

Automatic Counterparty Simulator requirements for enhancement

TIPS CG – 12 OCTOBER 2023

At the last TIPS-CG meeting, the representative of ABN Amro informed the participants about the fact that within the Dutch community a number of requirements had been collected, with the aim to improve the current features of the **TIPS Automatic Counterparty Simulator**.

It was then agreed to start a **written procedure**, which was also launched in parallel within the TIPS-WG, to sound out the interest of the other communities and to collect any further requirements.

As a result of these written procedures, closed at the end of August, the various feedbacks received from both the market and the Central Banks were assessed and an initial review was made, distinguishing between those that could be followed up in order to design an enhanced version of the tool and those that, on the contrary, could not be fulfilled.

An overview of these results will be given in the following slides.

The following requirements, among those expressed by the TIPS stakeholders, could be implemented by mean of a new change request to be drafted.

Requirements	Feedback
<p>Automatic testing of all SCT Inst related messages as defined in the EPC SCT Inst Rulebook and IGs:</p> <ul style="list-style-type: none"> - camt.056 (Recall) - camt.029 (Negative Response to a Recall) - pacs.004 (Positive Response to a Recall) 	<p>Mapping of the recall flow in the Simulator can be technically done</p>
<p>Upgrade the simulator to send pacs.004 messages</p>	
<p>Possibility for a participant to test different incoming and outgoing payment investigation and cancellation scenarios.</p>	

Requirement	Feedback
<p>Possibility to trigger negative pacs.002 containing a certain error code by providing the desired code in one of the pacs.008 fields (e.g. end-to-end ID)</p>	<p>Mapping of additional error/rejection codes can be done, e.g. in a field not used for TIPS processing</p>
<p>For BIC "REJEITRRXXX", possibility to receive different types of rejection based on the default configuration of the IBAN.</p>	
<p>Negative confirmation (pacs.002)' scenarios to be supported by the automatic test tool when the Originator PSP sends in pacs.008 messages:</p> <ul style="list-style-type: none"> - several different reason codes which can be used by TIPS in its CSM role; especially those related to the XML validations and the time-out deadline. 	
<p>To register the BICs 'ACCPITRRXXX' and 'REJEITRRXXX' as real BICs and to support real IBANs across multiple countries in the automatic test tool; this might also require the creation of sub-participants (reachable parties) for the BICs 'ACCPITRRXXX' and 'REJEITRRXXX'.</p>	<p>The tool can be configured so to use different (real) BICs selected from the BIC Directory and not in use for real TIPS processing by any participant, instead of registering new dedicated BICs.</p>

All the remaining requirements can not be followed up, as also explained in the consolidated feedback provided after the written procedures, for the following reasons:

- In some cases, the simulator cannot retrieve from the incoming message the necessary information to respond (e.g. investigation flow for Request for Status Update on a Recall or an RFRO);
- In other cases, an enhanced CRDM configuration could allow the execution of testing scenarios without the need for a simulator (e.g. by using mock entities, time-out scenarios);
- In the case of SCT Inst Transaction Status Investigation, this requirement is out-of-scope of the TIPS Automatic Counterparty Simulator, as TIPS replies directly.

As described in the previous slides, only a part of the requirements expressed by TIPS stakeholders could be fulfilled, through the **drafting of a new change request**, which would then have to be assessed and submitted to the formal approval process through the TIPS-WG and, when applicable, the MIB.

With regard to **non-euro communities**, given the interest shown by some of them in the enhancement of the simulator, the **use of currently existing BICs could be extended** to currencies other than euro through an additional CRDM configuration.

Thank you for the attention!