

17 January 2019

# DRAFT OUTCOME OF THE 8<sup>TH</sup> MEETING OF TARGET CONSOLIDATION CONTACT GROUP (TCCG)

04 December 2018 - 10:00 to 16:00

*held at the premises of the European Central Bank, Sonnemannstraße 20,  
meeting room MB C2.05, on 2nd floor*

## 1. Introductory Remarks

*The Chairperson of the Contact Group will welcome the participants and open the meeting introducing the agenda.*

### Outcome:

The Chairperson welcomed the participants and briefly introduced the agenda of the meeting which was approved by the participants.

## 2. Status Update on Project Deliverables

*The Contact Group members will be provided with a status update on the project deliverables as well as on the status of existing and potential change requests on T2-T2S Consolidation URDs.*

### Documents:

- *Status Update on T2-T2S Consolidation project (Presentation ECB)*

### Outcome:

The ECB project team presented the status update on T2-T2S Consolidation project's deliverables covering also existing and potential change requests on T2-T2S Consolidation URDs.

### 3. User Detailed Functional Specifications (UDFS)

*The Contact Group members will receive an update on the feedback received on the fourth iteration of UDFS as well as on the way forward towards v1.1.*

#### Documents:

- *Overview of Market Feedback on UDFS v0.4 (Presentation 4CB)*
- *Consolidated feedback on UDFS v0.4 (Excel file)*
- *T2-T2S Consolidation UDFS - Status update and way forward towards v1.1. (Presentation 4CB)*

#### Outcome:

The 4CB project team presented the overview of the market feedback received during the written procedure on iteration 4 as well as the way forward towards v1.1, including the timeline of the consultation periods.

### 4. Planning

*The Contact Group members will be presented an updated T2-T2S Consolidation project plan. Furthermore, 4CB will present the process to be followed for the selection of the Network Service Providers (NSPs) and the related timeline.*

#### Documents:

- *T2-T2S Consolidation Project Plan (Project Plan – Excel Extract)*
- *NSP Selection Process (Presentation 4CB)*

#### Outcome:

The 4CB project team presented the Network Service Providers selection process to be followed as well as the related timeline. The planning was well received and appreciated by the participants. The ECB project team highlighted some aspects on the project plan, which had already been shared with the members, related to the UDFS, GUI and migration. There was an additional request to include the dates for pre-migration/testing in the calendar.

It was confirmed that the requirements for the NSPs will include the provision of the existing services (i.e. T2S and TIPS). However, the switch-over dates are still to be decided.

## 5. Functional topics

### 5.1. Terminology

*The Contact Group members will be debriefed on the outcome of the written procedure on the usage of the terms “rejection”, “revocation”, “cancellation” and “recall”.*

#### Documents:

- *Usage of certain terms in the context of the T2-T2S Consolidation project (Presentation ECB)*

#### Outcome:

The ECB project team presented the outcome of the written procedure on the usage of the terms “rejection”, “revocation”, “cancellation” and “recall”. Following the feedback received the proposed definitions have been updated i.e. “revoke” changed to “withdraw”, “cancel” changed to “revoke”. These definitions apply to cash transfer orders in the new T2 Service. It was acknowledged that there is indeed a discrepancy in the terminology between the payments and the securities settlements and between RTGS/CLM and TIPS where a Change Request would be needed (for example, in order to change “revoke” to “withdraw”). At this stage, priority will be given to terminology being agreed and applied for the T2-T2S Consolidation project. As a next step it will be seen to which extent it can be applied and harmonised with the other services.

### 5.2. Ancillary System settlement procedure

*The Contact Group members will be presented with the way forward on AS settlement procedure E (former procedure ASI 3) following the workshop with Ancillary Systems, Banks and Central Banks held on 8 October 2018.*

#### Documents:

- *AS settlement procedure E (Presentation ECB)*

#### Outcome:

The ECB project team presented the AS settlement procedure E (former procedure ASI 3). The ECB has registered the change request CSLD-0005-URD “AS settlement procedure based on bilateral settlement”. The change request aims at re-introducing a settlement process for ancillary systems that is based on bilateral settlement of simultaneously sent debits and credits that shall be processed independently from each other. The ECB will draft the CR and following

the drafting approval and the 4CB assessment, the respective changes will be targeted for implementation in URD v1.3

### **5.3. Liquidity Transfers**

*The Contact Group members will be presented with a harmonised way of managing the liquidity across services.*

#### Documents:

- *Vision for provision for liquidity transfers across services (Presentation ECB)*

#### Outcome:

The ECB project team presented a harmonised way of managing the liquidity across services. It was discussed and agreed that the participation to the Liquidity Transfer Group (LTG) is a policy discussion amongst the central banks that will be brought to the attention of the respective Eurosystem committee in due course.

