

15 March 2024

## TIPS-CONSULTATIVE GROUP (TIPS-CG) MEETING

14 February 2024, 09:00-12:30 and 13:30-16:30 CET

*via MS Team and on-site (ECB Main Building)*

### OUTCOME OF THE 17<sup>TH</sup> TIPS-CG MEETING

#### 0. Approval of the agenda and introductory remarks

The Chairperson will welcome the participants and briefly introduce the agenda. The participants will be invited to agree on the agenda of the meeting.

Outcome:

*The Chairperson welcomed the participants to the seventeenth meeting of the TIPS Consultative Group (TIPS-CG). Afterwards, the Agenda was approved.*

*Furthermore, the members were informed that the format of the TIPS-CG agenda for the next meetings will be aligned with the formatting of the MIB meeting agendas.*

#### 1. Outcome of the last meeting

The members of the TIPS-CG will be invited to approve the outcome of the previous TIPS-CG meeting.

Document:

- Outcome of the TIPS-CG meeting held on 12 October 2023

Outcome:

*The TIPS-CG Secretary confirmed that the Outcome of the ad-hoc TIPS-CG meeting of October 2023 was shared with the TIPS-CG members via written procedure and that a few comments were received; the outcome was adjusted accordingly. This updated version was shared as part*

of the closure of the written procedure. As no objection was raised during the meeting, the draft Outcome was endorsed and will be published on the [ECB Website](#) under TIPS [Consultative Group documentation section](#).

## 2. Debriefings

The participants will be debriefed on TIPS-CG relevant items discussed in the following meetings:

- The AMI-Pay meeting held on 7 and 8 December 2023
- The TIPS-WG and TIPS-CG joint workshop held on 14 December 2023 on:
  - I. Reasons for the rejection of pacs.008 messages in TIPS and compliance with SCT Inst specifications and ISO 20022 standards, and
  - II. TIPS CRDM configurations regarding participant privileges and data scope
- TIPS-WG meeting held on 25 January 2024
- MIB meeting of 7 and 8 February 2024

### Outcome:

#### AMI-Pay meeting held of 7<sup>th</sup> and 8<sup>th</sup> December 2023:

*The TIPS-CG members were debriefed on the main topics presented at the AMI-Pay related to TIPS matters.*

*On TIPS in operations, the TIPS-CG members were informed that the members of the AMI-Pay received detailed information on the stability and performance of TIPS between May and October 2023, which remain at a very high level. Then, the work on the cross-currency settlement functionality in TIPS and the growing interest for the TIPS cross-currency functionality both in the EUR are and in the Nordics was underlined. Also, it was clarified to the TIPS-CG members that in the meantime, the change request TIPS-0064-URD “adaptations of TIPS for the settlement of cross-currency transactions based on OCT Inst scheme” was shared with the group and that the detailed assessment (DA) should be received early March 2024. The topic Instant Payments Regulation (IPR) while discussed at the AMI-Pay meeting was not presented under this agenda item as a dedicated discussion is taking place under [4.3 A]. Finally, on the topic Value dating for instant payments, the TIPS-CG members were informed that at the AMI-Pay meeting theoretical options were presented but that due to the complexity of the topic further analysis from different angles, notably the funding perspective beyond the weekends would need to be checked. A group of interested experts, composed of AMI-Pay representatives, will work on this and will report at the next AMI-Pay meeting.*

#### TIPS-WG and TIPS-CG joint workshop of 14<sup>th</sup> December 2023:

As part of this workshop, TIPS users were informed about the set of validations rules in TIPS and on the CRDM data scope configurations for participants. Both decks of slides presented by 4CB are published on the [ECB website](#) under for [professional use](#) (section TIPS training material and featured topics).

The ECB representative indicated in case a topic would need further explanations, an ad-hoc workshop could be organised. The requests can be sent to [tips@ecb.europa.eu](mailto:tips@ecb.europa.eu).

#### TIPS-WG meeting of 25<sup>th</sup> January 2024 and MIB meeting of 7<sup>th</sup> and 8<sup>th</sup> February 2024:

The relevant topics addressed during the above-mentioned meetings are included in the meeting's agenda.

## **3. Operations**

### **3.1 TIPS operational matters**

The participants will be provided with information on TIPS operational matters. This update will cover the most recent traffic developments and incidents since the last meeting.

