T2-T2S consolidation project

Frequently asked questions on migration, testing and readiness

29 April 2020

1   Preparing the testing and migration

1.1   Milestones

How are participants preparing for the migration?

Each participant to T2 is responsible for ensuring its own readiness and establishing its own adaptation plan to start operations with the T2 service, at the go-live of the T2-T2S Consolidation project. The project key milestones and the related key milestones questions need to be considered by the user community in their internal adaptation plan to ensure their readiness by the go-live date. Difficulties to meet these milestones should be flagged as early as possible. Each participant would need to communicate to its respective Central Bank any relevant information on their adaptation implementation and of any potential risks and issues which might jeopardise their readiness or ultimately the go-live date of the T2-T2S Consolidation project.

Where can I find the milestones and their deadlines?

The full list of reporting deadlines for each key milestone is available in Overall key milestones to ensure a successful big-bang migration in November 2021.

Additional information elaborating on the each key milestone may be found in Overall key milestones – supplementary document.

What are the key milestones questions?

In preparation for the testing and migration to T2, Central Banks have the responsibility to collect the information on the readiness and progress of their participants. The collection of this information is based on pre-defined questions related to the list of key milestones. Central Banks might also ask additional questions to their participants depending on their monitoring needs.

Who manages the key milestones and the key milestones questions?

The milestones and questions are managed by the Migration, Testing, Readiness Sub-Group (MTRSG) and serve as the basis for the Community Readiness monitoring. The MTRSG is a sub-group of the TARGET Services Working Group and the Market Infrastructure Board (MIB). For more information on the T2-T2S Consolidation governance structure, please visit the dedicated webpage.

I would like to learn more about the overall strategy, where can I find information on this?

On the ECB website you can find more information on the T2-T2S Consolidation webpage.

For more information on the preparation and migration to T2, please refer to the T2 Migration, Testing and Readiness Strategy document in the following link under the webpage for professional use.

The T2 Migration, Testing and Readiness Strategy document mentions several deliverables, where can I find these?

The below list is the list of testing and migration deliverables and their publication dates. More deliverables will be shared by the respective NCBs if deemed relevant for the community.

Deliverable	Date of publication
T2 Migration, Readiness and Testing Strategy	Published
Target Services Registration Guide for Production	November 2020
User Testing Registration Guide and Form	December 2020
User Testing Terms of Reference (ToR)	October 2020
Testing Simulators	Q2 2020
Cleaning Tool Description	Q3 2020
DMT file examples for T2	May 2020
UT Mandatory Test cases	Q3 2020
Connectivity Guide	Q3 2020

1.2   Reporting and monitoring

How is the readiness of the markets assessed?

For each key milestone a set of questions is prepared by the ECB. These questions aim at assessing the technical, business and operational readiness of the Closely Monitored Participants and Central Banks. In general, the set of questions includes the confidence level of the participant to Go-Live. The questions are used to evaluate whether a specific milestone was reached, which steps are yet to be completed and which are the expected readiness dates. The questions are defined for Central Banks and for their Closely Monitored Participants. In addition, data on the Central Banks' Community Readiness (regularly monitored participants) is provided by the Central Banks based on their assessment of their overall market's readiness.

Who is informed of the market readiness reporting?

Following a pre-defined timeline, Central Banks provide the ECB with information on their own detailed readiness, the detailed readiness of their Closely Monitored Participants (CMP) as well as on the aggregate readiness of their community based on the timeline of the key milestones. The ECB summarises the information received on the readiness of Central Banks, CMPs and their aggregate community in a report which is shared and reviewed by the Migration, Testing, Readiness Sub-Group, TARGET Services Working Group, the Market Infrastructure Board and finally shared with the AMI-PAY (Advisory group for Market Infrastructure) and the TARGET Consolidation Contact Group.

For more information on the governance in the project, please visit the following webpages:

- T2-T2S Consolidation Governance

- TARGET2 Governance

1.3   Service providers and connectivity

When is the deadline for the completion of the network service provider (NSP) procurement?

The deadline for the completion of the NSP procurement is indicated in the list of key milestones which can be found here.

