



# CENTRAL BANK READINESS

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T2/T2S Focus Session,  
Frankfurt am Main  
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BANCO DE **ESPAÑA**  
Eurosistema

  
BANQUE CENTRALE DU LUXEMBOURG  
EUROSYSTEME



## What is our community like?

- TARGET2 participants: 65 Direct, 75 Indirect
- T2S participants: 36
- TIPS participants: 14
- Ancillary Systems: 5



## What is our operating model?

We use local applications for:

- Reserves Management
- Standing Facilities
- Proprietary Accounts
- Billing Management

# The Luxembourg market

## BCL and its community

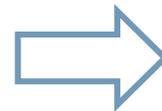
### Until November 2021

- 126 banks out of which 32 Target2 Direct Participants
- BCL systems extensively used
- All banks hold accounts with the BCL

	FROM...		... TO
	Target2 Direct	Others	ALL BANKS
Open Market Operations	Target2	BCL	T2
Standing Facilities	BCL		T2
Minimum Reserves	BCL		T2
Bank notes	Target2	BCL	T2
Invoice payments	Target2	BCL	T2

### From November 2021 onwards

- Technical migration from BCL systems onto T2
- All banks hold a MCA, 32 also get a RTGS DCA.



- ! New operating model
- ! Technical complexity
- ! Massive onboarding on T2



# T2/T2S CONSOLIDATION PROJECT EXTERNAL COMMUNICATION CHANNELS



## Eurosystem consultations

- User requirements (URD)
- User specifications (UDFS)
- Workshops (e.g. GUI)
- Working groups written procedures



## BdE meetings

- Info sessions
- Grupo técnico
- Bilateral meetings
- AMI-Pay España



## Participants enquiries

- Email
- Telephone

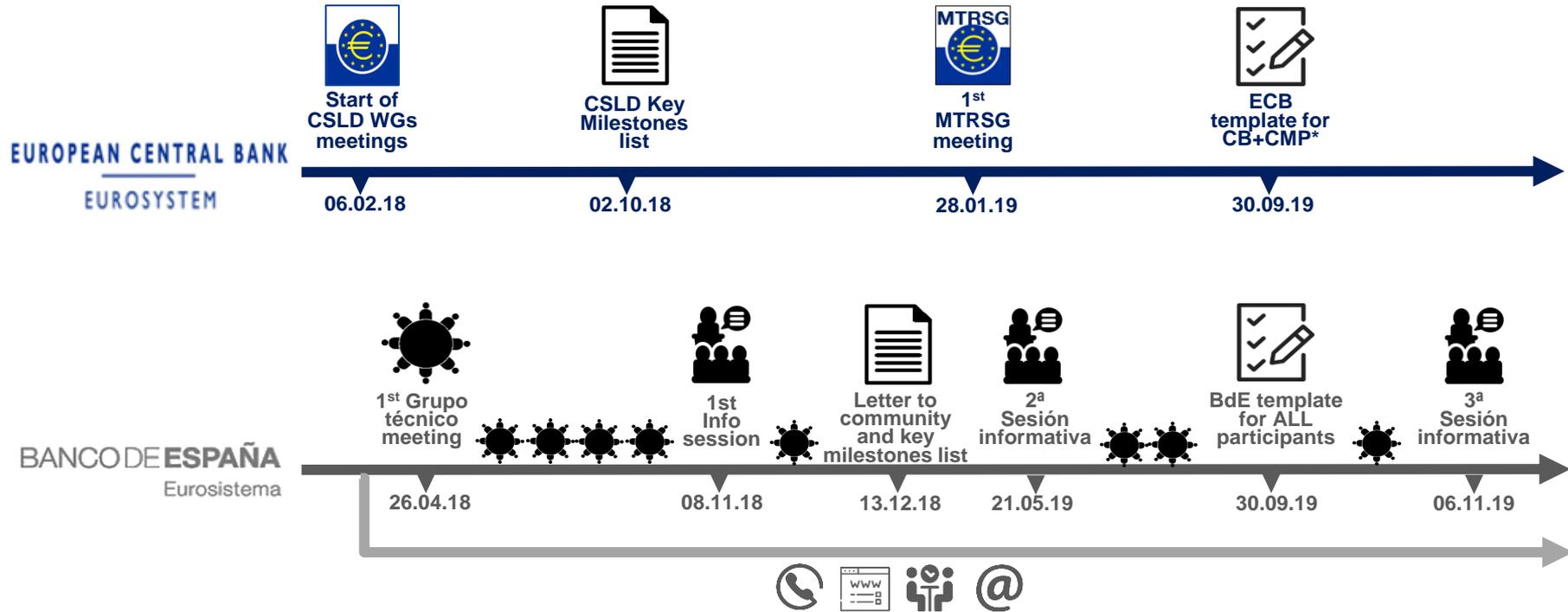


## BdE website publications





# T2/T2S CONSOLIDATION PROJECT COMMUNITY READINESS FRAMEWORK



\* Closely Monitored Participants

Total of Grupo técnico meetings: 9

# BCL Community management

## Creating awareness

2019

**JAN**

- Letter to all banks' CEOs: 'appoint a Project Mger'.

