| N | Page | Subsection | Original Text | Comment | ECB feedback |
|---|---|---|---|---|---|
| 1 | 4 | 1 Introduction | Real-time Gross Settlement (RTGS) | should be Real-Time … | comment accepted |
| 2 | 4 | 1 Introduction | bullet point "New RTGS services" …scope of the TARGET2 … | … of TARGET2 … | comment accepted |
| 3 | 5 | 1.1 Purpose of the document | | Can the new names and logos for the Target Services be introduced? Services versus infrastructures could do with some some clarification. | comment accepted |
| 4 | 5 | 1.2 Structure of the document | "…any longer by the future Eurosystem services for real-time interbank and customer payments and the central liquidity management" | We propose to add the settlement of ancillary systems. | comment accepted |
| 5 | 6 | 1.3 List of references | missing a UDFS for shared Services or a User Handbook | the shared services will be described in other documents, it may be good if there will be any comment for that in this section | The relevant parts of the common components will be described in the RTGS UDFS and in the CLM UDFS. We do not find it necessary to specifically mentioned it in the BDD |
| 6 | 6 | 1.3 List of references | "Big Bang Strategy" | change into "Going Live with a Big Bang Strategy" | building on your suggestion, we adapted the title to "Going Live with a Big Bang Approach" |
| 7 | 6 | 1.3 List of references | New addition: "for delivery dates please consult the project plan" | Thank you very much for including the reference. Could we also provide a direct link to the project plan (similar to the links to URDs). I think this would be very helpul for the reader. | The project plan was presented to TCCG in March 2018 http://www.ecb.europa.eu/paym/initiatives/shared/docs/026a3-t2-t2s-2018-03-14-tccg-presentation-planning-for-the-realisation-phase.pdf. However, as the project plan may be finetuned and adapted to the real situation time to time, we do not see it pragmatical to update the BDD for each such time. Therefore, we prefer not to include the link to the project plan to this document. |
| 8 | 6 | 1.4 Successor of TARGET2 | Access via Internet in U2A mode (will be replaced with a cost effective and easy access solution) | Could you please provide some more details on this alternative solution? | please refer to chapter 6 Connectivity perspective |
| 9 | 6 | 1.4 Successor of TARGET2 | "AS procedure 1 "Liquidity transfer", AS procedure 2 "Real-time settlement" and AS procedure 3 "Bilateral settlement" (can be handled with liquidity transfers and individual payments/payment files to/from the AS)" | AS procedure 1 is not offered anymore today. Therefore we propose to delete it here. | comment accepted |
| 10 | 6 | 1.4 Successor of TARGET2 | Interface for Proprietary Home Accounting (PHA) applications | According to our understanding and according to the CLM URD (CB Annex) - CLM.CB.UR.CBS.UI.120 - there will still be a possiblity to adjust the minimum reserve fulfilment via A2A. Considering this aspect, we kindly ask you to rephrase this aspect a bit, as it provides the impression that this A2A connection will not be available. | The A2A connection between CB sytems and CLM will still be in place for adjusting the minumum reserve fulfilment. However, the PHA Interface (as a technical connection to local proprietary systems) will be discontinued. Therefore we prefer to keep the wording as is |
| 11 | 8 | 2 High level overview of the future landscape | The Eurosystem provides market infrastructures services for real-time interbank and customer payments as well as for settlement of securities and will provide also instant payment settlement services. | Could you please add into this first sentence, that the Eurosystem market infrastructures could also be used for the settlement of AS transactions? | comment accepted |
| 12 | 8 | 2.1 Key aspects | Figure 1 | For a holistic view we propose the following updates to figure 1) Please add a line/an arrow between ECMS and CLM to show that there is an interaction between ECMS and CLM. 3) There are also service-related reference data available for CLM. We propose to update the figure accordingly. 4) The Contingency module for CLM and RTGS is missing. 5) We propose to add the auto-collateralisation functionality in T2S. | comment partially accepted |
| 13 | 9 | 2.1.1 Eurosystem market infrastructures | "…where they settle all Central Bank operations (e.g. open market operations, cash withdrawals, standing facilities, etc.)." | According to the document all operations "carried out by CBs in their capacity as Central Bank of issue" have to be settled in CLM (see last bullet par 3.1.1). For this reason, cash withdrawals should be reincluded in the list throughout the document. If on the other hand there is the possibility to settle cash withdrawals either on MCA or on the RTGS DCA at the discretion of the NCB, this should be clearly stated throughout the document. We support anyway the possibility to use RTGS for Cash Withdrawals, as this allows the use of procedure ASI 6. | Comment accepted. Central Banks shall settle cash withdrawals on MCA. It is understood, however, that during an interim period, some Central Banks may settle cash withdrawals by other means until local systems are adapted |
| 14 | 9 | 2.1.1 Eurosystem market infrastructures | "With these functionalities, CLM addresses the needs of the current HAM module users without the necessity to open an additional RTGS DCA" | This statement does not look completely accurate, because currently HAM users can address simplified interbank transfer to all PM users and same-CB HAM users while, within the new configuration it would be possible to reach any RTGS DCAs (cfr URD CLM.UR.CLM.LTSEN.020.040) but it would not be possible to reach MCA holders outside of the same banking group (similar to same CB HAM users today) | Kindly note that it is possible to transfer liquidity between MCAs that belong to the same Liquidity Transfer Group. The MIPC will be invited to provide the definition of the LTG, that the Central Banks shall apply when linking accounts to the LTG. Furthermore, there are no restrictions on liquidty transfers between CLM MCA and RTGS DCA. In our understanding this would address the raised concern. |
| 15 | 9 | 2.1.1 Eurosystem market infrastructures | Such liquidity transfers between accounts can be instructed or, in case of CLM MCA and RTGS DCA, automatically triggered based on an event (e.g. a queued payment, breaching of floor/ceiling amount; see section 3.2.2 TOOL BOX FOR MANAGING LIQUIDITY). | Question: floor/ceiling do not involve TIPS DCAs and T2S DCAs? | The floor/ceiling functionality in TIPS and T2S currently include only sending of notifications. As part of the T2-T2S Consolidation project it is not planned to change this approach. |
| 16 | 9 | 2.1.1 Eurosystem market infrastructures | The credit line assigned to a credit … to the DCA of RTGS, T2S or TIPS. | … be transferred to the relevant DCA of RTGS … | We prefer to keep the sentence as it is currently - neutral toward how many DCAs a Party has in RTGS, TIPS or T2S. Adding the word "relevant" would require the specification which DCAs are relevant and which not. |
| 17 | 9 | 2.1.1 Eurosystem market infrastructures | where they settle all Central Bank operations (e.g. open market operations, ~~cash withdrawals~~, standing facilities, etc.). | For clarity and consistency with other parts of the document (e.g. reservations), the reference to the cash withdrawal should not be deleted. A footnote can indicate that CB may decide to settle cash withdrawals in alternative cash accounts | Comment accepted. Central Banks shall settle cash withdrawals on MCA. It is understood, however, that during an interim period, some Central Banks may settle cash withdrawals by other means until local systems are adapted |
| 18 | 9 | 2.1.1 Eurosystem market infrastructures | 3rd paragraph, 2nd sentence: A Party may open more than one RTGS DCA… | Please define "Party". Is Party a BIC 11 as in T2S? Does a party also require a Parent BIC as in T2S? | The term "Party" is defined in Glossary as "Any entity defined in the system. This includes: Central Banks, Payment Banks, Participants, Ancillary Systems and the TARGET Service Desk." Party is identified by BIC11. There is no Parent BIC concept in CLM and RTGS. |
| 19 | 9 | 2.1.1 Eurosystem market infrastructures | "The credit line assigned to a credit institution is linked to an MCA, where it is part of the available liquidity, which can be transferred in cash to the dedicated cash accounts (DCA) of the RTGS, T2S or TIPS services." | 1) Please delete "in cash": Background is that it might be misunderstood what is meant with "cash" (--> we assume you mean "cash" in comparison to "collateral"). Nevertheless, the external reader might understand "cash" as hard cash. 2) (DCAs) | comment accepted |
| 20 | 9 | 2.1.1 Eurosystem market infrastructures | The credit line assigned to a credit institution is linked to an MCA, where it is part of the available liquidity, which can be transferred in cash to the dedicated cash accounts (DCA) of the RTGS, T2S or TIPS services. | Even though it is mentioned explicitly later in the document it might be useful (to avoid any misunderstanding) to mention already here, that the credit line can only be linked to one MCA (even though there might be more than one MCA opened for the participant). Maybe you might use a footnote for that. | comment accepted |

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|---|---|---|---|---|
| 21 | 2.1.1 Eurosystem market 9 infrastructures | TARGET2-Securities (T2S) service is a single, pan-European platform for securities settlement in Central Bank Money. The settlement of the cash leg of the Delivery versus Payment (DvP) transactions takes place on the dedicated cash accounts in euro Central Bank Money. T2S went live in June 2015. | T2S does not only settle DvP transactions on the cash accounts. Either all possible kind of transactions should explicitly be mentioned or it should be phrased more generic. In the latter case the DvP transactions could be mentioned as example. | comment accepted |
| 22 | 2.1.1 Eurosystem market 9 infrastructures | The settlement of the cash leg of the Delivery versus Payment (DvP) | please consider to quote next to DvP also Payment free of delivery (PfoD) transactions. | comment accepted |