Which options are available for the selection of NSP?

Participants can choose between SIA-COLT and SWIFT. Both NSPs signed in July 2019 a concession contract, which allows them to offer connectivity to all TARGET Services through the Eurosystem Single Market Infrastructure Gateway (ESMIG). Alternatively, a Main Cash Account (MCA) holder might appoint a co-manager and benefit indirectly from the co-manager's NSP. For more information on co-management of an MCA please refer to the User Detailed Functional Specifications (UDFS) for Central Liquidity Module (CLM).

Can the current infrastructure provided by our NSP be re-used?

Please refer to the Frequently asked questions about ESMIG Connectivity Services Agreements - part 3.

Where can I find information on pricing for connectivity to TARGET Services?

The maximum prices declared by each NSP are included in the concession contract each NSP has signed with the Eurosystem available on the Banca d'Italia procurement portal (item 1 and 2, last section Attachment 1.4 – Economic Offer).

Is there a dedicated FAQ for the ESMIG Connectivity Services?

Yes. For more questions and answers, please visit this webpage to find all editions of the ESMIG Connectivity Services Agreements FAQ.

How will I connect to T2 once I have selected my NSP?

The Connectivity describes in detail how to connect to T2. The guide will be published in Q4 2020.

1.4   Training

What type of training is provided?

The NCBs are responsible for providing the training to their participants. ECB will provide Central Banks with harmonised training material. For more information, please contact your respective NCB.

1.5   Market communication

How can I learn more about the project?

The ECB is developing a communication plan for the T2-T2S Consolidation. This will consist of:

- (i)   ECB Focus Sessions and national events:

  - ECB Sessions: General project update and specific topic in focus for each session

  - NCB sessions: NCBs take the lead with support from the ECB and the 4CB

- (ii)   Potential WebEx Sessions on requested topics:

  - Hosted by ECB

- Presentations recorded and available on the ECB website

(iii) Potential online presentations or tutorials on requested topics:

- Available on the T2-T2S Consolidation webpages

Where can I find more information on NCBs market activities?

The ECB keeps a list of all related Central Banks´ events, which is regularly updated.

2 Testing

2.1 Organisation of the testing stage

How will the testing be organised?

The testing period is split into two stages: Central Bank Testing (CBT) and User Testing (UT). The two stages will overlap with one another and partly be executed in parallel. Migration rehearsals will be executed in parallel of the UT stage.

The following phases of testing are included in the two stages of testing with the exception of interoperability testing:

- Connectivity (testing access to T2 and the common components in A2A and U2A)

- Interoperability testing (CBT stage only)

- Functional testing

- Operational testing

- Migration testing

- Business day testing

- Contingency testing

2.2 Timeline

When does testing begin for Central Banks?

The Central Bank Testing (CBT) stage is initiated at the end of September 2020. Connectivity is the first phase which lasts 3 months. This phase is followed by CBT Interoperability which begins early January 2021.

The CBT stage ends in October 2021.

When does testing begin for T2 participants?

User Testing (UT) for T2 participants begins in December 2020. Connectivity is the first phase which lasts 3 months. This phase is followed by UT interoperability which begins in early March 2021.

The UT stage ends in October 2021.

What will my institution have to test?

T2 participants will be required to complete the mandatory test cases which will be provided by the NCBs. T2 participants should also test all their internal developments. Mandatory test cases will be shared with the T2 participants in December 2020.

What is the registration process for testing?

T2 participants (banks and ancillary systems) will register their participation with their respective Central Bank. The required forms and on-boarding guide will be made available on the ECB website in Q4 2020.

What is the deadline for registration to test?

The deadline for registration will be defined individually by each Central Bank.

2.3 Migration rehearsals

What is a Pre-migration and Migration rehearsal?

The Pre-migration and Migration rehearsals are phases during the Central Bank Testing and User Testing stages in which the participants will mimic the activities in

test environments that are planned for the Pre-migration and Migration Weekend in the production environment. These tests shall be as close as possible as real go-live activities.

How are the rehearsals organised?

