

# Instant Payments: TIPS for getting there

Interested in settling payments instantly across Europe for all your customers? That's where TIPS – a pan-European instant payment settlement system – can help.

TARGET Instant Payment Settlement – TIPS for short – is a platform based on the SEPA Instant Credit Transfer (SCT Inst) scheme. It hosts **more than 99%** of all payment service providers (PSPs) in the euro area that adhere to the SCT Inst scheme. TIPS makes sure that payments sent by PSPs or automated clearing houses (ACHs) reach recipients in Europe within seconds. It is thus helping realise the objective of the [European Central Bank \(ECB\)](#) and the [European Commission](#) to deploy instant payments fully across Europe.

## Key facts about TIPS

- **Availability:** 24/7/365
- **Settlement model:** real-time gross settlement in central bank money
- **Special feature:** full pan-European reach

## Why join TIPS?

- ✓ **Monetary policy benefits:** TIPS account balances count towards minimum reserve requirements. They are also taken into account when evaluating recourse to automatic marginal lending, with intraday credit automatically transformed into overnight credit at the end of the business day if an institution's aggregated balance on all of its relevant cash accounts is negative.
- ✓ **Pan-European reachability:** All PSPs in the euro area that adhere to the SCT Inst scheme are reachable. They can connect to TIPS directly as a participant or indirectly as a reachable party. Alternatively, they can enjoy most of the benefits of TIPS through an ACH.
- ✓ **High performance:** With a processing time measured in milliseconds, TIPS can settle up to 2,000 transactions per second.
- ✓ **Shared features:** TIPS is part of the TARGET Services. It is fully integrated with other services provided by the Eurosystem for large-value payments, securities settlement and collateral management. PSPs benefit from a single liquidity pool and a set of common components (for example a harmonised interface and common reference data).
- ✓ **Multi-currency settlement:** Multi-currency capability is a core principle of TIPS and an integral part of its design. TIPS currently only settles payments in euro. But it was designed and developed to allow settlement in central bank money in other currencies too. Sveriges Riksbank and Danmarks Nationalbank are the first non-euro area central banks preparing to join with their currencies.

## Interested in joining TIPS?

Take a look at our [TIPS web page](#) and contact your national central bank (NCB).

## How to contact us

Contact the TARGET Service Desk of your NCB or email us at [TIPS@ecb.europa.eu](mailto:TIPS@ecb.europa.eu)



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