

31 October 2023

TIPS CONSULTATIVE GROUP (TIPS-CG)

12 October 2023, 9:00 – 12:30 and 13:30 – 16:30 CEST

to be held via MS Teams and on-site (ECB Main Building)

OUTCOME OF THE 16TH 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 sixteenth meeting of the TIPS Consultative Group (TIPS-CG). The Agenda was approved with no changes.

1. Outcome of last meeting

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

Documents:

- Outcome of the TIPS-CG meeting held on 5 July 2023

Outcome:

The TIPS-CG Secretary confirmed that the Outcome of the previous meeting was shared with the TIPS-CG members via written procedure. Only minor comments were received and the adjusted version of the Outcome was sent to the members. 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 the outcome of:

- The Scheme Technical Player Multi-Stakeholder Group (STP MSG) on 13 September 2023
- TIPS-Working Group meeting of 14 September 2023
- MIB meeting of 27 and 28 September 2023

Outcome:

The Scheme Technical Player Multi-Stakeholder Group (STP MSG) on 13 September 2023:

On the migration to the 2019 Version of the ISO 20022 Standard-based XML messages, it was mentioned that the European Payments Council (EPC) was currently monitoring the readiness of the participants by requesting “readiness reports” on a regular basis. At the time of the meeting, the assumption was still that all SEPA schemes would migrate at the same time as planned on 19 November 2023.

As regards the OCT Inst scheme – One-Leg-Out scheme, it was said that TIPS appeared to be one of the few CSMs working on the analysis of the scheme and its Implementation Guidelines (IGs). The detailed analysis performed by 4CB on the IGs published by the EPC was further presented as part of agenda item 4.6; the EPC was made aware of the issues identified by 4CB and it will be checked whether others will reach the same conclusions. However, this topic did not currently appear to be a priority for other stakeholders, given the focus on the migration to the 2019 Version of the ISO 20022.

On the topic of the SEPA Request-To-Pay (SRTP), it was shared that three participants had become compliant with the scheme and that the Change and Release Management of SRTP will be aligned to the SEPA payment schemes. It was communicated that in 2028, the expected imposed exchange of e-invoices (new regulation at European level) might boost the usage of SRTP.

Regarding the SEPA Proxy Lookup (SPL), the EPC decided to maintain it while so far there is no institution adhering to it.

Finally, on the possible introduction of recommendations to the PSPs regarding the imposition of a maximum/minimum number of transactions sent/received per second, the EPC supports the initiative of one CSM which has already introduced them with its PSPs, and therefore seems to accept that this type of agreement can be implemented by other CSMs.

The TIPS-Working Group meeting of 14 September 2023 & the MIB meeting of 27 and 28 September 2023:

The relevant topics with their updates will be presented under the dedicated agenda items.

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 update on TIPS operations and incidents since the last meeting.

Document:

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

Outcome:

The update on TIPS Operations:

The TIPS-CG members were debriefed on the evolution of volumes in TIPS (daily average transactions have remained stable, with a 0.6% increase in monthly volumes of settled transactions from July to August), the distribution of volumes across the top largest markets in TIPS, the distribution of transactions between the different account types in TIPS, and the evolution of rejection rates in TIPS that remained at the level of 2.3% in July and August 2023. It was noted that NCBs approached PSPs with exceptionally high rejection rates by sending letters and offered their support in any possible way trying to improve the situation, i.e. over bilateral dedicated meeting(s) and defining a comprehensive action plan.

The share of cross-border traffic in TIPS remains at level of 61% out of total transactions in July and August 2023. Upon a question from the TIPS-CG members, it was confirmed that the cross-border / domestic payments are calculated based on the country code of the NCB under which the account is opened, in line with the methodology applied in TARGET Services. The Eurosystem will investigate whether the calculation method could be further fine-tuned to also offer an additional statistic which would take into account the IBAN of Originator and Beneficiary (**Action Point (AP-064)**).

The members were debriefed about the harmonisation of the operational updates on the ECB website across all TARGET Services as of 1 November 2023. The ECB website communication will follow the current T2S approach where, in case of normal operations, the communication does not change throughout the business day, i.e. "TIPS is operating normally". The communication will be updated only in case of abnormal operations / incidents.