#### Document:

- The update on TIPS Operations (Presentation ECB)
- Incidents impacting TIPS (Presentation 4CB)

#### Outcome:

#### Update on TIPS Operations:

The TIPS-CG members were debriefed on the evolution of volumes in TIPS (11% increase in monthly volumes of settled transactions from October 2023 to January 2024), the distribution of volumes across the top largest markets in TIPS, the distribution of transactions between the different account types in TIPS, the overnight liquidity in TIPS, and the share of cross-border traffic in TIPS. Following up on the discussion from the last meeting, it was clarified that the BICs of the Originator PSP/Creditor PSP and of the Beneficiary PSP/Debtor PSP might determine whether an SCT Inst is considered as national or cross-border. The ECB will thus complement the usual statistics presented with new ones based on this definition – this will be presented at the TIPS-CG June 2024 meeting.

As part of the discussion, it was highlighted that with the current onboarding of the Swedish market, the volume of TIPS settled transactions for its first active non-euro currency (i.e. SEK) is about 1.1 million and that once the onboarding will be completed, the daily volumes for SEK in

*TIPS should be around 2.5 million. Further details on the ongoing Swedish onboarding to TIPS are provided as part of the dedicated agenda item [4.1 A].*

#### *Incidents impacting TIPS:*

*The 4CB presented two incidents which had no impact on the TIPS settlement engine.*

*The incident on 6 December related to incomplete camt.053 was a re-occurrence of a previous incident. Additional ad hoc monitoring and a workaround procedure have been introduced until the permanent fix is implemented in March 2024.*

*The other incident related to the delayed delivery of the statement of accounts for the subscribed participants on 16 January was caused by a sub optimal configuration of a connection pool to the internal database used for the reports. This configuration does not have any impact on the reports during normal operations, but the TIPS site recovery test triggered a condition for which the sending of the reports was affected. The target resolution of this issue is currently planned for TIPS November 2024 release.*

### **3.2 TIPS recovery**

The participants will be provided with an oral update on scenario when TIPS could be restarted with a zero balance or from the last trusted snapshot.

#### Document:

- Oral update (ECB)

#### Outcome:

*The TIPS-CG members were informed that investigations concerning the extreme scenario of loss of data integrity in TIPS have resumed. Based on the most recent investigations, the 4CB confirmed that it would be also technically possible to restart TIPS with the balances from the last available uncorrupted snapshot. Nevertheless, in the extreme event when the integrity of the snapshot remains uncertain, it may be necessary to restart TIPS with zero balance. The ECB and the 4CB are working on a draft procedure, and progress of this work will be presented to the TIPS-CG members in due course.*

## 4. Evolution

### 4.1 TIPS On-boarding

The participants will be provided with the latest updates on the markets on-boarding to TIPS.

#### Document:

- Ongoing Swedish migration to TIPS (Oral update)
- TIPS On-boarding (Presentation ECB)

#### Outcome:

##### Ongoing Swedish migration to TIPS:

*The representative from Riksbank provided a status update on the ongoing migration of SEK market to TIPS. It was highlighted that this represents an important milestone for Riksbank and for the Swedish market and that before starting the migration in PROD a thorough testing campaign had been conducted.*

*So far, the migration in PROD is going very smoothly and it is expected to reach the 100% load of SEK market in TIPS on Monday 19 February 2024, which would lead to approximately 2.5 million SEK daily transactions in TIPS. The Chairperson congratulated all the persons that were involved in the preparation of the migration as well as the ones currently managing the migration. Finally, it was underlined that a news item will be published on the ECB website once the migration is completed and that afterwards the ECB website related to TIPS will be updated accordingly. It was agreed to share the news item with the TIPS-CG members via Darwin for information workflow (**Action Point (AP-074)**).*

##### TIPS On-boarding:

*The members were given an update on the onboarding for euro and non-euro markets in TIPS. With regards to the Danish onboarding, (i) within the current timeline, the CPA signature is expected around mid-March 2024, (ii) UTEST started earlier than planned in October 2023 and the PBIs identified during testing are currently under 4CB review, (iii) the Danish migration is currently scheduled for April 2025. Regarding the potential onboarding of Norges Bank to TIPS, the feasibility assessment is ongoing, as well as CPA discussions.*

## 4.2 Testing status in view of the go-live on 17 March 2024

The TIPS-CG will be presented with a status update around the testing activities towards the ad-hoc TIPS Release of March 2024.

