



EUROPEAN CENTRAL BANK

EUROSYSTEM

NTW-CG SECRETARIAT

NTW-CGSecretariat@ecb.europa.eu

18 June 2024

8TH MEETING

New Technologies for Wholesale settlement Contact Group (NTW-CG)

18 June 2024 (09:30 - 16:30 CEST)

Room MB C2.02 at the ECB Main Building,

Sonnemannstraße 20, 60314 Frankfurt am Main

AGENDA

Opening remarks by the Chairperson

The Chairperson welcomes the NTW-CG members and initiates the 8th NTW-CG meeting by outlining the agenda for adoption by its members.

Section A: Execution phase of the Eurosystem's exploratory work

1. Participation in the Eurosystem's exploratory work

Issue for discussion among: NTW-CG members	Time estimated: 60 min.
Background: Financial market stakeholders expressed their interest to participate in the Eurosystem exploratory work in the first and second wave. The ECB will provide an overview of the use cases and participants known by the time of the Contact Group meeting. Members will be asked to reflect on the market's interest in the current exploratory work and on a possible interest to continue exploring new technologies for settlement of wholesale financial transactions in central bank money also in the future (e.g. rationale, motivation, possible objectives). Members will be asked to elaborate on their answers via a questionnaire that will have been shared prior to the meeting and respond to follow-up questions.	

Members will be invited to:

- Share their understanding on the market's interest to participate in the Eurosystem's exploratory work

Background documentation:

- Presentation on the participation in the Eurosystem exploratory work

Section B: Eurosystem's exploratory work put in perspective

2. Implications of new technologies for settlement and liquidity management

2.1 PvP settlement models

Issue presented by: ECB	Time estimated: 30 min.
Background: The ECB will present a stylised simple PvP (FX) settlement model using the interoperability solutions. This presentation will serve as an introduction to the discussion foreseen under agenda item 2.2.	
Members will be invited to: <ul style="list-style-type: none">• Raise questions, if any	
Background documentation: <ul style="list-style-type: none">• Presentation on PvP (FX) settlement model using the interoperability solutions	

2.2 Follow-up discussion with market participants

Issue for discussion among: NTW-CG members	Time estimated: 120 min.
Background: Prior to the meeting and as preparation for this agenda item, members will have received a set of questions asking what their views are on the implications of new technologies, such as DLT, for settlement, liquidity management, harmonisation and risk of fragmentation. While some members can volunteer to provide their views, all members will be invited to elaborate on their answers and follow-up questions will be raised in this meeting via an online survey tool.	

Members will be invited to:

- Share their views on the implications of new technologies, such as DLT, for settlement, liquidity management, harmonisation and risk of fragmentation (by elaborating on answers given and respond to follow-up questions raised in the meeting)

Background documentation:

- Questions to prepare the meeting discussion

Section C: Topics of interest by market participants related to new technologies for settlement of wholesale financial transactions in central bank money

3. Members' presentations on topics related to new technologies for settlement of wholesale financial transactions in central bank money

Issue presented by: NTW-CG members	Time estimated: 120 min.
Background: <p>In line with the NTW-CG's purpose of information sharing and following interest expressed by some members to discuss certain themes, members will be invited to share proposals to present useful topics related to new technologies for settlement of wholesale financial transactions in central bank money.</p> <p>Themes that have been put forward in a recent NTW-CG survey were:</p> <ul style="list-style-type: none">- What can be done to reduce the risk of refragmenting financial markets?- Management of KYT/AML when using smart contracts- Standardisation and interoperability between different DLT platforms (continued)- Governance and risk assessments of DLT platforms <p>Other proposals are also welcome and can be shared with the Secretariat and Chairperson.</p> <p>The frequency and duration of this agenda item at the various meetings depends on proposals made by members and the length needed for other discussion points.</p>	

Members will be invited to:

- Present topics (individually or jointly together with other members) they find useful for discussion within the NTW-CG
- Raise questions, if any

Background documentation:

- Presentation by members on selected topics:
 - Clearstream and Euroclear: Digital Asset Securities Control Principles
 - Credit Agricole: On-chain deposit accounts using wCBDC for settlement
 - SWIAT: Governance and risk at DLT infrastructures
 - SWIFT: Interoperability findings from Digital Assets experimentation

Section D: Wrapping up the meeting

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 informed on the next in-person meeting on 25 September 2024. To close the meeting, the Chairperson will raise concluding remarks.