



EUROPEAN CENTRAL BANK

EUROSYSTEM

Outcome of the public consultation on the extension of T2 operating hours

May 2026



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1 Executive summary

In June 2025 the Eurosystem initiated a public market consultation to explore the potential extension of the operating hours of T2, its real-time gross settlement (RTGS) system that is part of the TARGET Services. T2 operating hours were already extended in 2023, and currently T2 is open from Monday to Friday for 22.5 hours (from 19:30 until 18:00). However, the increasing adoption of instant payments, the upcoming launch of Pontes and the potential introduction of a digital euro could necessitate further expansion. Additionally, in line with the G20's roadmap on enhancing cross-border payments, which identified extended operating hours as a priority, several major central banks are considering expanding the opening hours of their RTGS systems.

This consultation, which was part of a broader engagement with the payments industry, aimed to assess current and emerging market demands while identifying potential challenges associated with extending T2 operating hours. The Eurosystem received responses from 125 entities across 19 countries, representing a large majority of T2 traffic, in terms of both volume and value. This broad coverage ensured that the perspectives of most T2 stakeholders were incorporated into the Eurosystem's decisions concerning the extension proposal.

This report summarises the outcome of the market consultation and outlines the Eurosystem's roadmap for extending the operating hours of T2.

The consultation clearly revealed that the most pressing reason for extending T2 operating hours is the need to improve liquidity management for instant payments, given their growing adoption, and also for continuously-operating future services like Pontes and, potentially, the digital euro. Moreover, the further alignment of T2 operating hours with other major RTGS systems worldwide would facilitate cross-border payments, accommodate late margin calls and support the international role of the euro by encouraging its use in global financial markets.

Respondents expressed a preference for a phased-in approach to extending the service's operating hours, starting with liquidity management improvements before gradually progressing towards a full 24/7 operational model in the medium to long term. Notably, preferences regarding the latter varied among participants. While there was no immediate demand for changes to the TARGET Services main cut-off times or value dating logic, respondents acknowledged that incremental adjustments might become necessary as market requirements evolve. Achieving long-term alignment across TARGET Services such as T2 and T2S, and potential adjustment needs for the Eurosystem Collateral Management System (ECMS) were highlighted as essential to preventing inefficiencies and friction.

Extending RTGS operating hours does present some challenges, however. Concerns were raised about the costs associated with the IT system upgrades, liquidity automation and additional staff that would be needed. Additionally, respondents pointed out that liquidity risks could arise during periods when RTGS

systems remain operational but traditional funding sources like money markets are unavailable – for instance, at weekends and/or during current TARGET holidays. The Eurosystem will carefully weigh up these costs and risks against the benefits of extending RTGS availability to support the rapidly evolving payment landscape.

To address the immediate liquidity management challenges associated with instant payments, the Eurosystem plans to implement three measures. First, starting on 17 June 2026, liquidity held overnight in TARGET accounts (including TIPS dedicated cash accounts (DCAs)) exceeding the minimum reserve requirement will be automatically remunerated, thereby reducing the need for temporary liquidity transfers outside of TIPS for remuneration purposes. Second, to improve liquidity transfer automation in TIPS, rule-based liquidity transfers for TIPS DCAs will be introduced based on floor and ceiling mechanisms. Third, within the next two years a short settlement window for liquidity transfers will be introduced in T2 over most weekends and possibly also on TARGET closing days. This window will enable liquidity transfers to and from TIPS, providing participants with the opportunity to adjust their funding positions during the weekend. The current value dating logic will not be changed.

Looking ahead, the Eurosystem is considering additional measures to further extend operating hours in the medium to long term, encompassing the RTGS system and, progressively, other TARGET Services. These measures include (i) opening central liquidity management (CLM) close to 24/7, (ii) opening RTGS near 24/5, (iii) limited adjustments to end-of-day cut-off times and (iv) weekend openings for ECMS. Admittedly, those measures will require structural changes and broader collaboration with stakeholders, necessitating further reflection and engagement. To this end, the Eurosystem plans to launch another market consultation towards the end of 2026 or the beginning of 2027 to gather input and ensure that the measures implemented align with the needs of all stakeholders.

2 Background information

2.1 Objectives of the consultation

In June 2025 the ECB launched a public consultation on the potential further extension of the operating hours of the T2 service, the Eurosystem's real-time gross settlement (RTGS) system, which is part of TARGET. T2 encompasses two major components. First, the RTGS component enables the settlement of high-value payments. Second, the central liquidity management (CLM) component allows participants to transfer liquidity between their main cash accounts (MCAs) and dedicated cash accounts (DCAs) across the TARGET Services T2, T2S and TIPS.

The CLM component currently operates for 22.5 hours during working days, but is closed for 48 consecutive hours during weekends. After T2 was introduced in 2023, RTGS operating hours were already extended to 15.5 hours per working day for customer and interbank payments, up from 11 hours under its predecessor system, TARGET2. This notwithstanding, a further extension of operating hours is currently under consideration, motivated by three main factors encompassing both the CLM and RTGS components: (i) the growing liquidity management challenges banks face in the area of instant payments; (ii) the aim to facilitate cross-border payments in line with the G20 agenda; and (iii) the prospect of future Eurosystem services, such as Pontes¹ and potentially the digital euro, impacting bank liquidity on a 24/7 basis.

The consultation paper² comprised 23 questions designed to engage the industry in an open dialogue on the market needs and constraints related to a potential extension of T2 operating hours. The goal was to ensure that any future proposals for such an extension would be carefully designed to strike an optimal balance between the benefits, costs, opportunities and risks for all relevant stakeholders. Based on the feedback received, the Eurosystem developed a roadmap for extending the operating hours of T2. This report provides a detailed analysis of the feedback received from the market and outlines the resulting short, medium and long-term actions to be undertaken. Those actions will include, inter alia, further market consultations.

¹ Pontes is the Eurosystem's distributed ledger technology (DLT) solution designed to link market DLT platforms with TARGET Services to settle wholesale financial transactions in central bank money (see Box 2 "The Pontes project and its interrelationship with the extension of T2 operating hours").

² ECB (2025), "[Consultation paper on the extension of T2 operating hours](#)", June.

2.2 Current T2 operating hours

Following the launch of T2 in March 2023, T2 and T2S are open from Monday to Friday and closed on Saturdays, Sundays and six holidays per year³. T2 has different operating hours for its CLM and RTGS components.⁴

Liquidity management is already possible in the CLM for 22.5 hours a day during weekdays, i.e. Monday to Friday. However, no liquidity transfers via CLM are possible for 48 hours at weekends between 02:30 on Saturday morning and 02:30 on Monday morning or on TARGET holidays.