| 23 | 10 2.1.2 Common components | DWH provides data for historical, statistical and regulatory reporting. Participants can access the DWH via U2A and A2A. They can subscribe for predefined reports or query the database by using predefined templates. | Please include that the predifined reports will also fulfill the participants regulatory requirements | The predefined reports for participants are not yet defined. As long as all participants confirm that their regulatory requirements are fulfilled with such to-be-defined reports, then we prefer not to add the proposed statement to the document. |
| 24 | 10 2.1.2 Common components | Data from the previous business day from CLM, RTGS and T2S is available in Data Warehouse (DWH) component as of the next business day. DWH provides data for historical, statistical and regulatory reporting. | When and how will TIPS data be provided ? | The MIB will discuss the matter once TIPS is live and the requirements for TIPS DWH can be defined |
| 25 | 10 2.1.2 Common components | 4th paragraph: …and process invoices for different market infrastructures and common components. | Will there be a separate invoice for the use of common components? | Principles for billing will be defined in a later stage of the project |
| 26 | 10 2.1.2 Common components | last paragraph, next to last sentence: Participants can access the DWH via U2A and A2A. | Please clarify: Will one access the DWH U2A and A2A via the respective market infrastructure, i.e. through RTGS or CLM GUI or A2A access or will there be a separate GUI for DWH and a separate A2A access to the DWH? | There will be a separate GUI for DWH |
| 27 | 10 2.1.2 Common components | "In addition, some market infrastructure services will have a common Data Warehouse, Scheduler and contingency component." | This chapter does not contain information on the Scheduler and the contingency component. Please add some information or a cross reference to where this information can be found. | The daily scheduling is defined in section 2.1.3. The contingency component definition is outside of the T2-T2S Consolidation project and will be addressed in a dedicated workstream. |
| 28 | 10 2.1.2 Common components | In addition, some market infrastructures services will have a common Data Warehouse, Scheduler and contingency component. | According to our understanding and as reflected in figure 1 the scheduler will be used not only by some services, but by all (meaning CLM, T2S, RTGS, TIPS). Therefore please shift the scheduler into the previous sentence of that paragraph. | comment accepted |
| 29 | 10 2.1.2 Common components | The information will be stored in Legal Archiving in its original content and format after 30 calendar days and will be accessible within its retention period of 10 years. | This sentence is not entirely correct, since legal archiving is valid for all services (CLM, RTGS, T2S and TIPS). According to the T2S UDFS the data in the archiving management is only accessible after 90 days. Either this needs to be changed via CR (and reflected in the BDD accordingly) or the sentence needs to be rephrased. | The principles for Legal Archiving will be aligned for all services and components |
| 30 | 11 2.1.3 Other aspects | Calendar | the deviation of T2S to my understanding will end with this year, i.e. since easter and may 1st are already past, we would in future have the same holidays as the other Eurosystem services. Not worth referring to this (since past). | comment accepted |
| 31 | 11 2.1.3 Other aspects | Each market infrastructure service (CLM, RTGS, T2S and TIPS) will have its own opening times, while the Change of Business Day is synchronised across all services4. The T2-T2S Consolidation project aims at synchronising also the timing of the maintenance windows in all services and common components, with the exception of TIPS, which operates 24/7/365 and thus have no maintenance window. As TIPS processes instant payments continuously, then the Change of Business Day occurs in TIPS at the time when CLM, RTGS and T2S start their End of Day procedures, i.e. shortly after at 18:00. The Change of Business Day in CLM, RTGS and T2S and in common components takes place at 18:45. | Please rephase as follows: Each market infrastructure service (CLM, RTGS, T2S and TIPS) will have its own opening times. The T2-T2S Consolidation project aims at synchronising also the timing of the maintenance windows in all services and common components, with the exception of TIPS, which operates 24/7/365 and thus have no maintenance window. As regards the change of business day, as TIPS processes instant payments continuously, the change of business day occurs at the time when CLM, RTGS and T2S start their End of Day procedures, i.e. shortly after at 18:00. In CLM, RTGS, T2S and in common components it takes place at 18:45. | comment partially accepted |
| 32 | 11 2.1.3 Other aspects | "...with exception of T2S, which is also open on 01 May, Easter Friday and Easter Monday" | According to our understanding, T2S should no longer be open on Easter Friday and Easter Monday from 2019 onwards | comment accepted |
| 33 | 11 2.1.3 Other aspects | Calendar: …with exception of T2S, which is also open on 01 May, Easter Friday and Easter Monday. | From 2019 onwards T2S will be closed on Good Friday and Easter Monday and only open on 01 May (when DKK is open). It could be easier to write: … with exception of T2S, which is also open if any of the T2S settlement currency RTGS is open. | comment accepted |
| 34 | 11 2.1.3 Other aspects | bullet "Daily scheduling" … 4 | reference 4 is deleted | the footnote 4 was moved to the main text |
| 35 | 11 2.1.3 Other aspects | T2S Calendar - Deletion of the sentence: "The Eurosystem is ready to consider opening CLM and RTGS services during a pre-agreed period also on TARGET closing days, provided that there is a valid business case and depending on the associated costs and other constraints." | I understand that the deletion of this sentence was proposed by a TCCG member during the consultation of BDD v0.1. I also remember that we discussed this topic during the last TCCG meeting. However, I took home from the discussion that the sentence will be kept and will not be deleted (maybe a misunderstanding?). Background was that the sentence was drafted very carefully ("is ready to consider", "provided that there is a valid business case"), thus implying by no means that CLM and RTGS will be opened for sure but that the Eurosystem signals the readiness to consider and discuss it. Against this background, I strongly recommend to keep the sentence. Especially after the consultation in spring 2016 and after the decision for TIPS there were several market voices to consider the opening of RTGS/CLM during the weekend. See also e.g. the AMI-Pay discussion on 29 September 2017 (agenda item 2.2). | The comment will be brought to the attention of the TSWG. |
| 36 | 11 2.1.3 Other aspects | Calender | T2S closing days might have changed from 2019. T2S is closed on . 1 January 25 and 26 December Good Friday and Easter Monday ; | comment accepted |

| # | Section | Text/Location | Comment | Response |
|---|---------|---------------|---------|----------|
| 37 | 2.2 Phased implementation of T2-T2S Consolidation project | 11 | second bullet point: Phase 2 will provide all other changes in November 2021 that affect, amongst other things, … | Shouldn´t there also be a Phase III? On page 10 2.1.2 2nd paragraph it says: Different Eurosystem market infrastructures may migrate to the common gateway at different times including after the go-live phase of phase II …Since this document is intended for senior management they should be able to get an indication that the project is not finished after Phase II. | The sentence in section 2.1.2 on ESMIG is complemented to address the point that some services may finalise their migration to ESMIG after November 2021. Still, it is expected that all Eurosystem market infrastructures are accessible via ESMIG after the Go-Live of T2-T2S Consolidation. Neverthless, the connectivity based on T2S current NSP licenses may be kept in parallel until the expiry of the licenses. |
| 38 | 2.2 Phased implementation of T2-T2S Consolidation project | 11 | last point in the list: the implementation of ISO 20022 for communication with RTGS and CLM and CRDM component. | Since there is no separate UDFS for the CRDM we would think that one communicates with CRDM through the respective service, i.e. CLM, RTGS, T2S, TIPS. | The users will still address CRDM directly and not through CLM, RTGS, T2S or TIPS. However, the CRDM functions that CLM or RTGS will use will be described in the CLM UDFS and RTGS UDFS. |
| 39 | 2.2 Phased implementation of T2-T2S Consolidation project | 11 | The harmonised provisioning of support functionalities, such as Common Reference Data Management (CRDM), Data Warehouse (DWH) and Billing for the future RTGS, T2S and TIPS; | According to our understanding TIPS needs to be deleted here. First of all, TIPS will be part of phase I and goes live in November 2018. Secondly TIPS data will not be included in the DWH as of the start of the consolidation.<br><br>Beside this aspect it might lead to confusion, that the CRDM is part of phase I as well as of phase II. So far it is mentioned that "parts of CRDM" are provided in phase I. May be we could stress that the "fully fledged CRDM" will be provided with phase II. | comment accepted |
| 40 | 12 2.3 Key benefits | | Shared data warehouse – central place for participants to access historic information across RTGS, CLM and T2S | including reports to fulfill regulatory requirements | The predefined reports for participants are not yet defined. As long as all participants confirm that their regulatory requirements are fulfilled with such to-be-defined reports, then we prefer not to add the proposed statement to the document. |
| 41 | 13 3.1 Account structure | | "There is no obligation to hold a Main Cash Account…" | Please amend as follows: However, a Central Bank may impose to its Parties to open an MCA, for instance, for the calculation of minimum reserves and/ or remuneration of overnight balances or for billing purposes. | comment accepted |
