

24 March 2022

## TIPS CONSULTATIVE GROUP (TIPS-CG)

17 February 2022, 10:00 – 12:00 and 14:00 – 16:00 CET

*held via Webex*

## OUTCOME OF THE 10TH TIPS-CG MEETING

### 0. Introductory Remarks

The Chairperson will welcome the participants and briefly introduce the agenda.

Outcome:

*The Chairperson welcomed the participants to the tenth meeting of the TIPS Consultative Group. Afterwards, the Agenda was approved with no amendments.*

### 1. Debriefings

The participants will be debriefed on:

- The outcome of the AMI-Pay on 7 December 2021
- The outcome of the MIB meeting on 2-3 February 2022

Outcome:

*A member of the ECB team debriefed the TIPS-CG about the outcome of the AMI-Pay meeting that took place in December 2021 and on the MIB meeting held in February 2022.*

*With regards to the AMI-Pay, it was recalled that the ECB clarified that there are no limitations in terms of volume that can be transmitted via the instructing party service from the TIPS point of view. This issue had emerged based on some reporting from PSPs.*

*Regarding the initiative of the European Commission to accelerate the roll-out of instant payments, including sanction screening issues, a more detailed update is expected to be delivered in the second quarter of 2022.*

*As for the MIB, the TIPS Roadmap is still under discussion. During the next MIB meeting (April 2022) the results of the CR/initiative prioritisation process, where the TIPS-CG is involved, will be presented to the MIB members as an important input from the market.*

*Finally, the ECB indicated that during the last MIB meeting the Service Transition Plan (STP) for the TIPS Release 5.0 had been approved.*

## **2. Results of End of the year TIPS-CG survey**

The participants will be debriefed on collected feedback on the running of the TIPS-CG in 2021. The outcome of the survey, sent to TIPS-CG members, will help improving the TIPS Consultative Group organisation.

### Document:

- Outcome of TIPS-CG survey (Presentation ECB)

### Outcome:

*A member of the ECB team debriefed the participants on the outcome of the survey on the work of the group in 2021. The feedback received shows that the timeliness of the TIPS communications could be improved but that the level of satisfaction on the quality of Written Procedure's outcome and on the frequency and format of TIPS-CG meetings is quite high.*

*In addition, it was recalled that feedback - whether positive or negative - is always welcomed as it would help improving the TIPS-CG organisation and communications. Also, it was underlined that any suggestions on items for presentation and/or for discussion for the forthcoming TIPS-CG meetings can be sent to the TIPS Evolution Team at any point in time.*

## **3. Status of TIPS releases**

An ECB representative will inform the TIPS-CG about the current status of TIPS CRs and releases. The group will be provided an overview of the business value assignment of CRs.

### Document:

- TSWG information on TIPS releases status (Background document)
- TIPS CR status and Roadmap (Presentation ECB)
- Harmonization BICs and Acceptance Date Time TS Across Workflow (Presentation BdF)

Outcome on TIPS CR status and Roadmap:

A member of the ECB presented information on the TIPS release status and informed the TIPS-CG about the need for (re)assignment of Business Value via a written consultation to be launched after the meeting (Action Point (AP-001)). The assignment of business values to change requests and initiatives is an annual process and feeds into the release scoping process in TIPS. The importance of the Business Value Assignment in view of the prioritisation exercise that will be run in March by the TSWG was underlined.

A 4CB (Banca d'Italia) representative orally reported to the TIPS-CG about the main findings stemming from the preliminary assessment of TIPS-0041 on Non-Time Critical IPs.

The following working assumptions have been shared with the TIPS-CG members:

- A dedicated suffix at transport protocol level will be used in order to segregate the NTC from the SCT-Inst traffic.
- Due to the extended lifecycle of a NTC payment transaction (from 20 seconds, up to 24 hours) the maximum number of concurrent NTC transactions that can be managed in TIPS cannot scale up and shall be somehow limited mainly for performance reason.
- Owing to the wide-ranging perimeter of changes required in almost all TIPS internal components, during the preliminary assessment it was deemed not necessary to rely on both triggers (e.g. time-based and message-based) for retransmitting a NTC payment towards the Beneficiary PSP. Therefore, the current working assumption relies on the time-based trigger only.

