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By Email

Mr Jean Michel Godeffroy
Director General Payment Systems and Market Infrastructure
European Central Bank
Kaiserstrasse 29
D-60311 Frankfurt am Main
Germany

Cc: Mr Marc Bayle – T2S Programme Manager

ecb.secretariat@ecb.int

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Dear Jean Michel,

EBF response to T2S user requirements consultation

We are grateful for the opportunity to submit comments to the ECB on its second public consultation in response to the draft User Requirements Document (URD) for TARGET2-Securities (T2S). The European Banking Federation (EBF)¹ supports the basic concept that underpins the T2S and the laudable aims of the Project as a whole. The EBF has therefore consistently expressed its strong support for the development of T2S subject to the fulfilment of a number of key conditions for banks.²

Banks are representing the end-users and are the customers of the CSDs for which T2S is to be designed. Therefore, banks have a great interest to see T2S come to fruition. In order to succeed, we believe that due consideration by the ECB of the views of banks in the drafting of the user requirements and in subsequent specification phase, will prove to be of fundamental importance to the Project's success as a whole.

The following paper is the EBF's response to the ECB's consultative URD for T2S. In addition to the general remarks that follow, we also set out specific comments drawn from a

¹ Set up in 1960, the European Banking Federation is the voice of the European banking sector, with over €30,000 billion assets and 2.4 million employees in 31 European countries. The EBF represents the interests of some 5,000 European banks: large and small, wholesale and retail, local and cross-border financial institutions. Since the vast majority of securities business in Europe is carried out by banks, the EBF is an authoritative voice on the evolution of financial markets in general and securities business in particular.

² Banks are expected to be able to connect directly to the T2S Platform to place instructions for their CSD accounts directly as is the case in T2. Banks can also be direct members of CSDs and/or the holders of RTGS accounts at the National Central Banks (NCBs), as well as having roles as custodians, clearing and paying agents.

deep pool of market expertise, from the securities and cash perspectives,³ which the EBF has counted on to develop this response.

We trust that you will find this response instructive of the position of the banking sector and duly take into consideration the important points we raise. I remain at your entire disposal should anything require further clarification or elaboration in this response and in relation to any other matter.

Yours sincerely,



Guido RAVOET

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³ The technical comments for this paper have been developed by the EBF's T2S TF (securities) and the ECSA TARGET Working Group (cash). The comments from the cash perspective are to be found in Annex I to this paper.