| 42 | 13 3.1 Account structure | | "There is no obligation to hold a Main Cash Account or a Dedicated Cash Account. However, a Central Bank may impose to its Parties to open an MCA for the calculation of minimum reserves." | This passage could possibly be rephrased as follows: "There is no obligation to hold a Main Cash Account or a Dedicated Cash Account. However, a Central Bank may impose its Parties to open an MCA in case of direct maintenance of minimum reserve". | comment accepted |
| 43 | 13 3.1 Account structure | | "In case the Party participates in RTGS, it must define one of its RTGS DCAs as the default account for all its real-time interbank and customer payments." | Question:<br>Is the default account necessarily the account for settling real-time interbank and customer payments or can the default account also be a different one? If it must necessarily be the default account, please provide the respective reference where this information can be found. Otherwise, we propose deleting the part " for all its real-time interbank and customer payments". | Please refer to URD CLM, page 6, 1st paragraph under Table 1: "For Main Cash Account operations, CLM shall trigger an automatic liquidity transfer with the missing amount from the RTGS DCA used for payments (to the Main Cash Account when there is insufficient liquidity on the Main Cash Account). The respective liquidity transfer shall be placed on top of the queue of all pending payments and liquidity transfers on the RTGS DCA." |
| 44 | 13 3.1 Account structure | | "Furthermore, this DCA and the connected MCA(s) may be opened in the books of different Central Banks." | We propose to say "may technically be opened in the books of different Central Banks" because this would mean that e.g. the balances cannot be included in the minimum reserve requirements.<br>In general, we would like to propose to explicitly mention in the BDD that - if you have MCAs with several NCBs - the balances cannot all be considered for the minimum reserve. | comment accepted |
| 45 | 13 3.1 Account structure | | A DCA must to be connected with at least one MCA to receive liquidity and with one MCA for billing purposes, while these MCA(s) may belong to a different Party than the owner of the DCA. | This sentence could lead to misunderstandings. It could be understood, that a party always needs two MCAs (one to receive liquidity and another one for the billing purpose). Therefore you could rephrase the sentence as follows:<br>"A DCA must be connected with at least one MCA to receive liquidity and for billing purposes, while this MCA(s) may belong to a different Party than the owner of the DCA." | comment accepted |
| 46 | 3.1.1 Main Cash Account in Central Liquidity Management | 14 | ~~Cash withdrawals~~ | For clarity and consistency with other parts of the document (e.g. reservations), the reference to the cash withdrawal should not be deleted. A footnote can indicate that CB may decide to settle cash withdrawals in alternative cash accounts | Comment accepted. Central Banks shall settle cash withdrawals on MCA. It is understood, however, that during an interim period, some Central Banks may settle cash withdrawals by other means until local systems are adapted |
| 47 | 3.1.1 Main Cash Account in Central Liquidity Management | 14 | page 16, paragraph above figure 3: However, the account can receive or transfer liquidity from/to other MCAs within the same group as illustrated in Figure 3. | Please specify "group" as we have the Liquidity Transfer Group, Banking Group and Account Monitoring Group. | it is the Liquidity Transfer Group |
| 48 | 3.1.2 Dedicated Cash Account in RTGS | 15 | Footnote 6 | Please clarify waht is meant exactly with "The transfer of liquidity from T2S DCA to RTGS DCA requires the enhancement of T2S functionality". | Currently, T2S allows the transfer of liquidity to a T2/PM account only. In the future, T2/PM account will be replaced by CLM/MCA. In case there is interest to allow transfers of liquidity from T2S to TIPS or RTGS directly, then this is an enhancement of T2S functionality |
| 49 | 3.1.2 Dedicated Cash Account in RTGS | 15 | "In addition, the RTGS DCA can receive liquidity from TIPS DCA" | We understand from this paragraph (footnotes 6 and 7) that it will not be possible to transfer liquidity from T2S DCA to RTGS DCAs or to TIPS DCA without an enhancement of T2S functionalities. However it is not clear whether T2S will be able to receive liquidity from RTGS/TIPS DCAs. From the URD, however (URD CLM 1.5.2) the Inter-Service Liquidity Transfer is described as a generic process for all kinds of DCAs. It could be helpful to include a table detailing all possible kinds of liquidity transfers among DCAs | Based on futher analysis we have removed the referred footnotes. As the reference data of all accounts will be in the CRDM, there is no reason to have any additional checks or controls within a service on incoming and outgoing LTOs in euro. |
| 50 | 3.1.2 Dedicated Cash Account in RTGS | 15 | footnote 6 "The transfer of liquidity from T2S DCA to RTGS DCA requires the enhancement of T2S functionality" | Question:<br>Today, in T2S, we have the static data "external RTGS account" to transfer liquidity from T2S to TARGET2. What will be addressed via "external RTGS account" in the consolidation world: CLM, RTGS or both? | T2/PM will be replaced with CLM/MCA |
| 51 | 3.1.2 Dedicated Cash Account in RTGS | 15 | Last sentence of 3.1.2<br>"…to be taken into account for the minimum reserve and standing facilities, but can remain on RTGS DCA for the next business day" | Please replace "standing facilities" by "automatic marginal lending facility" --> According to our understanding, only the automatic marginal lending facility is meant here; not the deposit facility which would also be included when using the general term "standing facilities" | comment accepted |
| 52 | 3.1.3 Dedicated Cash Account in TIPS | 17 | "A TIPS DCA can be funded with liquidity from the MCA or from the RTGS DCA" | We understand from this paragraph (footnotes 6 and 7) that it will not be possible to transfer liquidity from T2S DCA to RTGS DCAs or to TIPS DCA without an enhancement of T2S functionalities. However it is not clear whether T2S will be able to receive liquidity from RTGS/TIPS DCAs. From the URD, however (URD CLM 1.5.2) the Inter-Service Liquidity Transfer is described as a generic process for all kinds of DCAs. It could be helpful to include a table detailing all possible kinds of liquidity transfers among DCAs | Based on futher analysis we have removed the referred footnotes. As the reference data of all accounts will be in the CRDM, there is no reason to have any additional checks or controls within a service on incoming and outgoing LTOs in euro. |

| # | Pg | Section | Text | Comment | Response |
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| 53 | 17 | 3.1.3 Dedicated Cash Account in TIPS | The TIPS DCA balance does … at End of Day to be taken into account … | missing some word or? | comment unclear |
| 54 | 17 | 3.1.3 Dedicated Cash Account in TIPS | "The TIPS DCA balance does needs not need to be transferred to MCA at End of Day to be taken into account for the minimum reserve and standing facilities…" | Same comment as above: Please replace "standing facilities" by "automatic marginal lending facility" | comment accepted |
| 55 | 17 | 3.1.4 Dedicated Cash Account in TARGET2-Securities | EoD sweeps | my understanding is tht there are considerations to stop the featureof the optional cash sweep. If that is still considered, it should clearly say so. The wording '…comunity to decide on whether this change shall be implemented' is unclear. It should say: 'the T2S Party can order an automated Cash Sweep' or alternatively 'EoD sweep is done automatically but users can set a parameter to surpress this' or, if the community as a whole has to decide it should say :a change of the EoD routines would be suggested as a CR to the relevant committees. | From the T2-T2S Consolidation project perspetive, we will raise only the CRs toward T2S that are necessary to fulfill the user requirements raised for the project. Changing of the T2S EOD procedures is not among those CRs. However, we have informed the T2S governance as well as the market (AMI-SeCo) that the project paves the way for such changes, shall they decide on going for them |
| 56 | 17 | 3.1.4 Dedicated Cash Account in TARGET2-Securities | liquidity transfers | we should not have too many rules. Either we should be able to transfer liquidity between any of the services (e.g. TIPS to T2, T2 to RTGS etc) or have the rule that transfers are only permitted from MCA to DCA and vica versa. We had also discussed that users should be able to parameterise this for their needs, since the opinions about this have been mixed. | Based on futher analysis we have removed the referred footnotes. As the reference data of all accounts will be in the CRDM, there is no reason to have any additional checks or controls within a service on incoming and outgoing LTOs in euro. |
| 57 | 17 | 3.1.4 Dedicated Cash Account in TARGET2-Securities | "the balance of T2S DCA must be transferred to the linked MCA by a mandatory cash sweep at End of Day for the respective processes and cannot remain on T2S DCA" | Please amend sentence: "Furthermore, contrary to the principles of the RTGS and TIPS DCAs, the balance of T2S DCA must be transferred to the linked account by a mandatory cash sweep at End of Day for the respective processes and cannot remain on T2S DCA." It does not make sense to speak about a MCA because it is not in the T2S documentation and MCAs will exist only with Consolidation. | As this document is about the situation after the T2-T2S Consolidation project and T2S DCAs will be linked to CLM/MCAs, then we prefer to keep the reference to MCA. |
| 58 | 17 | 3.1.4 Dedicated Cash Account in TARGET2-Securities | With Although the T2-T2S Consolidation project will prepare the ground for abandoning the mandatory cash sweep from T2S at End of Day is no longer required, nevertheless it is up to the T2S community to decide on whether this behaviour should be changed shall be implemented in T2S. | Since there is no agreement about any optional CRs in T2S so far, we suggest to rephrase it as follows: "With the T2-T2S Consolidation project the mandatory cash sweep from T2S at End of Day would no longer be required, nevertheless it is up to the T2S community to decide on whether this change shall be implemented in T2S." | comment accepted |