Outcome on the Harmonisation BICs and Acceptance Date Time TS Across Workflow:

A member of the Banque de France shared with the group the issue faced by some PSPs in the French community on mixed BIC8 - BIC11 usage (asking to use the exact same BIC all along the TIPS Workflow) and on the varying formats for the acceptance datetime timestamp, both resulting in reconciliation issues. These issues are known to many TIPS-CG members. Regarding the BIC, dropping the usage of the BIC8 altogether may be a solution, however some TIPS-CG members underlined the benefit of having the flexibility to use BIC8.

Following discussions, it was agreed that:

- As the issue was raised to the attention of the TIPS-CG shortly before the meeting, it will still need to be discussed within the national communities to see what their view on it is (Action Point (AP-002)).
- As TIPS cannot decide the BIC format to be used, given that TIPS follows the EPC rulebook, this issue will be brought to the attention of the EPC in the STP MSG (Scheme Technical Player Multi-Stakeholder Group) meeting of March (Action Point (AP-003)).

#### **4. Change and release management processes – Overview of the main steps**

The ECB will present, in a simplified version, the change and release management processes. The participants will be provided with an overview of the main steps change requests go through as part of the process with a focus on the role of the TIPS Consultative Group.

Document:

- Change and release management processes (Presentation ECB)

##### Outcome:

*A member of the ECB opened the discussion on the TIPS Releases. Currently the TIPS releases standardised annual schedule is as follows:*

- *Full annual release in November (third weekend in November)*
- *Optional release in Spring, if needed*

*In the discussion, it was agreed that the annual schedule will stay as it is today but that the release in Spring might be used especially to accommodate some very specific mandatory changes linked to the other TARGET Services, considering that for T2 and for T2S the major release is taking place in June.*

*An overview on the involvement of the TIPS-CG as part of the Change and Release management processes was given. Again, the importance of the Business Value Assignment and on the way the feedback is collected were highlighted.*

#### **5. Pilot for using the Mobile Proxy Lookup functionality in TIPS**

Representatives from the ECB and 4CB will present the Mobile Proxy Lookup (MPL) functionality. In view of the deployment of the TIPS Release 4.0, including the pan-European reachability measures, participants will be invited to express their interest in joining a pilot testing phase.

Document:

- TIPS Mobile-Proxy lookup (Presentation ECB)
- Mobile Proxy Lookup One Pager (draft) (Background document)

Outcome:

*A member of the ECB presented the Mobile Proxy Lookup (MPL) functionality. The MPL is a service already available in TIPS that enables TIPS actors to receive from their customers the IBAN that corresponds to a proxy such as a mobile phone number. The group was informed on the main features of the MPL functionality and on the possibility of joining a pilot on MPL in 2022, for which the TIPS-CG members can raise their interest via email to TIPS mailbox (Action Point (AP-004)). In any case, in the coming weeks a written consultation to the TIPS-CG asking institutions to express their interest in joining the MPL Pilot will be launched (Action Point (AP-005)).*

## **6. TIPS website enhancements**

An ECB representative will give a live demo on the (foreseen) TIPS website enhancements.

Outcome:

*A member of the ECB presented the new structure of the [TIPS Webpages](#) where the documents of the TIPS-CG can be found.*

## **7. TIPS cross-currency initiative**

The group will be provided with some preliminary information on the market consultation aiming at collecting feedback on the envisaged solution for settling cross-border instant payments among the currencies present in TIPS.

Document:

- Note on the Linked Transactions settlement model (Background document)

Outcome:

*A member of the ECB shared preliminary information on the feedback received on the cross-currency questionnaire. It was recalled that there are currently three questionnaires that are opened (the one launched towards the AMI-Pay, NSGs, TSWG and TIPS-CG, the one launched towards the Foreign Exchange Contact Group and the one launched by Riksbank to their community, deadline being for all these surveys Tuesday 22 February 2022).*

*As the deadline for participating to the survey was approaching (22 February 2022), a reminder with the full list of questions as attachment has been sent per email to the TIPS-CG (Action Point (AP-006)).*

*In reply to a specific question, it was recalled that the Central Banks of both Denmark and Norway publicly expressed their interest in joining TIPS, which might lead to additional currencies for the cross-currency service.*

## **8. Operational Matters**

### **8.1 TIPS in operations**

The participants will be provided with information on TIPS operational matters, and on a recent incident that impacted TIPS.