Incidents impacting TIPS:

4CB presented the major incidents impacting TIPS since the last TIPS-CG meeting. There were two incidents in TIPS since the last reporting period: 15 September (issue with U2A functions requiring the activation of the NRO) and 26 September (issue with Statement of Accounts

reports). The TIPS-CG members highlighted an importance in finding the root cause and in having preventive measures from the re-occurrence of the similar incident of 26 September.

4. Evolution

4.1 TIPS On-boarding

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

Documents:

- TIPS On-boarding (Presentation ECB)

Outcome:

A representative of the ECB presented a status update on the onboarding for euro (Croatia and Bulgaria) and non-euro markets (Sweden, Denmark and Norway) in TIPS. Following the Go-Live of Croatia and one specific lesson learned, it was clarified that - according to the EPC scheme - pacs.028 is the right message for investigation purposes and that this message can be sent by the Instructing parties, provided that they have the right privileges and the right data scope. The camt.005 and camt.006 were introduced in the TIPS functional scope so that they can be used by everybody on top of the one supported by the EPC. The central bank of Croatia will check with its ACH whether the message used was the correct one and whether its privileges defined in the CRDM are the proper ones (**Action Point (AP-065)**).

Upon a question from Deutsche Bank, it was confirmed that the channel used to settle upcoming Swedish instant transactions in TIPS and EUR instant payment transactions is the same and that the maximum capacity of TIPS (even with Swedish volumes) is far from been reached. Also, it was confirmed that Swedish transactions will be reported in the same way it is done today for EUR transactions (**Action Point (AP-066)**).

Regarding Denmark onboarding to TIPS, a representative from Danmarks Nationalbank underlined that the first DKK payment in the test environment was recently successfully performed with one participant.

4.2 Testing status for TIPS R2023.NOV

The group will be updated on the status of testing activities for the TIPS R2023.NOV.

Also, TIPS-CG members will receive a presentation on the TIPS Migration Dress Rehearsal activities and if any lessons learnt can be drawn.

Document:

- Update on TIPS R2023.NOV UTEST Testing status (Presentation ECB)

- TIPS Migration Dress Rehearsal activities (Presentation 4CB)

Outcome:

Update on TIPS R2023.NOV UTEST Testing status:

An ECB representative provided an overview of the user testing for each change request for November 2023 release. The coverage of the testing is very good. At the end of the test period on 17 October 2023, the user test report (STSR for Production) for TIPS R2023.NOV will be produced. This report will support the decision of the MIB with regards to the deployment of the release.

TIPS Migration Dress Rehearsal activities:

A representative from 4CB presented the activities performed in TIPS CERT related to the test migration to 2019 version of the ISO 20022 Standard-based XML messages. It was underlined that the migration to the new version of the messages in CERT went well and that all activities were performed according to the EPC time schedule, which is very reassuring in view of the TIPS migration in PROD which, at the time of the meeting, was scheduled on 19 November 2023.

As part of the lessons learned, it was mentioned that an A2A workshop on the use of a new suffix was organised on 29 September 2023 and that the slides, which also include information stemming from the two NSPs (Nexi-Colt and Swift) are already published on [the ECB website](#). Furthermore, in view of the release TIPS R2023.NOV, the organisation of a live demo on the GUI on 7 September 2023 and the publication of the [slides](#) and [video](#) was recalled; the representative of Commerzbank shared that from the participants' side the sessions were highly appreciated. The Chairperson indicated that the TIPS-CG members should not hesitate to make suggestions to the ECB's TIPS evolution team regarding the organisation of dedicated sessions to the TIPS users as this might be beneficial for all the TIPS community.

Upon a request from the representative of ABN Amro, it was confirmed that for future releases, information related to important changes like for instance on the use of a new suffix will be brought more prominently to the attention of the participants to ensure that the information is not overlooked.