In the RTGS component, customer and interbank payments can be settled during weekdays between 02:30 and 18:00. RTGS remains closed for payments at weekends, starting from Fridays at 18:00 until Monday at 02:30, and on TARGET holidays.

Meanwhile, TIPS operates on a 24/7/365 basis. While instant payment processing is continuous, funding and defunding TIPS accounts from other accounts in TARGET Services can only take place when CLM is open for settlement of liquidity transfer orders. As a result, liquidity transfer orders are not feasible when CLM is closed, specifically during the 1.5-hour window from 18:00 to 19:30 every weekday, and the 48-hour period from 02:30 on Saturday to 02:30 on Monday during weekends⁵.

2.3 Extending RTGS systems operating hours – the international context

The consultation is part of a broader move towards extending RTGS systems operating hours, which can be observed in other major economies. Since the G20 identified extending RTGS systems operating hours as a priority in its roadmap to make cross-border payments faster, cheaper, more transparent and inclusive, several G20 central banks have consulted their markets, and some have already announced plans to extend their RTGS systems operating hours. For example, in the United States, the Federal Reserve System has announced that the Fedwire Funds Service will increase the number of operating days from five to six per week by additionally opening on Sundays and weekday holidays, at the earliest in 2028.⁶ In the United Kingdom, the Bank of England proposes extending the operating hours of CHAPS from 6:00 to 18:00 local time to 1:30 to 18:00 local time.⁷ This extension will

³ The six TARGET holidays are New Year's Day (1 January), Good Friday, Easter Monday, Labour Day (1 May), Christmas Day (25 December) and the "Christmas Holiday" (26 December).

⁴ Section 2.2 on page 7 of the initial consultation paper includes a comprehensive explanation of the operating hours of each TARGET Service.

⁵ TIPS participants can move (up to all) liquidity from T2 to their TIPS DCAs after 19:30 CET on Fridays, when T2 re-opens, with the next Monday as the TARGET business date. They can also tap into their T2 intraday credit lines on Fridays, allowing them to move additional liquidity to their TIPS DCAs. Intraday credit is provided free of charge against eligible collateral and must be reimbursed by 18:00 CET on Monday.

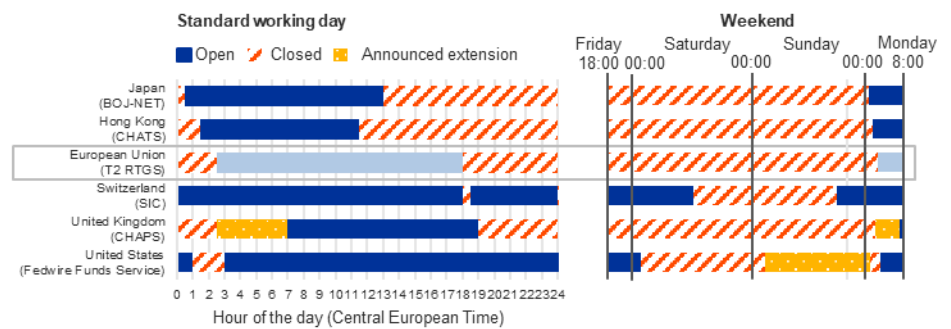
⁶ Federal Reserve (2025), "[Federal Reserve Board announces expanded operating days of two large-value payments services, Fedwire® Funds Service and the National Settlement Service \(NSS\), to include Sundays and weekday holidays](#)", October.

⁷ Bank of England (2025), "[Proposal to extend RT2 and CHAPS settlement hours \(phase 1\)](#)", July.

align the operating times of CHAPS with T2's RTGS, which opens at 2:30 Central European Time.

The operating hours of the Eurosystem's RTGS and CLM already overlap significantly with those of international systems, although there are still gaps, especially late in the day (European time). **Chart 1** compares the current operating hours of major international RTGS systems, split by weekdays (left-hand panel) and weekends (right-hand panel). In addition, the chart highlights the announced extension in the United States and the proposed extension in the United Kingdom.

Chart 1
Operating hours of major international RTGS systems



Sources: Bank for International Settlements (2025), "Financial market infrastructures and critical service providers", Table PS1, Features of selected payment systems.

3 Analysis of responses

3.1 Number of responses and representativeness

With 125 entities submitting responses, the consultation achieved a response rate that adequately represents TARGET participants. The respondents covered a broad range of T2 participants in terms of types of entity, T2 traffic share and geographical distribution.

Specifically, the ECB received responses from:

- 91 credit institutions
- 18 industry associations
- 15 financial market infrastructures (FMIs)
- 1 ministry of finance

The responding credit institutions and FMIs directly account for more than 68% of T2 transaction volume and more than 66% of T2 transaction value (RTGS transactions only, September 2025). When factoring in the feedback from national and multi-national industry associations, the responses represent an even larger share of T2 traffic. Notably, the respondent pool included all T2 critical participants but one⁸.

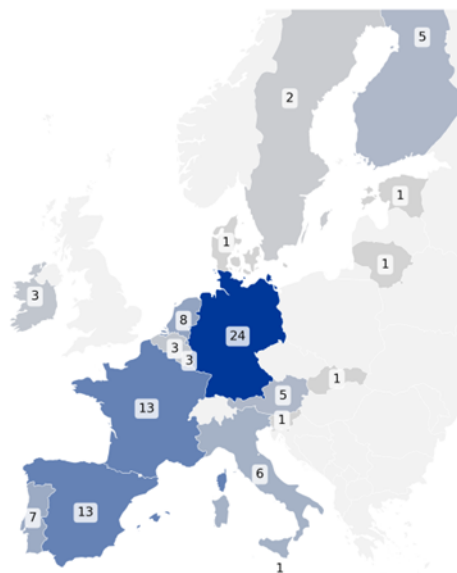
Geographically, the responding entities come from almost all euro area countries, and their distribution broadly correlates with the number of TARGET participants in the different national banking communities. **Figure 1** illustrates this distribution, highlighting the number of responses from credit institutions and FMIs by country.

⁸ Article 20(7) of the Regulation of the European Central Bank (EU) 2025/1355 of 2 July 2025 on oversight requirements for systemically important payment systems ([ECB/2025/22](#)) (“the SIPS Regulation”) requires the identification of critical participants based on transaction volumes and values, and the impact of significant operational problems on the system. In the most recent 2025 assessment for T2, 23 participants were considered critical.

Figure 1

Geographical distribution of respondents and directly represented share of T2 traffic

(Number of respondents, excluding industry associations)



The responding entities directly account for more than

68%

of T2 transaction volume and more than 66% of T2 transaction value (RTGS transactions only, September 2025)

Note: In addition to the respondents in the countries shown, the US-based CLS Group also participated in the consultation.

