

Focus Session

13 December 2017
Paris, France



EUROPEAN CENTRAL BANK

EUROSYSTEM

TARGET2 and T2S consolidation - cash perspective

**Karen Birkel
European Central Bank**

T2-T2S consolidation project **approved !!!**

7 December 2017



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1. Motivation

For more than a decade TARGET2 has been running smoothly.



However:

- the payments landscape has changed significantly
- technical opportunities have further increased
- the cost structure has been challenged

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2. Objectives

- ✓ improved efficiency
- ✓ optimised liquidity management
- ✓ easier access to services via harmonised interface
- ✓ enhancement of RTGS services
- ✓ aligned use of messaging standards
- ✓ reduced operational costs

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3. Features

Main cash account for:

holding minimum
reserves

accessing standing
facilities

participating in
monetary policy
operations

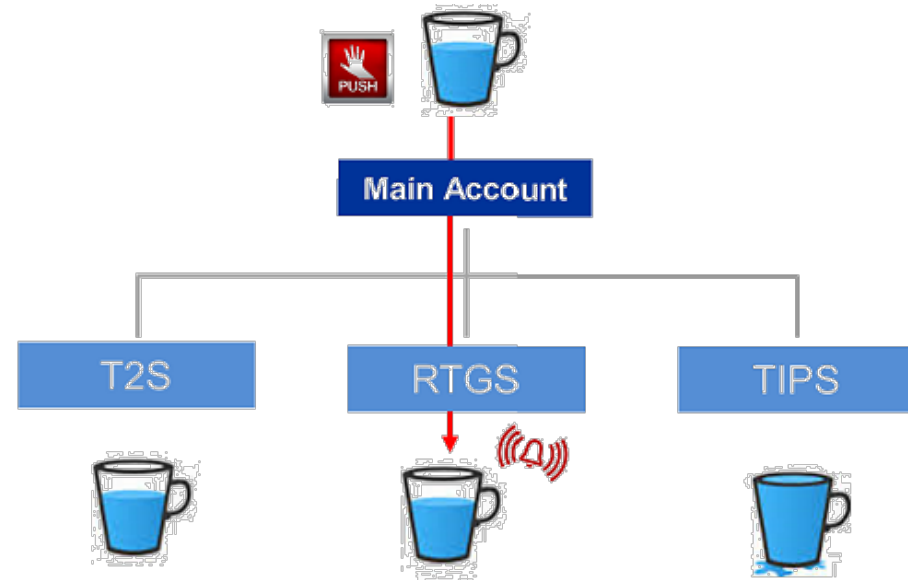
funding cash
withdrawals

accessing intraday
credit

interacting with
Central Banks of
issue

3. Features

**Dashboard for
central liquidity overview**



8000
7500
7000

3. Features

Multi-currency RTGS services

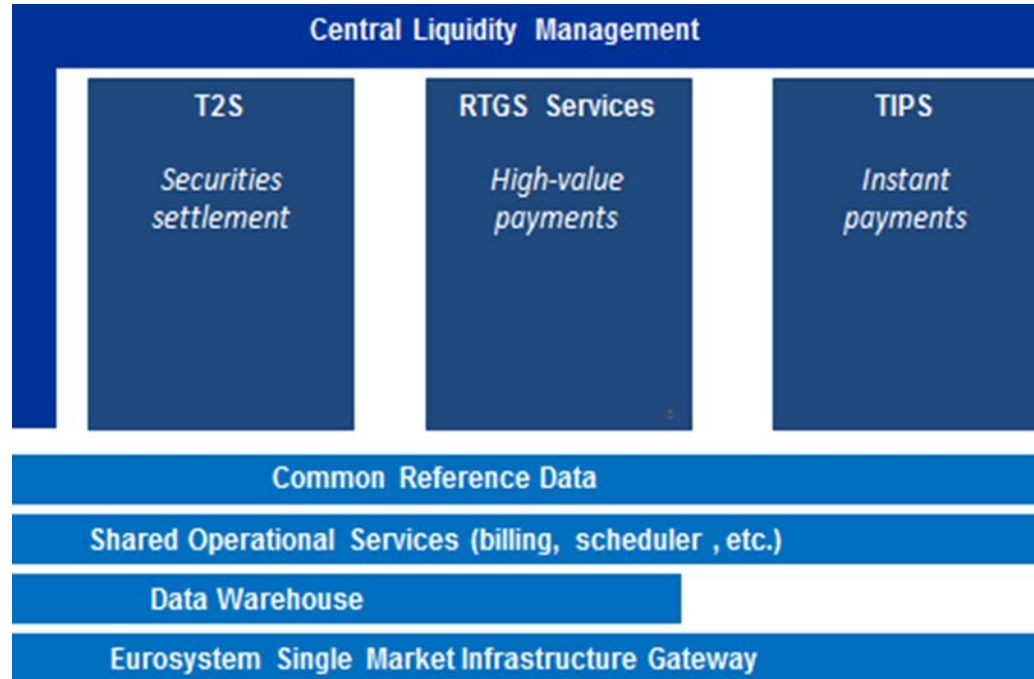
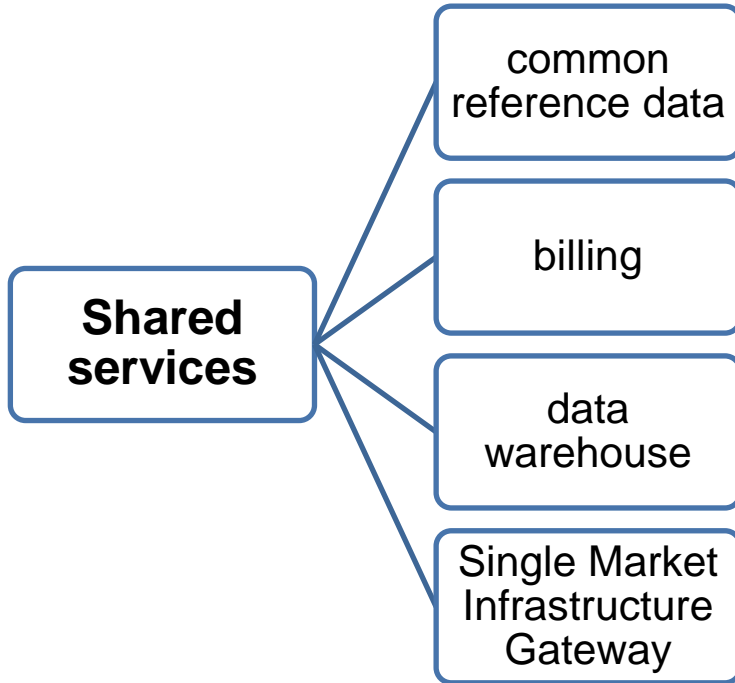
(no conversion)

Multi-network service providers

Longer operating hours



3. Features



3. Features

**Migration to ISO
2022**

go-live planned for **November 2021**,
3 years after the
delivery of
message
specifications to
the market

