

16 January 2024

6TH MEETING
<b>New Technologies for Wholesale settlement Contact Group (NTW-CG)</b>
25 January 2024 (09:30 - 15:00 CEST) Online meeting via MS Teams
<b>AGENDA</b>

## Opening remarks by the Chairperson

The Chairperson welcomes the NTW-CG members and initiates the sixth NTW-CG meeting by outlining the agenda for adoption by its members.

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*Section A: Usefulness of DLT in the field of payments, securities, and collateral management*

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## 1. General cases for DLT

<b>Issue presented by:</b> Associazione Bancaria Italiana (ABI), AXA Investment Managers & Union Investment (guest), DZ Bank, Onyx by J.P. Morgan, SWIAT & DekaBank (guest) & LBBW (guest)	<b>Time estimated:</b> 100 min.
<b>Background:</b> As part of this recurring agenda item (firstly introduced in the 7 September meeting), members have been invited to report on business and use cases in the payments, securities and collateral management domains where DLT makes a difference compared to non-DLT settlement systems. In line with the purpose of the Eurosystem exploratory work, members are asked to preferably report on	

business and use cases relevant for wholesale payments and financial market transactions that are ideally related to central bank money settlement. Other cases could also be included if these help to better understand the entire ecosystem. The cases members are invited to bring forward are those in which their institutions are directly involved or publicly known cases by third parties that members consider relevant to discuss.

With the NTW-CG's purpose of acting as a sounding board, such information sharing helps giving a better understanding of cases in which (only) DLT makes a difference in general, what the merits of DLT are and illustrating cases that could be relevant for trials/experiments. Additionally, this could create inspiration to other market participants to further build on these examples.

The frequency and duration of this regular agenda item at the various meetings depends on proposals made by members and the length needed for other discussion points.

**Members (those who present) will be invited to:**

- Report on selected cases and share key takeaways

**Members will be invited to:**

- Share their views on the presented cases (e.g., from their own experience, relevance for trials/experiments)

**Background documentation:**

- Documentation accompanying members' short presentations

**The following presentations will be covered under this agenda item:**

- Presentation by ABI on what potential DLT, and more specifically the single source of truth, could bring about for the interbank reconciliation of wholesale financial transactions
- Presentation by AXA Investment Managers & Union Investment sharing their insights on how asset managers could benefit from central bank money settlement of wholesale financial transactions if and when new technology, such as DLT, were to be used
- Presentation by DZ Bank on how DLT could make a difference in the OTC derivatives trading by using smart derivative contracts
- Examples of use cases for DLT:
  - Presentation by Onyx by J.P. Morgan on the interlinkage of commercial and central bank money
  - Presentation by SWIAT, DekaBank and LBBW on DvP, specifically on bond issuance and repurchase agreement

## **2. Key Performance Indicators of the Eurosystem exploratory work**

<b>Issue presented by:</b> ECB	<b>Time estimated:</b> 30 min.
<b>Background:</b> <p>Following the presentation and written procedure on the high-level learning objectives of the Eurosystem exploratory work in the 20 October NTW-CG meeting, the ECB will present the detailed Key Performance Indicators (KPIs) and approach for the assessment of the findings. This analysis and monitoring of metrics will take place during the exploratory work phase and will rely, among other activities, on market participants' reporting on experience from their trials and experiments, as well as on the analysis of data from both the Eurosystem interoperability solutions and the connected market DLT platforms.</p> <p>Members will have the possibility to provide detailed feedback in writing on the KPIs. The ECB will provide clarifications on the note KPIs during the meeting.</p>	
<b>Members will be invited to:</b> <ul style="list-style-type: none"><li>• Take note of the KPIs and provide initial feedback</li><li>• Take note that a written procedure on the detailed KPIs will be launched already prior to the NTW-CG meeting, for feedback by 8 February 2024</li></ul>	
<b>Background documentation:</b> <ul style="list-style-type: none"><li>• Presentation and note on proposed learning objectives for the Eurosystem exploratory work and KPIs for the assessment of the findings</li></ul>	

### 3. Preparatory activities for participation in the Eurosystem exploratory work

<b>Issue for discussion among:</b> NTW-CG members	<b>Time estimated:</b> 60 min.
<b>Background:</b>  The call for expression of interest <sup>1</sup> has been published on the ECB's website inviting financial market stakeholders to express their formal interest in participating in the planned Eurosystem exploratory work on new technologies for wholesale central bank money settlement taking place this year. To inform the financial market stakeholders, the ECB, together with the Solution Provider Central Banks, organised on 15 December 2023 a focus session <sup>2</sup> explaining the envisaged scope and objectives of the exploratory work and the technical setup of the interoperability-based solutions.	
<b>Members will be invited to:</b> <ul style="list-style-type: none"><li>• Raise questions and provide feedback on the registration process for participation in the Eurosystem exploratory work</li><li>• Share useful tips or highlight any challenges encountered while preparing for their participation in the first wave, if any</li></ul>	

### 4. AOB, closing remarks and upcoming meetings

Members are invited to raise any other business items or questions under this agenda item and will be updated on the 2024 meeting schedule. To close the meeting, the Chairperson will raise concluding remarks.

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<sup>1</sup> The call for expression of interest is available via this [link](#).

<sup>2</sup> The recordings and slides used in the focus session are available via this [link](#).