

19 October 2017

OUTCOME OF THE 1ST MEETING OF TARGET INSTANT PAYMENT SETTLEMENT (TIPS) CONTACT GROUP

28 September 2017 – 09:30 to 17:00

*held at the ECB Eurotower, Kaiserstraße 29, Frankfurt am Main
meeting room C36.02, on 36th floor*

1. Introductory Remarks and Tour de table

The Chairperson of the Contact Group will welcome the participants and invite them to briefly introduce themselves.

Outcome:

Mr Holger Thiemann, the Chairperson, and Mr Mehdi Manaa, the Head of Market Infrastructure Development Division at the ECB, welcomed the participants. Mr Manaa talked about the creation of the Contact Group for the realisation phase and stressed its important role. He emphasised on the family spirit of the group and pointed out that there are obligations from being part of this group and no privileges.

The participants introduced themselves during a tour de table and approved the agenda.

2. Mandate of the TARGET Instant Payment Settlement (TIPS) Contact Group

The Contact Group will be introduced to its mandate which is the basis for the activities of the Group.

Documents:

- *Mandate of the TIPS Contact Group (Presentation)*

Outcome:

The ECB project team was introducing the mandate of the Group and emphasised the importance of the feedback expected from the participants for the overall project, even if the

group formally should only support the decision process within the Eurosystem. The participants took note that the interaction will focus on the domains of planning, and user testing, as well as change and release management activities. The Chairperson clarified, that central bank related aspects will be dealt with in another forum.

3. Work Plan of the Contact Group and Timeline

The Contact Group will discuss the deliverables, objectives and milestones for the way forward including a draft overview of the topics to be discussed at the first meetings of the Group. The TIPS Project Team will present a draft calendar of the meetings of the Contact Group during the project's realisation phase.

Documents:

- *Timeline of the project (Presentation)*

Outcome:

The Chairperson asked for feedback on the timeline and clarified that the main work is on the ECB/4CB side. The participants are expected to provide input and comments, as of the drafting process already, to help mainly in terms of documentation.

It was suggested to extend the group's activities beyond the realisation phase and to add one or two meetings after the go-live of TIPS. The Chairperson confirmed that the MIB can indeed extend the duration of the mandate, as already indicated in the mandate itself, but this should be evaluated at a later stage.

The Chairperson confirmed the need for an adaptation of T2 guideline in order to include participation in TIPS, but clarified that this aspect is not worked out by this group. The TIPS CG is focusing more on the technical preparations and the work on the legal framework will be tackled by an ad-hoc task force of the central banks.

The ECB project team clarified that for the time being they cannot yet provide information on as of when information about the TIPS participation will be known, as this depends on the work of the legal and contractual aspects, which have to be finalised or at least have to have reached a certain progress.

The Chairperson confirmed that the list of institutions will be published as foreseen on ECB website.

4. User Detailed Functional Specifications (UDFS)

The User Detailed Functional Specifications will detail the general features of TIPS and the A2A interaction between TIPS and the TIPS Actors. The 4CB will present the planned structure of the UDFS deliverable, along with some first draft sections. The Contact Group will be invited to discuss the proposed approach.

Documents:

- *TIPS UDFS (Presentation from 4CB)*

Outcome:

The 4CB project team presented the planned structure of the UDFS and explained that for the subsequent meetings the document will be gradually enriched each time with the indication of new and changed content compared to the previous version. Furthermore, the 4CB project team highlighted how the document is designed to be read both at the level of the business analysts and at the level of the developers. The Chairperson confirmed that the draft first chapters will be provided to participants after the meeting as part of the background documentation together with an excel sheet for structured feedback. He asked for feedback by Friday 6 October, but explained that feedback received after this date will only be treated in the next round. The Chairperson stated that some connectivity related documentation, i.e. the draft connectivity technical requirements and a presentation with some additional explanation are already published on ECB website, but for the convenience of the participants these documents will also be uploaded in Brainloop.

Regarding the reference to the MOP in the TIPS mandate, the Chairperson stated that the MOP is handled in the same way of T2 (discussed in the Settlement Managers Sub-group of TARGET2) but participants can potentially provide comments on the to be updated information guide for users.

Upon request of the participants the ECB project team will foresee a presentation on the dependencies between the TIPS project and other projects of the Eurosystem in one of the next meetings of the CG. Upon a question on the compatibility of TIPS with other instant payment solutions the project team replied that in principal for the mandatory fields, the compatibility should be ensured. This can be validated by the participants as soon as the relevant part of the UDFS is provided, which is planned for one of the first iterations already.

Regarding the request to align TIPS and EBA RT1 system functionalities, the Chairperson confirmed that TIPS URD is fully aligned with the EPC scheme. This aspect will be further clarified in the AMI-Pay meeting on the next day.

Anyway, in principle it was explained that TIPS cannot be compared to any service offering clearing and settlement as it only provides settlement services.

The market representatives proposed to take the consultations in the CG as market involvement already and therefore to skip the final consultation on the UDFS in order to have a stable specification at an earlier point in time. The Chairperson promised to investigate on the issue and to report on it in the next meeting of the CG.

5. Connectivity Guide

The Connectivity Guide will detail the technical conditions for Network Service Providers to connect to TIPS. The Contact Group will be debriefed on the updates to the Connectivity Guide for TIPS and informed about the foreseen process for TIPS Actors to sponsor a Network Service Provider.

Documents:

- *TIPS Connectivity aspects (Presentation)*
- *TIPS Connectivity Guide (Presentation from 4CB)*

Outcome:

The ECB and 4CB project teams made presentations on connectivity issues, which raised a number of questions. Some of them can only be finally answered when both the Connectivity Requirements and the Connectivity Guides are finalised.

The project team highlighted that only participants (and central banks) can sponsor a NSP and that there is the need for NSPs to connect to both sites of the region where the TIPS servers will be located.

It will be clarified how to inform the market on the NSPs which have successfully passed the compliance check.

The 4CB project team explained that the network connectivity requirements need to be very strict in order to have a sound and safe delivery of the service for all the stakeholders in line with the URD.

6. Testing Strategy

The Contact Group will be informed about the foreseen Pilot Testing approach and discuss the general preparations for the testing activities on the users' side.

Documents:

- *TIPS Testing Strategy (Presentation)*

Outcome:

The presentation on the Testing Strategy was well received by the participants.

The Chairperson confirmed that the pilot users are those who plan to go live at the launch of TIPS.

The project team explained the idea of certification test and that at least a certain minimum set of test cases need to be performed. In addition free testing would also be possible. The Chairperson explained as well that certain certification test cases might relate to certain roles. All certification tests will also have to be performed by those participants who plan to join at a later stage to ensure that the minimum service can be guaranteed.

The 4CB project team confirmed that it is planned to work with only one test environment. It will be investigated if and how often the environment could run 24/7/365 upon specific request by the participants (i.e. with interruptions of any kind). The 4CB project team will come back on this point in a later meeting.

7. Q&A of the month

The Contact Group members will be informed about the possibility to reach the Eurosystem in order to receive answers to their questions with regards to TIPS and to raise topics of general interest to be discussed in the Contact Group meetings.

Outcome:

The Chairperson explained the idea behind the Q&A of the month. The participants can send their general comments and questions in the TIPS mailbox. The topics of general interest will be presented/discussed in future meetings.

8. Any Other Business

A member asked whether more than one user from the same institution can be connected to Brainloop. The ECB project team agreed to check this by the time of the next meeting.

After the Contact Group meetings, all meeting documents will be published on the ECB homepage (link: <http://www.ecb.europa.eu/paym/initiatives/html/documents.en.html>).