

# The future TARGET services

*The transformation of market infrastructure and  
payments in Europe*

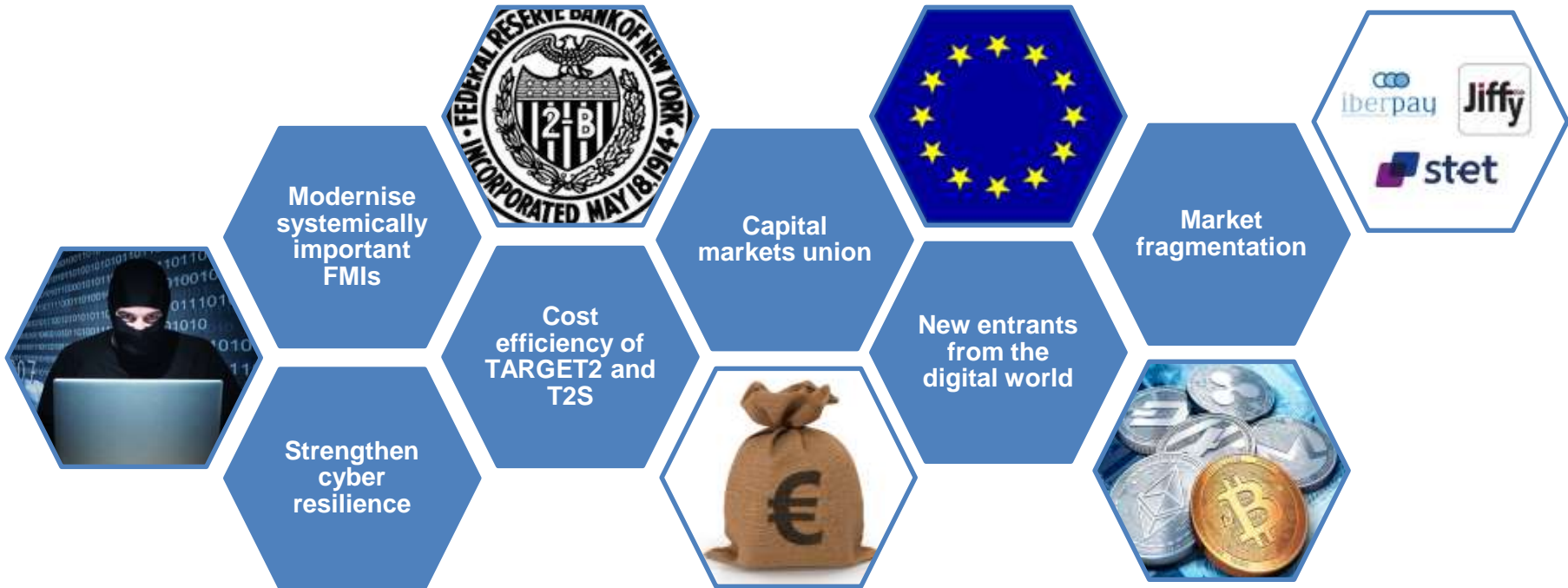
**Alexandros Exarchos**

Directorate General Market Infrastructure  
and Payments