**FEB**

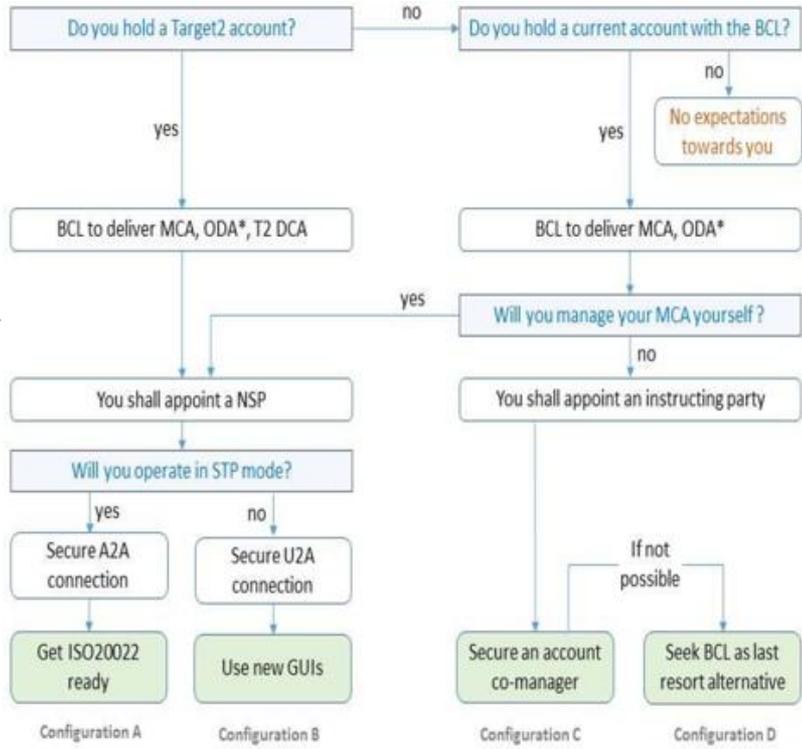
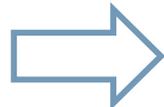
- Ad hoc Target2 User Group meeting

**MAR**

- 1<sup>st</sup> BCL questionnaire: 'define your intended configuration'

*How will you access your accounts?*

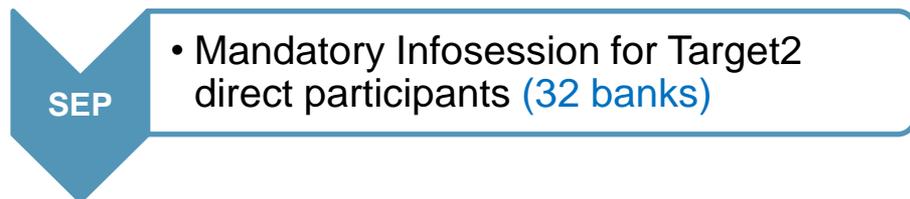
Conf. A: A2A via ESMIG/NSP  
 Conf. B: U2A via ESMIG/NSP  
 Conf. C: third party/intragroup co-manager  
 Conf. D: CB co-manager...not an option!



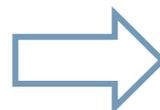
# BCL Community management

## Defining a strategy

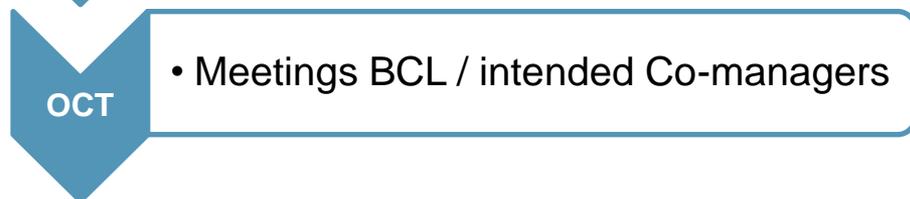
2019



- Mandatory Infosession for Target2 direct participants (32 banks)



Call for interest: any bank willing to **act as co-manager?**

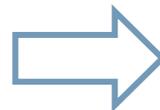


- Meetings BCL / intended Co-managers

Session #1: Configuration A  
ESMIG **A2A strategy**

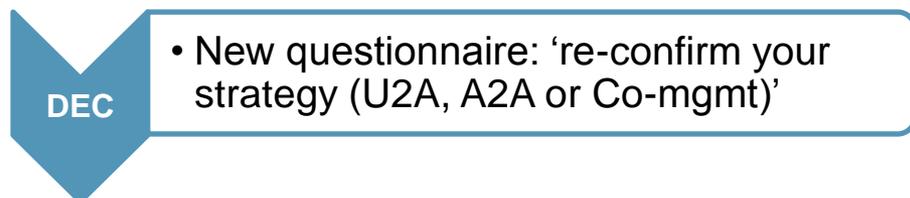


- 3 mandatory Infosessions for all other banks (94 banks)



