



EUROPEAN CENTRAL BANK

EUROSYSTEM

ECB-RESTRICTED
22 November 2024

TIPS-CONSULTATIVE GROUP (TIPS-CG) MEETING

15 October 2024, 09:00 – 16:30 CEST

via MS Teams and on site (ECB Main Building)

OUTCOME OF THE 19TH TIPS-CG MEETING

1 Introductory remarks and approval of the agenda

The Chair will welcome the participants to the meeting and invite TIPS-CG members to approve the draft agenda.

TIPS-CG members are invited to approve the agenda.

Outcome:

The Chairperson welcomed the participants to the nineteenth meeting of the TIPS Consultative Group (TIPS-CG). Afterwards, the Agenda was approved; following comments from two members, two brief agenda items were added under [8] Any Other Business (the first connected to the size of camt.053 and the second connected to some reachability issues).

As part of his introductory remarks, the Chairperson highlighted an important milestone: in mid-October 2024, TIPS surpassed 1 billion instant payments settled. For comparison, in the whole year of 2023, TIPS settled 278 million transactions, indicating a possible annual increase of volumes in TIPS by close to five times. PSPs can be pleased of the upward trend of instant payments in TIPS which is aligned with the general trend towards instant payments in Europe and that this happened just ahead of onboarding DKK in April 2025, which would bring further volume to TIPS.

2 Outcome of the last meeting

TIPS-CG members are invited to approve the outcome of the previous TIPS-CG meeting.

Background documentation (for information or approval without discussion):

A. *Outcome of the 18th TIPS-CG meeting held on 11 June 2024*

Outcome:

The TIPS-CG Secretary confirmed that the Outcome of the previous meeting 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](#).

3 TIPS-CG mandate and new composition of the Group

TIPS-CG members will be debriefed on the review of the mandate and the renewal of the composition of the Group:

- TIPS-Consultative Group (TIPS-CG) end of mandate: updated mandate and new composition of the Group

Outcome:

With the current TIPS-CG cycle coming to an end (December 2022 - December 2024), members of the group were informed that a review of the TIPS-CG mandate and composition is ongoing. Some changes could be brought to the mandate; once the final version is approved by the MIB it will be published on [the ECB website](#). Regarding the membership/composition of the group, the TIPS Working Group (TIPS-WG) members are currently providing nominations. The nominations received will be reviewed and final decision on the composition of the group will be taken by the MIB. It was highlighted that the participation of the DKK community, in view of its upcoming onboarding to TIPS, will already be considered to avoid re-opening the process after their onboarding. Upon a question, it was confirmed that the duration of the next mandate would be equal to 2 years and that if non-bank PSPs would like to join the group - upon a central bank's nomination - in the middle of the mandate, this would need to be brought to the attention of the MIB.

4 Debriefings

The members of the TIPS-CG will be debriefed on the outcome and key takeaways of:

- TIPS-Working Group meeting (17 September 2024)
- MIB Meeting (25-26 September 2024)
- On-site information session on cross-currency in Copenhagen (01 October 2024)
- On-site information session on cross-currency in Stockholm (07 October 2024)

Outcome:

TIPS-Working Group meeting (17 September 2024) & MIB Meeting (25-26 September 2024):

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

On-site information sessions on cross-currency in Copenhagen (01 October 2024) and in Stockholm (07 October 2024):

It was reported that the two events went very well and that the sessions were very lively, with a lot of questions being raised. The Chairperson recalled that while at the beginning of the onboarding of Swedish market to TIPS there were maybe some doubts, now the excellent performance of TIPS was praised. Furthermore, it was recognised that the central banks and the market are going to perform one step further with the introduction of the cross-currency functionality. The representative of Danske Bank underlined that the solution for cross-currency instant payments for TIPS hosted currencies is very interesting but further discussions are needed regarding obligations related to AML and sanctions screening and regarding the FX and liquidity management risks. Upon a comment on the timeline and the different ongoing projects in SEK and DKK markets, it was confirmed that time will be given to the PSPs regarding the start of the use of this new TIPS functionality which should be deployed in October 2025 (as part of TIPS R2025.OCT).

5 Evolution

5.1 Testing status in view of the upcoming TIPS R2024.NOV and further testing activities

The TIPS-CG will be presented with a status update around the testing activities towards TIPS Release R2024.NOV. Furthermore, the outcome of TIPS Non-Functional Testing (NFT) performed as a part of DKK onboarding to TIPS will be presented. Finally, organisational aspects towards end-to-end tests following the call for interest on batch instant payments testing will be discussed.