3.2 Methodology

3.2.1 Categorisation of responses

The consultation included 23 open questions. To facilitate the analysis and presentation of the consultation's outcomes, this report groups the questions into thematic categories. Throughout the remainder of the report, the feedback received is organised into the five thematic categories outlined in **Table 1**. This structure aims to provide a clear and focused overview of the consultation's findings.

Table 1

Categorisation of questions included in the consultation

Category	Question IDs
Drivers for extension	1, 2, 3
Forms of extension and priorities	4, 5, 6, 20, 21, 22, 23
Change of business day and value dating	7, 8, 15, 16, 17
Dependencies across TARGET Services	9, 18, 19
Costs and risks	10, 11, 12, 13, 14

Note: Question IDs refer to the identification numbers used in the response template.

3.2.2 Text analysis

The consultation was designed to obtain a comprehensive understanding of market participants' views on extending T2 operating hours. To achieve this, the consultation consisted of open-ended questions that required text-based responses, allowing participants to provide detailed feedback without being constrained by pre-defined answer options. This format enabled respondents to thoroughly articulate their reasons and preferences, and ensured their views were not limited by restrictive formats.

While the open-ended format ensured full freedom of response, it also posed challenges when it came to processing the substantial volume of text submitted. To address this, in addition to the analysts who manually reviewed the responses, a large language model (LLM) was used to help categorise and analyse the responses.

The LLM generated qualitative and quantitative summaries for each question, which were subsequently refined and edited by the analysts to ensure accuracy and clarity. The integration of an LLM in the review process enabled the creation of concise qualitative summaries that captured a very broad range of reported issues, alongside quantitative overviews that highlighted the frequency of specific topics or reasons mentioned in the open text responses. To ensure accuracy and reliability, every step of the process was conducted under human supervision, with all intermediary and final outputs carefully reviewed.

3.3 Results

The following sections provide a summary of the consultation outcome, organised into five categories of responses clustered into thematic categories (see Section 3.2.1). For each category, the report highlights the main findings and includes a quantitative analysis of responses to selected question(s), offering deeper insights into the participants' feedback.

3.3.1 Drivers for extension

Key takeaways

- The primary driver for extending T2 operating hours from the participants' perspective is to provide more flexibility and optionality in liquidity management.
- The extension is particularly focused on supporting liquidity management in TIPS, as well as on future Eurosystem initiatives such as the digital euro and Pontes.
- Additional drivers include facilitating cross-border payments and addressing late margin calls by increasing the overlap of operating hours with other global currency zones.

Chart 2

Drivers for extending T2 operating hours

Frequency of issues mentioned in response to question 3:
Which driver(s) should the Eurosystem consider, in order of priority?

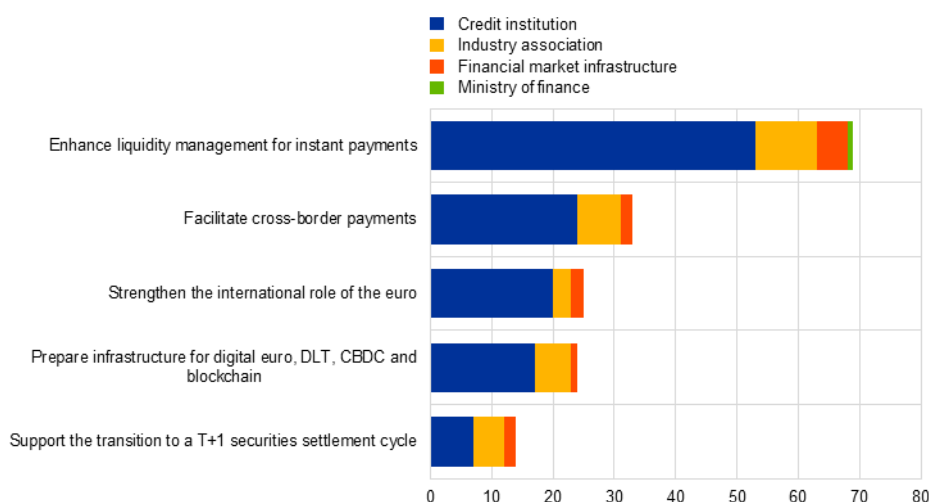


Chart 2 displays the most frequently mentioned drivers for extending T2 operating hours, showing that the most significant driver is the facilitation of liquidity management for instant payments, particularly during periods when the CLM is currently closed (see Section 2.2). Many respondents expressed a need to extend CLM operating hours, particularly by reducing the closing hours of the CLM component at weekends.

Furthermore, some respondents highlighted the potential benefits of enhancing cross-border payments by further aligning T2 operating hours with those of other major RTGS systems globally. Currently, cross-border transactions occurring after the T2 end-of-day at 18:00 may have to be settled in a different currency than the euro, typically in US dollar. The same happens for late margin calls from central counterparties (CCPs). RTGS operating hour alignment could facilitate cross-border transactions, reduce reliance on USD liquidity after the current end-of-day and eventually strengthen the international role of the euro by promoting its use in global financial markets.

The consultation also revealed broad recognition by the respondents of the need to prepare the TARGET ecosystem for a future increase in 24/7 liquidity requirements, which will be driven by developments such as the digital euro and Pontes. Extending T2 operating hours would be an important step towards accommodating these evolving market needs.

3.3.2 Forms of extension and priorities

Key takeaways

A phased-in approach to extending T2 operating hours is largely favoured by respondents, with the following priorities identified:

- In the short run, the focus should be on extending CLM operations during weekends and TARGET holidays, enhancing liquidity management features for TIPS and introducing remuneration of excess reserves.
- In the longer run, a gradual extension of CLM and RTGS operations, beginning with evening hours during weekdays, could be considered as market needs evolve.
- Transitioning to a full 24/7 CLM and RTGS framework should be carefully balanced against business needs, operational costs and associated risks; this will require meticulous preparation to ensure smooth implementation.
- Access to intraday credit lines during the extended hours is seen as essential; however, active collateral management (i.e. the possibility to adjust a participant's credit line by mobilising additional collateral) during these extended hours is not considered a high priority.

Reflecting the need to improve liquidity management for instant payments in TIPS in the short run, respondents largely favour first extending CLM operating hours, particularly during weekends. To further enhance liquidity management in TIPS, additional priorities mentioned by some respondents include introducing rule-based liquidity transfers (based on the definition of floor and ceiling balances), enabling continuous access to intraday credit, and remunerating excess balances, including funds in TIPS DCAs.

The extension of RTGS operating hours, however, remains more contentious owing to higher associated costs and operational complexities for the participants themselves. As illustrated in **Chart 3**, respondents generally favour a stepwise transition towards a continuous operating model. This would begin with the probably less complex extension of CLM operating hours, followed by a potential extension of RTGS operations at a later stage, initially focusing on additional opening hours on weekdays. Respondents indicated a preferred notice period of between six months and two years for implementing the CLM weekend extension, while the RTGS extension would require a longer lead time, potentially spanning several years.