| 59 | 17 | 3.2 Liquidity management | 3.2.2.8. The limit represents the maximum value amount for N-Payments…. | I think it requires clarification in this first sentence that it is the max NET value (i.e. total sent - total received) | comment accepted |
| 60 | 17 | 3.2 Liquidity management | 3.2.1.1. GRAPHICAL USER INTERFACE | … via a desktop … this could also a laptop or … I would change the desktop into the sentence "… the services via User-to-Application (U2A) mode …. | comment accepted |
| 61 | 17 | 3.2 Liquidity management | Chapter 3.2.2.5 Liquidity Reservation, 1st sentence: The Party can reserve liquidity for payments having a defined priority or for a specific business purpose. | How does one reserve liquidity for a specific business purpose? The chapter gives only explanations for priority reservations. | In addition to priority reservations, this chapter also addresses the reservation on MCA. As all operations/payments on MCA have the same priority (with the exception of credit line decrease), then on MCA a Party can only reserve liquidity for a business purpose |
| 62 | 17 | 3.2 Liquidity management | Chapter 3.2.2.5 Liquidity Reservation, 1) On MCA, there is one type of reservation for all CB operations and cash withdrawals. | "Cash Withdrawals" were removed on page 15 in chapter 3.1.1. Please check for consistency. | Comment rejected. Central Banks shall settle cash withdrawals on MCA. It is understood, however, that during an interim period, some Central Banks may settle cash withdrawals by other means until local systems are adapted |
| 63 | 17 | 3.2.1 Tool box for monitoring liquidity | In section 3.2.1.1 the first bullet point: "Monitor balances of all accounts in a specific currency in all services" | What does "all services" stand for? Is it CLM, RTGS, T2S and TIPS? Please clarify. | comment accepted |
| 64 | 17 | 3.2.1 Tool box for monitoring liquidity | "regular standing orders shall specify the amount to be transferred." | Please clarify if time-based standing orders are possible or not (I.e, to define a standing order to be processed every day at a certain time). | Standing LTOs in CLM and RTGS cannot be linked to a point of time (e.g. 10:00), but only to an event that is defined in the Scheduler. |
| 65 | 17 | 3.2.1 Tool box for monitoring liquidity | "regular standing orders shall specify the amount to be transferred." | Are we required to set the amount of the regular Standing Orders? In case we just want to transfer to CLM all  the liquidity available at an end-of-day, for example, then is shall be possible. | The regular standing orders shall specify the amount. Your example of EOD sweeping of account balance would fall under this category and an option is to define high enough "Transfer Amount" that covers the potential balance |
| 66 | 17 | 3.2.1 Tool box for monitoring liquidity | "Amend the payment orders queued in CLM for MCA" | Even though all payments in the MCA have the same priority  NCBs must still have the possibility to amend the payment order queues (see CLM URD 1.7.1 p. 49) | Your understanding is correct and the CB can amend the order of operations and payments on MCA. However, this document describes the future features and functionality for credit institutions and ancillary systems. Therefore the CB specific GUI functionalities are not addressed here. |
| 67 | 17 | 3.2.1 Tool box for monitoring liquidity | " … Immediate liquidity transfer orders …" | TARGET useres are used to the term current (liquidity transfer) order. We would suggest to keep the known terminology as far as possible. | The document is based on the terminology of the URDs and therefore we prefer to keep the current wording/terms |
| 68 | 17 | 3.2.1 Tool box for monitoring liquidity | While in the GUI for CLM, the user can see information it has been granted access to on all MCA and DCAs linked to itshis Party or Account Monitoring Group (see section 3.6.1 ACCOUNT MONITORING GROUP) in a specific currency, the GUI for a dedicated settlement service (i.e. RTGS, TIPS and T2S) presents information on the Party's accounts in a specific currency in this service only. | It would be usefull to already here explain the difference between the mentioned account monitoring group and the banking monitoring group. Our understanding would be that the banking monitoring group will also be possible in CLM and that a CB could include not only RTGS DCAs but also MCAs into the same group. | Your understanding of the Banking Group is correct. However, as this concept is only applicable to monitoring by Central Banks and has no impact on how Parties can use certain functionality, then we prefer not to refer to Banking Group here. |
| 69 | 19 | 3.2.2 Tool box for managing liquidity | "it shall also predefine the target amount to be reached if the floor or ceiling is breached" | Could you please clarify the business case for the target amount? We understand that it is meant to avoid too many automated liquidity transfers stemming from continuous overruns of the ceiling balance. | In the context of floor/ceiling, target amount is an amount that defines to what level the balance on an account shall be increased (floor breached) or decreased (ceiling breached). Your understanding of the purpose is correct. |
| 70 | 19 | 3.2.2 Tool box for managing liquidity | QUEUE MANAGEMENT AND AMENDMENT AND CANCELLATION OF PAYMENT ORDERS IN RTGS | Similar to the above comment on 3.2.1, cancellation of payment orders should be also available in CLM ((see CLM URD 1.8 p. 51) | Your understanding is correct. However, these features and functionality are valid only for CBs. Please note a new remark. |
| 71 | 19 | 3.2.2 Tool box for managing liquidity | 3.2.2.4. "….Highly Urgent payments (HU-payments) are settled with utmost priority. This priority class is exclusively allowed for AS transactions sent by the Parties and ancillary systems. …" | As CBs also can initiate payments on RTGS DCAs - i.e. Cash Withdrawls - therefore also CBs should be able to use Highly Urgent priority. | Comment rejected. Central Banks shall settle cash withdrawals on MCA. It is understood, however, that during an interim period, some Central Banks may settle cash withdrawals by other means until local systems are adapted. Central Banks can still send HU payments (U payments based on new definition) to RTGS |
| 72 | 19 | 3.2.2 Tool box for managing liquidity | 3.2.2.5. …"b. Highly Urgent reservation (HU-reservation) is for payment orders linked to AS transactions sent by the Party or an eligible ancillary systems.." | we would suggest to rephrase rephrase: Highly Urgent reservation (HU-reservation) is for payment orders with Highly Urgent priority. i.e. for cash withdrawls | Comment rejected. Central Banks shall settle cash withdrawals on MCA. It is understood, however, that during an interim period, some Central Banks may settle cash withdrawals by other means until local systems are adapted. Central Banks can still send HU payments (U payments based on new definition) to RTGS |
| 73 | 19 | 3.2.2 Tool box for managing liquidity | 3.2.2.7. " …cancel a payment" … | A Party should NOT be possible to cancel a HU-payment. | comment accepted |

| # | Chapter | Section / Text | Comment | Response |
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| 74 | 3.2.2 Tool box for managing 19 liquidity | 3.2.2.3 Floor and ceiling | Question: floor/ceiling do not involve TIPS DCAs and T2S DCAs? | The floor/ceiling functionality in TIPS and T2S currently include only sending of notifications. As part of the T2-T2S Consolidation project it is not planned to change this approach. |
| 75 | 3.2.2 Tool box for managing 19 liquidity | 3.2.2.1 2 b) "... pending Urgent or Highly Urgent payment" | General comment to the overall document (not only to this specific part): According to the UDFS (Iteration 1) the priorities are renamed into 1) Normal 2) High 3) Urgent. Please update the BDD accordingly. | The TCCG agreed to follow the ISO naming of priorities in its meeting on 06 June |
| 76 | 3.2.2 Tool box for managing 19 liquidity | 3.2.2.4 "On RTGS, a payment can either be with priority Highly Urgent (HU), Urgent (U) or Normal (N)." | General comment to the overall document (not only to this specific part): please see comment above - new names for the priorities. | The TCCG agreed to follow the ISO naming of priorities in its meeting on 06 June |
| 77 | 3.2.2 Tool box for managing 19 liquidity | 3.2.2.8 "In order to control its settlement of N-payments with other credit institutions, the Party can define 1) a bilateral limit towards another RTGS DCA; and/or 2) a multilateral limit towards all other Parties with no bilateral limit in RTGS" | According to the URD 1.1.1 the bilateral limit can be defined towards another RTGS DCA or participant and the multilateral limit towards other participants or RTGS-DCAs. Please check and - if applicable - add "participant" | The bilateral limit is still toward another DCA (see SHRD.UR.BDD.070 (Limit)). Multilateral limit is toward everyone. Please also refer to RTGS.UR.HVP.PAYT.050.030 (Limit check) |
| 78 | 3.2.2 Tool box for managing 19 liquidity | Due to the highest priority given to settlement of CB operations, in case of a lack of payment capacity (i.e. sum of cash and available credit line) on the MCA to settle the CB operation, the system triggers an automatic liquidity transfer and tries to pull the amount of liquidity missing to settle the CB operation from the associated RTGS DCA. & Such automated liquidity transfers can only involve the Party's RTGS DCA dedicated for real-time interbank and customer payments (default DCA) and take place vis-à-vis a Party's MCA defined in advance in CRDM. | In chapter 3.2.2.2 an "associated" RTGS DCA is mentioned whereas in chapter 3.2.2.3 it is named the "default" RTGS DCA. Is it the same or is there any difference between the associated and the default RTGS DCA? In case it is the same, the same wording should be used. In case it is not the same it would be usefull to explain explicitly the differences. | There is no difference between "associated" and "default" RTGS DCA. However, the term "default" RTGS DCA should be the correct one. |
