

**Comparison between
co-management and groups
in TARGET2 and T2**

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- This presentation gives an overview of the **co-management** and the **groups** currently used in TARGET2 and those offered for the future T2
- **Groups in TARGET2**
 - Group of Accounts: Aggregated Liquidity (Virtual Account)
 - Group of Accounts: Consolidated Account Information
 - Banking Group Monitoring
- **Groups in T2**
 - Liquidity Transfer Group
 - Account Monitoring Group
 - Banking Group
- Besides: information about the “Settlement Bank Account Group” in T2



Co-management

Comparison of **co-management** between TARGET2 and T2

	TARGET2	T2
Co-Management	<ul style="list-style-type: none"> - Available for HAM accounts only - Account-related implementation - Co-manager must be a TARGET2 participant (PM account holder) - Dedicated co-manager role has to be granted by the respective CB - In general, the co-manager has the same rights as the HAM account holder (e. g. access to account information, view on balance, debit the account) 	<ul style="list-style-type: none"> - Available for CLM MCAs - Account-related implementation - Co-manager has most of the same privileges as for his own MCA - Co-management set-up by CB on account level - It is not possible to grant different privileges to users for co-managed MCAs and MCAs of his party in CLM



Groups

Functional comparison of the group “Consolidated Account Information” in TARGET2 with the “Account Monitoring Group” in T2

TARGET2		T2	
Consolidated Account Information	<ul style="list-style-type: none"> - Available to all participants (PM acc. holder) from euro / non-euro area countries - Cross-CB possible - Consolidated view on balances and credit lines of the PM accounts belonging to the group 	Account Monitoring Group	<ul style="list-style-type: none"> - May comprise MCAs and DCAs (RTGS, T2S, TIPS) - Accounts can be owned by several parties - Cross-CB possible - Clustering of accounts to be viewed collectively for liquidity monitoring purposes - Setup by CLM account holder - Leader is the CLM account holder opening the AMG

Functional comparison of the group “Banking Group Monitoring” in TARGET2 and the “Banking Group” in T2 (1/2)

TARGET2		T2	
Banking Group Monitoring	<ul style="list-style-type: none"> - Only for CBs (e. g. for the reason of oversight and regulation) - Accounts are grouped - Cross-CB possible 	Banking Group	<ul style="list-style-type: none"> - Set up by CBs - Parties (Payment banks) are grouped for liquidity monitoring purposes - Cross-CB possible

For the group “**Aggregated Liquidity (Virtual Account)**” in TARGET2 there will be nothing similar in T2

TARGET2		T2	
Aggregated Liquidity (Virtual Account)	<p>Comparable to “consolidated account information” with some differences:</p> <ul style="list-style-type: none"> - Only available to participants from euro area countries - Automated processing of payments based on the global liquidity available in the group (VA: sum of available liquidity of all group accounts) – even in case there is not enough liquidity on a single account 	Not applicable	

For the group “**Liquidity Transfer Group**” in T2 there is nothing similar in TARGET2

TARGET2		T2	
Not applicable		Liquidity Transfer Group	<ul style="list-style-type: none"> - Grouping of cash accounts that belong to the same settlement service (CLM or RTGS) - Allows arranging of liquidity transfers between them - Setup by CB - Include either MCAs or RTGS DCAs (depending on the service) which may be owned by different parties, which may be associated with more than one CB

- The “Settlement Bank Account Group”
 - contains the list of accounts used for ancillary system settlement
 - does not allow to view balances of accounts by using this group



Thank you