go-live to be
performed in a
big-bang approach

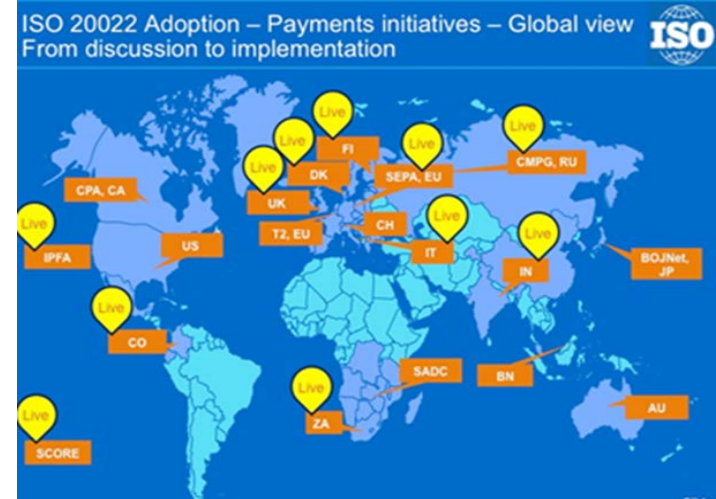


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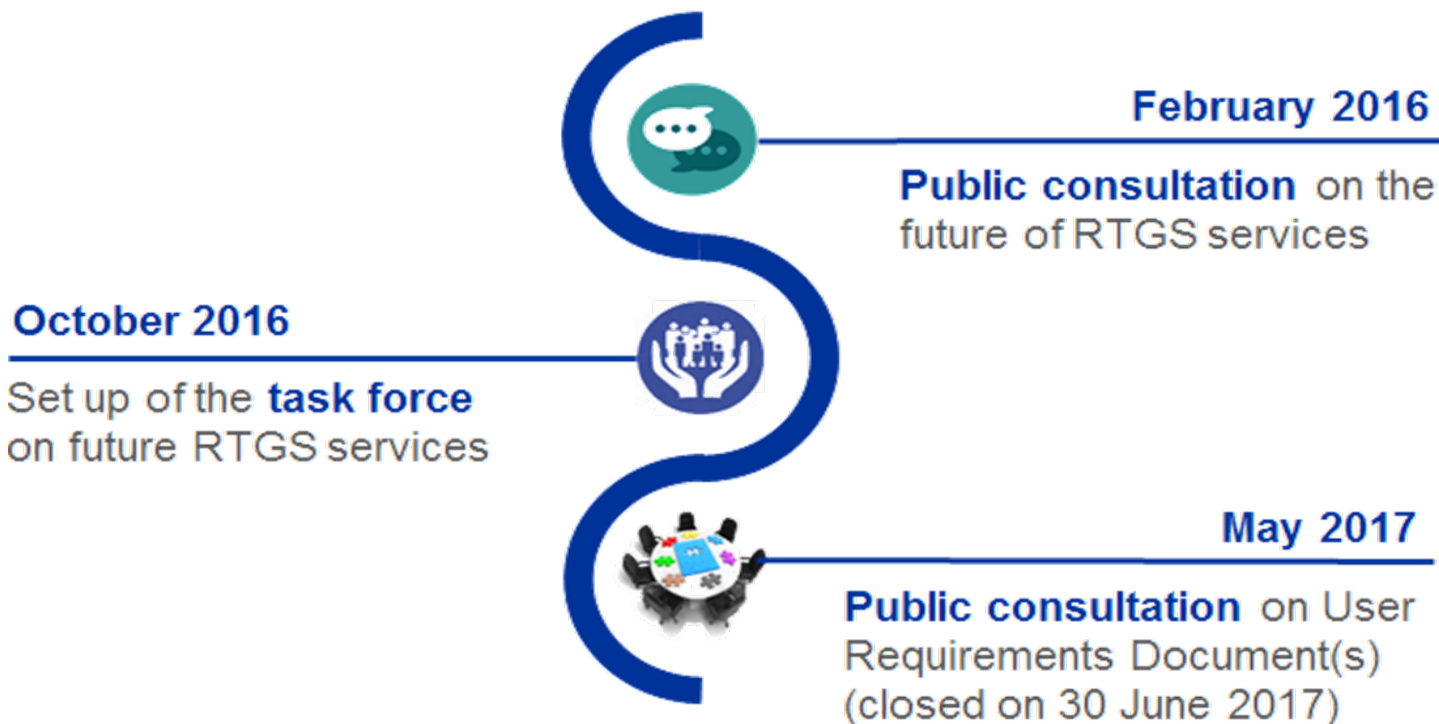
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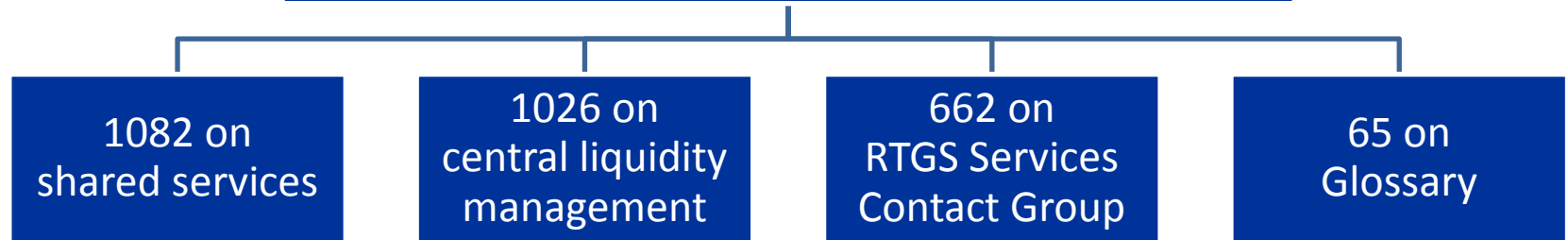
3. Timeline