Session #2: Configuration B  
ESMIG **U2A strategy**

Session #3: Configuration C  
**Co-management strategy**



- New questionnaire: 're-confirm your strategy (U2A, A2A or Co-mgmt)'

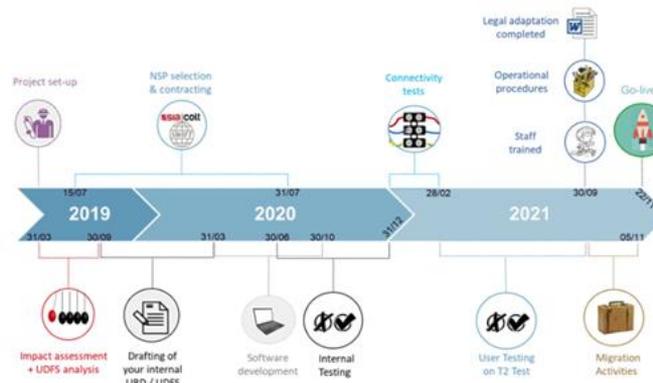
# Assessing the community readiness

## Epsilon: Eurosystem's secured surveying tool

- **Adaptable**, can be configured according to the needs of each survey
- **Accessible** via web link
- Easy tracking and processing of the **results**



★Please indicate your level of confidence to meet the following milestones on time:



For more details, please read ECB milestones:

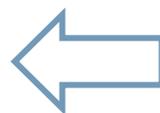
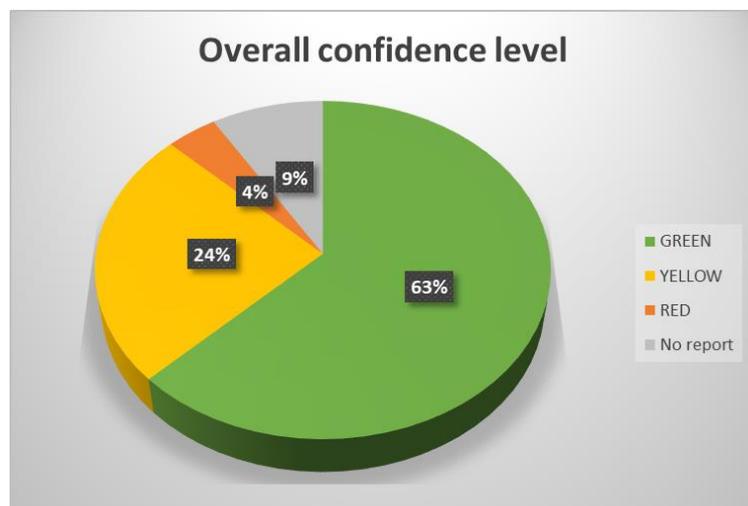
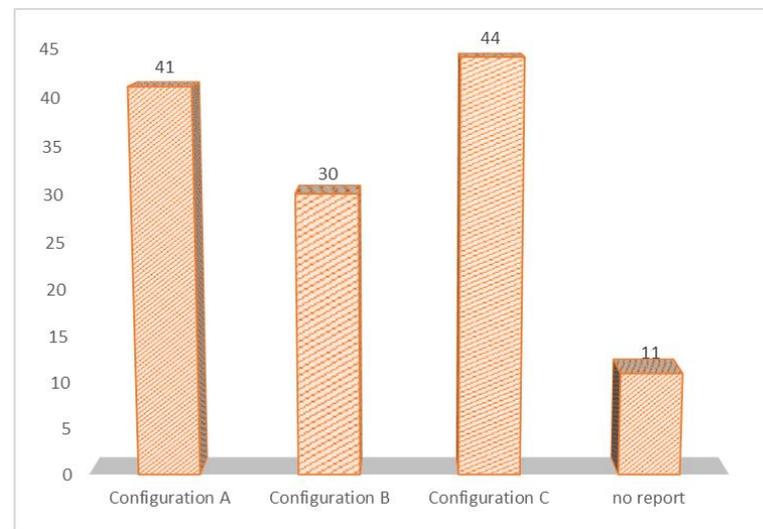
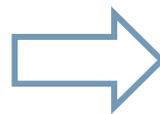
	GREEN	YELLOW	RED	Not applicable
Drafting of internal applications documentation (if applicable) is completed – 31 March 2020	●	○	○	○
Software development for the required IT, organisational or operational model adaptations to T2 (if applicable) is started – 31 March 2020	●	○	○	○
Software development for the required IT, organisational or operational model adaptations to T2 (if applicable) is completed – 31 October 2020	●	○	○	○