While the above-reported feedback is shared by the vast majority of respondents, certain trends emerged among specific types of participants.

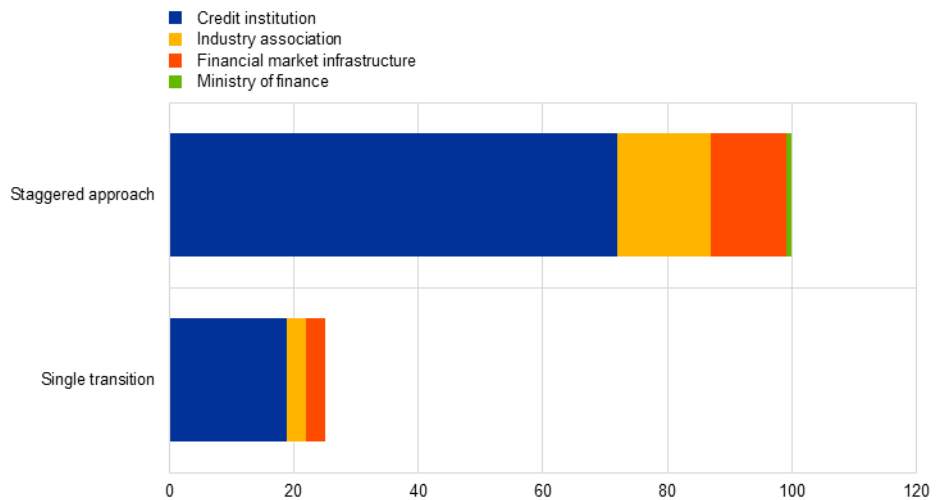
- **Financial market infrastructures (FMIs):** FMIs largely support a coordinated, simultaneous extension of both CLM and RTGS operating hours to ensure maximum flexibility for all concerned. CCPs and central securities depositories (CSDs) are in favour of postponing the end-of-day cut-off by two to four hours and advocate for the alignment of operating hours with T2S. Several FMIs also favour transitioning to a continuous RTGS system during weekdays (i.e. 24/5) rather than 24/7 availability, citing operational factors within the current ecosystem that would make coping with operations during weekends more challenging.

- **Smaller credit institutions:** These institutions tend to prefer a staggered approach, prioritising a CLM-only extension to address liquidity management challenges for instant payments, while placing a lower priority on extending RTGS operating hours, with some even considering the current operating hours sufficient. Some smaller credit institutions expressed concerns about increased costs and risks, with limited benefits to their business models.
- **Larger credit institutions:** Feedback from large international credit institutions predominately supported a broader extension towards full 24/7 CLM and RTGS operating hours. Without denying the costs and challenges that this change would bring, they broadly confirmed its benefits for them and for their clients.

Chart 3

Preferences for a staggered approach to extending operating hours vs a single transition

Frequency of issues mentioned in response to question 21:
Would you have a preference for a staggered approach or a single transition to extended operating hours?



3.3.3 Change of business day and value dating

Key takeaways

- The majority of participants did not express an urgent need to change the current TARGET business day cut-off times (18:00 to 19:30 CET) on weekdays.
- However, there is some support for considering a somewhat later closing time in the future, particularly to facilitate operations with other major economies in European time zones (United Kingdom) and westwards (Canada and the United States).

- There is no pressing request to introduce new value dating rules for weekends and/or TARGET holidays,⁹ though this can be revisited if a clear business need emerges.

The responses show limited appetite for altering the current TARGET business day's closing and cut-off times or introducing new value dates. Participants pointed out that such changes would be structural and pose operational and resource-related challenges, including extensive IT system reconfigurations and increased staffing requirements.

As shown in **Chart 4**, maintaining the current business day cut-off time at 18:00 CET was the most frequently mentioned response. Only a minority of respondents were in favour of postponing the cut-off time to late evening or midnight. Among those supporting a later cut-off time, CCPs and CSDs were particularly vocal, emphasising the potential of a later cut-off to accommodate late margin calls. Currently, CCP margin calls from central counterparties (CCPs) that occur after the T2 end-of-day cut-off at 18:00 cannot be settled in euro. Due to their time-sensitive nature, these late margin calls are settled in other currencies, most commonly the US dollar. Adjusting the T2 cut-off time to extend euro settlement availability would reduce reliance on USD liquidity for margin calls occurring after the current end-of-day. Additionally, a later cut-off would enable the settlement of late securities transactions in central bank money, which can currently only be settled in commercial bank money. Some respondents also emphasised that such an adjustment would facilitate transactions with the United Kingdom, where the RTGS system is open for one hour later.

Similarly, most respondents expressed reservations about the introduction of new value dates if T2 were to operate during weekends, TARGET holidays, or both. They argued that a real business need for such changes is unlikely to emerge as long as financial markets remain closed during weekends. Moreover, concerns were raised about potential operational disruptions, adjustments to accounting practices, and complexities in managing funding needs due to limited activity, or the absence of any activity, in money markets on these days. Instead, respondents favoured treating weekend flows as Monday value dates, as is currently the practice within TARGET Services.

Nonetheless, some respondents acknowledged that if liquidity flows among participants were to significantly increase during weekends, TARGET holidays, or both, there may be a case for introducing new value dates. This change would also address existing concerns regarding potential interest-income imbalances in book entries within TIPS DCAs during weekends and/or TARGET holidays. These imbalances arise from the misalignment between the current framework for central bank remuneration, value-dated only on T2 business days, and the calculation of interest paid to customers which is based on calendar days. The introduction of new value dates could mitigate these imbalances. Additional considerations on the potential effect this may have on interest rates can be found in Box 1 "T2 operating

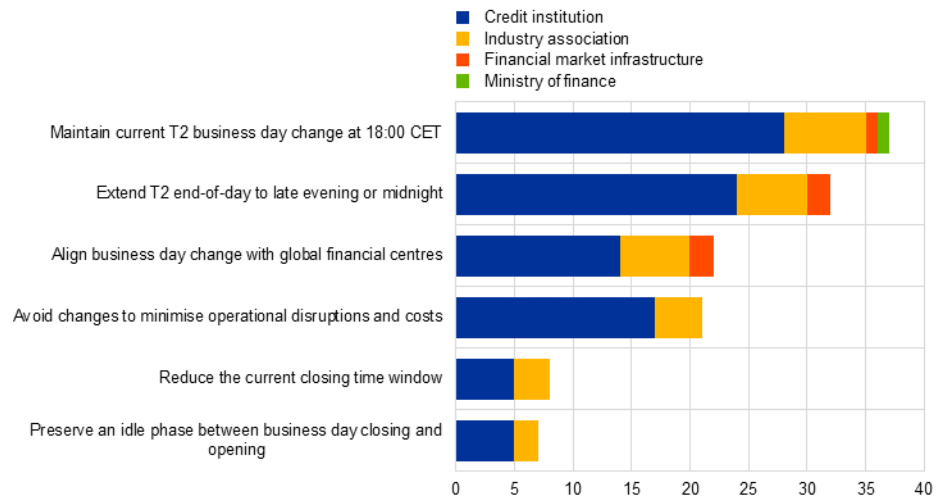
⁹ Transactions settled after the reopening of T2 at 19:30 on Friday and before 2:30 on Saturday have the value date of Monday. Similarly, transactions settled after 19:30 on the evening before a T2 holiday are value dated on the first subsequent business day.

hours – short-term solutions and long-term challenges for monetary policy implementation”.