4.3 Migration to the 2019 Version of the ISO 20022 Standard-based XML messages: Readiness reporting and deployment timeline

In view of the migration to the 2019 Version of the ISO 20022 Standard-based XML messages, and based on the schedule defined by the European Payments Council (EPC), the TIPS-CG

members will be presented with the deployment timeline and the different activities planned for the migration in TIPS PROD on 19 November 2023.

- Migration to the 2019 Version of the ISO 20022 Standard-based XML messages: Readiness reporting and deployment timeline (Presentation ECB)

Outcome:

Following the request of the EPC to send regular reports on the readiness towards the migration to the 2019 Version of the ISO 20022 Standard-based XML messages, an ECB representative indicated that the report of 13 October 2023 will include the inputs of the central banks and of their PSPs in order to have as broad a base as possible of the PSP situation in terms of readiness.

On TIPS side as such, and following the migration made in CERT on 04 September 2023, it was confirmed that its status was “green”.

Upon a question related to the request of sending regular readiness reports, it was recalled that the responsibility of the migration is under the EPC¹.

4.4 Change and Release Management

The TIPS-CG will be presented with: (i) a follow-up on the feasibility assessment (FA) status for the CRs/initiatives considered for inclusion in 2024 releases; (ii) a short presentation on the way forward regarding the TIPS-0028-SYS “Rule based liquidity transfer order between MCA and TIPS DCA”, (iii) the latest status regarding the TIPS-0041-URD and the introduction of NTC payments, (iv) a presentation on the automatic simulator and the changes to expect following the written procedure and (v) the changes related to the CRDM admin users access right.

Documents:

- Follow-up on FA timeline for TIPS CRs/Initiatives for 2024 releases (Presentation 4CB)
- TIPS-0028-SYS “Rule based liquidity transfer order between MCA and TIPS DCA”: way forward (ECB presentation)
- TIPS-0041-URD - Introduction of non-time critical instant payments in TIPS: updated change request and latest status (Presentation ECB)
- Automatic simulator – feedback received and way forward (Presentation 4CB)
- CRDM admin users access right – scope limitation (T2 CR-129-URD) (Presentation ECB)

¹ On 24 October 2023, the EPC announced on its website the postponement of the Migration of the SEPA payment schemes to the 2019 version of ISO 20022 to Sunday 17 March 2024 – for reference, please check the [communication on the EPC website](#)

Outcome:Follow-up on FA timeline for TIPS CRs/Initiatives for 2024 releases:

A 4CB representative indicated that for TIPS R2024.NOV the current scope is composed of TIPS-0011-URD "Liquidity transfers with the transit account" and of TIPS-0045-SYS "Report Opening Balance in EOD CAMT.053 statement".

Following the presentation, the meaning of a "candidate change request" was made clear: it is a change request desired by the TIPS-WG to be implemented for a certain release, but the deployment date needs to be confirmed by the Feasibility Assessment.

In light of the above, the change request TIPS-0014-URD "TIPS Broadcasts" will only be confirmed in the scope of TIPS R2024.NOV following the detailed assessment and feasibility assessment of TIPS-0068-SYS "Alignment of TIPS for few optional fields with Implementation Guidelines" and of TIPS-0066-URD "TIPS Pricing_Invoicing Enhancements".

Finally, the Chairperson recalled that the objective is to have the release scope defined one year in advance to the release. Upon a question from the representative of ABN Amro, it was answered that if a change would be required due to the European Commission legislative proposal on instant payments, it will need to be checked whether the related change request could be added on top in the scope of the targeted release with or without the removal of another change request; this element would need to be assessed before taking any decision on its addition to the release scope.

TIPS-0028-SYS "Rule based liquidity transfer order between MCA and TIPS DCA": way forward:

TIPS-CG members were debriefed on the way forward regarding the implementation of the change request TIPS-0028-SYS: the change request will be implemented without the requirement on limiting the amount that can be drawn from CLM to TIPS per T2 business day. A new dedicated change request for TIPS and for T2, to be implemented at a later stage, could be drafted depending on the real need in the market for a change. The ECB representative indicated that this optional requirement will already be raised to the attention of T2-Working Group members on 19 October 2023 via a presentation prepared by the Danmarks Nationalbank as their community indicated that the requirement was a good one, especially in case of a bank run.