TIPS-CG members are invited to take note.

Discussion documentation:

- A. [ECB] Testing status for TIPS Release R2024.NOV (UTEST) and updates on the documentation [sent on 07.10.2024]
- B. [ECB & DKK] Outcome of DKK Non-Functional Test (NFT) [sent on 08.10.2024]
- C. [ECB] End to end volume testing following call for volunteer on batch instant payments testing [sent on 09.10.2024]

Outcome:

Testing status for TIPS Release R2024.NOV (UTEST) and updates on the documentation:

An ECB representative provided a status update on the seven change requests being part of the TIPS release R2024.NOV. The very good progress on the testing status of all change requests was underlined. As far as production problems are concerned, four out of six have already been successfully tested; at the time of the meeting, no release defect had been identified. Testing continues until 28 October 2024 and afterwards the final report on testing in view of the release deployment decision will be prepared.

With regards to documentation updates, it was shared that an updated version of the [TIPS Certification Test Cases](#) has been uploaded on the ECB website under [TIPS Onboarding page](#). An updated version of the TIPS Onboarding Guide and the TARGET Services registration and onboarding Guide will be published very soon.

Outcome of DKK Non-Functional Test (NFT):

The Danish central bank representative presented the outcome of the first non-functional tests (NFT) which were performed between 2nd and 20th September 2024. The representative thanked the ECB and the 4CB for the good coordination. The very good performance of the TIPS platform was highlighted: the TIPS settlement engine exceeded expectations with an average settlement latency during both weeks across all participants below 60 milliseconds in the 95th percentile. Upon a question, it was confirmed that the test platform is scalable and that based on the expected DKK participants' volumes, the platform was scaled up to PROD level for the tests performed in September. The representative of the central bank of Sweden also provided a short oral debrief on the outcome of the test as the Swedish SIP actor also joined this performance test.

Finally, it was underlined that a new NFT testing campaign is planned in December (9 December 2024 – 20 December 2024) with the aim to ensure the effective and stable execution of TIPS DKK payments on DKK participants' side.

End to end volume testing following call for volunteer on batch instant payments testing:

TIPS-CG members were presented with the proposal regarding the execution of End-to-End Volume test in cluster of PSPs (17 PSPs volunteered). Several points to be clarified in view of preparation of the test were highlighted. In order to address the underlying issues, a detailed questionnaire will be

sent soon to the volunteers and afterwards the ECB will organise preparation calls together with the NSPs.

Based on the outcome of these first optional tests (with a handful of volunteers), which will take place most probably in February 2025, some members discussed the need to establish mandatory testing afterwards.

5.2 Change and Release Management

The TIPS-CG will be presented with the latest status of the CRs, along with their Feasibility Assessment timeline and topics related to change and release management, including the implementation approach for R2024.NOV.

TIPS-CG members are invited to take note of the currently envisaged releases' scopes for TIPS R2025.JUN and TIPS R2025.OCT and to share their views on the implementation approach for TIPS R2024.NOV.

Discussion documentation:

- A. [4CB] TIPS rolling upgrade - TIPS Release R2024.NOV [sent on 07.10.2024]
- B. [4CB] Editorial changes to TIPS SDDs baseline version R2024.NOV following the implementation of TIPS-0011 and some PBIs [sent on 07.10.2024]
- C. [4CB] Follow-up on FA timeline for TIPS CRs for 2025 and 2026 releases [sent on 11.10.2024]
- D. [ECB Oral update] Non-time critical (NTC) payments and kick off of the dedicated Task Force

Outcome:

TIPS rolling upgrade - TIPS Release R2024.NOV:

The members were presented with the logic behind the rolling upgrade approach, based on the non-synchronous update of the nodes. In view of TIPS R2024.NOV, the 4CB identified some actions that TIPS participants may implement to avoid rejections of messages subject to changes of the schema ([TIPS-0062-SYS](#) and [TIPS-0045-URD](#)). While the suggested approach was appreciated, members voiced that this piece of information could have been shared at an earlier stage to allow sufficient time for implementation ahead of the deployment. The 4CB recommended that for the next releases, these changes could be applied already at the user testing stage to ensure that there is indeed no issue on TIPS participants side (**Action Point (AP-084)**).