### Document:

- Testing status for ad-hoc TIPS Release in March 2024: UTEST (Presentation ECB)

### Outcome:

*The participants were provided with an overview of the CERT testing activities of the 8 change requests to be deployed to Production on 17 March 2024. Overall, the progress is excellent on both testing of the change requests and PBIs. The final outcome of the testing will be provided as part of the end of the testing report that the Central Banks will receive.*

*With regards to the migration to ISO 200022 2019 version and the downtime planned by the EPC from 3h am. to 3h30 am on Sunday 17 March 2024, the ECB representative also indicated that the migration playbook in view of the downtime is currently being updated – basically, compared to the migration performed in CERT environment in September 2023, the main element to be changed are the dates, no further substantive changes are expected. This updated version of the timeline which will be followed during the migration to the EPC ISO MR 2019 Standard in TIPS PROD on 17 March 2024 will be shared with the TIPS-CG members.*

## 4.3 Instant Payments Regulation

Following the publication of the [final compromise text on the EC regulation on Instant Payments](#), TIPS-CG members will be offered with an overview of the main points included, the foreseen next steps in the regulatory process and the implications for the evolution of TIPS.

### Documents:

- Instant Payments Regulation (IPR): Overview (Presentation ECB)
- Current TIPS capacity & way forward (Presentation 4CB)

### Outcome:

#### Instant Payments Regulation (IPR): Overview:

*The TIPS-CG members were provided with a tentative timeline for the adoption of the IPR. It was shared that the European Parliament adopted the text on 7 February 2024 and that the next step will be the publication of it in the Official Journal of the EU (expected in March 2024).*

*Members underlined that some requirements are not fully clear and that some clarifications from the European Commission and/or the EPC are expected.*

*On the Verification of Payee Service (former IBAN-name check), 4CB is currently performing an analysis on the possible use of API, knowing that the EPC should publish soon a rulebook that will be submitted to market consultation.*

*With regards to Non-Time Critical (NTC) payments, it was clarified that some banks are already using it for some business cases (e.g. for standing orders) and that PSPs could still make some recommendations to their users so that this functionality could be used also with the introduction of the Regulation.*

*Regarding the requirement added in the final compromise text of the IPR which is changing the overall timespan (from 25-seconds to 10-seconds), it was stressed that this new requirement is impacting all the actors of the payment chain (EPC as the SCT Inst scheme owner as well as PSPs and CSMs), that the SCT Inst scheme will be updated and that some additional clarifications will most probably be published by the European Commission, especially regarding the timing for implementation of this requirement.*

#### *Current TIPS capacity & way forward:*

*A 4CB representative presented the TIPS capacity and underlined how TIPS full capacity, even with further volumes from other onboarded currencies is very far from been reached. As part of the discussions, it was pointed up that in case the ongoing monitoring would show that the transactions sent are getting closer to the TIPS full capacity, technical solutions to increase TIPS capacity are still possible (e.g. parallelism with message router). Furthermore, it was clarified that existing mechanisms would in any case already play an important role in avoiding flooding of the platform:*

- The concession contract with the Network Service Providers (NSPs) and the throttling mechanism at their level: each NSP has indeed been requested to make use of such a mechanism in case of flooding at the level of the network layer*

*Some participants pointed out that a throttling mechanism on NSP level might prevent the flooding of TIPS, but could lead to queues and result in timeouts, if unexpected peak volumes should occur. It was also mentioned that the development of peak volumes needs to be monitored, not the average volume.*

*As part of the discussion, it was mentioned that (i) in case of bulk payments, when performing the “unbulking”, the PSP, in order to cope with its own internal constraints, would put a different timestamp on its single transactions - thus, all the transactions derived from a single file would not have all the same timestamp and (ii) if NTC payments are deployed in TIPS, the actors would be encouraged to use the right channel for the right business cases, hence unpacking of bulk (e.g. for salaries or pensions payments) would belong to the NTC channel. As conclusion, the Chairperson pointed out that for the moment no need on introducing limits for the PSPs in terms of transaction per second (TPS) sent/received would be needed; what is put in place in certain*

markets may not be relevant for a large pan-European platform like TIPS. Finally, it was commented that this kind of limit for the PSPs should rather be taken at scheme level, and thus by the scheme owner.