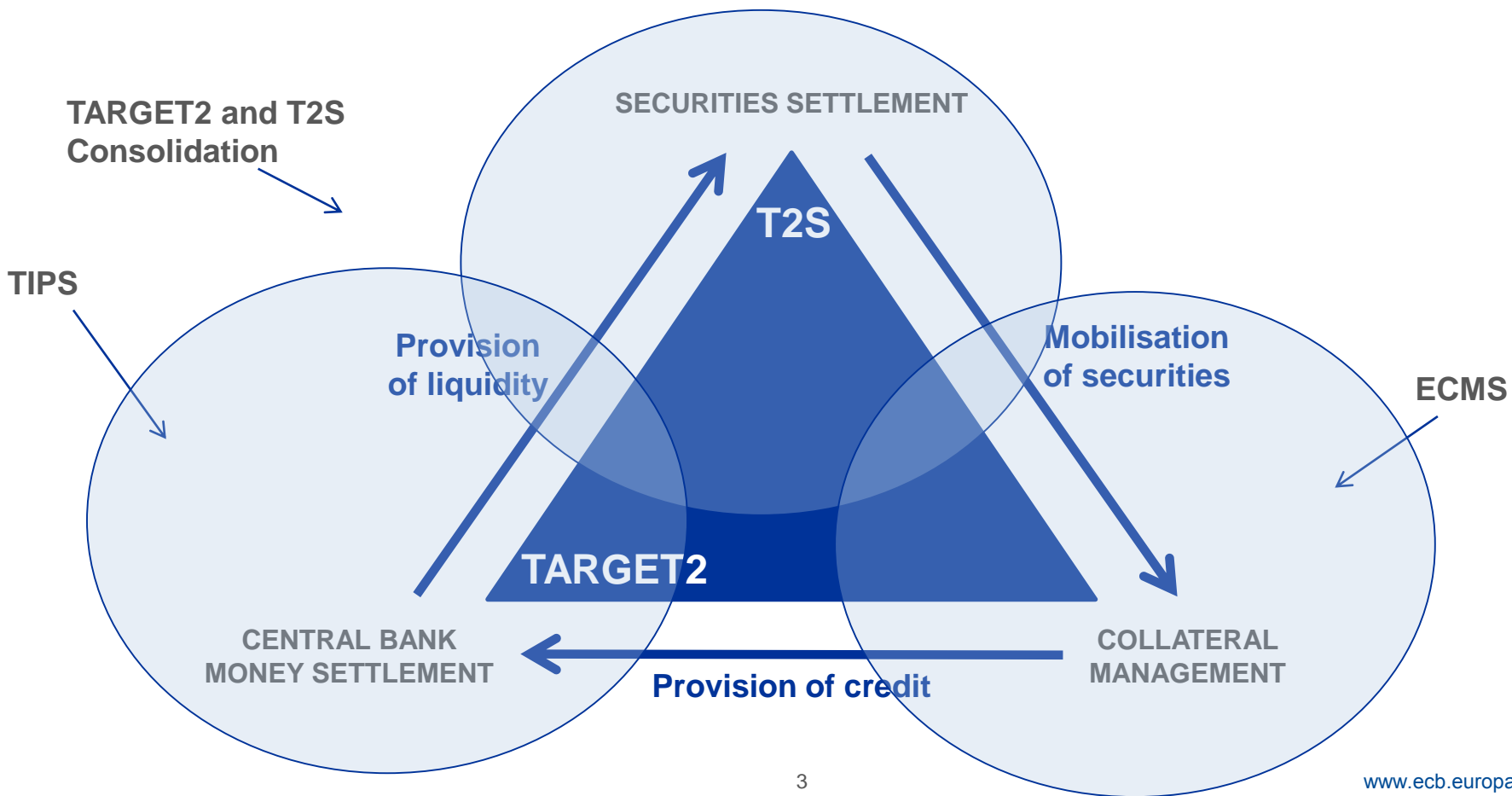
360 Payments Conference 2019

Athens, 13 June 2019

# Developments and challenges that the Eurosystem is facing



# The vision for European market infrastructure and payments



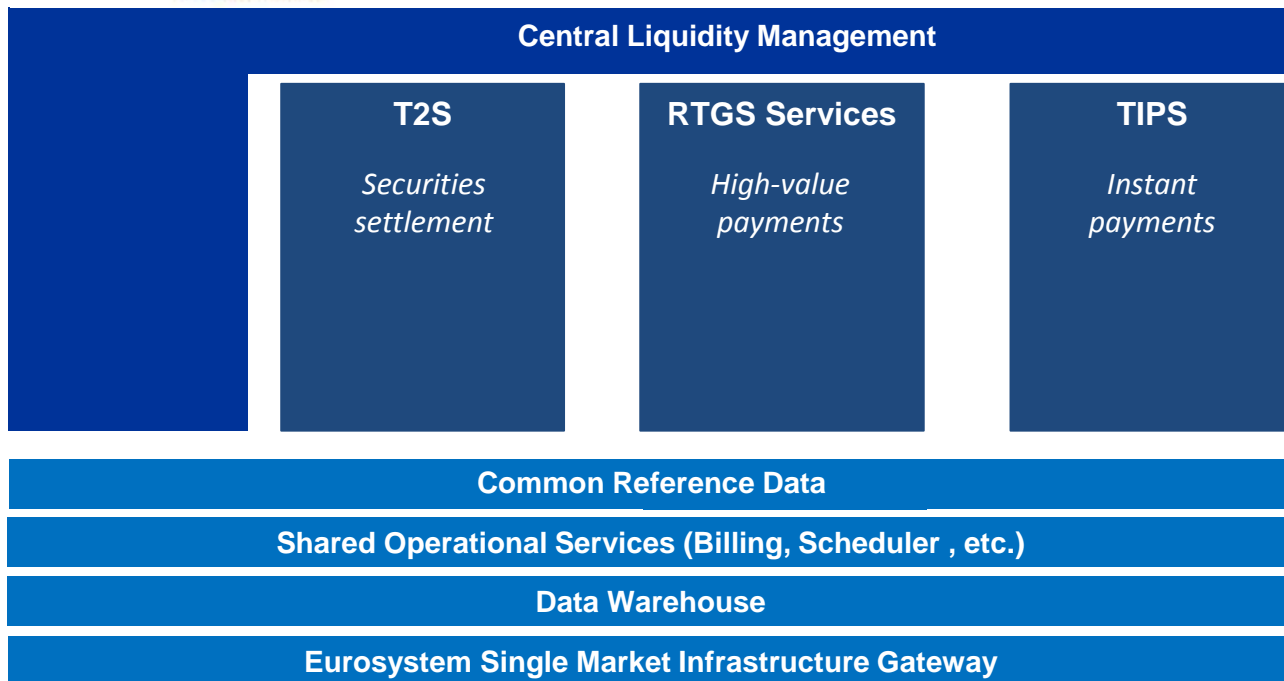