### **5.4. Data Warehouse**

*Following up on the discussion during the last meeting, the Contact Group members will be briefly presented with a clarification on how the reports are being sent to the customer.*

#### Documents:

- *DWH - Delivery of predefined reports (Presentation 4CB)*

#### Outcome:

The participants were provided with the clarification on the reports being sent to the customer via mail following up on the discussion during the previous meeting. There will also be a possibility to download the report via GUI. More detailed information will be provided in UDFS v1.1. The maintenance of the email addresses and the location of the storage have to be discussed.

### **5.5. Revalidation window of warehouse payments in RTGS**

*The Contact Group members will be presented with a proposal concerning the revalidation window of warehouse payments in RTGS.*

#### Documents:

- *Revalidation window of warehouse payments in RTGS (Presentation 4CB)*

Outcome:

The 4CB project team presented a proposal related to URD requirement 'Maintenance of warehoused payment orders' (SHRD.UR.BD.OPER.000.060). The ECB project team will prepare a short presentation summarising the different options discussed on the Business Day schedule which will be discussed with the central banks and will be brought up again in the next meeting.

**6. T2S/TIPS Change Requests – Consolidation Project Triggered**

*The Contact Group members will be invited to share the outcome of the discussions with their communities on the need of the “optional” change requests which were presented in detail during the previous meeting (item 5. Changes on T2S and TIPS due to T2-T2S Consolidation).*

Documents:

- *Changes on T2S and TIPS due to T2-T2S Consolidation (Presentation ECB)*

Outcome:

Following up on the discussion during the previous meeting, the participants were invited to confirm the business justification for each of the “optional” change requests. The following were decided:

- The CR for Liquidity transfers from T2S to other services (i.e. from T2S DCA to RTGS DCA and from T2S DCA to TIPS DCA) was supported and agreed.
- The CR for Liquidity transfers from TIPS to other services (i.e. from TIPS DCA to RTGS DCA and from TIPS DCA to T2S DCA) was supported and agreed.
- The CR for the shift of the T2S maintenance window: this topic was already discussed in point 5.5 above and the way forward was already agreed then: the ECB project team will prepare a short presentation summarising the different options discussed on the Business Day schedule which will be discussed with the central banks and will be brought up again in the next meeting. The CR is on hold until then. For clarity, the “optionality” of this change request is not on whether the maintenance windows will be synchronised between TARGET Services/Components (this is a prerequisite to the T2-T2S consolidation), but on how this will be achieved.
- The CR for making optional the T2S end of day cash sweep was supported and agreed.

- The CR for Rule-based Liquidity transfers from/to a T2S DCA was rejected as it has no obvious added value.

Market participants highlighted, that the discussed adaptations to T2S and TIPS are considered critical for an efficient treasury and liquidity management of the banks. Furthermore it was highlighted that those changes should be coordinated with the go-live of the consolidation project, as a later delivery will dramatically reduce the benefit, as other solutions have to be put in place.

As a next step the ECB/4CB will draft the agreed CRs which will follow the respective TIPS and T2S governance arrangements.

## **7. CLM and RTGS GUI Workshops**

*The Contact Group members will be informed about the dates of the Graphical User Interface (GUI) workshops planned for early 2019. Furthermore, the Contact Group members will be presented the final version of the GUI style guide and debriefed on the feedback received on the first draft.*

### Documents:

- *CLM and RTGS GUI Workshops dates (Presentation 4CB)*
- *CLM and RTGS GUI Style Guide v1.0 (Word file)*
- *CLM and RTGS GUI Style Guide v1.0 (Presentation 4CB)*
- *Consolidated feedback on CLM and RTGS GUI Style Guide v0.1 (Excel file)*

### Outcome:

The 4CB project team presented the dates of the Graphical User Interface (GUI) workshops for the first half of 2019. The GUI screens will be discussed in different packages during the five workshops organised with the actual users. The TCCG members will be regularly debriefed on the progress of the workshops.

The participants were invited to provide their nominations for the participation on these workshops by Friday 7 December.

## **8. Any Other Business**

*The next Contact Group meeting will be held at the ECB premises in Frankfurt am Main, on 6 February 2019.*

After the Contact Group meetings, all meeting documents will be published on the ECB homepage (link: <http://www.ecb.europa.eu/paym/initiatives/html/documents.en.html>).