

Fact Sheet

Verification of Payee

What is Verification of Payee?

Verification of Payee is a name checking service that helps avoid payments being accidentally misdirected. The service is designed to give you (whether you are a personal or business customer) greater assurance that you are sending payments to the intended recipient, helping to avoid making accidentally misdirected payments to the wrong account holder, as well as providing another layer of protection in the fight against fraud and scams.

How does Verification of Payee work?

Before authorising a payment, a payment services provider (PSP) will be able to check the name and IBAN number of the payee against the details held on the account. The customer will then be informed if there is a full match, partial match or no match, allowing them to choose whether or not to authorise the payment via the mobile or internal banking channels.

How will Verification of Payee affect me?

You now need to know someone's full name as per their bank account details if you are going to pay them and you haven't paid them before.

For individuals it is mandatory to provide both their first and last names. For businesses you also need the name on their bank account as this may not be the same as their trading name.

For both personal and business accounts you will need to provide the IBAN identifier for that specific account.

If you are to be paid by someone, then you need to make sure that they know your first full name, last name and your account IBAN identifier.

Your name may not be the same as the name on your bank card. For example, if you have your initials on your bank card, you will still need to give your full first name and last name to the person paying you.

If you change your first or last names it is important that you advise your bank accordingly, so that the records are held accurately for the Verification of Payee check.

The name on your bank account will be used in communications that your account provider has with you (such as a bank statement) and through your online or mobile banking applications.

If you think you need to change the name of the account, or you are unsure of the name to be used, you should discuss this with your bank.

What are the benefits of Verification of Payee?

Verification of Payee will help banks and other PSPs operating in the Single Euro Payments Area (SEPA) to reduce certain types of fraud and misdirected payments. In particular, it addresses certain types of authorised push payment (APP) fraud by providing a platform for PSPs to warn payers about the risks associated with proceeding with a payment to an account where the name does not match.

Will Verification of Payee stop fraud?

Verification of Payee is not a silver bullet to eradicate fraud, but it is one of a range of measures being implemented by the industry to combat fraud. If you want more information about how the industry is helping end-users stay safe from fraud, visit here: www.fbf.fr/en/.

How is consumer data protected?

Europe Arab Bank uses secure technology to safely exchange Verification of Payee requests and is regulated in the United Kingdom by the Financial Conduct Authority (FCA) and in France by the Prudential Supervision and Resolution Authority (ACPR).