Chart 4

Opinions on adjusting the business day cut-off time

Frequency of issues mentioned in response to question 8:
Would you have a preference as regards the time at which T2 changes its business day?



Box 1

T2 operating hours – short-term solutions and long-term challenges for monetary policy implementation

Structural developments in the financial market infrastructure ecosystem are reshaping liquidity dynamics and influencing monetary policy implementation. Key changes include the anticipated growth of instant payments (IP) and increasing 24/7 liquidity demands driven by innovations such as Pontes and the digital euro. These developments are likely to impact market functioning and monetary policy implementation. In particular, the mismatch between the operating hours of IP systems and T2 – the euro area’s central payment infrastructure for large-value settlements – can create friction in liquidity management, posing challenges to the smooth and efficient execution of monetary policy.

Gradual approach to extending T2 operating hours and value dating

As outlined in Section 4 of this report, the Eurosystem has structured its strategy regarding extending T2 operating hours into short, medium and long-term measures. This proposal is based on feedback from market participants and aims to align with their operational preferences. The information below further expands on the views from the public consultation presented in Section 3.3.3, with a focus on value dating and interest rate calculations.

Many respondents supported retaining Fridays as the value date for weekend transactions, although a few of them recognised that introducing new value dates for Saturdays, Sundays and the six TARGET holidays could become relevant as IP volumes grow. However, transitioning to a

seven-day accounting framework within the next two years is widely viewed as disruptive, as low weekend transaction volumes could weaken the financial metrics derived from them.

Similarly, in the context of exploring more frequent interest rate calculations based on several intraday snapshots, a majority expressed a preference for maintaining the current framework of daily interest rate calculations. This preference would remain even if a near-continuous T2 operating schedule were to be implemented.

Short-term measures under way

To address immediate liquidity management challenges, the Eurosystem has proposed a series of measures, which also have important implications for monetary policy implementation. These measures include automation of liquidity transfers, automatic remuneration of current accounts (planned for June 2026) and the introduction of a T2 opening window for liquidity transfers during weekends (targeted within two years). While these actions are primarily designed to reduce operational and liquidity risks and improve efficiency, they also play a key role in mitigating risks to monetary policy transmission.

For instance, automating liquidity transfers between accounts and ensuring remuneration of excess reserves without requiring their movement to the deposit facility will streamline liquidity management processes. By reducing potential procedural bottlenecks and market inefficiencies, these enhancements will support smoother liquidity handling – a critical factor of effective monetary policy implementation.

Additionally, introducing a short T2 opening window for liquidity transfers, scheduled either late on Saturdays or early on Sundays, would allow banks to replenish liquidity buffers in TIPS in the event of unexpectedly large outflows on Saturdays. This measure would reduce the need for overfunding the TIPS DCAs for precautionary reasons.

In the interim, the Eurosystem has reminded participants that existing mechanisms already allow liquidity transfers from T2 to TIPS DCAs during limited windows between Fridays and Saturdays (from 19:30 CET to 2:30 CET). These transfers may involve the use of intraday credit if necessary, particularly as TIPS volumes grow. However, such transfers cannot exceed the size of the credit line set before Friday at 18:00 CET owing to the closure of the Eurosystem Collateral Management System (ECMS).

Long-term challenges for monetary policy implementation

Looking ahead, the Eurosystem has identified structural challenges that may require further action to ensure the effective transmission of monetary policy. These include the representativeness of Friday closing balances and potential double use and double remuneration of reserves.

Currently, Friday closing balances serve as the basis for the deposit facility remuneration and minimum reserve requirement fulfilment during weekends, irrespective of liquidity changes caused by IP flows over the weekend. This creates a misalignment between the dynamic liquidity environment and the static monetary policy framework, which relies on Friday balances. For example, Friday balances no longer reflect liquidity distribution among monetary policy counterparties over the weekend, as net senders reduce their liquidity while net receivers increase theirs.

Furthermore, emerging innovations, such as the distributed ledger technology-based settlement system Pontes, will eventually enable banks to trade with central bank reserves 24/7, including during weekends. This could lead to double use of reserves and potential double remuneration of Friday balances. Specifically, mismatches between operational capabilities and monetary policy frameworks could result in reserves earning both central bank remuneration and market remuneration, should a market for trading such balances over the weekend emerge.

While current IP flows during weekends – which are not accounted for in central bank reserve holdings – remain low, the continued growth of instant payments and innovations potentially enabling the trading of reserves during the weekend could challenge the fairness and robustness of the monetary policy implementation framework. Introducing new value dates for weekends and TARGET holidays – even if T2 remains closed – would address these inconsistencies, align the monetary policy implementation framework with evolving market infrastructures, and mitigate future challenges to market functioning and monetary policy implementation. While the potential implications observed do not pose an immediate concern, given the expected lead time for technological innovations, they underscore the need for careful coordination between infrastructure adjustments and monetary policy frameworks.

Dependencies across TARGET Services

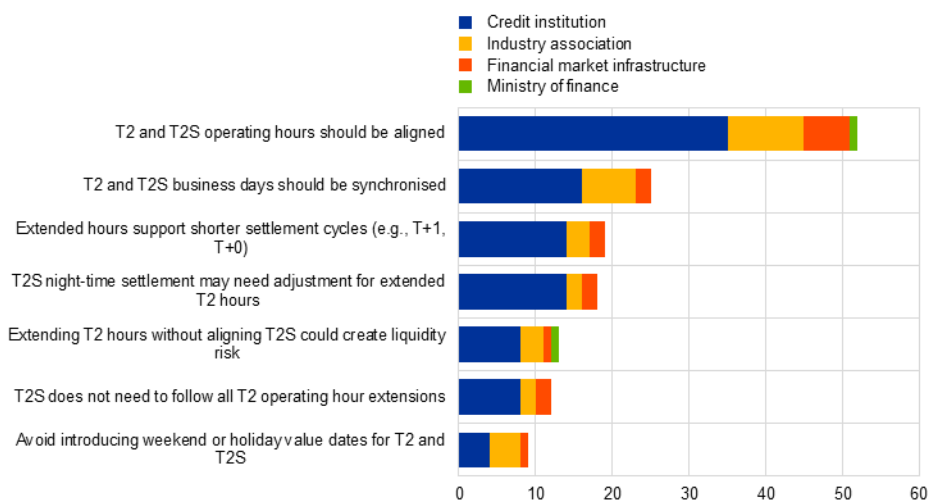
Key takeaways

- In the long run, respondents would like to see T2, T2S and ECMS operating hours aligned to avoid friction, inefficiencies and liquidity risks.
- This alignment would also further support the move to T+1 settlement in the securities market.

