ECB
DG-MIP
T2-T2S Consolidation

Status update on Change Request on T2S due to T2-T2S Consolidation

TARGET Consolidation Contact Group
10th Meeting on 11 April 2019
Introduction

- CRs related to T2-T2S Consolidation fall into two broad categories
  - Streamlining the underlying software architecture to deliver TARGET Services with the introduction of Common Components
  - Adapting to changes from TARGET2 to T2, to the extent they affect or open new possibilities for T2S users
- These changes are contained into 15 CRs (12 necessary and 3 optional) which have been drafted and started the T2S governance change management.
  - 12 necessary: CR-696 to CR-707
  - 3 optional: CR-708 to CR-710
- They have followed the following path so far
  - Shared with the TSWG (04/03)
  - Shared with the CRG members (06/03)
  - Presented in the CRG meeting (20/03)
  - Presented in the PMG meeting (21/03)
- Status:
  - The CRG has agreed to launch the preliminary assessment of they all.
  - The preliminary assessments will be provided in two slots.
  - The tentative release assignment will be checked during the preliminary assessment of the respective CR.
T2S CRs related to T2-T2S Consolidation

Overview

- CRs related to T2-T2S Consolidation fall into two broad categories
  - Streamlining the underlying software architecture to deliver TARGET Services with the introduction of Common Components
  - Adapting to changes from TARGET2 to T2, to the extent they affect or open new possibilities for T2S users

<table>
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<tr>
<th>Streamlined architecture: common components for TARGET services</th>
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<th>TARGET2 becomes T2: aspects relevant for T2S</th>
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ESMIG (Connectivity to TARGET Services & ECMS)

- Relevant CR: CR-701 (ESMIG impact on T2S)
- ESMIG will be the interface between all TARGET Services and the outside world, replacing some of the features performed currently by T2S INTF.
- Changes:
  - The addressed service or component name will be added as routing criteria for ESMIG to direct messages correctly
  - Common non-repudiation (NRO) functionality across services

- Foreseeable need for user-side adaptations to connect to ESMIG – to be followed-up
- Agreement to launch the preliminary assessment
CRDM (Reference data)

• Relevant CRs:
  – CR-696 (Common Reference Data Management for T2-T2S Consolidation)
  – CR-704 (CRDM Business Interface development)
  – CR-705 (CRDM Business Interface Impact on T2S)

• These CRs complete the enhancement of the Static Data Management domain (SDMG) into CRDM

• Respective scope of the CRs
  – CR-696: changes to CRDM to cater for CSLD requirements → June 2021 (R5.0)
  – CR-704: initial scope of the business interface to CRDM, for those actors which would reach it via ESMIG → June 2021 (R5.0).
  – CR-705: completion of CRDM BI with T2S-only features, decommissioning of static data management features from T2S INTF → June 2022 (R6.0).

  – Example of the CRDM GUI presented to introduce the changes to be expected for the GUI experience of T2S users in areas handled, in the future, by common components
  – CRG agreement to launch the preliminary assessment of the CRs
CRG members took note of the successive steps to deliver the connectivity ESMIG > (new) Business interfaces > Back-end modules in T2S
BILL (Billing)

- Relevant CRs:
  - CR-697 (Billing common component development)
  - CR-706 (Billing common component – T2S Migration)

- Respective scope of the CRs
  - CR-697: relevant CRDM objects to be updated → June 2021 (R5.0)
  - CR-706: completion of BILL functions for T2S, connecting to ESMIG and decommissioning of billing modules → June 2022 (R6.0).

- For identified gaps (3-months history not migrated to new BILL; data needed for adjustments to invoices carried out in TARGET2 currently), the proposed approach should be clarified during the preliminary assessment
- CRG agreement to launch the preliminary assessment of the CRs
BDM (Business Day Management / Scheduling)

- Relevant CRs:
  - CR-698 (T2-T2S Consolidation Business Day Management Development)
  - CR-707 (T2-T2S Consolidation Business Day Management – T2S Migration)

- Similar approach to the development of CRDM
  - CR-698: makes the necessary enhancements to dynamic data used by BDM → June 2021 (R5.0)
  - CR-707: foresees the decommissioning of the T2S interfaces used, before ESMIG, to query BDM → June 2022 (R6.0).