| 79 | 3.2.2 Tool box for managing 19 liquidity | Shall the Party opt for the behaviour 2, it shall also predefine the target amount to be reached if the floor or ceiling is breached. | Related to the target amount: we assume that it will be possible to define one target amount for the floor and another target amount for the ceiling functionality. If our understanding is correct we suggest to slightly rephrase the sentence to avoid any misunderstandings | comment accepted |
| 80 | 3.2.2 Tool box for managing 19 liquidity | This priority class is exclusively allowed for AS transactions sent by the Parties and ancillary systems. | Since CLS pay ins and the EURO1 pay ins are also settled as urgent (previous highly urgent), this should be mentioned here as well. Therefore we propose to rephrase the sentence as follows: This priority class is exclusively allowed for AS transactions as well as CLS pa ins and EURO1 pay ins sent by the Parties and ancillary systems. | We prefer not to include references to specific institutions to this document, unless a functionis purely for their support. Thus the comment is rejected |
| 81 | 3.2.2 Tool box for managing 19 liquidity | Highly Urgent reservation (HU-reservation) is for payment orders linked to AS transactions sent by the Party or an eligible ancillary systems | See our previous comment. Also here the CLS pay ins and the EURO1 pay ins should be added. | We prefer not to include references to specific institutions to this document, unless a functionis purely for their support. Thus the comment is rejected |
| 82 | 3.2.2 Tool box for managing 19 liquidity | The limit represents the maximum value amount for N-payments that a Party is willing to pay to another specific account or to all other participants/accounts (excluding those with whom a bilateral limit is defined). | We think that either "value" or "amount" could be deleted. "value amount" sounds as if it is mentioned twice. | comment accepted |
| 83 | 3.2.2 Tool box for managing 19 liquidity | Example box in part 3.2.2.2: "the Central Bank sends a payment order to settle an open market operation with an amount of 90 on the Party's MCA." | Please add "absorbing" --> the Central Bank sends a payment order to settle an absorbing open market operation with an amount of 90 on the Party's MCA. | comment accepted |
| 84 | 3.2.2 Tool box for managing 19 liquidity | IMMEDIATE AND STANDING LIQUIDITY TRANSFER ORDER | Please consider aligning LTO names to T2S i.e. Immediate liquidity transfer, pre-defined liquidity transfer and standing liquidity transfer order. Either immediate execution or event based. | As the BDD shall give a short overview of T2-T2S Consolidation URDs, then the terminology is aligned with the latter documentation. Thus, changes to terminology shall be raised via CRs to URDs. |
| 85 | 3.2.2 Tool box for managing 19 liquidity | The regular standing orders shall specify the amount to be transferred. | Please explain 'regular' in conjunction to 'specified amount'. | Regular means that it takes place on every business day at (almost) the same time upon an event described in the scheduler. For example, Start of Day, cut-off for customer payments, etc. Specified amount means that such regularly taking place standing orders must indicate the amount that shall be transferred. I.e. the amount is not "calculated" on case-by-case basis, but defined by the Party |
| 86 | 3.2.2 Tool box for managing 19 liquidity | The regular standing orders shall specify the amount to be transferred. | If 'all balance' LTs are possible (as in T2S) than please add as such. | There will be a possibility empty an account by standing order. Further details will be provided in the UDFS, |
| 87 | 3.2.2 Tool box for managing 19 liquidity | In terms of processing, any liquidity transfer initiated by an ancillary system (i.e. someone who has no view on the account balance) or by the services itself based on a standing order can settle partially | please consider ommitting 'by the service itself' for better readability. | comment accepted |
| 88 | 3.2.2 Tool box for managing 19 liquidity | These automatic liquidity transfers are mandatory and do not require any prior configuration by the participant. Such automatic LTOs are not applicable to and do not involve TIPS DCA and T2S DCA. | If a party holds mulitiple RTGS DCA's does the automatic LT consider all DCA's or only the 'main/default RTGS DCA' (as such designated/associated RTGS DCA)? Please quote as such. | The automatic LTOs will check only the default RTGS DCA. The reference to "default RTGS DCA" is in the paragraph above. |
| 89 | 3.2.2 Tool box for managing 19 liquidity | Highly Urgent payments (HU-payments) are settled with utmost priority. This priority class is exclusively allowed for AS transactions sent by the Parties and ancillary systems | Out of curiosity: what are 'AS transactions sent by the Parties'? | Parties can send SBTransferInitiations |

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| 90 | 3.3 Principles for drawing of 24 liquidity | TABLE 1 | Please note that in the High Level Summary of Business Changes (ver. 0.6, page 16) the table considered the possibility to draw liquidity from the MCA also for normal payments, even if the same table in the URD did not consider this scenario any longer. | You are correct. However, upon the request of the TF-FRS, the possibility to configure an event-based standing order to tap liquidity from MCA in case N-payments are queued in RTGS DCA was removed. They argued that N-payments shall settle as optimally and with as little liquidity as possible. This would not be the case, if queued N-payments tap liquidity from MCA . |
| 91 | 3.3 Principles for drawing of 24 liquidity | In the event that there is insufficient payment capacity on the MCA to settle a pending operation, CLM triggers an automatic liquidity transfer for the missing amount to transfer liquidity from the RTGS DCA that is the default account for real-time interbank and customer payments to the MCA (see section 3.2.2.2 AUTOMATIC LIQUIDITY TRANSFER ORDERS). | This section should also include a description for the event that the balance turns negative and the balance including the creditline is <0 | In normal situation, the balance of an MCA can go "negative" only to the extent of the credit line. In case the credit line value is lowered, then any liquidity (incl. any reservation) on MCA and RTGS DCA is used to compensate such change in the credit line. No other operation, transfer, transaction or payment on MCA and RTGS DCA can settle until the credit line operation is successfully completed. |
| 92 | 3.3 Principles for drawing of 24 liquidity | Table 1: Predefined order of liquidity tapping | Cash Withdrawls entered in RTGS need to be taken on board in the table. | Comment rejected. Central Banks shall settle cash withdrawals on MCA. It is understood, however, that during an interim period, some Central Banks may settle cash withdrawals by other means until local systems are adapted |
| 93 | 3.3 Principles for drawing of 24 liquidity | In the event that there is insufficient payment capacity on the MCA to settle a pending operation, CLM triggers an automatic liquidity transfer for the missing amount to transfer liquidity from the RTGS DCA that is the default account for real-time interbank and customer payments to the MCA | If the default DCA cannot provide the needed liquidity to the under-funded MCA, does it imply that RTGS will nevertheless continue to settle customer / interbank payments on "non default" DCAs linked to this MCA and belonging to the same participant ? | MCA will tap the liquidity from the default RTGS DCA for payments only. If the Party uses another RTGS DCA for specific type of payments, then there is no liquidity tapping from this RTGS DCA. This means, there is no "order" or "queue" of RTGS DCAs for tapping liquidity to cover the needs of a pending operation on MCA. However, it is assumed that in such operational situations the CB contacts with the Party |
| 94 | 3.3 Principles for drawing of 24 liquidity | Table 1. Order 3 Cash Withdrawal | Cash Withdrawals were removed on page 15 in chapter 3.1.1. Please check for consistency. | Comment rejected. Central Banks shall settle cash withdrawals on MCA. It is understood, however, that during an interim period, some Central Banks may settle cash withdrawals by other means until local systems are adapted |
| 95 | 3.3 Principles for drawing of 24 liquidity | "... CLM triggers an automatic liquidity transfer for the missing amount to transfer liquidity from the RTGS DCA that is the default account for real-time interbank and customer payments to the MCA..." | Question: Is the default account necessarily the account for settling real-time interbank and customer payments or can the default account also be a different one? If it must necessarily be the default account, please provide the respective reference where this information can be found. Otherwise, we propose deleting the part "for real-time interbank and customer payments". | Please refer to section 1.1.1 in URD for CLM v1.1.1 and SHRD.UR.BDD.090 (Cash Account) in URD Shared Services v1.1.1 |
| 96 | 26 3.4.1 Update in credit line | If the combined liquidity on the MCA and the RTGS DCA is insufficient for the reimbursement, any incoming liquidity to either of these accounts is immediately used for the reimbursement as well until the full amount is reimbursed. | Ideally in such event an automatic alarm informs the operator; responsible NCB and MCA holder | CLM informs the instructing CMS about the pending status of the credit line modification request. Please refer to CLM.CB.UR.CLM.MCL.030.030 (Inform about pending status) in URD for CLM Annex for CBs v1.1.1 |
| 97 | 26 3.4.1 Update in credit line | In case the request is to reduce the credit line and it requires a full or partial reimbursement of the intraday credit, the necessary liquidity is immediately drawn from the MCA and from the RTGS DCA non-reserved and reserved pools in a predefined order | Is this DCA the default account for real-time interbank and customer payments ? | Your understanding is correct |
