

Eurosystem Collateral Management System



20 June 2023 ECMS





- The Eurosystem Collateral Management System (ECMS) will replace the 20 local collateral management systems of the National Central Banks in operation today.
- It will make use of components shared with the other TARGET Services and thereby help ensure that cash, securities and collateral can flow freely across Europe.

Why

- Single implementation of the Eurosystem collateral framework
- Removal of existing operational burdens among National Central Banks
- Single system to be maintained
- Contribution to financial integration



Rescheduling and status

- In December 2022, the Governing Council of the ECB decided to reschedule the launch of ECMS to **8 April 2024**.
- This decision was taken to mitigate the impact of the rescheduled launch of T2, which had been likewise postponed shortly before (now in operation since 20 March 2023).
- The different ECMS workstreams are overall progressing in line with the new plan towards the new go-live date.

Timeline

Go-live: April 2024

Phase	2018				2019				2020			2021			2022				2023				2024					
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Overall ECMS realisation phase																										>		
Specification phase								\supset																				
Development and internal testing																>												
Eurosystem Acceptance Testing																												
User and Migration Testing																									>			
Migration implementation																									>			
Stabilisation and closing of the project																												>

User testing and migration

- Preparations are ongoing involving different stakeholders.
 - National Central Banks currently doing functional testing along with CSDs.
 - Next testing phase (so-called CTP2a) was recently green-lighted by the MIB and starts on 10 July. It will mark the start of functional testing for banks (i.e., monetary policy eligible **counterparties**).
- Staggered approach for user testing (i.e., testing scope to be increased gradually per feature and market)

Main milestones for counterparties



How is the monitoring conducted?



Community readiness and publications

- Input collection for the 10th readiness cycle just finished and results are under analysis. Last cycles showed improvement on the overall confidence level
- ECMS Focus session last week. A recording can be watched <u>here</u>
- Recent ECMS publications:
 - ECMS catalogue of messages and credit claim files (track changes LINK)
 - ECMS credit claim files exchange information
 - ECMS credit claim schemas
 - <u>ECMS user testing fundamental test cases</u>
 - ECMS user testing terms of reference for pre-production environment
 - ECMS info pack user testing and migration

Thank you for your attention!

https://www.ecb.europa.eu/paym/target/ecm s/html/index.en.html