#### 4.4 Change and Release Management

The TIPS-CG will be presented with the latest status of the CRs / initiatives. Specifically, with (i) a follow-up on the feasibility assessment timeline for the CRs/initiatives considered for inclusion in 2024 and 2025 TIPS releases, (ii) an update on the topic enhancements of the automatic simulator, (iii) an oral update in the context of the verification of the payee service and (iv) an overview of the next steps for the implementation of TIPS-0041-URD.

##### Documents:

- FA timeline for TIPS CRs/Initiatives for 2024 and 2025 releases (Presentation 4CB)
- Automatic Counterparty Simulator - Status update (Presentation 4CB)
- Draft Change request – Automatic Counterparty Simulator enhancement (Background document)
- Verification of the payee service (formerly IBAN name check) (Oral update ECB/4CB)
- TIPS-0041-URD “Introduction of NTC payments in TIPS: next steps for implementation (Presentation ECB)

##### Outcome:

##### FA timeline for TIPS CRs/Initiatives for 2024 and 2025 releases:

A 4CB representative presented the latest updates on the Feasibility Assessment (FA) for TIPS 2024 and 2025 releases.

The final scope of R2024.JUN includes:

- TIPS-0053-URD – Statistical indicators for DKK
- TIPS-0060-SYS – Display linked instant payment reference of pacs.004 in TIPS GUI
- TIPS-0063-SYS – TIPS SDDs alignment to the last versions of EPC SCT Inst documentation for November 2023

Current scope for TIPS R2024.NOV:

- TIPS-0011-URD – Liquidity transfers with the transit account
- TIPS-0045-SYS – Report OPBD in camt.053
- TIPS-0061-SYS – Impact of new draft7 schema version of camt.077 BILL message
- TIPS-0062-SYS – Inclusion of business date in the camt.054 message
- TIPS-0066-URD – TIPS Pricing Invoicing Enhancements



- TIPS-0068-SYS – Alignment of TIPS based on EPC clarifications on Implementation Guidelines

Furthermore, it was communicated that following the delivery of the Detailed Assessment of TIPS-0064-URD “Adaptation of TIPS for the settlement of x-ccy transactions (based on OCT Inst scheme)” and subject to the results of the Feasibility Assessment exercise to be performed, this change request could be included in the scope of the TIPS R2024.NOV release even though it would be a late addition to the release scope.

In the context of the TIPS R2025.NOV release, the change request TIPS-0028-URD “Rule-based liquidity transfer orders between MCA and TIPS DCA” has been included in the release scope in order to align with the decision taken by T2-Working Group on their related change request (T2-0067 “CLM changes to accommodate T2S rule-based LT”).

Upon a question on the change request “ISO Maintenance Release 2025”, it was clarified that its allocation to a release will depend on the final decision related to the ISO unfreeze strategy (see more details under the dedicated agenda item [6]) and that in any case the messages concerned are not the ones related to the EPC nor NPC schemes messages.

#### Automatic Counterparty Simulator - Status update:

The TIPS-CG members were presented with the changes to be expected as part of the enhancements of the automatic counterparty simulator following the different inputs received from TIPS-CG members. The outcome of 4CB thorough analysis has been included in the draft change request TIPS-0074-SYS “Automatic counterparty simulator enhancement”. Basically, all the five main requested changes are either confirmed and thus included in the change request or are in fact already feasible (in this case, an explanation on the required CRDM set up will be part of the functional documents that will be produced with the change request). As part of the discussion, it was confirmed that for Non-Functional Tests (NFTs), i.e. for volume testing, the 4CB team needs to be informed in advance in order to have the right capacity set up in the test system. In case of interest of performing such tests, the PSPs are thus invited to liaise with 4CB.

Upon a question on upcoming participants’ onboardings due to the entry into force of the Instant Payments Regulation (IPR), it was clarified that for the moment the earliest allocation of the change request TIPS-0074-SYS to a release would be TIPS R2025.JUN. This will be confirmed following the detailed assessment. However, in view of a possible stepped approach for the deployment of the changes, the question on the requirements with the highest priority will be asked as part of the written procedure to be launched.