| 98 | 26 3.4.1 Update in credit line | If the combined liquidity on the MCA and the RTGS DCA is insufficient for the reimbursement, any incoming liquidity to either of these accounts is immediately used for the reimbursement as well until the full amount is reimbursed. | Does this mean that credit line updates short of liquidity can remain pending during the day? | Your understanding is correct |
| 99 | 3.4.2 Usage of standing 26 facilities | Paragraph 6: "If there is no sufficient liquidity on MCA the orders linked to overnight deposit will draw liquidity from the associated RTGS DCA" | In relation to this specific sentence, we suggest to redraft it, first to be consistent with the last paragraph of section 3.4.1 and second to liaise it with the sentence that begins with: " The queued orders..." Suggestion for redrafting: " If the combined liquidity on the MCA and the associated RTGS DCA is insuficient, the orders linked to the overnight deposits will be queued." | Kindly note that based on further analysis, such liquidity transfers toward the overnight deposit account will settle based on "all or nothing" principle. If there is no sufficient liquidity on MCA, the LTO will neither settle partially, remain pending nor tap liquidity from RTGS DCA. |
| 100 | 3.4.2 Usage of standing 26 facilities | Paragraph 6: "If there is no sufficient liquidity on MCA the orders linked to overnight deposit will draw liquidity from the associated RTGS DCA" | As a general remark, could you please list the events in CLM that would lead to an automatic transfer of liquidity from RTGS DCA to MCA? It seems that this point is not very clear. On the one hand the automatic LTO desctibed here does not seem to be present in the URD. On the other hand, the URDs makes reference to automatic LTO in case of floor breach, and this process is only mentioned in the section dedicated to the central bank operations. Does it mean that it does not apply to the normal participant's operations? | 1) In principle, any pending operation on MCA has higher priority and, thus, may trigger an automatic LTO from RTGS DCA to MCA. Please refer to section 3.2.2.2 Automatic liquidity transfer orders 2) Kindly note that based on further analysis, such liquidity transfers toward the overnight deposit account will settle based on "all or nothing" principle. If there is no sufficient liquidity on MCA, the LTO will neither settle partially, remain pending nor tap liquidity from RTGS DCA. 3) Parties can configure automated standing orders (e.g. on floor, ceiling, on pending HU-payment, etc). Automatic LTOs (from RTGS DAC toward MCA) are tranfers that do not require any actions from a Party , but also cannot be surpressed. |
| 101 | 3.4.2 Usage of standing 26 facilities | " ...In order to obtain overnight liquidity, the Party shall send a marginal lending request to its Central Bank, which will settle the request in CLM" | Please add an clarification e.g. marginal lenidng request happens outside TARGET services and is up to the local NCB. | comment accepted |
| 102 | 3.4.2 Usage of standing 26 facilities | Standing facilities are Central Bank facilities available to Parties | We would like to propose to replace "parties" by "monetary policy counterparties" to be able to differentiate between "parties" and "monetary policy counterparties". | comment accepted |
| 103 | 3.4.2 Usage of standing 26 facilities | The Eurosystem offers two overnight standing facilities | Please add: "The Eurosystem offers two overnight standing facilities for monetary policy counterparties" to underline that only monetary policy counterparties can make use of the standing facilities. | comment accepted |
| 104 | 3.4.3 Central Bank 27 operations | The payment orders linked to CB operations (e.g. ~~cash withdrawals~~, open market operations and collection of fees) are submitted to the system by Central Banks | For clarity and consistency with other parts of the document (e.g. reservations), the reference to the cash withdrawal should not be deleted. A footnote can indicate that CB may decide to settle cash withdrawals in alternative cash accounts. | Comment rejected. Central Banks shall settle cash withdrawals on MCA. It is understood, however, that during an interim period, some Central Banks may settle cash withdrawals by other means until local systems are adapted |
| 105 | 3.4.4 Minimum reserve and 27 excess reserve management | The minimum reserve calculation of the respective MFI will automatically include the End of Day balances of all MCAs and DCAs of the linked parties. | According to the explication you provided to our first comment on this subject (comment nr.30 in the feedback), only accounts that are configured as such in the reference data will be taken into account for fullfiling the minimum reserve requirements. Please update this sentence accordingly. | comment accepted |

| # | Page | Section | Text | Comment | Response |
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| 106 | 27 | 3.4.4 Minimum reserve and excess reserve management | At the End of Day, all balances in all settlement services (i.e. RTGS, TIPS and T2S) are aggregated. | ie. RTGS, TIPS, T2S and also CLM | comment accepted |
| 107 | 27 | 3.4.4 Minimum reserve and excess reserve management | All accounts belonging to a MFI must also be held by the same Central Bank | by the same Central Bank in order to be taken into account for the fulfilment of minimum reserve. Indeed, from a legal perspective, MFI can open accounts in different NCBs. | comment accepted |
| 108 | 27 | 3.4.4 Minimum reserve and excess reserve management | footnote 11 "Currently, the cash sweep at End of Day from T2S towards TARGET2 is mandatory. The future solution facilitates the possibility to make such cash sweep optional. The respective decision remains with the T2S Governance." | This footnote was deleted. From our point of view we should keep the footnote because it contains important information. In addition, we need the footnote to keep "T2S" in figure 5. At least, your feedback to our comment was that you addressed our concern in the footnote. | comment accepted |
| 109 | 28 | 3.4.5 Monitoring by Central Banks | All the section | Is this section final or should we expect more information? Why is it relevant in this part of the BDD? Is it related to Liquidity transfer group? Could you please let us know if there is a public Eurosystem document where we can read more about the "banking group" concept? | This section is final. The aim of this section is to inform the credit institutions of the concept of Banking Group. Banking Group is different from Liquidity Transfer Group (see section 3.2.2.9) and is comparable to Banking Group Monitoring in TARGET2 in terms of scope and coverage. |
| 110 | 28 | 3.4.5 Monitoring by Central Banks | 3.4.5 Monitoring by Central Banks | As the chapter clearly describes the functionality of the banking group monitoring we suggest to rephrase the title as follows "Banking Group Monitoring by Central Banks" | we prefer to keep the title as is in order to avoid mixing up the term of "Banking Group" (future) and "Banking Group Monitoring" (today). |
| 111 | 29 | 3.5.1 AS transactions settling on RTGS DCA | A party can set up | This the first time party is mentioned. You could consider elobarating a little on the party concept. | Please refer to section 6.2. Further conceptual overviews will be provided in UDFS |
| 112 | 29 | 3.5.1 AS transactions settling on RTGS DCA | Page 31 | -Are there differenct DCAs needed for AS business and "payments"? -Against which of these do AS instruct, which do not use the "procedures", but single payments (pacs.008, 009) instead? | A Party can also use for all AS settlement procedures that settle on RTGS DCA its RTGS DCA for payments. It is up to the Party whether it prefers to open a separate RTGS DCA for interaction with ancillary system(s). |
| 113 | 29 | 3.5.1 AS transactions settling on RTGS DCA | The Party assigns a role for an AS to instruct only for this RTGS DCA | This appears to be a new concept of AS participation registration. Does it require any action from the AS? How can NCBs monitor AS participation? | Further details will be defined in UDFS and Data Model |
| 114 | 30 | 3.5.3 Prefunding of AS technical liquidity account | Page 32: | Can an AS also instruct LTOs on behalf of other participants? Also A2A? | An AS can initiate a LTO on behalf of the Party provided that the Party has granted it with the necessary rights |
| 115 | 30 | 3.5.3 Prefunding of AS technical liquidity account | the credit institution transfers an amount of liquidity from its RTGS DCA to an AS technical liquidity account | Please add the possiblilty for the AS to initiate LTOs similar to other ASI procedures. | comment accepted |
| 116 | 31 | 3.6 Liquidity management services towards other users | | Maybe it could be clarified that this service is the equivalent for the current co-management functionality in TARGET2, e.g. by adding the following sentence at the beginning of the paragraph: "The current "co-management" functionality for HAM accounts can be reflected via access rights and message subscription in a flexible way" | comment accepted |
| 117 | 31 | 3.6 Liquidity management services towards other users | whole part | it would be much better to understand if there are some examples or graphics for the part of the "co-management" of accounts | kindly refer to the diagrams and examples in sections that are cross-referenced in this section |
| 118 | 31 | 3.6.1 Account Monitoring Group | (Last sentence) - Account Monitoring Group has no usages in conjuction.... | This sentence may require rewording to read it better (e.g. AMG does not play a role in the processing of payments.... ) | comment accepted |
| 119 | 31 | 3.6.1 Account Monitoring Group | "A Party 2 can optionally associate its MCAs and RTGS DCAs as well as the MCAs and RTGS DCAs of other Parties" | From the presentation "Grouping of Accounts and Whitelist Concept" provided to the TSWG (slide 6) it seems that the Account Monitoring Group should also include TIPS and T2S DCAs | comment accepted |
