

Immediate Liquidity Transfers – Parking vs. Rejection

Meeting: TCCG 13/02/2020

Location: ECB

Date: 13/02/2020

Version: 02

Background of current processes

- Currently, Immediate Liquidity Transfers (ILT), sent to CLM or RTGS between 19:00 CET and 19:30 CET (after Liquidity Transfer cut-off time and Business Day change) are **rejected** in T2.

Proposed future process

Rationale

- Harmonisation of processes of ILTs (internal and outbound) in T2

however...

- the current behaviour related to T2S and TIPS should remain unchanged.



Proposal: Immediate Liquidity Transfers sent between 19:00 CET and 19:30 CET will be parked in CLM/RTGS.

Advantages/Disadvantages

Advantages:

- Process harmonization between T2 and T2S (without changing the process vis-à-vis other services).
- Enhanced possibility to manage liquidity before start of settlement window.

Disadvantages:

- Change of currently foreseen T2 implementation.
- No possibility to revoke parked.

Next Steps

- Discussion in the TSWG
- From 4CB perspective decision has to be taken till end of February/beginning of March. In this case change would be free of cost.
- After common agreement, CR to be drafted.

Thank you for your attention

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