



EUROPEAN CENTRAL BANK

EUROSYSTEM

TIPS business value exercise

AMI-Pay meeting

4 May 2023

target | TIPS
services



Agenda

- 1** TIPS Yearly Business Value exercise
- 2 Outcome
- 3 Proposal for preliminary scope for feasibility Assessment
- 4 Annex

TIPS Yearly Business Value exercise

➤ Background

- Every year in February, the TIPS Consultative group (TIPS-CG) assigns business value to the change requests not yet allocated to a release and to the initiatives
- The objective is to identify the relative priorities. Based on the collected individual feedback, an overall business value for each change request / initiative is calculated in order to produce the view of the TIPS-CG in the form of a ranking

➤ Business value assignment exercise from February 2023

- 23 out of 28 TIPS-CG members (**82%***) provided a feedback
 - Very good participation rate (in 2022, only 11 respondents out of 31 TIPS-CG members (35%))

TIPS Yearly Business Value exercise

What was in the basket for the yearly business value exercise of February 2023?

Two main categories with some sub-categories:

1) Change Requests:

- 1.a. Already considered Change Requests not allocated to any release; to be re-assessed (12 change requests)
- 2.b. New Change Requests not allocated to any release (3 change requests)
- 2.c. Change Requests to be drafted following February TIPS-CG meeting (2 change requests)

→ Some being new (or to be drafted) Change requests, others being raised a long time ago

→ **A total of 17 Change requests** (incl. options for the Bulk payments) **ranked**

TIPS Yearly Business Value exercise

What was in the basket for the yearly business value exercise of February 2023?

2) Initiatives:

- A. Cross-currency instant payments
- B. One-leg-out (OLO)
- C. Confirmation of Payee (IBAN Name check)
 - Option 1/ with TIPS acting as a Central Repository containing IBANs and Names provided by PSPs
 - Option 2/ with TIPS introducing dedicated message-based process where name check request and response are exchanged via TIPS with each response individually provided by beneficiary PSP
- D. SEPA Request to Pay (SRTP)
- E. Bilateral links to other IP platforms
- F. Participation in international/multilateral links

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Outcome

Resulting ranking for the Change requests as per the business value assignment

Ranking	Change Request number	Change Request Title	Average BV
1	TIPS-0014-URD	Broadcasts	53.2
2	TIPS-0028-URD	Rule-based liquidity transfer orders between MCA and TIPS DCA	43.9
3	TIPS-0060-SYS	Display linked instant payment reference of pacs.004 in TIPS GUI	43.6
4	TIPS-0045-SYS	Report OPBD in camt.053	40.4
5	TIPS-0011-URD	Liquidity transfers with the transit account	37.5
6	TIPS-0058-SYS	Reason code TM01 from Beneficiary Bank	32.1
7	TIPS-00XX1-XXX	Acceptance Datetime Timestamp Change Request	32.1
8	TIPS-0046-SYS	Resend TIPS Reports	28.9
9	TIPS-0041-URD	Introduction of non-time critical instant payments in TIPS	24.6
10	TIPS-00XX2-XXX	Inclusion of Value date in the CAMT.054 payload	20.4
11	TIPS-0017-URD - Option 3 Process bulk payments similar to Non-time Critical (NTC) payments	TIPS adoption of a Bulk Payments functionality	19.3
12	TIPS-0017-URD - Option 2 CSMs involvement: (ii) bulk IPs scheme by EPC	TIPS adoption of a Bulk Payments functionality	13.9
13	TIPS-0016-SYS	Distinction of CERT and PROD environment in PDF from CRDM_TIPS	13.8
14	TIPS-0017-URD - Option 2 CSMs involvement: (i) de-bulking at CSM level	TIPS adoption of a Bulk Payments functionality	12.1
15	TIPS-0017-URD - Option 1 De-bulking at sending PSP level	TIPS adoption of a Bulk Payments functionality	8.9
16	TIPS-0008-URD	CMB limit utilisation reset	6.4
17	TIPS-0053-URD	Statistical indicators for DKK	4.3

Outcome

Resulting rankings for the **Initiatives** as per the business value assignment

Ranking	Initiative	Initiative Title	Average business value
1	Initiative under investigation	Confirmation of Payee (IBAN Name check) Option 2 Confirmation of Payee (IBAN Name check) with TIPS introducing dedicated message-based process where name check request and response are exchanged via TIPS with each response individually provided by beneficiary PSP	40.2
2	Initiative under investigation	Cross currency instant payments	22.3
3	Initiative under investigation	One-leg out	21.2
4	Initiative under investigation	Bilateral links to other IP platforms	19.4
5	Initiative under investigation	Participation in international/multilateral links	17.9
6	Initiative under investigation	Confirmation of Payee (IBAN Name check) Option 1 Confirmation of Payee (IBAN Name check) with TIPS acting as a Central Repository containing IBANs and Names provided by PSPs	17.7
7	SEPA Request to Pay (SRTP)	On hold due to the lower priority feedbacks received in the previous consultations	6.3