#### Verification of the payee service (formerly IBAN name check):

*It was stressed that as the EPC rulebook on the Verification of Payee service is still not published, the TIPS related change request is not yet drafted. One member indicated that it will be important to have a SEPA-wide solution as, even if in some markets a local solution exist, they do not have this extended reach. Also, this member underlined that if the solution only refers to routing between the Originator and Beneficiary PSPs, it is not sure to which extent the service would be used. Thus, it would be better if the solution would perform the matching process between the two parties. This technical solution will be analysed by 4CB.*

#### TIPS-0041-URD “Introduction of Non-Time Critical (NTC) payments in TIPS: next steps for implementation

*A presentation on the next steps for implementation of the optional service of NTC payments in TIPS was shared with the members. The representative of ABN Amro explained the value proposition made for Dutch customers for instance for standing orders where NTC feature is already in use. Basically, the Dutch PSPs are choosing the quickest option for their retail and corporate customers. Also, it was recalled that based on the Dutch market experience, more than 99% of the NTC payments are in fact settled as instant ones. As part of the discussion, the representative of Deutsche Bank stated that it will be important for as many PSPs as possible to adhere to the optional NTC payment functionality. As a conclusion, it was asserted that pragmatism in view of the application of the Instant Payments Regulation (IPR) will be needed.*

*Regarding the pricing of future NTC payments, the Chairperson shared that for the moment no decision was taken but that there seems to be little appetite for introducing a different pricing than for instant payments. Upon a question, it was said that no “cannibalisation” of NTC towards instant payments took place in the Dutch market – NTC has to be seen as a complementary option for the PSPs.*

#### **4.5 Upcoming Yearly Business Value Assignment/Prioritisation exercise: your role as a TIPS-CG member**

The yearly business value exercise is performed by the TIPS-CG members to indicate which enhancements in TIPS may generate more value to existing and potential users. A recap of the rules and of the content of the basket for the 2024 exercise will be provided.

##### Documents:

- Upcoming Yearly Business Value Assignment/Prioritisation exercise: your role as a TIPS-CG member (Presentation ECB)

##### Outcome:

*The timeline of meetings and written procedures were provided along with the overview of the CRs & initiatives to be part of the business value exercise of 2024. It was highlighted that the market will be asked to re-assess the change requests not yet allocated to a release and initiatives based on the current environment (which may have changed since last year). As part of the discussion, it was also decided to (i) adjust the basket of change requests (e.g. removal of TIPS-0065-SYS “changes supporting the cross-currency pilot”, adding of options for the Verification of Payee service), (ii) include the existing functionality Mobile-Proxy Lookup (MPL) in the exercise in order to see which members and/or communities would be interested by this TIPS feature and (iii) to provide a deck of slides accompanying the written procedure to provide half a paragraph of details on the initiatives. Furthermore, on the change request TIPS-0058-SYS “Reason code TM01 from Beneficiary Bank”, following the discussions at TIPS-CG July 2023 meeting where it was clarified that if a Beneficiary PSP is sending a pacs.002 rejections with reason code “TM01”, the short presentation prepared for the meeting can be shared<sup>1</sup>, it was agreed to move the status from “on hold” to “withdrawn”<sup>2</sup>. Finally, the Chairperson concluded that this yearly exercise is a very important one as the outcome will be used as one main input to define the TIPS roadmap for the upcoming releases. Consequently, it is expected that all TIPS-CG members provide individual feedback on the written procedure to be sent.*

## **5. Recap on the change requests submitted to the EPC in 2023 for the 2024 review management cycle**

As part of the 2024 change management process cycle of the European Payments Council (EPC) and following the submission deadline (on 31 December 2023), an overview of the change requests submitted by the ECB or on behalf of the TIPS-Consultative Group will be provided.

