



EUROPEAN CENTRAL BANK

EUROSYSTEM

Way forward on full compliance with OCT Inst scheme

TIPS-CG meeting

21 October 2025

ECB-RESTRICTED



target | TIPS
services

Background (1/2)

- ❑ Since June 2025, TIPS, through [TIPS-0064-URD](#), has been capable of processing “*pure*” One-leg-out (OLO) transactions from/to any TIPS hosted currency with any currency corridor in the world
- ❑ Since October 2025, TIPS, through [TIPS-0065-URD](#), has been capable to process in an orchestrated and efficient way end-to-end cross-currency transactions between the TIPS hosted currencies (e.g., EUR-SEK, EUR-DKK DKK-SEK)
- ❑ Both settlement models are based on the EPC OCT Inst scheme, with the following observations:
 - Assuming that the Nordic Payments Council One-Leg Out Instant Credit Transfer (NPC NOLO) scheme will be very similar to the EPC OCT Inst scheme, *they are enabled for all TIPS hosted currencies* by means of (i) currency check abstraction from XSD level to application level and (ii) inclusion in the XSDs of NPC message specificities (e.g., character set)
 - They *do not foresee the implementation of the full set of EPC OCT Inst business cases* (e.g., messages)

Background (2/2)

- ❑ **Full compliance** (of the cross-border services offered via TIPS) to the EPC OCT Inst scheme **has always been a fundamental milestone** in the TIPS strategic cross-border Roadmap

- ❑ In the process defining the requirements for TIPS-0075-XXX “Full alignment of TIPS cross-currency services with EPC OCT Inst 2025 scheme”, **it is crucial to keep the following elements and assumptions in mind:**
 - Full implementation of the EPC OCT Inst business cases for the “pure” OLO settlement model will require a certain effort but it could be done smoothly, keeping the same working assumptions and requirements made at the time of [TIPS-0064-URD](#)
 - Full implementation of the EPC OCT Inst business cases for an orchestrated settlement model (e.g., Enhanced Linked Transaction (ELKT), interlinking) requires knowledge on the counterpart scheme (e.g., NOLO for ELKT and Indian scheme for TIPS interlinking with UPI) and collaboration with the counterpart
 - On the NPC side, the work on NOLO is proceeding and it is expected that a draft version of the scheme will be available at the earliest in June 2026

Proposed way forward (1/2)

→ It is proposed to proceed in two steps, splitting the full OCT Inst compliance between the “pure” OLO settlement model and the ELKT settlement model:

1. Aiming for a **PROD deployment in November 2026, TIPS-0075-XXX will include** the following requirements:
 - Full implementation of OCT Inst business cases for the “pure” OLO settlement as introduced in TIPS through TIPS-0064-URD, adhering to the same requirements outlined in TIPS-0064-URD:
 - ❖ Super-set of XSDs to cater for both directions and that include mandatory NPC specificities for messages
 - ❖ Currency check at application level for EUR instead of XSD level, so that model can be used for all TIPS hosted currencies
 - Use of these additional OCT Inst business cases also for cross-currency transactions settled via ELKT settlement model → *Settlement* via orchestrated ELKT model and *e.g., Return* via “pure” OLO model
 - Use of these additional OCT Inst business cases also for cross-currency transactions settled via interlinking settlement model (once related change requests are deployed in PROD)

Proposed way forward (2/2)

2. Upon availability of NOLO scheme (foreseen in June 2026):

- a. *Carry out gap analysis* between EPC OCT Inst and NPC NOLO
- b. Verify *how gaps can be addressed* in the context of TIPS full compliance with OCT Inst scheme for “pure” OLO settlement model (e.g., make it currency-neutral and compliant with both EPC and NPC schemes)
- c. Determine the approach for *managing orchestrated end-to-end processes for all OCT Inst and NOLO* business cases
- d. Draft a *change request accordingly* (for potential earliest allocation to June 2027)

❑ **Undertake the same steps** as listed above for those currency corridors under consideration **for interlinking**

The requirements of TIPS Change Request TIPS-0075-XXX are being finalised. Thereafter, the TIPS Governance will be consulted as per regular Change and Release Management processes.

Thank you for your attention!

 **TIPS@ecb.europa.eu**

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