| 120 | 31 | 3.7 Reporting | " ..Furthermore, the Parties can query information on historical data based on predefined reports from Data Warehouse in A2A mode or via GUI. They can, additionally, adapt a predefined report and save the query/report template for later usage." | Is it correct that such queries on histrical data can be iniitated vie A2A or GUI - online - by the connected party for 30 days, right? | The Parties can query DWH in A2A and in U2A (via GUI) mode. The exact period in the past that the Parties can query historical data is to be defined based on the reports (e.g. some reports may require access to longer period than others) |
| 121 | 31 | 3.7 Reporting | Report subscription: The Party can subscribe for standard reports that CLM or RTGS shall create at certain times during a business day or at certain business day events. | Question: there will be time-triggered reports? In the last TCCG meeting I understood that there will be no time-triggered standing LTOs and also no time-triggered reports. | Indeed, there are no time-triggered standing LTOs, but a Party can still subscribe for reports that are sent either at scheduled time or at scheduled event. Please refer to SHRD.UR.BDD.180 (Report Subscription) in URD for Shared Services |
| 122 | 31 | 3.7 Reporting | standard and pre-defined reports | Is there also possibility to create own reports (like today in the CRSS)? | The exact scope of activities that credit institutions can do in DWH is currently under assessment. |
| 123 | 31 | 3.7 Reporting | "... some of these status advices/messages, the Party is obliged to subscribe for (e.g. payment rejections), ..." | Does the participant need to subscribe for these advices/messages by himself or will this subscription be automatically done? | The Party shall subscribe of for such optionally sent status advices. Please refer to SHRD.UR.BDD.190 (Message Subscription) in URD for Shared Service v1.1.1 |
| 124 | 31 | 3.7 Reporting | Pls note that "statuses" is the correct plural wording | Pls note that "statuses" is the correct plural wording | comment accepted |
| 125 | 33 | 4.1 Participation types | Both the CLM participants and the direct RTGS participants will have access to their accounts and can submit orders both in A2A and U2A (GUI) mode. | Please clarify what is meant with "orders". Is it payment orders (PO), liquidity transfer orders (LTO) or both? For CLM our understanding is that central banks (CBs) can send PO via the GUI and both CBs and Parties can send LTO via the GUI. For the RTGS, both CBs and Parties can send PO via the GUI. Today, only participants with an internet -based connection to Target2 can use the ICM to send payment orders. Could you please confirm our understanding of the CLM and RTGS GUI use in the future? It is important for us to understand which functionalities will be provided in A2A and which ones in U2A. | Please refer to the User Interaction sections of different T2-T2S Consolidation URDs for actions which are supported in A2A or in U2A (via GUI). The exact and complete descriptions of functions in A2A and in U2A (via GUI) will be defined in UDFS and UHB |
| 126 | 33 | 4.1 Participation types | Although technically there is no difference between indirect participants and access as a correspondent BICs ("addressable BICs"), certain legal terms may apply. | Without going into details, would it make sense adding one sentence explaining what's the interest of this category, i,e what is the purpose of the referred 'certain legal terms'. | It is envisaged that the same terms and conditions for participation in RTGS will apply as today in TARGET2. Further details will be provided in respective legal documentation. |

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| 127 | 33 | 4.1 Participation types | "• Multi-addressee access<br>A direct RTGS participant can authorise its branches and credit institutions belonging to its group located in the EEA countries via a so called multi-addressee access to channel payments through the RTGS DCA of the direct participant without its involvement by submitting/receiving payments directly to/from RTGS.<br>• Access as correspondent BICs ("addressable BICs")<br>Any correspondent (or a branch of a correspondent) of a direct RTGS participant that holds a BIC is eligible to be listed in the RTGS directory irrespective of its place of establishment. These addressable BICs can only send and receive payment orders to/from RTGS via the direct RTGS participant." | For the sake of completeness it should be added that also the multi-addressee access and the addressable BIC can be registered through one and only one RTGS participant. | comment accepted |
| 128 | 33 | 4.1 Participation types | Does an AS have the same role as a direct participant? | Does an AS have the same role as a direct participant? | No |
| 129 | 35 | 4.2 General principles for messaging | Under the third bullet point 'Nevertheless, it is acknowledged that within the context of cross-border business the banks would still need to retain interoperability between the standards.' | Can we be more specific? Are we referring to direct participants offering cash corresponding bank services to other entities and that may need to keep FIN capabilities to dialogue with these entities?<br>Will this need exclusively exist for the cross border business?<br>More generally speaking, is there an intention to address at some place and some time the question of the potential non ISO 20022 readiness of some participants, as a contingency procedure? | The sentence refers to the potential need for direct participants to relay the payment orders received from their customers in FIN standard to RTGS in ISO 20022 as well as vice versa (i.e. correspondent banking services).<br>The case, when a direct participant is not ready to send and receive at the go-live of the T2-T2S Consolidation project, will be addressed as a potential risk for migration |
| 130 | 35 | 4.2 General principles for messaging | "As T2S already today uses the ISO 20022 message standards, the message standards for RTGS and CLM will be aligned to the extent possible with the former." | We propose to add that TIPS also uses ISO 20022 messages. | The reference to TIPS in this context is not fully correct. The purpose of this sentence is to stress the aim to align the business usage of messages that are currently used in T2S with the future usage in RTGS and CLM. As the schemas and versions of some TIPS messages are defined by EPC Implementation Guideline for SCT Inst, then these schemas shall not be taken as the basis. |
| 131 | 35 | 4.2 General principles for messaging | "Fully-fledged approach: in RTGS and CLM, the ISO 20022 message standard shall be implemented fully. No "like-for-like" approach is followed in order to allow the usage of additional fields that ISO 20022 payment messages support.<br>• Interoperability: the interface to RTGS and CLM will not support coexistence of ISO 20022 and MT. Nevertheless, it is acknowledged that within the context of cross-border business the banks would still need to retain interoperability between the standards." | How does this fit together? On the one hand we want to use additional fields that are not available in MTs but on the other hand we need to retain interoperability between both services. | The T2-T2S Consolidation project aims at fully fledged approach. There will be no special restrictions in ISO 20022 message schemas required specifically for the direct participants for converting messages to FIN in their correspondent banking business. In the second sentence of the second bullet point we acknowledge that direct participants may need to support coexistence of ISO 20022 and FIN. However, as mentioned previously, they need to ensure this conversion outside of the TARGET services. |
| 132 | 35 | 4.2 General principles for messaging | As T2S already today uses the ISO 20022 message standards, the message standards for RTGS and CLM will be aligned to the extent possible with the former. The implementation of ISO 20022 message standards for payments will adhere to the following principles: | As this chapter describes the general principles for messaging as of the go-live of the consolidation we assume that this chapter is valid for T2S and TIPS as well. Therefore we highly appreciate, if it could explicitly mentioned, that the principles are valid for T2S and TIPS as well. | The listed principles are specific to RTGS and CLM and not necessarily to T2S and TIPS (e.g. reference to Y-copy). Furthermore, it is not in the scope of the T2-T2S Consolidation project to bring T2S into fully fledged ISO 20022 standard from its current "like-for-like" approach |
| 133 | 36 | 4.3.1 Entry disposition with offsetting | First paragraph | Please start with a brief description of the "offsetting". Also, please consider that according to the URD, the basic principles of entry disposition are the FIFO for HU and U payments and FIFO bypass for the normal payments. The offsetting is an exception to the rule, so it cannot really be called the basic principle. | Please note the new footnote. |
| 134 | 36 | 4.3.1 Entry disposition with offsetting | In page 38, first Figure | In the "payment to be settled/Queue of A, please replace "U-Payment to A" with "U-Payment to B". | comment accepted |
| 135 | 36 | 4.3.1 Entry disposition with offsetting | In page 38, first and second Figure | Please replace the wording "netting of the offsetting payments" with "offsetting result". Considering that we are in an RTGS environment, it does not seem appropriate to use the word "netting". | comment accepted |
| 136 | 36 | 4.3.1 Entry disposition with offsetting | 1st and 2nd example on page 38 - blue box on the left belonging to Bank A "U-payment to A " | I guess this should be "U-payment to B" | comment accepted |
| 137 | 36 | 4.3.1 Entry disposition with offsetting | Examples 2 und 3 | Is "U - Payment to A" correct in the queue of A? Should it not read "U - Payment to B" in both cases? | comment accepted |
| 138 | 38 | 4.3.2 Dissolution of payment queue | Page 39: | -Is the algorithm 4 also relevant for single payments initiated by an AS, or for "procedures" only?<br>-Are the algorithms similar to the current ones used in TARGET2? | 1) single payments initiated by an AS will not trigger the start of algorithm 4, although they are also attempted to settle during this moment.<br>2) the algorithms are similar to the current ones used in TARGET2 |