target  
services

target | T2  
services

target | T2S  
services

target | TIPS  
services

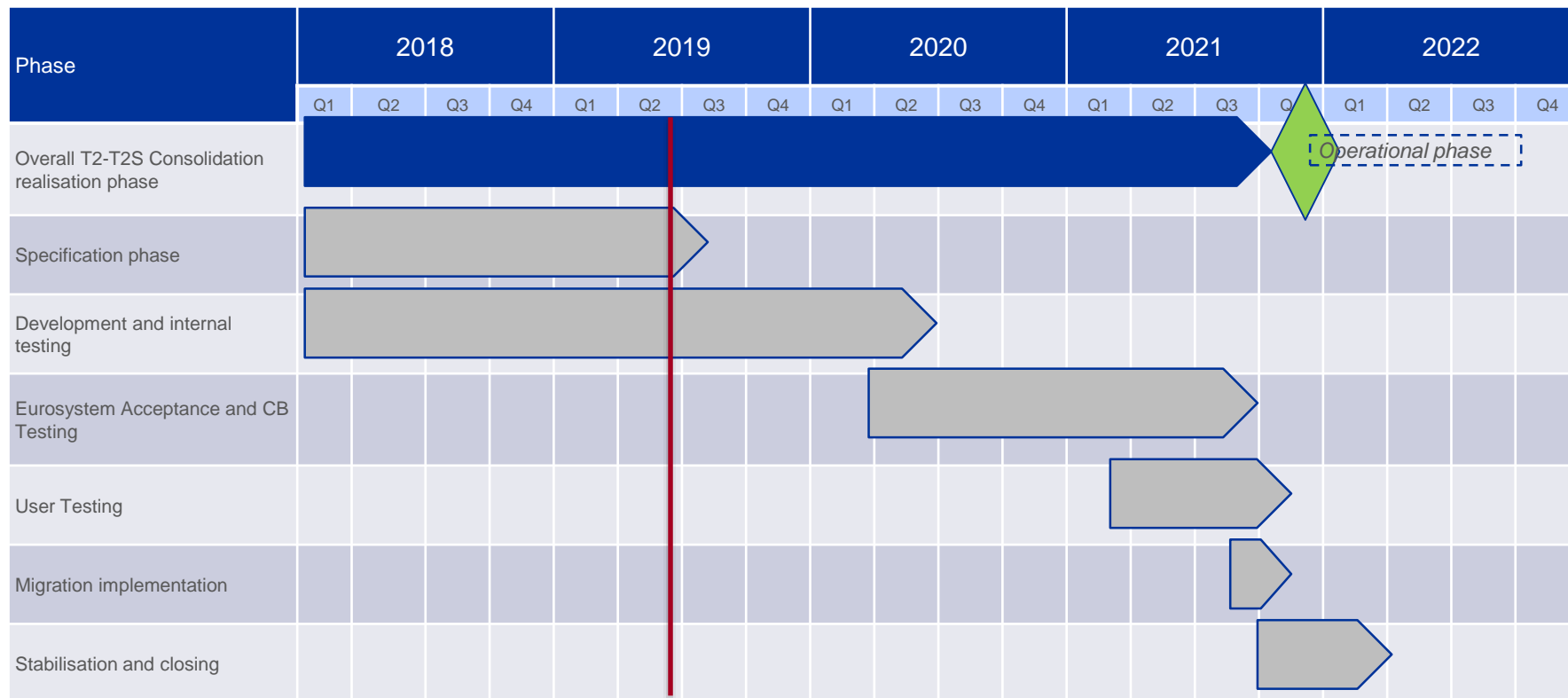
# High-level landscape of the consolidated TARGET services