- CRG members agreed to launch the preliminary assessments of the CRs
DWH (Data warehouse / Long-term statistical information, reports and queries)

- Relevant CR: CR-699 (Decommissioning LTSI, scope and definition of queries and reports and access specifications to DWH functionalities)
- To be confirmed
  - Availability of T2S data in DWH only after 3 months (current timing), or on the next business day. To be verified during PA. Either way, STSI is not to be affected.
- Planning:
  - R5.0 (June 2021) for the delivery of DWH
  - Decommissioning of LTSI only once the consolidated data warehouse is able to provide all historical data from the T2 Services and T2S
  - CRG members agreed to launch the preliminary assessment of the CR
**LEA (Legal archiving)**

- Relevant CR: CR-700 (Legal Archiving common component for T2S)
- New common component with the same functionality as current legal archiving:
  - Legally archived messages will be retained for a predefined period of 10 years, including the data generated before the CSLD go-live
  - Only the Service Desk of the Operator will have read access to data in the legal archive
- Planning
  - R6.0 (June 2022)

  - CRG members agreed to launch the preliminary assessment of the CR
Communication between T2 and T2S

- Relevant CRs:
  - CR-702 (T2-T2S Consolidation will require an internal communication layer within the consolidated platform)
  - CR-703 (camt.050 exchanged between T2S and CLM)

- Respective scope of the CRs
  - CR-702: Since ESMIG caters only for external communication, the internal communication layer handles communication between TARGET Services (T2S--CLM, later also T2S--ECMS) using ISO20022 messages → November 2020 (R4.2)
  - CR-703: camt.050 requires adjustments to ensure it can be processed consistently when exchanged between T2S and CLM: compared to the T2S versions, some mandatory fields become optional, while some fields are unpruned → November 2020 (R4.2).

- CRG members agreed to launch the preliminary assessment of the CRs
Outbound liquidity transfers besides CLM

- CR-708 (Allow Liquidity Transfers from a T2S DCA to a RTGS or TIPS DCA)

- Features
  - Liquidity transfer orders in T2S could be enhanced to permit specifying a DCA opened in RTGS or TIPS as a credited account, in addition to an MCA one
  - Technically, such transfers would be implemented via CLM (but not booked on an MCA)

- Planning
  - R5.0 (June 2021), at the latest R5.2 (November 2021) to avoid costs related to an interim period after CSLD go-live

  - CRG members considered the functionality to be strongly needed, and requested to review the current classification of the CR as optional
  - CRG members agreed to launch the preliminary assessment of the CR
Mandatory automated cash sweep at 17:45 to be made optional

- CR-709 (Make the mandatory automated cash sweep at 17:45 optional)

- Features and benefits
  - The currently mandatory T2S cash sweep at 17:45, once becoming optional, would consist in configuring a relevant standing order, triggered by a dedicated event (similar to the existing optional cash sweep at 16:30)
  - As cash balances could remain in T2S, T2S shall generate a General Ledger file sent to CLM
  - Non-CLM currencies such as DKK may keep the existing (mandatory) cash sweep

- Planning
  - R5.0 (June 2021), at the latest R5.2 (November 2021) to avoid costs related to an interim period after CSLD go-live

  - No current interest of the DKK community to make the mandatory cash sweep optional
  - CRG members agreed to launch the preliminary assessment of the CR
Daily maintenance window only for urgent changes & aligned across services

- CR-710 (Daily maintenance window only for urgent changes and shift of the schedule time from 03:00-05:00 to 00:30-02:30)

- Features and benefits
  - To simplify the operational day in T2S, the daily maintenance window will be technically enforced (i.e. there is a concrete suspension of the RTS) only in case the operator needs to apply an urgent change to one of the TARGET Services
  - On a day where the MW is needed, it would take place from 00:30 to 02:30
  - The maintenance window scheduled across week-ends will normally be from 00:30 am on Saturday until 02:30 am on Monday (no ad hoc decision)

- Planning
  - R5.0 (June 2021)
  - Request to investigate the possibility of a joint TCCG-CRG-OMG meeting to find consensus on changes to the maintenance window (ECB team to follow up)
  - Pending a consensus between interested parties, the 4CB were requested to confirm whether the two possible timings of the maintenance window would result in two different assessments (cost, impact) of the change.
# T2S CRs related to T2-T2S Consolidation

