EUROPEAN CENTRAL BANK

EUROSYSTEM

European Central Bank

DG-MIP

T2/T2S Consolidation Project Team

T2/T2S Consolidation

Debriefing on the 1st meeting of the ad-hoc Workshop on messages on 14 February 2017

Task Force on Future RTGS Services

3rd meeting on 22-23 February 2017

General Approach

- The **main objective** is the migration to ISO 20022 messages for the future consolidated services

  - Full migration of current TARGET2 MT message portfolio to ISO 20022/MX messages for the RTGS services

  - Harmonisation of current TARGET2 MX messages with ISO 20022 compliant T2S message portfolio as far as applicable

- Network-vendor agnostic

- Usage Guidelines of the HVPS+ Task Force (still under discussion) to be taken into account

- Minimize the communication costs by avoiding unnecessary messages

ISO20022/MX messages migration

- Today's MT messages will be completely migrated to ISO20022

- Message portfolio and message flows, e.g
  - Payment business pacs.008, pacs.009, pacs.010
  - Status and return messages camt.054, pacs.002 and pacs.004

- Becoming network-agnostic means for ISO 20022 migration: change from Y copy to V shape

General guidance agreed

- Message flow for RTGS services
  - open point: investigation, claim charges and cancellation of payment : to be offered?

- Usage of the BAH for routing and special purposes

- TARGET2 directory is considered an essential tool
  - open point: market consultation whether National Sorting Codes are still needed

- The possibility to bundle single messages in files is welcome

- End-to-end signature not envisaged, i.e. messages for participants will be signed by the platform (end-to-end aspects to be covered by legal agreement)

Migration strategy

- Migration in a big-bang approach

- No co-existence; i.e.
  - no restriction in the usage of the ISO20022 fields
  - to simplify the switch over, the community might agree to reduce the field length or character set for some fields to allow easier conversion

- No step-by-step approach

Topics for the next meeting

- Flows for amendments and liquidity transfers

- Flows for direct debits rejected by the debited party

- Flows for Ancillary Systems

- Flows for credit line management and other central bank operations

- Handling of oversized messages, timeouts, etc.

- Addressing of messages

- Time stamp in positive confirmation messages required? (would require ISO CR)

Meeting Schedule of the Task Force and of the ad-hoc Workshops on messages

Task Force (TF)
7 Dec

TF
25/26 Jan

TF
22/23 Feb

TF
27 Mar

TF
24 Apr

TF
23 May

TF
19 July

14 Feb
WS on messages

16 Mar
WS on messages

Finalisation of URD 0.8

Market consultation on basis of URD 0.8
8 May – 2 July