Chart 5

Effects of extending T2 operating hours on T2S

Frequency of issues mentioned in response to question 18:
Do you agree with this preliminary assessment of the possible effects of a change in T2 operating hours on T2S?



Note: The question refers to the preliminary assessment outlined in Section 5.1, p. 23 of the initial consultation paper.¹⁰

Respondents broadly expressed support for aligning T2 and T2S operating hours and business days, highlighting the potential benefits, such as reducing settlement failures and improving liquidity efficiency. They acknowledged that while this alignment might slightly increase the risk of spillover effects or disruptions across systems, it also presents an opportunity to streamline settlement cycles, particularly in the context of transitioning to T+1.

Additionally, respondents emphasised the importance of ensuring continuous access to intraday credit lines within the CLM to address unexpected liquidity needs, particularly for the settlement of instant payments in TIPS. However, views were mixed regarding the necessity of actively managing collateral during extended operating hours. Some respondents raised concerns about the associated costs and challenges created by the unavailability of CSDs during these extended opening hours. Some respondents noted that CLM's existing functionalities already provide robust tools for effective cash management, reducing the need for additional collateral management measures.

Box 2

The Pontes project and its interrelationship with the extension of T2 operating hours

Bridging distributed ledger technology and central bank money settlement

Pontes is the Eurosystem's distributed ledger technology (DLT) solution designed to link market DLT platforms with TARGET Services to settle wholesale financial transactions in central bank

¹⁰ ECB (2025), "Consultation paper on the extension of T2 operating hours", June.

money.¹¹ Approved by the ECB's Governing Council in February 2025, the programme builds on exploratory work conducted between May and November 2024, which brought together 64 participants in over 50 trials and experiments. The Eurosystem plans to launch Pontes by the end of the third quarter of 2026, with subsequent gradual enhancements being released and a fully-fledged enhanced Pontes solution subsequently launched in 2028. For the financial markets, Pontes will preserve the pivotal role of central bank money as the safest means of settlement, while accommodating DLT-based innovations.

Pontes will operate as an operational bridge between market DLT platforms and the Eurosystem's TARGET Services, enabling the settlement of the cash leg of DLT-based wholesale transactions in tokenised central bank money. Participants will fund their Pontes wallets by transferring liquidity from their T2 accounts, and can defund them back in the same way. Once funded, the wallets settle wallet-to-wallet payments and the payment leg of Delivery-versus-Payment (DvP) and Payment-versus-Payment (PvP) transactions, with the asset leg settling on the respective market DLT platform.¹²

Pontes will initially operate with limited availability, covering eight hours during weekdays. The Eurosystem is currently investigating the feasibility of gradually extending its operating hours to align with the broader TARGET ecosystem and market expectations. This investigation is exploring an incremental approach, potentially building up to 22.5 hours a day, five days a week, in line with T2.

The enhanced Pontes solution will operate and be accessible 24 hours a day, seven days a week from the outset, allowing the settlement of transactions at any time with no or minimal downtime. It would align the availability of tokenised central bank money with the around-the-clock availability of assets on market DLT platforms.

Once fully integrated as a TARGET service, Pontes will establish a fundamental interdependency with T2 for liquidity management purposes. Participants will hold dedicated cash wallets for Pontes, with liquidity provided via T2's central liquidity management (CLM) component. This architecture mirrors the liquidity management approach already established for other TARGET Services such as TIPS and T2S, where CLM serves as the central hub for managing liquidity across all dedicated cash accounts. To fund their dedicated cash wallets in Pontes, participants will transfer central bank money from their main cash accounts (MCAs) through CLM. Defunding follows the reverse path, moving liquidity back to the MCAs when participants wish to reallocate funds.

This CLM-based model for providing liquidity to Pontes creates a direct operational link between Pontes and the availability of T2 components. When CLM is closed, participants cannot adjust the liquidity in their dedicated cash wallets in Pontes, either by injecting additional funds or by withdrawing surplus balances. Given that DLT platforms typically support continuous, round-the-clock operations, this dependency becomes particularly relevant during T2 closing periods, especially the 48-hour weekend closure.

The extension of T2 operating hours and the development of Pontes are therefore mutually reinforcing. Extended CLM availability would enable Pontes participants to manage their liquidity

¹¹ See: ECB (2025), "[ECB commits to distributed ledger technology settlement plans with dual-track strategy](#)", press release, July and ECB (2025), "[Exploratory work on new technologies for wholesale central bank money settlement](#)", webpage on the Eurosystem exploratory work.

¹² For more information, see the ECB webpage on [Pontes](#).

more dynamically, reducing the need to maintain excessive buffers in their dedicated cash wallets to cover periods when funding adjustments are not possible. This challenge is similar to the one currently faced by TIPS participants, who must prefund their TIPS DCAs to ensure sufficient liquidity throughout the weekend.

Beyond liquidity management, the 24/7 availability of tokenised settlement solutions like Pontes will put competitive pressure on traditional settlement infrastructures. As market participants become used to continuous settlement in DLT environments, they will expect similar availability from legacy systems. At the same time, growing transaction volumes on DLT platforms will increase pressure on participants to manage their central bank money positions more actively, making large idle balances during extended CLM closures increasingly costly. While short-term measures such as the weekend CLM opening window will provide initial relief, they will not fully address these dynamics. As tokenised settlement becomes widely adopted, the case for T2 to move towards 24/7 operations will grow stronger, not only to support funding and defunding in Pontes, but also to keep traditional settlement services competitive and better aligned with the continuous nature of DLT operations.

Costs and risks

Key takeaways

- Liquidity risk may increase during extended operating hours if traditional forms of funding sources, such as money markets, are not available; continuous access to central bank refinancing is essential.
- Operational risks could arise from reduced T2 closing times during non-standard business hours, including a potential increase in cyber and fraud risks.
- Costs associated with IT system adaptations and staffing increases should be considered; liquidity management automation could help mitigate some of these costs.