As part of the ensuing discussion, some PSPs indicated that, from their point of view, this requirement was not needed. In fact, it was mentioned that the issued could maybe be better addressed by a real-time propagation of the floor/ceiling change. Both solutions will be discussed at the upcoming T2-Working Group meeting where TIPS-Working Group members are also invited.

TIPS-0041-URD - Introduction of non-time critical instant payments in TIPS: updated change request and latest status:

An ECB representative debriefed the TIPS-CG members on the updates in the requirements of the change request TIPS-0041-URD "Introduction of non-time critical instant payments in TIPS" and informed them on new issues identified with regards the use of the existing Dutch Additional Optional Service (AOS).

As part of the discussion on the updated requirements and the retry mechanism, it was agreed to remove this mechanism from the change request as, in case a Beneficiary PSP is facing an operational issue, this might result in overflowing it. It was then explained that a solution could be for the Originator to resend manually the transactions to the concerned PSP. The change request will be updated accordingly to reflect this change in the requirements (**Action Point (AP-067)**). Once the NTC functionality will be in place in TIPS and based on concrete cases, it will be checked whether the retry mechanism would be needed; in this case a new change request would be drafted. With regards to the rejection reason code, the change request will be updated to cater for further analysis on ISO error codes to possibly find a more suitable and harmonised code (**Action Point (AP-068)**). Regarding the technical solution some TIPS-CG members underlined that the new technical solution based on an additional suffix could not entirely replace the solution with the Local Instrument code. As a result, the initial technical solution will be kept.

Then, on the issues identified on the use of the existing AOS, it was confirmed that the points are currently being checked with the ECB's Legal team. Finally, on the point raised by the Swedish market on the use of the Extended Remittance Information (ERI), the representative from Riksbank confirmed that this element and its usage will be checked in the coming weeks. Some participants underlined that some communities would not like to use the ERI and that thus it has to be optional.

Upon the question on the price of a non-time critical transaction, it was answered that this point will need to be further analysed as a dedicated pricing for such transactions could be put in place. Finally, it was clarified that, as for the instant payment transactions in TIPS, TIPS will not perform any check on the amount of an NTC transaction.

Automatic simulator – feedback received and way forward:

A 4CB representative reported on the ideas that came from the TIPS-CG written procedure launched on the topic "enhancement of the automatic counterparty simulator" and on the way forward regarding the suggestions. For the suggestions that can be put in place and which require a change request, this will be drafted and submitted to the group (**Action Point (AP-069)**). The Chairperson confirmed that this change request should apply de facto to all currencies as TIPS is a multicurrency platform.

Upon questions, 4CB will check whether it is expensive to include test BICs and whether it would be possible to use the tool to test the system with inputs from another system (i.e. to act as a Beneficiary PSP with incoming payments), as it could be very useful for small PSPs which do not have a testing partner (**Action Point (AP-070)**).

Finally, it was clarified that (i) the tool is not only performing the simulation of the message but also – if the payment is accepted - its settlement, (ii) it can be used by the Swedish and Danish communities as the tool can manage different schemes like TIPS (thus the reply to be provided will follow the scheme specifications) and (iii) for load/volume testing, the test shall be arranged in advance with the central bank as the capacity in CERT is normally lower than the one in PROD, so it might have to be enhanced for the performance of the test. It will be checked by 4CB whether on a regular basis specific day(s) for load testing could be identified (**Action Point (AP-071)**).

CRDM admin users access right – scope limitation (T2 CR-129-URD):

As the T2 change request T2-0129-URD “CRDM admin users access rights scope limitation” will have an impact on TIPS users, an ECB representative presented in detail the changes discussed at T2 governance on the restrictions to be applied to the permissions of CRDM administrators to view/update/delete DNs and user-DN links. The T2 change request was shared with the TIPS-Working Group members to see whether any specific requirements would be needed for TIPS users. The objective is to have this change request in T2 R2025.JUN, but this will need to be confirmed as part of the DA.

