



EUROPEAN CENTRAL BANK

EUROSYSTEM

ECB
DG-MIP
T2/T2S Consolidation Project Team

T2/T2S Consolidation

Central Liquidity Management

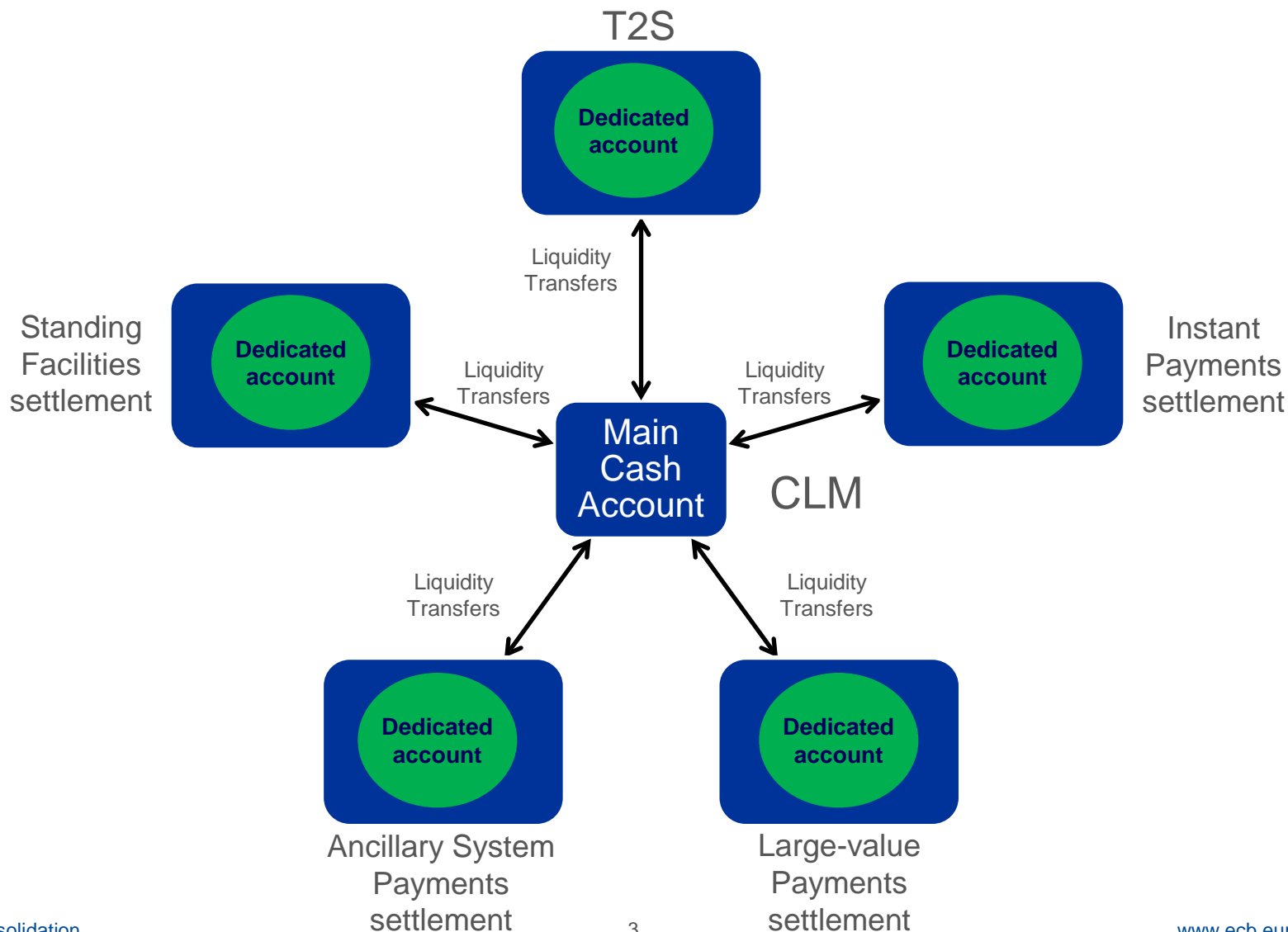
Task Force on Future RTGS Services

1st meeting on 07 December 2016

Objectives

- Main objective is to align and expand the current liquidity management and monitoring tools in T2 and T2S
- Feedback received on RTGS services consultative report clearly shows willingness of participants to centralise the management of their liquidity on the RTGS account while other account types would be used for setting aside part of their liquidity for a dedicated use
- Based on feedback received, we target:
 - New central liquidity management with dedicated liquidity for each settlement service
 - Dedication of liquidity for specific settlement purposes through liquidity adjustments (both manual and automatic) between central liquidity account and dedicated cash settlement accounts
 - Centralised view to monitor and control liquidity

New central liquidity management



Liquidity provisioning

- Liquidity transfers between the CLM business domain and the various cash settlement services
- No liquidity transfers between the various cash settlement services
- No payment transactions between Main Cash Accounts
- Dedicated accounts should be allowed to receive liquidity from several Main Cash Accounts
- Homogeneous set of transfer types independent of the settlement process
 - Standing order / Current Order
 - Time-driven Order / Event-driven Order
 - Floor / Cap Order
- What about cash sweeps at the end of the business day?

Centralised view

- User-friendly user interface with consolidated view on:
 - Main Cash Account and dedicated accounts' balances
 - Credit line
 - Movements linked to liquidity transfers
- Triggering of alerts when minimum/maximum limits on dedicated accounts balances are breached?
- Input of liquidity transfers?