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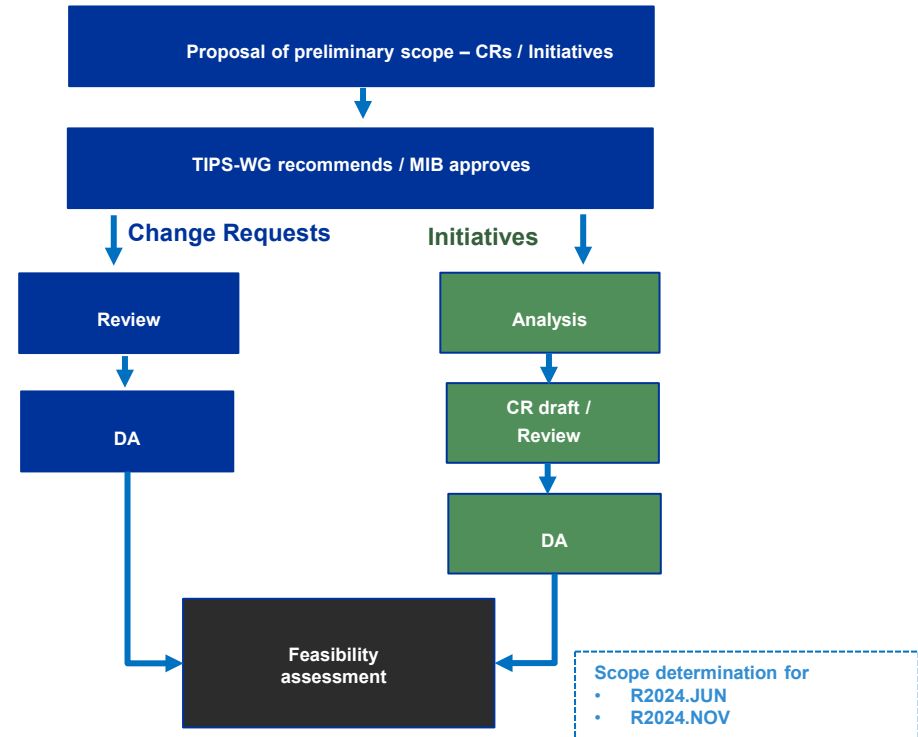
Proposal for preliminary scope for feasibility Assessment

Based on the analysis of the business value assignment and keeping in view a **balanced approach**, the idea is to **identify group of Change requests and Initiatives** that should be further explored (let us call them **candidates** for scope) to enable a decision on final scope of June / Nov 2024 releases.

For the candidate **Change requests**, depending on their current status, the next logical step should be triggered (e.g., **initiation of detailed assessment** in view of 2024 release scoping)

For the candidate **Initiatives**, the next step is to **analyse the initiatives further and draft a CR** and proceed with the CR review followed by the detailed assessment.

Once the DA of candidate Change requests and DA of change requests drafted for initiatives is available, a **feasibility assessment** can be done to determine what can be scoped in to 2024 releases.



Proposal for preliminary scope for feasibility Assessment Candidate Change Requests for 2024

BV Ranking	CR ID	CR Name	Current status	TIPS Participant impact?	TIPS Release Proposal
1	TIPS-0014-URD	Broadcasts	DA under review >> need for re-assessment (see slide 7)	Optional for users	R2024JUN
2	TIPS-0028-URD	Rule-based liquidity transfer orders between MCA and TIPS DCA	DA should be aligned with other Target Services.	Optional for users	R2024JUN
24	TIPS-0053-URD	Statistical indicators for DKK	DA Approved	No	R2024JUN
3	TIPS-0060-SYS	Display linked instant payment reference of pacs.004 in TIPS GUI	Review complete	No	R2024JUN
5	TIPS-0011-URD	Liquidity transfers with the transit account	DA Complete	Cross service impact	R2024JUN
9	TIPS-0041-URD	Introduction of non-time critical instant payments in TIPS >> TIPS adoption of a Bulk Payments functionality (Option 3)	PA Complete	Optional for users	R2024NOV
4	TIPS-0045-SYS	Report OPBD in camt.053	DA approved	Yes	R2024NOV
13	TIPS-00XX2-XXX	Inclusion of Value date in the CAMT.054 payload	CR under drafting	Yes	R2024NOV

Proposal for preliminary scope for feasibility Assessment Candidate Initiatives for 2024