As software deployment parts might be finalised at an earlier point in time than expected, and to allow a proper timing for the participants to configure their internal applications to send/receive the new message formats, it was confirmed that regular communications will be shared with the TIPS participants. More specifically, the 4CB will inform the CBs upon completion of Part 1¹ and Part 2² of the deployment and the CBs will then inform their community's participants accordingly. The usual three available communication means will be used:

- email from central banks to participants,
- TIPS email notification tool and
- Update of the TIPS status on the ECB [website](#).

Finally, in order to provide guidance to participants prior and during the rolling upgrade of TIPS R2024.NOV release, a communication summarising the above strategy will be shared very soon by the CBs with their participants.

¹ The first part includes updates to (i) Outbound messages with mandatory fields included in CR-62 and CR-45 and (ii) updates to Inbound messages with optional fields included in CR-68.

With the completion of Part 1 on Wednesday 20 November, TIPS will process incoming and outgoing messages with the updated schemas.

² With the completion of Part 2, on Friday 22 November, the full set of functionalities will become available in TIPS.

While the 4CB mentioned that the rolling upgrade has been used since the beginning of TIPS, in view of the updated SCT Inst scheme where downtime would most likely be tolerated, several members shared their strong preference for having in the future a short downtime rather than a rolling upgrade approach which appears to be more cumbersome on their side. If the deployment strategy would go towards the downtime approach, the 4CB mentioned that the TIPS SLA would need to be adjusted accordingly and that possible functional, technical and operational impacts should be carefully evaluated before making any decision to change the approach. The Chairperson concluded the discussion by indicating that a written procedure should be launched to collect views of the members on how best to perform the deployment of a TIPS release from their perspective (**Action Point (AP-085)**); the result would serve as a basis for discussion with the TIPS-WG members.

Editorial changes to TIPS SDDs baseline version R2024.NOV following the implementation of TIPS-0011 and some PBIs:

A 4CB representative explained that due to possible security problems, the initial requirement of the functionality of Contingency Liquidity Transfers, which was available both in A2A and U2A mode for the ECB, Riksbank and Danmarks Nationalbank, had to be limited only to U2A mode. The change request will be updated and will be shared accordingly before this updated version of the CR is being published on the ECB website.

Follow-up on FA timeline for TIPS CRs for 2025 and 2026 releases:

4CB provided the TIPS-CG with an overview of the CRs allocated or being candidate for R2025.JUN, R2025.OCT and 2026 TIPS releases.

Following the outcome of 4CB Feasibility Assessment and discussion at the TIPS-WG September meeting, the following was shared with the TIPS-CG members:

For TIPS R2025.JUN:

- TIPS-0014-URD TIPS Broadcast: the allocation of this CR limited to TIPS-GUI features only is confirmed; the implementation of the A2A features would thus take place as part of a subsequent release.
- For TIPS-0084-SYS Editorial changes to TIPS SDDs R2024.NOV: allocated to TIPS R2025.JUN.

For TIPS R2025.OCT:

- TIPS-0065-URD Enhanced Linked Transaction (ELKT) settlement model for cross-currency in TIPS: final decision on allocation will be confirmed through MIB decision.
- TIPS-0076-URD Introduction of a Verification of Payee service in TIPS: It was clarified that this CR has to be allocated in TIPS R2025.OCT due to its mandatory nature.
- TIPS-0028-URD Rule-based liquidity transfer orders between MCA and TIPS DCA: de-scoped, therefore it will be part of a later release. One representative indicated that its local market asked whether the change request could be allocated to a release before 2026; the Chairperson kindly requested written feedback on this request in order to assess whether this would be possible. (**Action Point (AP-086)**)

For TIPS 2026 releases:

- TIPS-0041-URD Introduction of non-time critical instant payments in TIPS: 4CB informed the members that the Detailed Assessment is being finalised taking into account the feedback

received from the NSPs. The allocation to a TIPS 2026 release would be confirmed at a later stage.

- *TIPS-0071-SYS Quicker communication in case of incident during non-standard support hours: the members were informed that the Preliminary Assessment is still ongoing following discussions with NEXI, but that there is no need for the allocation of the CR since it can be deployed outside a regular release.*

Non-time critical (NTC) payments and kick off of the dedicated Task Force:

ECB representatives indicated that the first meeting of this Task Force took place at the end of September and that several open topics related to the introduction of NTC payments were discussed, for instance the delta for a beneficiary to process a NTC transaction compared to a SCT Inst or the reachability of the service. As a follow up of the meeting, a questionnaire listing all the open points was shared and a new meeting will take place to discuss the outcome of it. Afterwards, the Task Force results will be presented to the CG and WG members.

