

1 June May 2022

OUTCOME

3 May Ad hoc AMI-Pay workshop

14:00 – 16:00 CET
WebEx teleconference

1. TIPS fee structure

Following the February 2021 [workshop](#) on pan-European reachability, a follow-up workshop¹ on the TIPS fee structure was organised, notably covering the evolutions of SCT Inst and possible first elements considered in view of the upcoming review of the TIPS pricing in 2023.

CSMs representatives provided a presentation outlining their concerns on the impact on CSMs of the TIPS pricing review accompanying the implementation of the pan-European reachability measures. The presentation further raised a number of questions for consideration in the context of the review of the TIPS pricing in November 2023.

The ECB provided a presentation on the pan-European reachability and accompanying review of the TIPS pricing recalling the status of SCT Inst take-up, the benefits of the pan-European reachability measures also in terms of cost-savings before detailing the rationale for the pricing change.

The following main elements were covered in the ensuing discussion.

- The members recognised the value and the benefits brought by the pan-European reachability measures in terms of interoperability and PSPs reachability. The value of 24x7 funding/defunding was recognised by several participants noting that these functions are more relevant from a public good perspective and should be funded as such.
- Following some remarks on the share of TIPS costs borne by CSMs and the need for predictability, the ECB clarified that, in the cost recovery model, the share of the TIPS' total costs to be borne by CSMs via the ACH fee is capped at 20%. CSM representatives took note and deemed acceptable this clarification. Although welcoming the idea of a cap, they asked for further transparency on the costs and the cost recovery model. In this regard, the ECB noted that Eurosystem internal cost information has never been shared within the AMI-Pay. Some CSMs further noted that the actual TIPS CSM fee, based on the volume of transactions within the private CSMs, is not considered fair and proportional. The ECB presentation replied to this concern detailing the services covered and its rationale (size proxy, as a measure of the CSMs' activity)

¹ Considering the focus of this discussion, ACHs not represented in the AMI-Pay membership were invited to join the discussion.

- The introduction of a degressive fee was touched upon following the suggestion of some members and no participant expressed particular reservations on it.
In addition, several members supported that the TIPS pricing scheme should be structured more closely to the direct services (i.e. direct usage of the platform) provided via TIPS. In this regard, some noted the option to distinguish between settlement in central bank money that could be priced based on the value, and interconnectedness as a value-added service, that could be priced per transaction with a higher fee. In this context, the ECB recalled that it is important not to impose different prices on services that are substantially equivalent in terms of resources and processing on the side of the provider.
- Some members stressed the need for transparency, following the practice for TARGET2 with annual reports. CSMs brought the point that there is the need to rebalance in the next iteration of the TIPS pricing the level of fees for ACHs vis-à-vis PSPs.
- One member suggested considering the case of P2P mobile services not relying on settlement in TIPS while settlement in central bank money should be incentivised. This topic would be considered based on further input from the member.

Follow-up:

Based on this discussion, the ECB will analyse possible options for the review of the TIPS pricing, and will aim at presenting its considerations to the AMI-Pay in the last quarter of 2022.

Document:

ECB Presentation – TIPS fee structure

CSMs input

2. T2-T2S consolidation – user testing

The ECB provided an update on the status of the T2-T2S consolidation project with a focus on the ongoing User Testing phase, acknowledging the difficulties encountered by participants at the start of the User Testing phase, and stressing the significant work done within the Eurosystem which resulted in an improved stability.

While appreciating the progress made, some members stressed that progress over the next months would need to be monitored very carefully. A participant highlighted co-management configuration efficiency and CRDM set-up improvements as points deserving particular attention.

Following the question of a member it was noted that there is no intention of moving the go-live date of 21 November 2022.

Document:

ECB presentation – T2-T2S consolidation user testing