Respondents identified several risks stemming from extended T2 operating hours, with liquidity risk and operational risk being predominant. In terms of costs, respondents most frequently mentioned increased staffing needs to cover additional shifts and IT system changes and upgrades. **Chart 6** shows that the primary challenges identified include increased operational complexity associated with longer opening hours, which would necessitate upgrades of internal systems and create higher staffing requirements. Liquidity risk was highlighted as a significant issue, owing in particular to the unavailability of traditional funding forms (i.e. money markets) during extended operating hours. To address this, respondents underscored the importance of ensuring uninterrupted access to central bank refinancing during these periods.

While longer CLM operating hours may help mitigate the risk of unexpected liquidity demand for instant payments in TIPS, respondents cautioned that extended RTGS operating hours, combined with the removal of the transaction value limit, which has

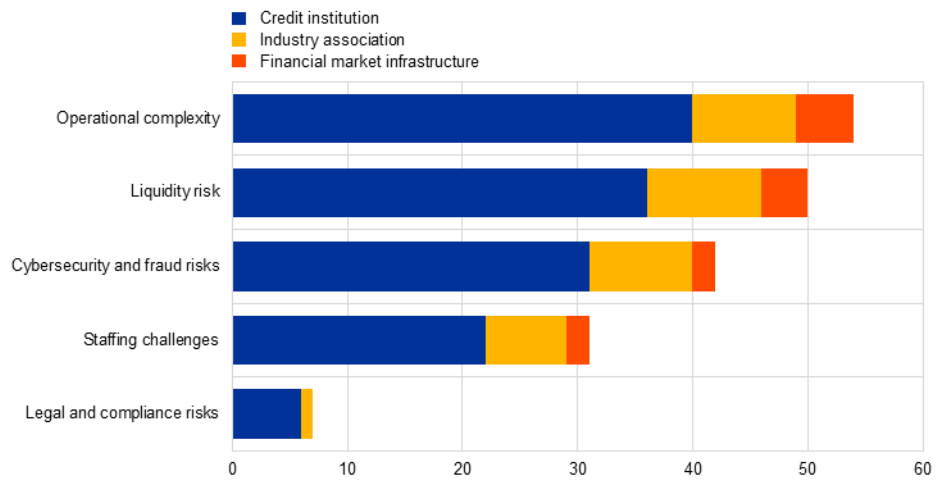
already been enacted, could heighten liquidity risks in the event of bank runs, potentially amplifying vulnerabilities during periods of stress.

Lastly, respondents raised concerns about the increased cybersecurity and fraud risks that may accompany extended system availability. Extended operating hours could also mean that a shorter time frame is available for implementing technical changes to participants' and central banks' IT systems. This could result in longer support hours and a compressed window for crisis management, further increasing operational risks.

Chart 6

Key risks associated with the extension of T2 operating hours

Frequency of issues mentioned in response to question 10:
Do you identify any other risk(s) that the Eurosystem should take into consideration?



To mitigate these risks, respondents plan to enhance their existing risk management frameworks by leveraging increased automation, including automated collateral management, improved liquidity transfer mechanisms and additional staffing, all of which will require significant investment. Furthermore, if RTGS operational hours are extended, some respondents emphasised the importance of the Eurosystem establishing a dedicated 24/7 support team – alongside clear and robust emergency protocols – to mitigate potential system disruptions and safeguard system integrity.

4 Roadmap for extending T2 operating hours

After careful analysis of the feedback received from the market, the Eurosystem has considered possible measures to extend the opening hours of T2. Taking into account the clear preference expressed by respondents for a phased-in approach and acknowledging the technical complexity of implementing the changes, the Eurosystem has structured its strategy into short, medium and long-term measures. The following sections describe the measures which will be implemented in the short term (within two years) and provide an overview of potential medium to long-term initiatives, which are subject to further analysis, feasibility assessments and market consultations.

4.1 Measures scheduled for implementation in the short term

Market participants highlighted the need to improve liquidity management in the context of instant payments as the key driver and most pressing need for extending T2 operating hours. In response, the Eurosystem proposes short-term measures that will enhance liquidity management both during the week and at weekends. While these measures will primarily benefit instant payment settlement in the short term, in the future they are expected to support broader liquidity needs from upcoming products and services such as Pontes and potentially the digital euro.

Automatic remuneration of current accounts

In December 2025 the Governing Council of the ECB decided to simplify the framework for remunerating excess reserves by introducing automatic remuneration at the deposit facility rate for excess reserves held in the current accounts of eligible monetary policy counterparties that have access to the deposit facility.¹³ This measure aims to improve operational efficiency, reduce risks for both the Eurosystem and eligible monetary policy counterparties and safeguard the smooth functioning of the payment system as a whole. Key benefits include: (i) minimising operational workload and risks associated with daily fund transfers to the deposit facility; (ii) reducing the impact of TARGET incidents at the end of the business day; and (iii) addressing various challenges related to the application of minimum reserve requirements. Automatic remuneration will extend to excess reserves held in all TARGET accounts, namely MCAs and DCAs, across all TARGET Services, including TIPS. Future accounts associated with Pontes and the digital euro could likewise benefit from this measure.

¹³ See ECB (2026), [Decisions taken by the Governing Council of the ECB \(in addition to decisions setting interest rates\), January-February 2026](#), February.

As a result of this decision, TARGET participants who qualify as eligible monetary policy counterparties with access to the deposit facility will be able to maintain substantial liquidity buffers in their TIPS DCAs to facilitate instant payment settlement, without needing to temporarily transfer funds to the deposit facility to receive remuneration. This change reflects feedback provided by banks during the market consultation and in other fora, aligning with their requests to streamline liquidity management in the context of the growing adoption of instant payments since the implementation of the Instant Payments Regulation in 2025. The new remuneration framework is expected to be operational by June 2026.

Improve automation of liquidity transfers to and from TIPS DCAs

As of June 2026 the Eurosystem will enhance TIPS liquidity management capabilities by allowing participants to define rules for automatic liquidity transfers from their TIPS DCAs to their MCAs and vice versa.

Currently, TIPS participants must manually initiate liquidity transfers between their MCAs and their TIPS DCAs. Although TIPS participants can already receive a notification once a settled instant payment leads their TIPS DCA to reach a pre-defined minimum (floor) or maximum (ceiling) amount, there is no automatic action after this notification.

Such automatic action, offered on an optional basis, would allow for more efficient liquidity management by increasing or decreasing liquidity in TIPS DCAs during CLM operating hours, based on pre-defined floors and ceilings. For example, a participant could require a minimum amount of liquidity (floor) in their TIPS DCA to settle expected upcoming instant payments. At the same time, the participant may wish to keep additional liquidity above a pre-defined ceiling in other TARGET accounts, for example, to settle RTGS transactions in T2. Implementing such a strategy requires liquidity transfers to and from the TIPS DCA to be triggered once the floor or ceiling has been reached. Currently, these liquidity transfers can only be triggered manually – introducing operational and liquidity risk.