# The market infrastructure of tomorrow

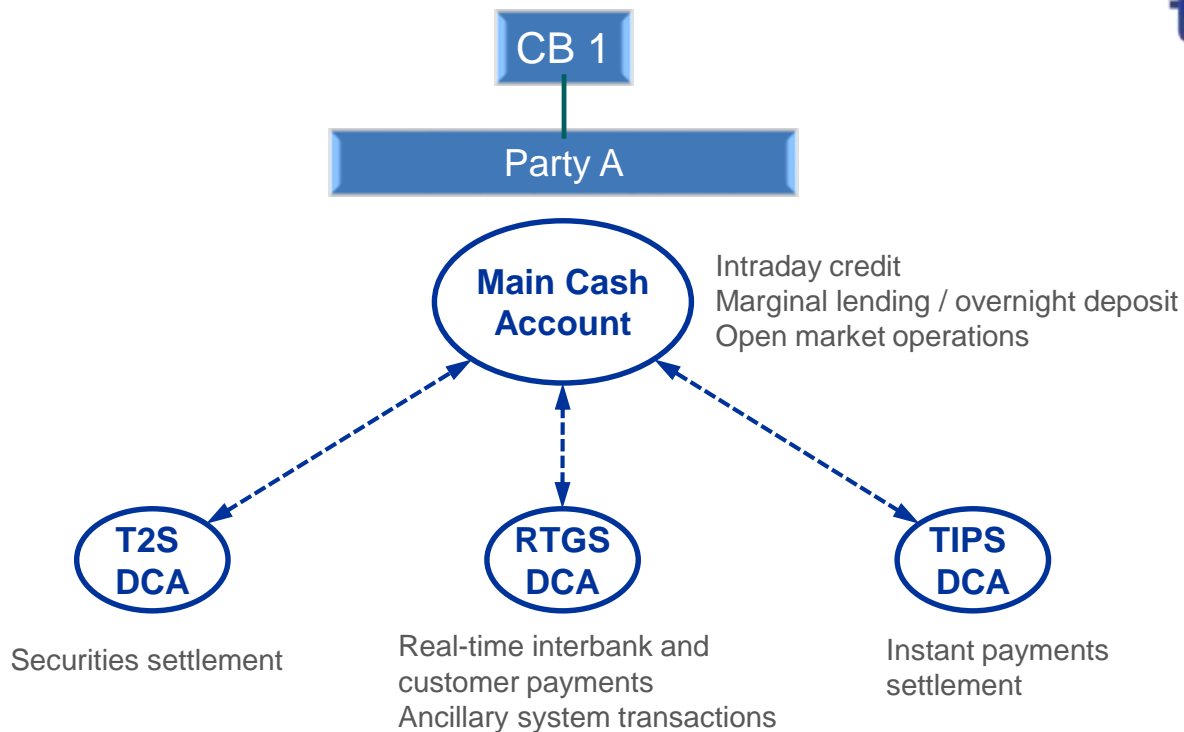


# T2-T2S consolidation project timeline



Today

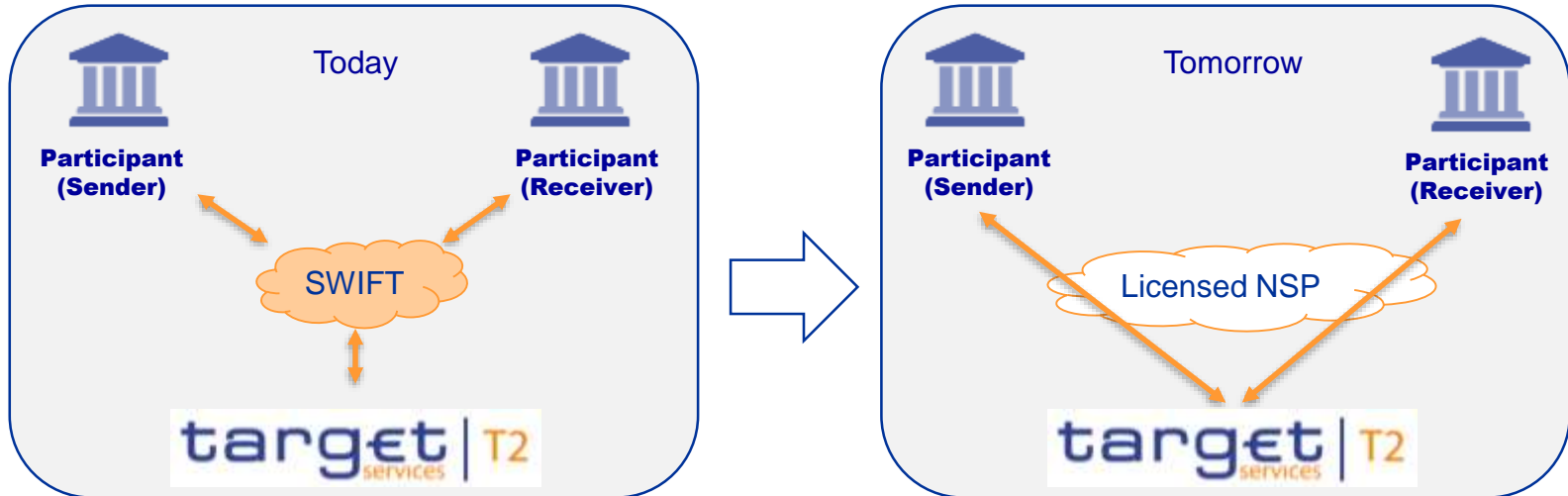
# Basic account structure of consolidated TARGET services parties





# TARGET2-T2S consolidation: big-bang migration

- Migration to ISO20022 standards with switch from Y-copy to V-shape
- No co-existence of ISO20022 and MT messages
- Network service provider agnosticism



# The road to pan-European instant payments



# Why does the ECB support instant payments?



**Global trend**  
towards instant  
payments



**One scheme**  
instead of national  
fragmentation



**Pan-European**  
**reach** by providing  
Eurosystem  
settlement solution:  
TIPS.

## TIPS is the new service for the settlement of instant payments

**TIPS** enables payment service providers to offer their clients payment transfers in real time, 24/7 and 365 days a year