4.5 IBAN Name check (formerly Confirmation of Payee) initiative

The TIPS-CG will be reported the latest update on the introduction in TIPS of a IBAN name check solution, including some exchange with the European Payments Council (EPC) on this topic. In addition, the solution implemented a few years ago in the Netherlands will be presented.

Document:

- IBAN Name check (formerly Confirmation of Payee) initiative (Presentation ECB)
- A concrete example of an IBAN name check solution: the case of the Dutch market (Table document ABN Amro & Rabobank)

Outcome:

IBAN Name check (formerly Confirmation of Payee) initiative:

TIPS-CG members were provided with the latest updates on the IBAN name check dossier. After recalling the content of the European Commission legislative proposal on instant payments, the members were briefed on the latest information received by the EPC on this topic: (i) the EPC still intends to publish “something” (in the form of a scheme or a concept) on the dossier towards the

end of 2023 and (ii) the EPC is discussing with the European Commission on some open topics (e.g., GDPR).

In the ensuing discussion, TIPS-CG members confirmed that it was already worth thinking about how the solution might look but that before raising a TIPS CR, we should wait for the finalisation of the EC regulation on IP and the consequent publication of documents by the EPC. On the name matching mechanism, the representative of Groupe BPCE explained how the solution put in place in the French market works. Basically, a score on a given range is provided based on the analysis of the IBAN name check; afterwards, the acceptance of the match is a decision of the bank with regards to its risk appetite.

Lastly, it was highlighted that while IBAN name check would be a further step in fraud detection, this aspect is already reported ex-post in the monthly EPC statistical reports via the use of the camt.056. While GDPR aspects would be needed to be carefully analysed, it was concluded that fraud detection is an aspirational goal for TIPS.

A concrete example of an IBAN name check solution: the case of the Dutch market:

The representatives of ABN Amro and of Rabobank provided an overview of the solution offered in the Dutch market. The main elements of the Dutch solution are that it offers Application Programming Interface (API) and that the banks can decide to use it or not (the majority does), that the checks are done on actual data (and not on past information) and that personal data is not stored in a central system. In case of no match, the customer can still decide whether to go ahead with the payment, as the PSD foresees the IBAN as the single field that is relevant. Only for organisations (i.e. for public entities), suggestions are always shown. The Chairperson thanked the two representatives for this interesting presentation.

4.6 Cross-currency initiative update

The TIPS-CG will be presented with an update on the activities related to the cross-currency initiative and the analysis of the EPC One-Leg Out Instant Credit Transfer (OCT Inst) scheme.

Document:

- One-Leg Out Instant Credit Transfer (OCT Inst) scheme: Overview of possible business cases (Presentation DNB)
- One-Leg-Out: analysis of the OCT Inst scheme implementation guidelines: status update (Presentation 4CB)
- OCT Inst scheme latest updates & cross-currency initiative update (Oral Update ECB)

Outcome:One-Leg Out Instant Credit Transfer (OCT Inst) scheme: Overview of possible business cases:

The representative from the Dutch central bank presented an overview of the OCT Inst scheme including the differences with the already adopted SCT Inst scheme and provided some concrete possible business cases for the OCT Inst scheme. As part of the discussion, it was shared that the EPC OCT Inst scheme is only for the EUR-leg and that consequently the time required by others to settle the instruction might be longer as for the EUR-leg.

One-Leg-Out: analysis of the OCT Inst scheme implementation guidelines: status update:

A 4CB representative provided the TIPS-CG members with the result of the analysis of the EPC OCT Inst scheme implementation guidelines. As part of the presentation, it was shared that a preliminary discussion with the EPC took place to present the 4CB findings and to discuss the way forward.

In the ensuing discussion, a member of the TIPS-CG agreed with 4CB that there should only be one set of XSDs for both incoming and outgoing flows. The Chairperson underlined that it would be important for the PSPs to perform their own analysis and to share their findings with the EPC.

OCT Inst scheme latest updates & cross-currency initiative update:

An ECB representative informed the group that for the TIPS Cross-Currency dossier, a concrete proposal with the ECB/4CB approach based on the OLO scheme will be brought forward to the MIB and that there are currently some discussions with a handful of PSPs/CSMs on this dossier.