5.3 Verification of Payee

The TIPS-CG will be informed on the status of the investigations requested to 4CB in view of the provision of the “Verification of Payee” (VoP) service.

TIPS-CG members are invited to take note and share their views.

Discussion documentation:

- A. [4CB] Verification of Payee: status update [sent on 07.10.2024]

Outcome:

4CB provided the TIPS-CG members with an update on the ongoing VoP analysis and the potential solution design. Regarding the matching mechanism, the market research had just been made available on Banca d’Italia’s website; interested market participants could find relevant documentation and submit responses to a questionnaire until 28 October 2024. It was clarified that the documentation was published in Italian (and not in English) due to legal reasons; however, participants in the market research can provide their feedback in English. Upon a question, 4CB will check whether the documentation could be provided in English and consequently whether the deadline would be extended³.

The Chairperson underlined that once more concrete details are available (e.g. regarding the scope of the provision of the service), a Focus Session will be organised with the market. It was clarified that the timeline of October 2025 is already very challenging and that it cannot be expected that the solution would be delivered earlier.

The EPC representative mentioned that following a public consultation, the first version of the VOP scheme rulebook had been published. With regards to the VOP Application Programming Interface (API) specifications and the updated API Security Framework, the documents will be released by the end of October 2024. Finally, regarding the EPC Directory Service (EDS) and use of it, the representative confirmed that a request for proposal had been launched and that more information would be made available by the end of the year.

³ Deadline then extended to 4 November 2024

5.4 TIPS cross-currency and interlinking dossiers

The TIPS-CG members will be provided with the latest updates related to TIPS cross-currency (x-ccy) and interlinking dossiers. This item will cover an overview of the cross-currency functionality implementation phases.

TIPS-CG members are invited to take note.

Discussion documentation:

- A. [ECB] Overview and status update on TIPS cross-currency and interlinking dossiers [sent on 08.10.2024]
- B. [4CB] Overview of TIPS-0065-URD “Enhanced Linked Transaction (ELKT) settlement model for cross-currency in TIPS” [sent on 08.10.2024]

Outcome:

Overview and status update on TIPS cross-currency and interlinking dossiers:

An ECB representative provided the members with an overview of the TIPS cross-currency and interlinking dossiers which are followed in parallel:

1. intra-TIPS cross-currency settlement within TIPS hosted currency (e.g., EUR-SEK, SEK-DKK and future TIPS hosted currencies)
2. Cross-platform instant payments:
 - i. Interactions with other instant payments platforms (light bilateral link – no technical connection)
 - ii. Establishing technical links (bilateral/multilateral) with other instant payment systems

One first main milestone will be completed with TIPS R2025.JUN and the deployment of the change request [TIPS-0064-URD “Adaptation of TIPS for the settlement of cross-currency transactions \(based on OCT Inst scheme\)”](#). A second main milestone will be the delivery of the TIPS change request [TIPS-0065-URD “Enhanced Linked Transaction \(ELKT\) settlement model for cross-currency in TIPS”](#) whose final allocation to TIPS R2025.OCT will be addressed by the MIB in the coming weeks.

Overview of TIPS-0065-URD “Enhanced Linked Transaction (ELKT) settlement model for cross-currency in TIPS”:

A 4CB representative provided the members with an overview of the solution for TIPS-0065-URD “Enhanced Linked Transaction (ELKT) settlement model for cross-currency in TIPS”. It was also indicated that a good number of comments were received on the detailed assessment and that soon the members will receive the feedback on these comments. Upon a question on the agreed FX rate, it was shared that this must take place before the pacs.008 is sent to the Beneficiary PSPs and the slides will be enhanced accordingly including the payments initiation phase (**Action Point (AP-087)**). The updated slides will then be shared with the members who will be invited to share any point of attention (**Action Point (AP-088)**).

The representative from the NPC communicated that there is currently no OLO scheme for the Nordic market but that they are aware of the need and that the NPC is working on a scheme with the aim to introduce similar rules as for EUR market.

5.5 TIPS On-boarding

The participants will be informed on the upcoming/possible non-EUR onboardings to TIPS.

TIPS-CG members are invited to take note.

