



# **International Bank Account Number (IBAN) and Bank Identifier Code (BIC) in payment**

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## International Bank Account Number (IBAN) and Bank Identifier Code (BIC) in payment

This document describes the structures and verification of IBAN and BIC, and their usage in Finnish national and cross-border payments. IBAN has been taken into use especially in Europe, but also in other parts of the world. In Finland, IBAN has replaced the previous national bank account number format (BBAN).

Currency payments and cross-border payments in euro outside SEPA countries require beneficiary's Bank Identifier Code (BIC) in addition to IBAN. BIC may be required also for cross border SEPA transfers until 1 February 2016 within euro area and until 31 October 2016 between euro area and other SEPA countries.

When paying invoices within SEPA, the companies, communities and consumers use IBAN provided by the invoicer. The IBAN is entered in electronic format in the field reserved for account number. The beneficiary's BIC is required in currency payments, euro transfers made beyond SEPA and

- until 1 February 2016 in euro-denominated credit transfers within the euro area;
- until 31 October 2016 in all euro-denominated credit transfers between EU and EEA countries.

### 1 IBAN

IBAN (International Bank Account Number) is a bank account number standard published by the European Committee for Banking Standards (EBS 204). An international version of the standard (ISO 13616) was also later published by the International Organization for Standardization.

#### 1.1 IBAN Structure

In Finland, IBAN is generated by combining the two-character country code, two-digit checksum and the 14-digit unique number. It can always be verified in the same way, and it does not require knowledge on how bank account numbers are generated and verified in each country.

A Finnish IBAN can unambiguously be recognized by the country code 'FI' followed by two numbers.

The fifth to eighth characters of a Finnish IBAN indicate the specific monetary institution. The list of Finnish monetary institution codes and BIC codes is available at [www.finanssiala.fi](http://www.finanssiala.fi).

## 1.2 IBAN verification

### Converting characters into numbers

Before verifying an IBAN, each alphabetical character is converted into a number as follows. The conversion is not case-sensitive.

A=10	G=16	M=22	S=28	Y=34
B=11	H=17	N=23	T=29	Z=35
C=12	I=18	O=24	U=30	
D=13	J=19	P=25	V=31	
E=14	K=20	Q=26	W=32	
F=15	L=21	R=27	X=33	

### Verifying checksum

- The country code and checksum are moved to the end of the account number
  - example 1 (Finland): 12345600000785FI21
  - example 2 (Netherlands): RABO0300065264NL39
- Alphabetical characters are converted into numbers, as explained above
  - example 1: 12345600000785151821
  - example 2: 271011240300065264232139
- The resulting number is divided by 97. If remainder from this division is 1, the IBAN has been formed correctly.

## 1.3 Usage

### 1.3.1 IBAN in incoming payments

Finnish companies must use IBAN in their invoices and the BIC-code, if required.

BIC is not required:

- in euro-denominated credit transfers within Finland
- as of 1 February 2016 in euro-denominated credit transfers within the euro area
- as of 31 October 2016 in all euro-denominated credit transfers between EU and EEA countries

In paper format, IBAN is printed on the invoice in four-character groups separated by spaces, starting from left:

- FI21 1234 5600 0007 85                      paper format

The spaces are not used in electronic (computerised) format:

- FI211234560000785                      electronic format

### Examples of Finnish IBAN

FI2112345600000785

FI = Country code of Finland (ISO)  
 21 = checksum  
 1 = Nordea Bank code  
 2345600000785 = unique part of the account number

FI7536363001154921

FI = Country code of Finland (ISO)  
 75 = checksum  
 36 = S-Bank code  
 363001154921 = unique part of the account number

### 1.3.2 IBAN in outgoing payments

When paying invoices within SEPA, the companies, communities and consumers use IBAN provided by the invoicer. The IBAN is entered in electronic format in the field reserved for account number. The beneficiary's BIC is required in currency payments, euro transfers made beyond SEPA and

- until 1 February 2016 in euro-denominated credit transfers within the euro area;
- until 31 October 2016 in all euro-denominated credit transfers between EU and EEA countries.

### Examples of international IBAN

SE3550000000054910000003

SE = Country code of Sweden (ISO)  
 35 = checksum  
 500 = SEB Bank code and office number  
 5491000000 = account number  
 3 = checksum

DK5000400440116243

DK = Country code of Denmark (ISO)  
 50 = checksum  
 0040 = bank and office number  
 44011624 = account number  
 3 = checksum

DE89370400440532013000

DE = Country code of Germany (ISO)  
 89 = checksum  
 37040044 = bank code  
 532013000 = account number

NL39RABO0300065264

NL = Country code of the Netherlands (ISO)

39 = checksum

RABO = bank identifier

0300065264 = account number

## 2 Bank Identifier Code, BIC

BIC is an ISO 9362-compliant international Business Identifier Code, used in payments transmission together with the IBAN. The BIC register is administered and maintained by SWIFT (Society for Worldwide Interbank Financial Telecommunication), and for this reason, BICs are sometimes also referred to as SWIFT identifiers

### 2.1 BIC structure

BIC has the length of 8–11 characters as follows:

characters 1–4: bank code

characters 5–6: ISO 3166-1 country code

characters 7–8: location code

characters 9-11: office code

When 8-character BIC is used, characters 9–11 can be replaced with “XXX”, in which case the BIC refers to the main office of the bank or banking group in question.

Finnish BIC examples:

HELSEFIHH = Aktia Bank

OKOYFIHH = Pohjola Bank

AABAFI22 = Bank of Åland

A list of Finnish monetary institution codes and BIC codes is available at [www.finanssiala.fi](http://www.finanssiala.fi).

### 3 Additional information

Additional information is available from banks. Country-specific IBAN formats are available at [www.swift.com](http://www.swift.com).

[http://en.wikipedia.org/wiki/International\\_Bank\\_Account\\_Number](http://en.wikipedia.org/wiki/International_Bank_Account_Number)

Country codes: ISO-standard 31661

BIC codes: ISO-standard 9362