## Planned timeline for the implementation in T2S of CRs related to T2-T2S Consolidation (as of 20/3/19)

<table>
<thead>
<tr>
<th>CR</th>
<th>R4.2 Nov 2020</th>
<th>R5.0 Jun 2021</th>
<th>R5.2 Nov 2021</th>
<th>R6.0 Jun 2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>ESMIG</td>
<td></td>
<td></td>
<td></td>
<td>CR701</td>
</tr>
<tr>
<td>CRDM</td>
<td></td>
<td>CR696,704</td>
<td></td>
<td>CR705</td>
</tr>
<tr>
<td>BILL</td>
<td></td>
<td>CR697</td>
<td></td>
<td>CR706</td>
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<tr>
<td>BDM</td>
<td></td>
<td>CR698</td>
<td></td>
<td>CR707</td>
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<tr>
<td>DWH</td>
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<td>CR699</td>
<td></td>
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<tr>
<td>LEA</td>
<td></td>
<td></td>
<td></td>
<td>CR700</td>
</tr>
<tr>
<td>T2–T2S communication</td>
<td>CR702 (ICL) CR703 (camt.050)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Optional CRs</td>
<td></td>
<td>CR708 (Outbound LT) CR709 (Cash sweep) CR710 (Maintenance)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Planned testing periods of CRs related to T2-T2S Consolidation

- T2S PMG requested further clarity about the testing and migration plan for Consolidation to ensure consistency/compatibility with existing T2S release plans
# List of requested changes

<table>
<thead>
<tr>
<th>#</th>
<th>Title*</th>
<th>necess./optional</th>
<th>PA Batch</th>
</tr>
</thead>
<tbody>
<tr>
<td>T2S-0696-SYS</td>
<td>Common Reference Data Management for T2-T2S Consolidation</td>
<td>necessary</td>
<td>#1</td>
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<tr>
<td>T2S-0697-SYS</td>
<td>Billing common component for T2S</td>
<td>necessary</td>
<td>#2</td>
</tr>
<tr>
<td>T2S-0698-SYS</td>
<td>T2-T2S Consolidation Business Day Management</td>
<td>necessary</td>
<td>#2</td>
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<tr>
<td>T2S-0699-SYS</td>
<td>Decommissioning LTSI, scope and definition of queries and reports and access specifications to Data Warehouse functionalities</td>
<td>necessary</td>
<td>#1</td>
</tr>
<tr>
<td>T2S-0700-SYS</td>
<td>Legal Archiving common component for T2S</td>
<td>necessary</td>
<td>#1</td>
</tr>
<tr>
<td>T2S-0701-SYS</td>
<td>ESMIG impact on T2S</td>
<td>necessary</td>
<td>#2</td>
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<tr>
<td>T2S-0702-SYS</td>
<td>T2-T2S Consolidation will require an internal communication within the consolidated platform</td>
<td>necessary</td>
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<tr>
<td>T2S-0703-SYS</td>
<td>Camt.050 exchanged by TARGET services and common components</td>
<td>necessary</td>
<td>#1</td>
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<tr>
<td>T2S-0704-SYS</td>
<td>CRDM Business Interface development</td>
<td>necessary</td>
<td>#2</td>
</tr>
<tr>
<td>T2S-0705-SYS</td>
<td>CRDM Business Interface Impact on T2S</td>
<td>necessary</td>
<td>#2</td>
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<tr>
<td>T2S-0706-SYS</td>
<td>BILL Business Interface Impact on T2S</td>
<td>necessary</td>
<td>#2</td>
</tr>
<tr>
<td>T2S-0707-SYS</td>
<td>BDM Business Interface Impact on T2S</td>
<td>necessary</td>
<td>#2</td>
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<td>T2S-708-URD</td>
<td>Allow Liquidity Transfers from a T2S DCA to a RTGS or TIPS DCA</td>
<td>optional</td>
<td>#1</td>
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<tr>
<td>T2S-709-URD</td>
<td>Make the mandatory automated cash sweep at 17:45 optional</td>
<td>optional</td>
<td>#1</td>
</tr>
<tr>
<td>T2S-710-SYS</td>
<td>Maintenance Window</td>
<td>optional</td>
<td>#1</td>
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* might be subject to changes

Batch #1: 25.03.2019 until 17.05.2019
Batch #2: 27.05.2019 until 18.07.2019
Thank you for your attention!

T2-T2S.Consolidation@ecb.int

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