Discussion documentation:

- A. [ECB] TIPS non-EUR on-boardings [sent on 07.10.2024]

Outcome:

The members were presented with an overview of the TIPS non-EUR onboardings. It was recalled that following the successful migration of SEK market to TIPS, SEK will not be reported under this agenda item anymore.

Regarding the DKK onboarding to TIPS, the migration will take place over the weekend from 16 April to 21 April 2025; thus, the Go-Live date is 22 April 2025.

Regarding the NOK onboarding to TIPS, it was shared that the Feasibility Assessment has been delivered by the Norwegian central bank and that the CPA signature, following MIB and LEGCO review, could be expected by the end of 2024/start of 2025.

On the Icelandic onboarding, a press release was published on 9 September 2024 to inform about the start of the formal discussions in view of their on-boarding to TIPS.

6 Operations

6.1 TIPS Operational matters

The TIPS-CG members will receive an update on the most recent traffic developments and system's performance since the last meeting.

TIPS-CG members are invited to take note.

Discussion documentation:

- A. [ECB] The update on TIPS Operations [sent on 07.10.2024]

Outcome:

The members were presented with the traffic evolution since the previous meeting. The overall outlook remains substantially unchanged in terms of settled volumes and ratio between EUR and non-EUR currencies. A slight decrease in the volumes for June is explained by the fact that the last 2 calendar days of the month were accounted for the month of July (since they fell on a weekend and were accounted for the Monday business date). The top DCA holder markets is also stable, along with the ratio between cross-border and domestic IPs in terms of volume. Also, the overnight liquidity value on the TIPS transit account at EOD is stable (around €22bn).

Information on minor incidents affecting U2A access was shared with reassurance that they caused no impact on the settlement of instant payments. As a follow-up to the 14 March 2024 incident, the CG members were debriefed on the enhancement introduced to the business monitoring, comparing the number of rejections against the average threshold for timely identification of deviations.

6.2 TIPS Recovery [Outcome not public]

7 Remuneration of non-monetary policy deposits

The members of the TIPS-CG will be shortly debriefed with the Governing Council's decision on the remuneration of non-monetary policy deposits which introduces changes to the remuneration regime as of 1 December 2024.

TIPS-CG members are invited to take note.

Background documentation:

- A. Press release ([link](#))

Outcome:

The members were reminded on the new remuneration of non-monetary policy deposits in TARGET which will be effective as of 1 December 2024 (decision published on the ECB website on 17 April 2024). Regarding the payment of the remuneration, it was confirmed that as usual this should take place starting in January.

8 Any Other Business

TIPS-CG members are invited to approve/review the current status of the action points.

Moreover, the participants will receive details on the next TIPS-CG meeting dates. In addition, further topics related to TIPS could be raised by the participants.

Action points:

- TIPS-CG Action Points [Background]

2025 TIPS-CG meetings:

- 2025 TIPS-CG meeting dates

Outcome:

Additional topics raised by members:

- One member reported that currently the account reporting (camt.053) in TIPS is not being split even when its size is significant; differently from T2, there is no limit to trigger a split of the file. In view of the IPR and the expected higher volumes (e.g. with batch payments and then later with NTC transactions), it will be checked whether there is a danger that the maximum size mentioned in the documentation (1 GB) might be exceeded in the future and whether a limit could be introduced (**Action Point (AP-091)**). Afterwards, TIPS-CG members would be approached in connection to the size of camt.053 that they can handle (**Action Point (AP-092)**).
- Another member reported that they encountered two possible situations of non-reachability. In order to better understand the issue, the representative was invited to share further details in written by sending it to the TIPS@ecb.europa.eu and to the relevant (German) central bank representative (**Action Point (AP-093)**)

Action Points:

In preparation of the meeting and following today's discussion, especially on TIPS Recovery, the status of each action points has been updated accordingly. This and the new Action Points stemming from today's discussions will be part of the written procedure on the draft Outcome. In case of any objection on the status of the Action Points, the members are invited to share them via the dedicated feedback form.

2025 TIPS-CG meeting:

The Chairperson indicated that the dates for 2025 have been fixed and that the blockers have been sent accordingly. Following the new approved composition of the Group for the cycle December 2024 – December 2026, the usual meeting invite related to the Outcome of the yearly Business Exercise would be sent.

Finally, it was shared that the meeting of June 2025 would be hosted by the central bank of Denmark and would thus take place in Copenhagen – the representative of the central bank was warmly thanked for this kind forthcoming hosting!