There will be two types of rehearsals: rehearsals that will take place during weekdays are called Pre-migration Rehearsals (PMR) and Pre-migration Dress Rehearsals which will take place during weekends. The difference between them is explained below:

- The Pre-migration Rehearsal (PMR) is a test of the pre-migration activities with the full set of reference data to be migrated from TARGET2 and newly set-up in Common Reference Data Management (CRDM) and then propagated to T2 following the pre-migration schedule. These tests will take place during weekdays. The successful execution of the Pre-migration Dress Rehearsal is the pre-requisite to start with the Migration Weekend Dress Rehearsal. The test shall be as close as possible to the real go live activities.

- The Migration Weekend Dress Rehearsals (MWDR) aim at mimicking the last preparation prior to the go-live. They focus on the migration of the needed dynamic data, which can only be defined after the closing of the predecessor system. The Migration Weekend Dress Rehearsal is ideally conducted on a weekend, with the full T2 participant's production data requiring migration from TARGET2 to T2.

Who will participate in the migration rehearsals?

Please see section 2.4 Migration rehearsal calendar in this document.

How many migration rehearsals will there be?

Please refer to section 2.4 Migration rehearsal calendar.

In which environments will the rehearsals take place?

Please refer to section 2.4 Migration rehearsal calendar.

2.4   Migration rehearsal calendar

When will the migration rehearsals and dress rehearsals take place?

Central Banks and their community (T2 participants)

- **26-30 April 2021** - MWR in UTEST with the community (to be executed during standard business hours between Monday and Friday)

- **17-18 July 2021** – MWDR in UTEST involving the NCBs and all T2 participants

- **6-8 August 2021** – MWDR in UTEST involving the NCBs and all T2 participants

- **24-25 September 2021** – MWDR in UTEST involving the NCBs and all T2 participants

- **16-17 October 2021** - An optional MWDR in UTEST will take place, if requested

3   Prior to the start of migration

3.1   Connectivity test in production

When is the first activity in production?

The first activity to be performed by the participants in production is the connectivity testing in July 2021. The purpose this activity is to verify that T2 can be reached (i.e. being able to send / receive instructions via the NSP of choice). Further details of what is required for participants to evidence the verification that the connectivity was passed will be detailed in the Connectivity Guide.

What is the registration process?

T2 participants (banks and ancillary systems) will register their participation for production with their respective NCB. The required forms and on-boarding guide will be made available on the ECB website once completed.

What is the deadline for registration to production?

T2 participants will register for Production in Q1 2021. The deadline will be defined individually by each Central Bank.

4 Migration

4.1 Organisation of the migration

How is the migration organised?

The migration period is split into three stages: (i) Pre-migration, (ii) Migration Weekend and (iii) Post-migration. Each stage has various phases as described below.

The Pre-migration stage includes the following phases:

- **System Access Part 1 (Central Banks)**
  In this first phase Central Banks admin user will access T2, configure the access rights for its institution and verify the existing data.

- **Reference Data Capture Part 1 (Central Banks)**
  In the second phase Central Banks users will capture the required reference data for its own party

- **Reference Data Capture Part 2 (Central Banks for their communities)**
  In the third phase Central Banks users will capture the required reference data for its participants

- **System Access Part 2 (T2 participants)**
  In this phase the T2 participant admin user will access T2, configure the access rights for its institution and verify the existing data.

- **Reference Data Capture Part 3 (T2 participants)**
  In the fifth phase Central Banks users will capture the required reference data for its own party

- **National Mapping Tables (Central Banks)**
  In this phase Central Banks will build their national mapping tables which define the relation between the current TARGET2 and future T2 accounts.

- **Evaluation (Eurosystem)**
  The evaluation period is the final phase in which the MTRSG will evaluate the progress and results of the activities carried out by the participants and report the overall community readiness for the migration.

The phases for the Migration Weekend and Post-migration stages are subject to on-going assessment.

4.2 Migration calendar

What are the migration dates?

The dates of the Migration are as follows:

- **20 July 2021** – Connectivity test

- **22 August 2021** – Start of Pre-migration

- **19 November 2021** – Start of Migration Weekend

- **22 November 2021 (after cob)** – Start of Post-migration