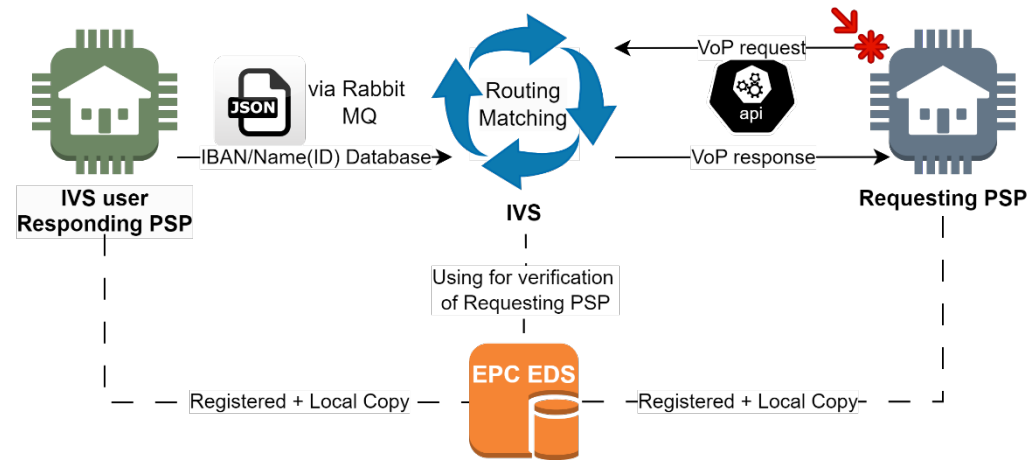- Caching option (optional)

- Routing of VoP response
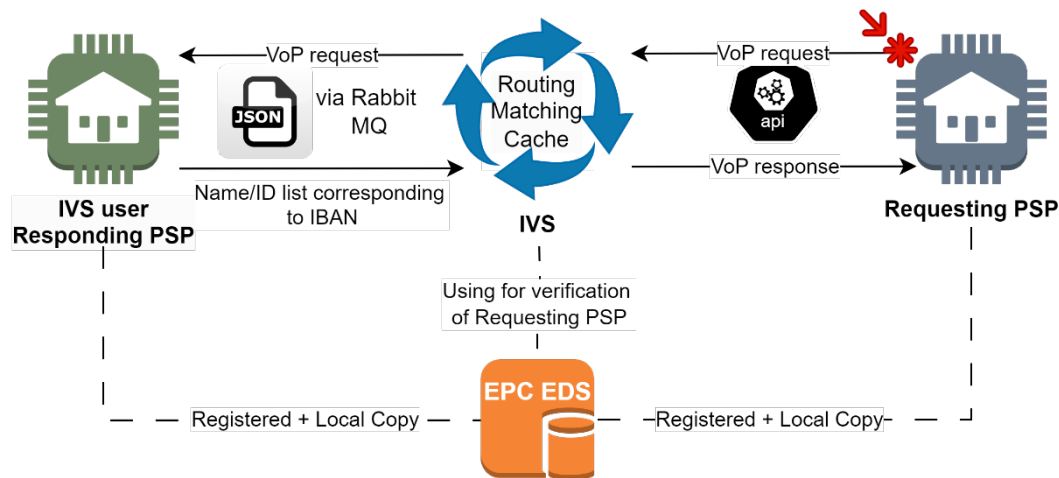
* The user may provide the IVS with as many payee names variations as necessary

Processing of incoming requests – several options

Option 3: Routing and Matching based on IBAN/name database

- Receiving incoming VoP requests on behalf of the IVS user

- Generation of Matching result based on the IBAN/name(ID) database provided and regularly updated by the IVS user (add/remove/replace individual records)

- Routing of VoP response

* The user may provide the IVS with as many payee names variations as necessary

Matching (Option 2 and 3)

Step 1: Pre-processing and normalisation

- Ignoring upper / lower case, removing leading or trailing spaces, special characters, titles and legal forms, changing diacritics/accents

- Result of Step 1 is an unstructured name string which is used in the Matching process

Step 2: Matching

Verification of an unstructured name string against the data provided by the IVS user

Matching (Option 2 and 3)

FULL MATCH

Unstructured name string exactly matches (i.e. no deviation at all) at least one record corresponding to the respective account number provided by the user.

CLOSE MATCH

- no more than two spelling mistakes are detected during applying the Levenshtein distance algorithm
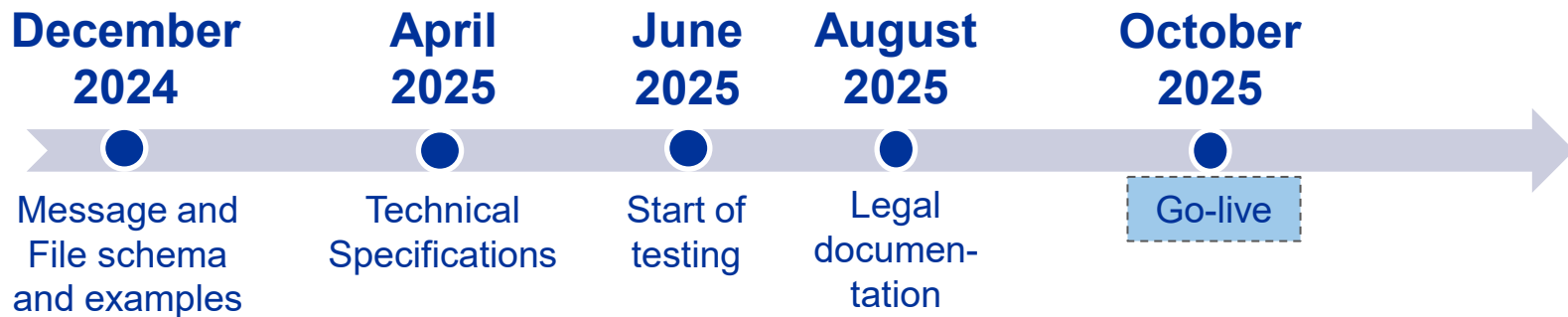
- two letters in the name string are inverted

In case of Close Match, IVS indicates the correct name in the VoP response. Where several acceptable name options are indicated by the user, IVS in the VoP response states the one which generated the Close Match result and stops matching process.

Non-matched items report

- IVS generates daily report, among other, listing the details of the NO MATCH responses sent by the user or the IVS on behalf of the user for the incoming VoP requests

- The report may be used by IVS user for improving the list of acceptable name options

IVS timeplan

December 2024

Message and File schema and examples

April 2025

Technical Specifications

June 2025

Start of testing

August 2025

Legal documen-tation

October 2025

Go-live

IVS Onboarding

April/May 2025

Sign an agreement on electronic information exchange with Latvijas Banka

Perform technical integration with our Rabbit MQ infrastructure

Perform connectivity testing

June-September 2025

Upload of QWAC certificate

Perform functional testing

Qualified Electronic Signature (QES) used for legal documents

September 2025

Sign an Agreement on the Usage of Instant Verification Service

Data Controller Form (GDPR-related)

Submit Registration Form

Any questions?

Visit us on our webpage

[Instant Verification Service | Latvijas Banka](#)

Contact us via e-mail

[VerifyThePayee@bank.lv](#)