

IPR and VOP testing: The foundation of readiness

Preparing Europe's payments ecosystem for October 2025 and beyond.



Erwin Kulk
Head of Service Development and Management
EBA CLEARING

September 25, 2025

The Instant Payments Regulation (IPR) – which entered into force in spring 2024 – represents one of the most significant recent shifts in Europe's payments landscape. The first milestone in January 2025 required payment service providers (PSPs) to be ready to receive instant payments, and the next major step comes on 9 October 2025, when institutions in the eurozone must also be able to send instant payments and ensure verification of payee (VOP) is in place for both instant and regular SEPA credit transfers.

One of the overarching challenges of VOP is that its impact extends beyond PSPs to the entire end-to-end payment chain. From deadline day onwards, both consumers and businesses will need to adapt – whether that means individuals facing the friction of false alarms when paying a friend or corporates experiencing delays to time-critical payments because enterprise resource planning (ERP) systems are not yet fully prepared.

Experience from previous pan-European changeovers has shown that success depends on comprehensive preparations. To make sure that the whole ecosystem is ready, these preparations must involve extensive community-wide volume and performance testing. Testing is not simply a compliance exercise: it is the foundation for end-to-end resilience and a positive customer experience. Against this backdrop, the key questions now are: how are preparations progressing – and what can we expect in October and beyond?

Ensuring readiness through testing

Preparations for the IPR began well ahead of the first compliance deadline. As early as spring 2024, when the Regulation entered into force, we launched a large-scale, community-wide testing programme. The first group of participants entered testing in September 2024, with further test windows for different national communities following over subsequent months.

The central focus throughout has been on end-to-end operational excellence: ensuring maximum availability, robust performance and minimising rejection rates across the

ecosystem. Over the past 18 months, this has centred on readying our pan-European instant payment system, RT1, and supporting our users in their own preparations.

Participant feedback confirmed that the programme was instrumental in identifying and resolving bottlenecks, latency issues and potential rejection points that could otherwise have disrupted the scale-up of instant payments. Its value became clear in January 2025, when the first milestone – requiring credit institutions in the eurozone to receive instant payments – came into effect. Since then, instant payment volumes have grown by around 60%, with peak hours already exceeding 1,000 transactions per second.

Collaboration and knowledge-sharing have been equally important. Regular working group sessions with our community, as well as participation in broader implementation forums such as the Euro Banking Association’s instant payments group, have provided practitioners with a platform to exchange experiences, address challenges and coordinate solutions.

Together, this combination of rigorous testing and collaborative action has enabled PSPs to fine-tune their systems and strengthen readiness for the significant increase in instant volumes expected in the coming months. And the first results are already visible: since January, RT1 has followed a steep yet smooth growth trajectory, moving from 3.7 million daily transactions on average to 5.5 million today – clear evidence that the infrastructure is ready to scale.

Bracing for October with FPAD VOP

Preparations are equally advancing for the introduction of VOP in October. While this represents a significant leap in combating authorised push payment (APP) fraud, the need to implement this fraud-fighting measure end to end within just 12 months has placed significant pressure on PSPs and their corporate clients. The complexity of implementing VOP throughout the whole payment chain could have negative consequences for both consumers and corporates – one risk being that legitimate payments that would have sailed through just weeks earlier could now face new (and sometimes unnecessary) friction.

We are supporting PSPs in navigating these challenges through our solution, FPAD VOP, which more than 55 RT1 and STEP2 Participants across 14 countries are in the process of adopting. This tool complements payee name verification with additional risk indicators – going beyond the basic IBAN/name check to strengthen fraud-fighting capabilities against a wider range of threats.

Together with a large group of STEP2 and RT1 users, we are currently testing this solution at scale. This pan-European community of PSPs are validating their readiness and, through the identification and mitigation of pain points, working towards ensuring a smooth ramp-up of VOP volume. The exercise also enables testing of peak volumes for both FPAD VOP and other VOP solutions.

October 2025 and beyond

While 9 October 2025 marks an important milestone, it is the start of a journey rather than the end. Attack patterns will continue to evolve, and defences must evolve with them.

The clear direction of travel is, therefore, for the industry to act collectively and move beyond compliance. A growing number of STEP2 and RT1 users have already embarked on that journey, thanks to the versatility of FPAD, which our users conceived in 2022/2023 with a much broader scope than just VOP. Its wide range of network-based fraud risk indicators enables PSPs to add multiple layers to their fraud prevention approach. Some of the first movers indicated that it had already allowed them to reduce their fraud losses by ca. 35% in the first six months.

And the journey will not stop there. With FPAD, our community is also well-positioned to meet the fraud-fighting requirements that the Payment Services Regulation is expected to bring – and to leverage the advanced fraud detection and prevention opportunities it may introduce. Preparations are ongoing to ready FPAD for reaping these opportunities – but for now, our prime focus is on supporting our community and the wider ecosystem in navigating the current changeover.