3. Timeline

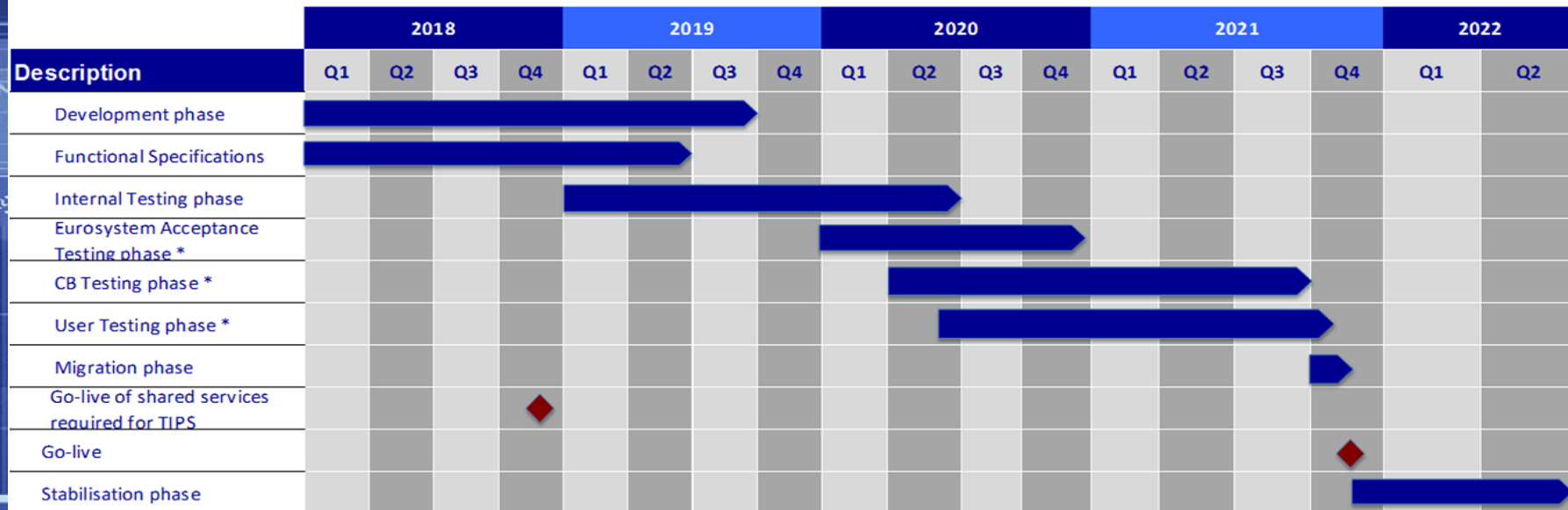
Published updated User Requirements Document(s) and replies to the comments of the market consultation.

Received 2770 comments:



3. Timeline

Realisation phase:



* covering preparation and execution in equal proportions

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5. Next steps

Involving the **market** in the realisation phase by:

establishing an **RTGS Services Contact Group** with market participants

setting up an **expert group** under the RTGS Services Contact Group dedicated to working on messages

5. Next steps

In the upcoming **12 months**:

definition of the **ISO20022 messages**
in close collaboration with the expert group on messages

message-related parts of the
User Detailed Functional Specifications (UDFS)
with the involvement of the RTGS Services Contact Group



Thank you!

www.ecb.europa.eu/paym

 **ECB: market infrastructure and payments**

 **@TARGET_ECB, #FocusSession**