



European Central Bank
Secretariat Division
Kaiserstrasse 29
D-60311 Frankfurt am Main
Germany

5th May, 2008

Dear Sir/Madam,

We are pleased to take this opportunity to respond to the consultation on the CCBM2 User Requirement Document published by the ECB in February of 2008.

We have responded in summary rather than in detail as we do not believe it is appropriate for SWIFT to comment on the functionality that CCBM2 should or should not include. This is the responsibility of market participants and potential CCBM2 users. We regard the greater part of our contribution to be relevant after the URD has been finalised.

Our comments are as follows:

1. **Standards:** We note and support the fact that the document acknowledges the need for the CCBM2 solution to be based on ISO standards, in compliance with the overarching recommendation of the Giovannini Protocol published in 2006.

SWIFT Standards is currently working on several ISO20022 message sets, for example in the areas of securities settlement and tri-party collateral management, that we believe could cover a number of the requirements of CCBM2. For other areas such as auto-collateralisation and static data, further analysis will be needed to identify any ISO message gaps. In this regard, finalisation of the URD is crucial so that a full inventory of relevant ISO messages can be compiled.

SWIFT would be pleased to engage with the ECB at its earliest convenience after the finalisation of the URD in order to complete this analysis. SWIFT would like to confirm that it is committed to working with the CCBM2 project team to ensure full coverage of all the needs of CCBM2 and acknowledges the need for this work to accommodate future phases that may impact the content of the current draft.

2. **Network:** At the request of our community, we are keen to ensure that direct participants in CCBM2 have a simple and cost effective SWIFT option for communication between themselves and the CCBM2 engine. This will allow existing

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SWIFT infrastructure to be reused if appropriate and minimise the potential total investment cost for the financial community.

Finally, SWIFT would like to take this opportunity to compliment the ECB on the level of transparency it has both achieved and maintained on the CCBM2 project and reiterate that we look forward to providing our continued support on realising this complex development in a fashion that is both appropriate and cost effective to the market participants.

Should the ECB require further detail on any of the points above, I would be happy to provide it on request.

Yours sincerely

Andrew Douglas
Head of Securities Market Reform