29 April 2020

# OUTCOME OF THE 15TH MEETING OF
# TARGET CONSOLIDATION CONTACT GROUP (TCCG)

**31 March 2020 - 09:30 to 13:00**
**Held via WebEx**

## 1. Introductory Remarks

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

Outcome:

The Chairperson, Holger Thiemann, welcomed the participants and introduced the agenda, 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.*

*Document:*

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

Outcome:

The ECB project team presented the status update on the T2-T2S Consolidation project covering the Specifications (UDFS, BDD, UHB), Development, Testing and Migration as well as Community and Operational Readiness. Related to the Community Readiness upcoming reporting on milestones, the participants were encouraged to provide their feedback on the situation when not possible on the milestones. This will help the ECB to analyse the impact of the current situation on each community.

## 3. Specifications (UDFS, UHB)

*The Contact Group members will be provided with a status update on the UDFS and UHB.*

*Document:*

- *T2-T2S Consolidation Specifications - Status update. (Presentation 4CB)*

Outcome:

The 4CB project team provided a status update on the specifications covering the UDFS, the CLM/RTGS GUI descriptions and the DWH report description. The TCCG members were informed that the publication of the CLM/RTGS GUI descriptions was postponed until mid-April instead of end of March as stated in the presentation. In addition, it was confirmed that the content of the Addendum document would be included in the UDFS v2.2.

In addition, the participants were presented with the planned delivery dates for the Data Warehouse report descriptions. The 4CB explained that the comments received during the written procedures will be analysed, classified and the accepted comments will be taken on board for implementation.

The ECB informed that SWIFT announced a new ISO 20022 adoption strategy by mid-March which implies an one-year delay of the cross border payments migration. The announcement triggered several European banks to approach their CBs and the T2-T2S Consolidation project team. While some European banks enquired if the T2-T2S Consolidation go-live would be postponed as well, other European banks highlighted the negative impact of the SWIFT delay on their readiness for T2-T2S Consolidation go-live in Nov 2021. The ECB also reported on the actions taken so far, i.e. a newsflash was published to reconfirm the T2-T2S consolidation go-live date of Nov 2021 and to highlight potential impacts on European banks side for cross border payments. Furthermore, conference calls between ECB and SWIFT took place to clarify positions and further discuss and develop SWIFT's proposed mitigating measures (1. Market practice, 2. Validation tool, 3. Translation tool and 4. ISO20022 CUG for correspondent banking use case). The dialog with European banks is to continue via AMI-Pay to understand the actual impact on overall European banking community and if proposed mitigating measures are fit for purpose. Some TCCG members spoke out for an migration date alignment between SWIFT and the T2-T2S consolidation project. Others mentioned that SWIFT plans are very ambitious and further delays e.g. due to COVID-19 might affect these plans. Therefore, alignment might not be feasible. Further TCCG members highlighted that postponement of the T2-T2S consolidation project might address one issue but create other risks and therefore the project should continue as planned. The ECB highlighted, that the community readiness reporting is available soon, which will allow further insights concerning the impact on the European banking community.

**4. Change requests on T2-T2S Consolidation URDs and UDFS**

*The participants will receive an update on the status of the change requests on T2-T2S Consolidation URDs and UDFS.*

*Document:*

- *Status update on URD and UDFS change requests (Presentation ECB)*

Outcome:

The ECB project team provided a status update on the Change Requests (CRs) on the T2-T2S Consolidation URDs.

Related to CSLD-0035-URD (Parked ILT), it was clarified that the immediate liquidity transfers sent between 19:00 and 19:30 (A2A mode), will be parked and processed at 19:30. Following the TSWG recommendation, the MIB approved the CR and it will be implemented in UDFS v2.2.

