



## KIBS FULLY PREPARED TO INTRODUCE INSTANT PAYMENTS IN MACEDONIA UNDER NEW EU REGULATION

On 9<sup>th</sup> of January 2025, a new EU regulation [https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=OJ:L\\_202400886](https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=OJ:L_202400886) on instant payments came into the force, requiring banks and payment service providers in EU and EEA countries to accept instant payments in euros, and from October 2025 they should be able to initiate instant payments. The regulation also harmonizes the rules and standards for these payments, ensuring interoperability and security between different payment schemes and systems.

The regulation is extremely significant given the numerous benefits of instant payments, such as increased convenience and speed for customers, reduced commissions, increased competition and innovation in the payments market, and improved customer satisfaction and loyalty.

*"KIBS, as the only licensed payment system operator in the country, which for the past 23 years has been flawlessly processing retail interbank payments, continuously monitors the latest world practices in the field of payment services. Accordingly, in the last few years the company has worked dedicatedly and successfully set up the instant payment system.*

*Under the new EU regulation, banks and payment service providers in EU and EEA countries are obliged to accept instant payments in euros, and from October 2025 they should be able to initiate instant payments. In addition to the fact that the subject regulation has not yet been transposed into the domestic legislation, KIBS has prepared and has already set up the central platform for domestic instant credit transfers, which has created conditions for the Republic of Macedonia to be fully compliant with the subject EU regulation" the Department for Payment Systems and Related Services at KIBS AD Skopje informed.*

The system is fully compliant with the rules of the SEPA Instant Payments Scheme and European regulation, with the possibility of linking to SEPA for cross-border transactions. This type of payment brings numerous benefits for citizens, the business community and the state.

The first banks have already started integration with the instant payment system which will be launched into production after obtaining an appropriate license from the NBRM.

Instant transfers are available 24/7, 365 days a year, processed for less than 10 seconds, regardless of whether the payer's and recipient's accounts are within the same or different bank or payment institution. This presents a unique advantage over other types of payment transfers in the country. Furthermore, businesses, especially small and medium-sized companies, using this type of transfer could improve their liquidity position through non-delay billing and reduce the need for short-term liquidity loans. Also, instant payments open opportunities for more efficient collection of invoices, bills, as well as obligations to the state.

The benefits, affordability, and simplicity of instant payments allow for the inclusion of new entrants in financial flows, thereby reducing cash in circulation as well as reducing transaction costs.

KIBS will continue to work dedicatedly to be a leading company for the delivery of services of interbank interest, services to the needs of the state and the business community. Although the EU regulation in the subject has not yet been transposed into domestic legislation, KIBS is ready and has already set up the central platform for domestic instant credit transfers, which has created the conditions for the Republic of Macedonia to be fully compliant with it.