### Document:

- Recap on the change requests submitted to the EPC in 2023 for the 2024 review management cycle (Presentation ECB)

### Outcome:

*An overview of the CRs submitted to the EPC concerning the SCT Inst scheme and the OCT Inst scheme was presented to the TIPS-CG members. It was communicated that some change requests will apparently not be supported by the EPC groups reviewing the submitted change requests. As a consequence, the members were informed that it will be important to:*

1. *Mention the names of supportive entities for the already submitted change requests. It was agreed that a written procedure will be launched to collect the names of the entities*

---

<sup>1</sup> Basically, the sender of pacs.002 message should follow the rules as explained in the presentation

<sup>2</sup> Please refer to [TIPS-CG Meeting - 2023-07-05 - Use of the "TM01" reason code](#)

*which do not wish to support one or more submitted change requests (**Action Point (AP-075)**). Afterwards, the change requests will be updated to indicate the names of the supportive entities in the core text of the CR in view of the market consultation*

2. *Actively participate to the market consultation (i) as individual institutions and (ii) as part of the TIPS-CG.*

## **6. ISO 2022 unfreeze strategy**

TIPS-CG members will be debriefed on the latest developments regarding ISO 2022 unfreeze message strategy.

### Document:

- ISO 2022 unfreeze strategy – latest developments (Oral update)

### Outcome:

*An ECB representative provided an update and heads up on the ISO 2022 message unfreeze strategy. Due to the expected late software delivery on ECMS side, the initial date for the unfreeze in June 2025 is not possible anymore. Consequently, for the first step of the ISO unfreeze, the proposal was made to have it in June 2026 which would give all TARGET Services sufficient time for testing the related changes. The new date for the unfreeze should be confirmed shortly – once this is done, the work on the draft change request TIPS-0072-SYS will resume and the governance groups will receive it for review.*

## **7. Outcome of TIPS-CG end of year survey**

The participants will be debriefed on collected feedback on the running of the TIPS-CG in 2023. The outcome of the survey, sent to TIPS-CG members, will help improving the TIPS Consultative Group organisation.

### Document:

- Outcome of TIPS-CG end of year survey (Presentation ECB)

### Outcome:

*The TIPS-CG members were thanked for the feedback and input provided on the end of year survey, where 11 representatives had provided their feedback. The results were presented analytically, accompanied with the way forward/lessons learned. Overall, the content and preparation of TIPS-CG meetings are globally positively valued. The organisation of hybrid meetings was praised, and it was confirmed that this format will be continued. Regarding the interaction with the group during the meeting, it was underlined that members are invited to take*

*the floor to raise their voice and/or to make use of the chat which is regularly monitored. Furthermore, it was communicated that in order to avoid rushing the discussions on some agenda items and to avoid long meeting days, ad-hoc meetings on specific topics would be planned when necessary. With regards to written procedures, it was recalled that the deadlines for each written procedure can be found in the related excel file which is shared on a regular basis. As very few comments seem to indicate that the aim of some written procedures is not clear enough and/or that some of them could be avoided, it was said that concrete examples can be shared with the TIPS Secretariat. Finally, members were pleased with the work of the Chairperson and the Secretariat. Overall, the outcome was positive, and members are invited to raise any remaining or emerging points through the [tips@ecb.europa.eu](mailto:tips@ecb.europa.eu) mailbox.*

## **8. Any Other Business**

The participants will be provided with the opportunity to raise further questions and remarks stemming from the discussion.

### Document:

- Communication on the Business Day in case of incident
- Mobile Proxy Lookup (MPL)
- TIPS-CG Action Points

### Outcome:

#### Communication on the Business Day in case of incident:

*The ECB explained that communications on the operational status of TARGET services (including TIPS) has been simplified in a way that updates are only issued if / when they are encountering incidents. For that reason, the change of the business day in TIPS is not reflected on the ECB webpage any longer. Following a TIPS-CG member request, it will be checked whether this element could be added in the communication in case of incidents when the change of business day is delayed (**Action Point (AP-076)**). In any case, participants that want to be informed about the change of business day in TIPS, may subscribe to receive the relevant reporting message from TIPS.*

#### Mobile Proxy Lookup (MPL):

*Following the point raised by a member on the use of the MPL, it was underlined that (i) the functionality is already live in TIPS and could be already used by the PSPs and that (ii) in case some members and/or communities are interested in getting more details on it, a dedicated informative session with 4CB can be organised.*

TIPS-CG Action Points:

*The members were informed about the status of the Action Points as shared as part of the background documents. As no objections were raised, the new status of the mentioned Action Points will be updated accordingly.*