#### Document:

- Oral update (ECB)
- Follow-up on 25 January incident (Presentation Banca d'Italia)

#### Outcome on the oral update:

*On the operational matter coming from the participants, a TIPS-CG member raised two points. The first one related to the positive impact of the reachability measure on the increase of the cross-border instant payments. The second one on the observation of some payments' rejections. It was agreed that the matter needs to be investigated together with the TIPS Service Desk to check whether the rejection is always coming from the same beneficiary (Action Point (AP-007)). If not, an incident can be raised with the support of the Central Bank.*

*A member of the ECB informed the participants on the next Information Guide update that will be done by the end of Q1 2022. The members were also informed on the top three markets in volume of settled instant payments which are the Netherlands, Germany and France.*

*On the TIPS Restart with a zero balance, a member of the ECB informed the participants on the date for a joint workshop on the topic with TSWG and TIPS-CG. This joint workshop had to be postponed to Q3-Q4 2022 as there is a need for more comprehensive investigations of the possibility to restart TIPS with a zero balance once the last migration to TIPS with the remaining ACHs will be completed.*

#### Outcome on the follow-up on 25 January incident:

*The 4CB (Banca d'Italia) presented the issue on the NRO signature that impacted some U2A actions, including the liquidity transfers. The issue came from some misconfigurations. To solve the issue, 4CB put in place a check list to review the NRO functionality.*

*In addition, during the day of the incident, the participants were reminded that for urgent liquidity transfers they could ask the support of their NCBs.*

## **8.2 TIPS Email Notification Tool**

The participants will be informed about the usage of the newly introduced TIPS Email Notification Tool.

### Document:

- TIPS Email Notification Tool (Presentation Banca d'Italia)

### Outcome:

*The 4CB gave an overview of the TIPS Email Notification Tool which is already in place since a few weeks and informed the participants on the usage of the tool, i.e. the tool will be used only for A2A TIPS incidents outside of standard business support hours, while during normal business hours regular communication tools (ECB webpage and communication via the National Service Desks) would be used.*

*The TIPS-CG members are invited to:*

- *Provide a group email address for the reception of the TIPS Email Notification Tool. Instructing Parties can also receive the email, this is up to the Central Banks to share the email to be used (Action Point (AP-008)).*
- *Check whether their institution indeed accepts the emails coming from [noreply.tips@bancaditalia.it](mailto:noreply.tips@bancaditalia.it). If not, they would need to adapt their security policy (Action Point (AP-008)).*

*In case of issues, the members can contact the NCBs. .*

## **8.3 Pan-European reachability**

The ECB will present the current status of the on-going realisation of pan-European reachability of instant payments. In addition, The ECB will present the impact on TIPS of the first wave of the migration of ACHs to TIPS.

### Document:

- Readiness monitoring for pan-European reachability measures (Presentation ECB)

- Overview of TIPS activity: migration of ACHs to TIPS (Presentation ECB)

Outcome on the Readiness monitoring for pan-European reachability measures:

The TIPS-CG was presented with some key elements of the TIPS community readiness 7th reporting cycle (cut-off of 31/12/21).

The TIPS-CG members recalled that the preparation of the implementation of the pan-European measures was a stressful period and that some difficulties were faced regarding the configuration of the CRDM as the instructions were not that clear. While these difficulties have been recognised, it was also underlined that the migration in the end went well.

The Chairperson congratulated everyone involved in making this, what seemed almost impossible, achievable.

Outcome on the Overview of TIPS activity: migration of ACHs to TIPS:

An ECB member showed some statistical and graphical information (i.e. liquidity aspects, volumes and values, rejection rates) on the TIPS traffic developments. Regarding the rejection rate, which led some TIPS-CG members to react, it was recalled that there is a learning curve every time there are new participants. One TIPS-CG member mentioned that sanctions screening for cross-border payments may also contribute to the rejection rate. As indicated earlier, some granularity would be needed from the members to understand where the issues are coming from. In this respect, the ECB proposed that additional breakdowns will be investigated and presented to the TIPS-CG to explain some trends and support solution finding (Action Point (AP-007)).

## **9. Any Other Business**

The participants will be provided with the opportunity to raise further questions and remarks stemming from the discussion.

Outcome:

The next TIPS-CG meeting will take place on 13 April 2022.