



EUROPEAN CENTRAL BANK

EUROSYSTEM

# Revised TIPS Pricing

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Ad-hoc AMI-Pay Meeting

04 July 2023

target | TIPS  
services



# TIPS Pricing revision

- **The Governing Council of the European Central Bank has approved the revised pricing policy for TIPS that will enter into force on 1<sup>st</sup> January 2024**
- As announced, following the implementation of the pan-European reachability package, the TIPS Pricing was subject to a comprehensive revision
- The pricing changes applies to both Payments Services Providers (PSPs) and Automated Clearing Houses (ACHs)
- The revised TIPS pricing is made public at the time of this meeting on the website of the ECB; more details will follow at a later point in time as part of a TARGET Services pricing guide

# TIPS Pricing revision

- The revised TIPS Pricing takes into account:
  - The new services provided by TIPS, mainly connected to the pan-European reachability
  - Market feedback: Discussions and comments provided by the AMI-Pay at the time of the previous TIPS pricing revision
  - Expected forthcoming changes:
    - Onboarding of Non-EUR currencies in TIPS
    - European Commission legislative proposal on instant payments

# TIPS Pricing revision

## **Current TIPS pricing valid until 31 December 2023**

Settlement fee per transaction EUR 0.002

ACHs' internal settlement transactions: fixed price of EUR 0.0005

# TIPS Pricing revision – What will change?

**The TIPS settlement fee remains the same as today: EUR 0.002**

- However, as of 1<sup>st</sup> January 2024, it will be shared between the Originator and the Beneficiary:

This translates into:

Originator: 0.001 EUR / Beneficiary: 0.001 EUR

- The sharing of the settlement fee applies to all relevant accounts (i.e. to all TIPS Dedicated Cash Accounts (DCAs) and to all Ancillary System Technical Accounts (ASTAs))

# TIPS Pricing revision – What will change?

## New measure for PSPs as of 1<sup>st</sup> January 2024

### ➤ Fixed monthly fee on:

- Each TIPS Dedicated Cash Account (DCA) set at EUR 800 per month
- Each BIC that is authorised to settled instant payments on a DCA set at EUR 20 per month:
  - One BIC is always included per DCA so that it will not have been to be paid for
  - A maximum of 50 BICs per DCA will be charged

# TIPS Pricing revision – What will change?

## New measures for ACHs as of 1st January 2024

### ➤ Fixed monthly fee on:

- Each TIPS Ancillary System Technical Account (ASTA) set at EUR 3,000 per month
- Each BIC that is authorised to settled instant payments on an ASTA set at EUR 20 per month:
  - A maximum of 50 BICs per ASTA will be charged

# TIPS Pricing revision – What will change?

## New measures for the ACHs as of 1<sup>st</sup> January 2024

➤ Degressive fee for internal settlement at ACH:

Highest price band at EUR 0.0004 / Lowest price band EUR 0.00015 (today unique price at EUR 0.0005)

| Band          | Number of ACH internally settled transactions per month<br>(reported gross underlying volume) |             |                    | Unit price difference<br>towards current unit<br>price |
|---------------|---|-------------|--------------------|--|
|               | From  | To          | Unit price         |  |
| <b>Band A</b> | -   | 10,000,000  | <b>EUR 0.00040</b> | - 20%  |
| <b>Band B</b> | 10,000,001  | 25,000,000  | <b>EUR 0.00030</b> | - 40%  |
| <b>Band C</b> | 25,000,001  | 100,000,000 | <b>EUR 0.00020</b> | - 60%  |
| <b>Band D</b> | 100,000,001   | unlimited   | <b>EUR 0.00015</b> | -70 %  |



# TIPS Pricing revision – What will not change?

Some elements of the TIPS pricing scheme will remain unchanged after the entry into force of the new TIPS pricing on 1<sup>st</sup> January 2024

- No entry fee
- No information services fee (reports and queries)



**Thank you for your attention!**

 **TIPS@ecb.europa.eu**

[www.ecb.europa.eu/paym](http://www.ecb.europa.eu/paym)

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