# Assessing the community readiness

## The latest BCL survey via EPSILON

Q: having gained a better understanding of Target Consolidation, please re-confirm your strategy to manage your Target accounts:

- A= via ESMIG A2A+U2A
- B = via ESMIG U2A only
- C = via a Co-manager



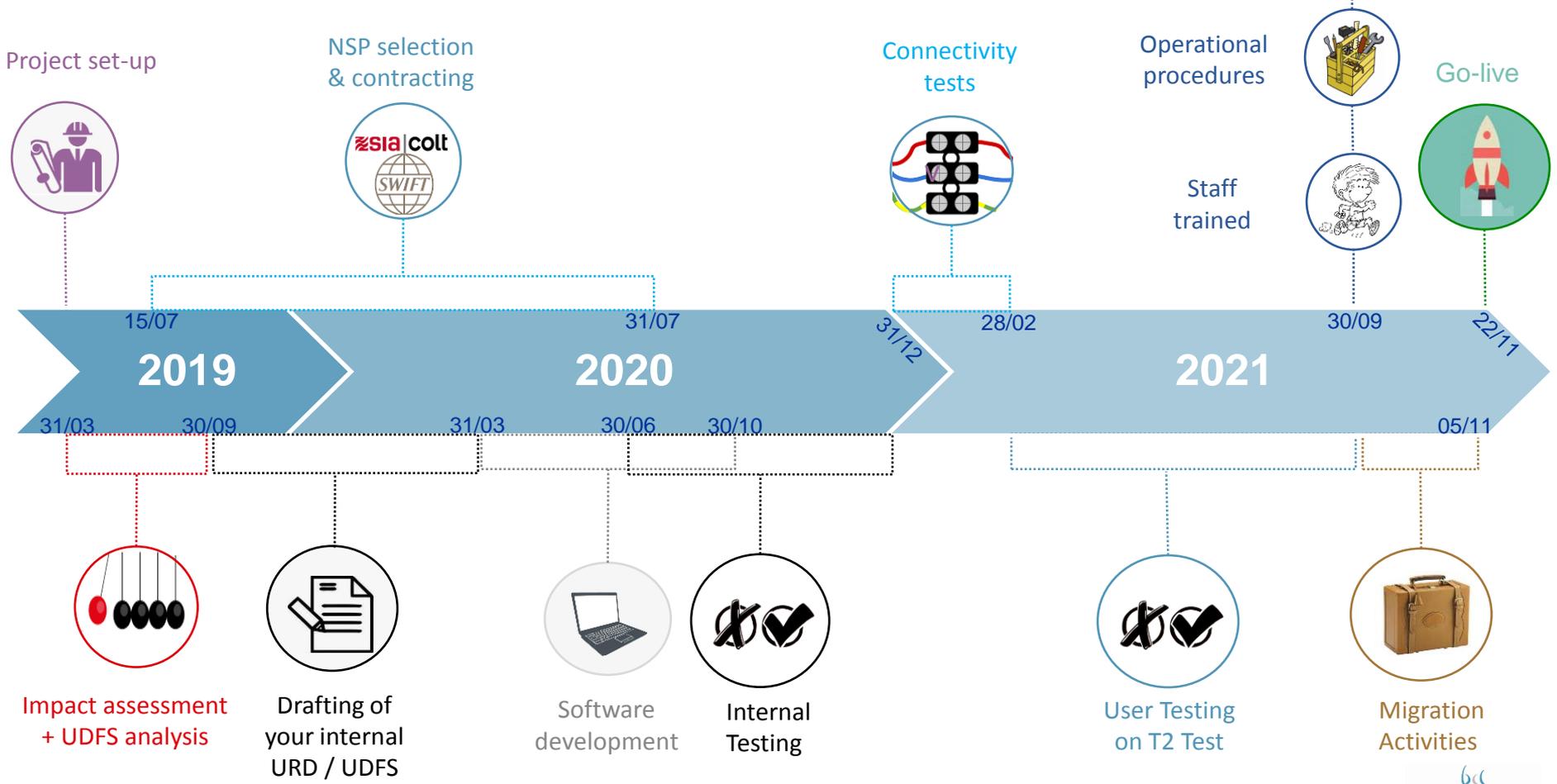
Q: What is your confidence level as regards your preparation efforts?

- **Green** = on track, no concerns
- **Yellow** = some issues, solutions identified
- **Red** = some issues, no solutions defined yet

# Planning the community readiness

## The Key Milestones defined by ECB

The following milestones apply to banks intending to manage their MCA on their own without co-manager





THANK YOU FOR YOUR ATTENTION

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