



EUROPEAN CENTRAL BANK

EUROSYSTEM

Revised TIPS Pricing

Ad-hoc AMI-Pay Meeting

04 July 2023

target | TIPS
services



TIPS Pricing revision

- **The Governing Council of the European Central Bank has approved the revised pricing policy for TIPS that will enter into force on 1st January 2024**
- As announced, following the implementation of the pan-European reachability package, the TIPS Pricing was subject to a comprehensive revision
- The pricing changes applies to both Payments Services Providers (PSPs) and Automated Clearing Houses (ACHs)
- The revised TIPS pricing is made public at the time of this meeting on the website of the ECB; more details will follow at a later point in time as part of a TARGET Services pricing guide

TIPS Pricing revision

- The revised TIPS Pricing takes into account:
 - The new services provided by TIPS, mainly connected to the pan-European reachability
 - Market feedback: Discussions and comments provided by the AMI-Pay at the time of the previous TIPS pricing revision
 - Expected forthcoming changes:
 - Onboarding of Non-EUR currencies in TIPS
 - European Commission legislative proposal on instant payments

TIPS Pricing revision

Current TIPS pricing valid until 31 December 2023

Settlement fee per transaction EUR 0.002

ACHs' internal settlement transactions: fixed price of EUR 0.0005

TIPS Pricing revision – What will change?

The TIPS settlement fee remains the same as today: EUR 0.002

- However, as of 1st January 2024, it will be shared between the Originator and the Beneficiary:

This translates into:

Originator: 0.001 EUR / Beneficiary: 0.001 EUR

- The sharing of the settlement fee applies to all relevant accounts (i.e. to all TIPS Dedicated Cash Accounts (DCAs) and to all Ancillary System Technical Accounts (ASTAs))

TIPS Pricing revision – What will change?

New measure for PSPs as of 1st January 2024

➤ Fixed monthly fee on:

- Each TIPS Dedicated Cash Account (DCA) set at EUR 800 per month
- Each BIC that is authorised to settled instant payments on a DCA set at EUR 20 per month:
 - One BIC is always included per DCA so that it will not have been to be paid for
 - A maximum of 50 BICs per DCA will be charged

TIPS Pricing revision – What will change?

New measures for ACHs as of 1st January 2024

➤ Fixed monthly fee on:

- Each TIPS Ancillary System Technical Account (ASTA) set at EUR 3,000 per month
- Each BIC that is authorised to settled instant payments on an ASTA set at EUR 20 per month:
 - A maximum of 50 BICs per ASTA will be charged

TIPS Pricing revision – What will change?

New measures for the ACHs as of 1st January 2024

➤ Degressive fee for internal settlement at ACH:

Highest price band at EUR 0.0004 / Lowest price band EUR 0.00015 (today unique price at EUR 0.0005)

Band	Number of ACH internally settled transactions per month (reported gross underlying volume)			Unit price difference towards current unit price
	From	To	Unit price	
Band A	-	10,000,000	EUR 0.00040	- 20%
Band B	10,000,001	25,000,000	EUR 0.00030	- 40%
Band C	25,000,001	100,000,000	EUR 0.00020	- 60%
Band D	100,000,001	unlimited	EUR 0.00015	-70 %

TIPS Pricing revision – What will not change?

Some elements of the TIPS pricing scheme will remain unchanged after the entry into force of the new TIPS pricing on 1st January 2024

- No entry fee
- No information services fee (reports and queries)



Thank you for your attention!

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 **ECB: market infrastructure and payments**