**5. T2S Change Requests – Consolidation Project Triggered**

*The participants will be provided with a status update on the T2S change requests stemming from the Consolidation project following the discussion of these CRs in the T2S Governance.*

*Document:*

- *Status update on Change Requests on T2S due to T2-T2S Consolidation (Presentation ECB)*

Outcome:

The participants received a regular status update on the T2S change requests stemming from the Consolidation project.

**6. Functional topics**

*The participants will be presented with various functional topics.*

*Document:*

- *Current Limits set to zero (Presentation 4CB)*
- *Messages in Multi-addressee Context (Presentation ECB)*
- *Recall request via U2A (Presentation ECB)*

Outcome:

Current Limits set to zero: The 4CB project team presented a proposal on how to reset the current limits in RTGS to zero with immediate effect by using a single message mimicking the current behaviour in TARGET2 today. The participants agreed on the proposal and as a next step the 4CB will draft a change request which will contain all the details, to be reflected in the UDFS v2.2.

Messages in Multi-addressee Context: The ECB project team presented the flows for multi-addressee scenarios in RTGS payments and invited the TCCG to take note. Due to a mistake related to Admi.007 with BAH, it was agreed to update the presentation and share it again with the members.

Recall request via U2A: The TCCG members were invited to take note of the decision by the TSWG on the way forward for the procedure for recall requests via U2A and A2A. For the A2A channel, a ResolutionOfInvestigation (camt.029) response (rejection) message will be sent by the RTGS to the A2A sender containing an error code in the event that the camt.056 is sent to a U2A-only participant who does not have the functionality to process the recall request. Requests to and from U2A-only participants to return settled payments should be handled manually via traditional communication channels outside the RTGS. For U2A-only participants, it was agreed to monitor the situation after the Go-live in order to assess the need for changing the approach.

## 7. GUI Workshops

*The Contact Group members will be debriefed on the last GUI workshops and informed on the next steps in view of the upcoming workshops.*

*Documents:*

- *GUI Workshop debrief (Presentation ECB)*
- *Payments and Backup Payments functionality in U2A (Updated Presentation 4CB)*

Outcome:

The TCCG received an update on the Common Components GUI workshop on 17 February 2020 as well as the CLM and RTGS GUI workshop on 9 March 2020. Finally, the TCCG members were informed on the next steps in view of the upcoming GUI workshops. A tentative date for the next CLM and RTGS GUI workshop is 22 April 2020. In addition, a new series of GUI workshops on Common Components for the T2S community will start.

Payments and Backup Payments functionality in U2A: The 4CB project team presented an updated version of the presentation based on the discussion in the last TCCG meeting. As requested by the market the scope of the backup payment functionality in U2A has been extended to include pacs.008 to allow for the submission of normal payments in a contingency situation. Hence, under the assumption that the CB has activated both the pacs.008 privilege and the pacs.009 privilege, the normal A2A user can, in a contingency situation, instruct the following via U2A: i) A normal pacs.008 without the BACP in Local Instrument Code, ii) a pacs.009 with the BACP in Local Instrument Code iii) a normal pacs.009 by removing the BACP

in Local Instrument Code. Furthermore, the TCCG agreed that a removal of the BACP would result in no camt.054 being routed to the A2A channel.

## 8. Market enquiries

*The participants will be presented with a selection of market enquiries received during the month of January.*

*Documents:*

- *Questions of the month (Presentation ECB)*

Outcome:

The ECB project team presented a selection of market enquiries and answers, which are of interest for all NCBs.

## 9. Any Other Business

*Documents:*

- *[The T2-T2S consolidation project moves forward at full speed](link) (ECB website-MIP News)*

Outcome:

The item was discussed during agenda item 2.

Finally, the Chairperson invited the participants to a tour de table in order to share their experiences with the current working situation.

*The next Contact Group meeting is planned to be held at the ECB premises in Frankfurt am Main, on 27 May 2020.*

After the Contact Group meetings, all meeting documents will be published on the ECB homepage (link: https://www.ecb.europa.eu/paym/initiatives/html/documents.en.html?skey=T2/T2S).