TARGET Instant Payment Settlement

Status update and testing strategy

AMI-Pay, 29 September 2017
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1. TIPS status update
2. TIPS test strategy
TIPS status update

- Project endorsed by the Governing Council of the ECB in June 2017

- Price: **at most 0.20 eurocents per transaction**, charged to the originator bank, for the first two years

- Timeline:

<table>
<thead>
<tr>
<th>2017</th>
<th>2018</th>
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<tbody>
<tr>
<td>July</td>
<td>Aug</td>
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</tbody>
</table>

| Contact Group Meetings |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| User Detailed Functional Specification (UDFS) |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| User Handbook (UHB) |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Connectivity Guide (CG) |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Network Service Provider Sponsoring |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Development of TIPS Application |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Eurosystem Acceptance Testing |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| User Training sessions |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Pilot Testing |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Go-live |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
**TIPS Contact Group**

- TIPS Contact Group composition has been approved by the Market Infrastructure Board

  - Composition: 40 participants (15 PSPs, 12 IPs and 13 NCBs)

  - 1\textsuperscript{st} meeting took place on 28 September 2017 covering:
    - Mandate of the CG
    - Timeline of the project/CG
    - First discussion on structure of User Detailed Functional Specifications (UDFS)
    - First discussion on Connectivity Guide
    - Presentation on testing strategy
    - Calendar of meetings during the whole realisation phase
TIPS on Tour

- TIPS has been presented in 16 countries
  - The Tour ended with the last two events taking place in two non-euro countries in September

Stockholm on 12 September 2017

Warsaw on 20 September 2017
# TIPS Deliverables

<table>
<thead>
<tr>
<th>Deliverable</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>User Requirements</td>
<td>Finalised</td>
</tr>
<tr>
<td>Connectivity Requirements</td>
<td>To be finalised in October</td>
</tr>
<tr>
<td>Connectivity Guide</td>
<td>Connectivity model completed; registration of new users drafted; NSP certification check list under preparation</td>
</tr>
<tr>
<td>High-level Technical Design</td>
<td>Drafting is ongoing (completion around 80%)</td>
</tr>
<tr>
<td>User Detailed Functional Specifications</td>
<td>Table of content presented in the CG along with the borders between the UDFS of TIPS and the UDFS of the shared services; first draft of part of the document submitted for preliminary feedback of the CG members</td>
</tr>
</tbody>
</table>
# Table of contents

1. TIPS status update
2. TIPS test strategy
Test stages overview

1. **Eurosystem Acceptance Test** (EAT)
   - Performed by the Eurosystem
   - During and after development of the service

2. **Pilot Test** (Pilot)
   - Performed by TIPS users (i.e. Participants and Central Banks)
   - Dedicated test phase from September to mid-November 2018

3. **Certification Test** (operational phase)
   - Performed by new TIPS joiners
   - Multiple waves foreseen after go-live
### Timeline

#### Contact Group Meetings
- October
- November
- December

#### Development of TIPS Application
- Cycle 1
- Cycle 2
- Cycle 3

#### User Training
- Cohort 1
- Cohort 2

#### Eurosystem Acceptance Test
- Cycle 1
- Cycle 2
- Cycle 3

#### Pilot Test
- Configuration
- Participant connectivity
- Pilot test cases
- Operational procedures

#### Go-live
- 1st, 2nd go-/no-go decision
- NCB configuration (CRDM)
- Participant configuration (CRDM)
- Black period (TIPS)
**Eurosystem Acceptance Test**

- **Split into multiple cycles** throughout the development phase
- Objective of the EAT phase is to provide an independent view on the compliance of the implementation to the functional documentation by executing both:
  - **functional tests** (e.g. process speed is considered to be a functional requirement)
  - **non-functional tests** such as
    - performance
    - business continuity
    - security
- Test cases are based on URD and UDFS
- The participants will be informed about the defects that remain at the start of the Pilot Testing phase
Pilot Test

• Purpose is twofold
  i. Users ensure that their own systems interface work correctly with TIPS (certification); and
  ii. Users are given the opportunity to perform a comprehensive end-to-end testing of the service functionality (free testing)

• The certification part during pilot testing is equivalent to certification tests during the operational phase for new joiners; mandatory test cases are provided by the Eurosystem

• Users have to prepare their own test cases for free testing

• Users fulfil roles as during operations, i.e.
  • Central Banks are responsible for the setup of entities and accounts as well as support for Participants from their national community
  • Participants configure CMBs and links and execute their actual test cases

• Eurosystem teams will ensure coordination and provide operational and technical support
**Certification Test**

- Only done **after go-live** of TIPS
- Purpose is similar to pilot testing
  - New joiners ensure, that they are operationally ready to join TIPS (actual certification)
  - New joiners have the opportunity to execute their own test cases
- Could be organised in waves
  - Either with pre-defined timeframes (multiple times per year); or
  - Whenever a certain number of new joiners are willing to start testing
- Mandatory test cases are identical to the ones used during pilot certification (updated based on the experience gained during testing)
Test environment

- Operating times
  - TARGET2 CUST business days and operating hours
  - can be available 24/7 for specific testing activities
- Provides simulators for
  - TARGET2 CUST (liquidity injector); and
  - a TIPS Beneficiary Participant
Thank you for the attention!

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www.ecb.europa.eu/paym

ECB: market infrastructure and payments