4.7 Instant Payment & Bulk payment challenges

The TIPS-CG will be presented with a deck of slides on how it can be ensured that the SEPA Instant Payment solution can remain successful whilst becoming the “new normal” under the European Commission regulation.

Document:

- Instant Payment & Bulk payment challenges (Presentation Deutsche Bank)

Outcome:

In view of the European Commission regulation on instant payments, the representative from Deutsche Bank provided some “food for thoughts” to the group regarding the management of the expected high volumes, especially with regards to bulk payments. One focus was on the management of peak moments (e.g. Black Friday) and the avoidance of bottlenecks.

In the ensuing discussion, the role of recommendations and/or obligation to the PSPs regarding the number of transactions sent/received was recalled. In the Netherlands for instance, there is a "gentlemen agreement" regarding capacity management which was defined by analysing all payments from all banks for one year. As part of this analysis, the peaks were identified, and the system was sized on this basis. In light of the above, the Chairperson concluded that the bulk payments to be done via NTC functionality could be helpful to manage peaks and bottlenecks.

4.8 Go-Sign Desktop release

The TIPS-CG will receive an update on the new Go-Sign Desktop release.

Document:

- Go-Sign Desktop release (Presentation 4CB)

Outcome:

A 4CB representative presented the release policy related to the Go-Sign Desktop (GSD) software. Basically, once a year, a certified version of GSD client is released by 4CB.

Currently, the certified versions are 6.9.0.1 and 6.9.0.9. In Q4 2023, 4CB will certify and roll out 6.9.0.20; the roll rollout in Production is expected to take place beginning of December 2023. While it was underlined that it is best for the users to upgrade to the most recent version of the software, it was also shared that, in case the users cannot upgrade to the certified version in Q4 2023, since the current and the new version belong to the same major release 6.9, the support will still be provided for 6.9.0.1. Then, in Q4 2024, 4CB will certify and roll out the new major version 8.x.

Upon a question, it was clarified that the GSD software only applies for the GUI. For future presentations on the topic, this will be made clear. Furthermore, on the timeline summarising the delivery of the certified versions and their support, it was confirmed that the latest point in time when a TIPS user can use the old version is indicated on the timeline, but that of course the migration to the newest version can take place earlier.

5. Focus on special characters – latest update

The latest update with the EPC feedback on this topic will be presented and discussed.

Document:

- Focus on special characters – latest update (Presentation ECB)

Outcome:

Following the presentation of the latest update of the EPC on the use of special characters, the representative of EBA clarified that the current agreement which is in place is a multilateral one

which include more than Latin characters for specific fields. In view of raising a potential EPC change request to allow for more characters for some specific fields, it was agreed that some bilateral calls will be organised in order to better understand the use of the fields and to check which characters should be allowed (**Action Point (AP-072)**).

In addition to the above, an ECB representative communicated that the MIB approved recently the EPC change request on “Acceptance Date Time Timestamp and the use of milliseconds” as prepared by the TIPS-CG. The members of the group were made aware that the next and final step will be to submit this change request, on behalf of the TIPS-CG, to the EPC. Upon the suggestion on the submission, no objection was raised regarding listing the institutions represented in the TIPS-CG.

6. Any Other Business

The participants will receive an update on various topics related to TIPS.

Document:

- Call for hosting 2024 TIPS-CG hybrid June meeting (Oral Update ECB)
- TIPS-CG Action Points (Background)

Outcome:

Call for hosting 2024 TIPS-CG hybrid June meeting:

The Secretary of the group indicated that it would be appreciated if a TIPS-CG member (other than the ECB) could host the TIPS-CG meeting planned on 11 June 2024. If no such host is found, the meeting would be conducted exclusively online. In case of interest, an email can be sent to the TIPS Evolution team.

TIPS-CG Action Points:

The Chairperson informed that the updated status and progress on the Action Points resulting from the previous meetings will be shared via written procedure (**Action Point (AP-073)**).