BV Ranking	Initiative Name	Comment	TIPS Release Proposal
1	Confirmation of payee (IBAN Name check) option 2: without any central repository		R2024NOV
2 & 3	Cross-currency based on One-Leg-Out (OCT scheme)	Implementation of One-Leg-Out (OCT scheme) is a pre-requisite for cross-currency	<p>OLO: R2024NOV</p> <p>Cross-currency Minimum Viable Product – CRs deployment in PROD: R2024NOV</p> <p>Launch of pilot based on a minimum viable product: Q1/Q2 2025</p>

Proposal for preliminary scope for feasibility Assessment TIPS Roadmap 2025 and beyond

**Cross-
currency IPs**

**Building bilateral
links**

**Participation to
multilateral links**

Other

Thank you for your attention!

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 **ECB: market infrastructure and payments**

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TIPS Yearly Business Value exercise

What was in the basket for the yearly business value exercise of February 2023? **17 CRs**

Categorisation	CR ID	CR description
	TIPS-0014-URD	Broadcasts
	TIPS-0045-SYS	Report OPBD in camt.053
	TIPS-0046-SYS	Resend TIPS Reports
	TIPS-0028-URD	Rule-based liquidity transfer orders between MCA and TIPS DCA
	TIPS-0011-URD	Liquidity transfers with the transit account
	TIPS-0041-URD	Introduction of non-time critical (NTC) instant payments in TIPS
	TIPS-0008-URD	CMB limit utilisation reset
	TIPS-0016-SYS	Distinction of CERT and PROD environment in PDF from CRDM_TIPS
Already considered Change Requests not allocated to any release; to be re- assessed	TIPS-0017-URD Option 1/De-bulking at sending PSP level	Change Request on the adoption of a Bulk Payments Functionality The idea is that PSPs perform the de-bulking of the bulk payment files prior to sending to TIPS and TIPS processes the resulting messages.
	TIPS-0017-URD Option 2/CSMs involvement: (i) de-bulking at CSM level	Change Request on the adoption of a Bulk Payments Functionality The idea is that PSPs send the bulk files to TIPS and TIPS takes care of de-bulking and further processing of the payments. This option aims at assisting banks that do not have the bulk payment implementation.
	TIPS-0017-URD Option 2/CSMs involvement: (ii) bulk IPs scheme by EPC	Change Request on the adoption of a Bulk Payments Functionality The idea with this option is to get the feedback on whether a scheme at EPC level for the bulk payments is required before any implementation at CSM level can start.
	TIPS-0017-URD Option 3/Process bulk payments similar to Non-time Critical (NTC) payments	Change Request on the adoption of a Bulk Payments Functionality Please indicate whether you see this as a feasible option to consider bulk payments as NTC.

TIPS Yearly Business Value exercise outcome/insights

What was in the basket for the yearly business value exercise of February 2023?

Category	CR ID	CR description
New Change Requests not allocated to any release	TIPS-0053-URD	DKCB - Statistical Indicators DKK
	TIPS-0058-SYS	Reason code TM01 from Beneficiary Bank
	TIPS-0060-SYS	Display linked instant payment reference of pacs.004 in TIPS GUI (related to TIPS Investigation Process)
Change Requests to be drafted following February TIPS-CG meeting	TIPS-00XX1-XXX	Acceptance Datetime Timestamp Change Request: TIPS to always use milliseconds (in parallel to it, a Rulebook Change Request would be sent to the EPC in order to change the Implementation Guidelines and the Rulebook). Apart from the precision clarification, the usage guidelines on which timestamp the beneficiary PSP should include in the reply should be clarified by EPC.
	TIPS-00XX2-XXX	Inclusion of Value date in the CAMT.054 payload, the date is included in the header (i.e. MEPT part).

Change requests **not considered** for 2024

The following CRs are **not considered** as candidate CRs for 2024 scoping though TIPS-CG assigned relative high ranking

BV Ranking	CR ID	CR Name	Proposal	Reason for not being in the preliminary scope
6	TIPS-0058-SYS	Reason code TM01 from Beneficiary Bank	To be put on hold	<ol style="list-style-type: none"> 1. There is no common agreement on the process across TIPS-CG, 2. Need to first collect statistics like frequency of such occurrence, volume and aim at improving the PSP compliance prior to taking any decision on such implementation)
7	TIPS-00XX1-XXX	Acceptance Datetime Timestamp Change Request	To be put on hold	A change request at EPC is a pre-requisite
8	TIPS-0046-SYS	Resend TIPS Reports	To be put on hold	Need to get statistics on how many times the PSPs required a re-send and what is the average turnaround time by service desk. This allows us to verify the business case
16	TIPS-0008-URD	CMB limit utilisation reset	To be put on hold	To be checked with NOK as part of their onboarding