To address this need for increased automation, the implementation of the relevant change request (TIPS-0028-URD)¹⁴ will be included in the TIPS R2026.JUN release in June 2026, allowing participants to implement such automated liquidity management transfers. This change alleviates the need to manually initiate liquidity transfers once a ceiling or floor amount has been reached, thereby reducing both liquidity and operational risk.

Short opening settlement windows during weekends

Respondents unequivocally highlighted the challenge that TIPS liquidity management represents during weekends, when CLM is closed and no liquidity adjustments are possible between 02:30 on Saturday morning and 02:30 on Monday

¹⁴ For more details, see the [Change Request TIPS-0028-URD](#) on the ECB's website.

morning. In response to these concerns, the Eurosystem has conducted a high-level assessment to confirm the technical feasibility of a T2 settlement window during weekends. The outcome of this analysis confirms that, within the next two years, T2 can be opened for settlement of liquidity transfers for one to two hours during the vast majority of weekends.

The proposed timing of this new settlement window is between the evening of Saturday and the early morning of Sunday. This time range was set with two objectives in mind: first, the need to identify a slot that could be guaranteed most weekends¹⁵ and, second, to ensure it falls as close as possible to the midpoint of the weekend, balancing operational feasibility with liquidity needs. The Eurosystem acknowledges that the proposed timing may not be the most practical or convenient, in particular from a human resource viewpoint. Still, it is expected that the advanced features offered by T2 and TIPS – particularly the improved automation of liquidity transfers (see Section 4.1.2) – will enable participants to largely automate their liquidity management during weekends, thus minimising such inconveniences.¹⁶

During that window, liquidity transfers to and from TIPS will be possible. This will allow TIPS participants to top up the balances of their TIPS DCAs, up to the balance available in their MCAs in CLM, with the possibility of tapping into their intraday credit lines as well. This major enhancement will equally benefit participants involved in Pontes activities and holders of digital euro DCAs, provided that the digital euro is introduced.

It is important to note that the monitoring of T2 as well as the response time provided by the Eurosystem during this weekend settlement window will be limited. They will be equivalent to the current response times in place during night-time settlement on weekdays (RTGS Real-Time Settlement I).

Furthermore, this new weekend opening window will be offered on an optional basis, with no obligation for TIPS or CLM account holders to actively use it. It is nevertheless expected that, for those participants that wish to use this new window, the technical adaptation costs will be limited.

Before determining the exact weekend time slot, the calendar of available weekends and the implementation date, the Eurosystem will conduct further evaluations to ensure readiness and refine the proposal. The results of these additional assessments will be communicated to market participants in 2026. Additionally, the Eurosystem will explore the possibility of offering similar short settlement windows on TARGET holidays that do not coincide with weekends.

¹⁵ Subject to further confirmation of technical feasibility, it is expected that the four TARGET Services release deployment weekends per year, as well as weekends when major activities take place, will be excluded from this arrangement.

¹⁶ If a participant activates the floor and ceiling feature referred to in Section 0, in the event that their TIPS DCA balance falls below the defined floor, a liquidity transfer from T2 to TIPS will be automatically generated once T2 reopens during the weekend or on Monday at 02:30.

4.2 Future considerations

As well as addressing the short-term liquidity needs detailed in this report, the Eurosystem is currently exploring additional, more fundamental extensions to the operating hours of the TARGET Services. While the technical and operational complexity of implementing those measures would require some lead time, the Eurosystem will ensure that there is a substantial time buffer to allow the market to prepare for those changes, while contributing to shaping them. These prospective modifications aim to progressively move the operating hours closer to a full 24/7 operating model in the long term.

To ensure thorough stakeholder engagement, these options will be subject to a second-round market consultation, scheduled to be launched towards the end of 2026 or the beginning of 2027. The proposed options include, but are not limited to:

- **Opening CLM close to 24/7 with only short maintenance windows.** In line with market requests, this extension would improve liquidity management capabilities for 24/7 payment services (TIPS, Pontes and potentially the digital euro), while requiring limited changes for participants. Changes to the value dating rules may not be necessary at this stage but can be considered should the need arise.
- **Opening RTGS near 24/5 with earlier reopening than today and shorter maintenance windows.** This extension would increase the overlap in RTGS operating hours with those of international payment systems, fostering cross-border payments and strengthening the role of the euro.
- **Limited changes to end-of-day cut-off times by postponing them by at most two hours.** First, this change could reduce reliance on USD liquidity for late margin calls, especially for CCPs. Second, postponing the cut-off time would increase the overlap with the opening hours of the main RTGS in the United States and the United Kingdom. Finally, it would allow CSDs to apply later cut-offs and settle late securities transactions in central bank money; currently, such late transactions can only be settled in commercial bank money.
- **Opening ECMS at weekends to enable collateral management.** This extension could enhance active liquidity management capabilities and increase alignment with the operating schedules of the other components of the TARGET Services.

5 Conclusion

5.1 Implementation of short-term measures

The responses to the consultation conveyed a pressing need to improve liquidity management capabilities in view of the increase in adoption of instant payments. Addressing these needs, this report outlined three changes that have already been or will shortly be implemented.

First, current accounts will automatically be remunerated at the deposit facility rate as of June 2026, enabling participants to keep liquidity exceeding their minimum reserve requirements in TARGET accounts (including TIPS DCAs) without incurring opportunity costs by forgoing remuneration. This policy change will, therefore, reduce operational risk by removing the incentive to transfer liquidity at the end of the business day from (previously unremunerated) accounts such as TIPS DCAs to the deposit facility, and will thus contribute to the smooth functioning of payment systems.

Second, the Eurosystem will improve the automation of liquidity transfers from and to TIPS DCAs in June 2026. This will enable liquidity management processes to be enhanced and reduce the need to keep excessive liquidity buffers in TIPS DCAs. At the same time, increased opportunities for automation will minimise reliance on manual operations and enable continuous and automated liquidity monitoring.

Third, an additional short opening window for liquidity transfers in T2 during the weekend will be introduced within the next two years. This additional opening window will help address the urgent request by credit institutions to enable liquidity transfers to and from TIPS DCAs during the weekend. This change is expected to reduce liquidity risk at weekends and will likely only involve low adaptation costs for participants.

5.2 Second-round consultation for future considerations

The first-round consultation analysed in this report has helped gain an understanding of the strategic priorities, expectations and concerns of TARGET participants regarding the extension of T2 operating hours. Based on this assessment and on feasibility considerations, the Eurosystem will now prepare a narrower range of specific proposals on how to further extend the operating hours of specific T2 components. This second market consultation, which is expected to start towards the end of 2026 or the beginning of 2027, will seek participants' feedback on the anticipated benefits and costs of these specific proposals. After this second-round consultation, the Eurosystem will decide on which options to implement in the medium to long term.

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