| 139 | 43 | 4.6 Other aspects | Page 43: | -"Warehoused" payments: Why can a payment be modified in the last 30 minutes before settlement only, after being warehoused? It should be possible all over the time span until settlement<br>-Pls note that at least in Germany, there are legal requirements to create a valid bill. It must carry name, address...). Showing a value in a GUI is not sufficient! | 1) warehoused payments can be modified or cancelled during the whole time they are in RTGS/CLM. There is, however, a dedicated window right before RTGS opens, when the Parties can make amendments or cancel the payments.<br>2) comment unclear. The paragraph does not state neither of the assumption. |
| 140 | 39 | 4.4 Contingency measures for participants | In the event of a technical system problem, (...) the Party can initiate payments via RTGS GUI | Please confirm if this means that is not possible to instruct payments manually in the RTGS GUI for normal business activities, outside a contingency situation?<br>There seems to be no indication of such a limitation to the GUI usage in the URDs?<br>Please note that smaller participants would be interested in having the possibility to instrcut payments manually in the GUI, so could we please get clarity on the possibility to instruct payments in U2A mode? | This section addresses the possibilities for a direct RTGS participant to distribute liquidity as backup payments in contingency situations in case of a failure in its own system.<br>Please refer to RTGS.UR.RTGS.UI.135 (Create a payment) in the URD for RTGS v1.1.1 that describes the user requirement for creating a payment through U2A interface. Similarly, RTGS.UR.RTGS.UI.180 describes the same user requirement for creating a liquidity transfer. |
| 141 | 39 | 4.4 Contingency measures for participants | "the Party can initiate payments via RTGS GUI and distribute liquidity to any RTGS DCA as backup payments" | The participant may also request the Central Bank to act on behalf of the institution (backup payments inserted by the CB, when the participant does not have access to RTGS). Furthermore, each Central Bank can also decide to offer other contingency support. | We agree. Further measures will be described in UDFS |

| # | Page | Section | Reference | Comment | Response |
|---|------|---------|-----------|---------|----------|
| 142 | 39 | 4.4 Contingency measures for participants | In the event of a technical system problem, the direct RTGS participant may not be able to send or receive payment orders in A2A mode. | It seems that this chapter is only valid for RTGS. Which contingency measures are foreseen in CLM? Could you please add it in the document? | comment accepted |
| 143 | 39 | 4.5.1 Business day scheduler | Table 2 (or anywhere above that...) | It may be worth adding that all times are CET. It is obvious in this project but there will be a lot of readers in the UK | comment accepted |
| 144 | 39 | 4.5.1 Business day scheduler | Table 3. " ..03:00-18:00 (continuous processing of payment orders, AS transactions and LTOs)" and in 4.5.2. " ...At 19:30, CLM and RTGS are available again for Parties .." | .. And therefore for normal payment business? If so, does an agreement exist concerning the onsite availability for 4CB Servicedesk and / or CBs at night? Should something be mentioned here? | The credit institutions can do their normal payment business on RTGS from 03:00-18:00. The period between 19:30-00:30 is only for settlement of AS transactions and liquidity transfers. TARGET Service Desk will be available both during standard and non-standard support hours with different service levels. As the Central Banks are the first-level-contact for their communities, they shall specify their standard and non-standard support hours with different service levels in MOP. |
| 145 | 39 | 4.5.1 Business day scheduler | TABLE 2: INDICATIVE TIMING OF SUBSET OF BUSINESS DAY EVENTS IN CLM, RTGS AND CRDM/DWH | Availability for users: CLM 19:00-00:30 or 19:30 - 00:30? In the next page it is indicated that at 19:30, CLM and RTGS are available again for Parties. | CLM will be available for users at 19:00 (e.g. to monitor balances). However, according to the current schedule, the user can transfer liquidity only from 19:30 onwards |
| 146 | 39 | 4.5.1 Business day scheduler | TABLE 2: INDICATIVE TIMING OF SUBSET OF BUSINESS DAY EVENTS IN CLM, RTGS AND CRDM/DWH | Availability for users: RTGS 19:30 - 02:30 or 19:30 - 00:30? RTGS is not available for the users during the maintenance window, right? | You are correct |
| 147 | 39 | 4.5.1 Business day scheduler | TABLE 2: INDICATIVE TIMING OF SUBSET OF BUSINESS DAY EVENTS IN CLM, RTGS AND CRDM/DWH | Cut-off for Interbank Payments: CLM - there is no cut-off for CB operations (which are interbank payments)? | comment accepted |
| 148 | 39 | 4.5.1 Business day scheduler | Table 2 : indicative timing of subset of business day events in CLM, RTGS and CRDM/DWH | This indicative timing can be misleading for the banking community and generate either expectations or concerns although the decision on the opening time is not yet taken by the Eurosystem. Besides please note that there at two titles for this table with a different numbering. | The timings in a business day schedule can only be indicative as many of them depend on the finishing of a previous activity or cycle. For example, EoD procedure starts only once the last settlement algorithm is finished. Similarly, Changes of Business Day can only take place once CLM, RTGS, T2S and common components all have finished their EoD procedures. The word "indicative" is used with reference to this specific context and shall not challenge the general business day structure. Please note that the former "title" is actually a cross-reference to the Table. We adapted the document to avoid such misunderstanding. |
| 149 | 39 | 4.5.1 Business day scheduler | table 3 | Please change for RTGS the availability for users to 19:30 -0:30. | The typo was corrected in updated BDD v0.2 that was uploaded to Darwin and Brainloop two hours after the initial distribution |
| 150 | 39 | 4.5.1 Business day scheduler | Table 3 and "PS" | Thank you very much for including the "PS". We would like to propose to link the "Maintenance window" in table 3 with the "PS", e.g. by putting a footnote on the "maintenance window" and the footnote is the "PS". | comment accepted |
| 151 | 41 | 4.5.2 End of Day and Start of Day procedures | "Shortly after 18:00, once the last settlement algorithm is finished, ..." | We propose to add "last settlement algorithm in RTGS" | comment accepted |
| 152 | 41 | 4.5.2 End of Day and Start of Day procedures | | We propose to add that TIPS has no EoD/SoD procedure. | comment accepted |
| 153 | 41 | 4.5.3 Calendar | Table 4 " 1 May (Labour Day) " " 26 December" -> | one logic should be kept: like Labour Day (1 May), Boxing Day (26 December) | comment accepted |
| 154 | 41 | 4.5.3 Calendar | page 43 on the top "..The same business day continues on the next calendar day that is an opening day of CLM and RTGS by finishing the maintenance widow" | tipo - wiNdow | comment accepted |
| 155 | 41 | 4.5.3 Calendar | page 43 - Example | please delete T2S from the example as it can be different for T2S, right? | In our understanding the example will be valid also for T2S |
| 156 | 41 | 4.5.3 Calendar | Table 4 Closing days of CLM, RTGS and common components. | For the sake of completeness there should also be a table for the closing days of T2S (as the document is named T2-T2S Consolidation Business Description Document) | comment accepted |
| 157 | 39 | 4.5.1 Business day scheduler | Table 3 rows "Availability for users" and "Maintenance Window" | For Column RTGS the Availability for users states 19:30 -02:30 and the Maintenance Window 00:30-02:30. Is a LTO really possible after 00:30 during the Maintenance Window? | The typo was corrected in updated BDD v0.2 that was uploaded to Darwin and Brainloop two hours after the initial distribution. No LTO is possible duringteh maintenance window |
| 158 | 41 | 4.5.3 Calendar | Table 4 | It might be useful to highlight what is different for T2S. | comment accepted |
| 159 | 42 | 4.6 Other aspects | The Parties can submit payments 10 business days in advance. ... In CLM, central banks can also send payments 10 business days in advance, | Suggestion to add "up to" 10 business days in advance in both sentences. | comment accepted |
| 160 | 42 | 4.6 Other aspects | warehoused payments " ..10 business days" | according to UDFS it will be 10 CALENDAR days | comment accepted |
| 161 | 42 | 4.6 Other aspects | directory service, warehoused payments, billing for usage of service | please use chapter numbering as 4.6.1. direcotry service, 4.6.2. warehoused payments 4.6.3. billing. | comment accepted |
| 162 | 42 | 4.6 Other aspects | "There will be a dedicated directory for all participants in RTGS (see section 4.1 PARTICIPATION TYPES) and another directory for CLM participants." | According to the URD 1.1.1 there will be no directory for CLM participants. Please check. | comment accepted |
| 163 | 42 | 4.6 Other aspects | "...RTGS and CLM provide or are supported by the following functionality ... Billing for usage of services" | According to our understand the billing shall also be harmonised for T2S and TIPS. | Please note the adapted wording |
| 164 | 45 | List of abbreviations | SSP | In the UDFS the 4CB are using the term EMIP - European Market Infrastrukture Platform - should this term be used in all our documents for T2-T2S Consolidation at it seems to be right new term? | EMIP is 4CB internal term and shall not be used in external T2-T2S Consolidation project deliverables. |
| 165 | 45 | List of abbreviations | T2S | T2S means the set of hardware, software and other technical infrastructure components through which the Eurosystem provides the services to participating CSDs and Eurosystem CBs that allow core, neutral and borderless settlement of securities transactions on a delivery-versus-payment basis in central bank money (--> copied from the T2-Guideline) Please note that T2S is not a system under the designation of the SFD. | comment accepted |