**Same participation  
criteria** as for  
**TARGET2/T2**



Operated on a  
**full cost recovery**  
basis



Instant payments  
**settlement in**  
**Central Bank Money**



Supports participants to  
comply with the  
**SCT Inst scheme**



**24/7/365**  
operating hours



**Multi-currency**  
technical capability  
and **pan-European**  
**reachability**



**Connectivity Guide and E-ordering with the NSP**



**Reference Data Guide (updated) and List of Roles and Privileges**



**TIPS Registration Forms with the NCBs**



**Setup Guide (new version)**

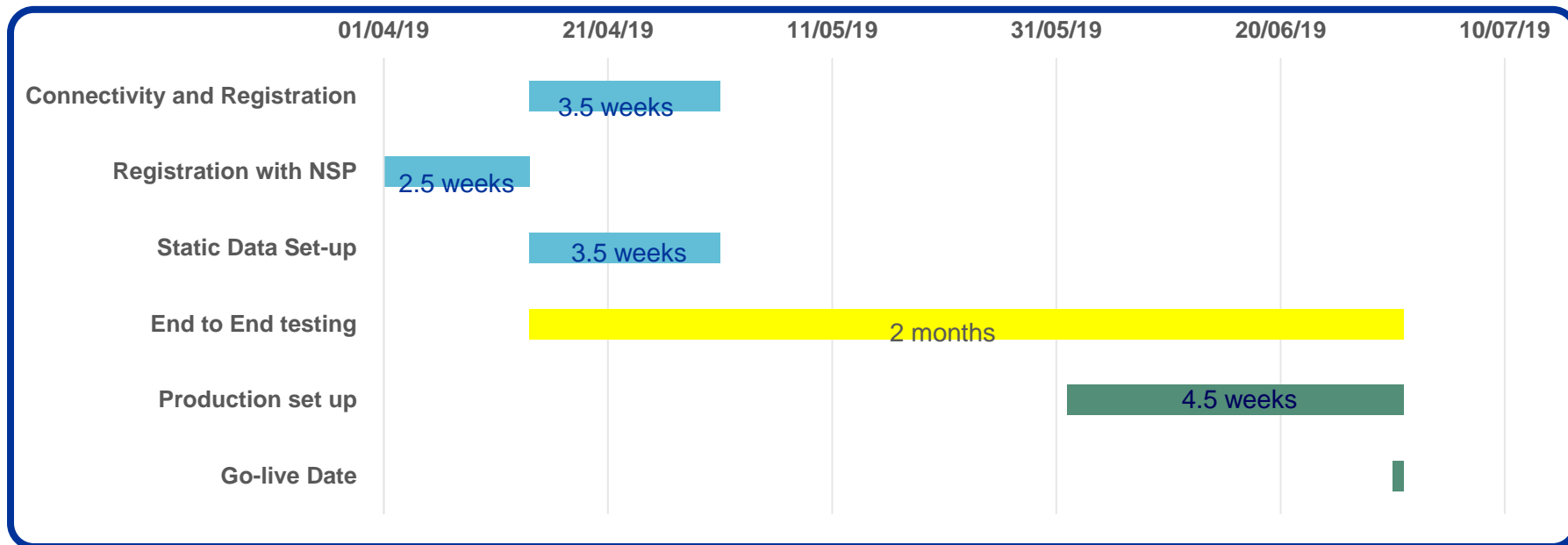
<https://www.ecb.europa.eu/paym/target/tips/profuse/html/index.en.html>

# Initial steps to connect to TIPS

1. **Contact your TIPS National Service Desk in an NCB to receive the information package and registration forms**
2. **Contact your preferred Network Service provider to discuss connecting to TIPS**
3. **Decide whether to join as Participant (own DCA account in TIPS) or Reachable Party (use DCA account of another TIPS participant subject to limits set by the account owner)**
4. **Decide whether to instruct TIPS directly or via an Instructing Party.**



# On-boarding in 3 months



**Indicative timeline for on-boarding of a new TIPS Participant considering TIPS Pilot Testing experience**



1. **Collaboration with the Network Service Provider during connectivity ensuring quick receipt and installation of Hardware e.g. Tokens**
2. **Immediate contact with the TIPS Service desk for connectivity issues**
3. **Readiness of internal system to connect to the TIPS Certification Test Environment as soon as End to End testing begins**
4. **Immediate raising of test issues with the relevant TIPS National Service Desk and regularly following up with them**
5. **If using an Instructing Party be clear which services are being provided by them e.g. TIPS U2A connectivity is not taken care of by some companies acting as Instructing Party**



# Thank you for your attention!

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



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**ECB: market infrastructure and payments**