



FEDERATION BANCAIRE DE L'UNION EUROPEENNE
BANKING FEDERATION OF THE EUROPEAN UNION
BANKENVEREINIGUNG DER EUROPÄISCHEN UNION



EUROPEAN SAVINGS BANKS GROUP
GROUPEMENT EUROPEEN DES CAISSES D'EPARGNE
EUROPÄISCHE SPARKASSENVEREINIGUNG



EUROPEAN ASSOCIATION OF COOPERATIVE BANKS
GROUPEMENT EUROPEEN DES BANQUES COOPERATIVES
EUROPÄISCHE VEREINIGUNG DER GENOSSENSCHAFTSBANKEN



EUROPEAN PAYMENTS COUNCIL
Towards our Single Payment Area

PP/MT
N° 0342

Mr Jean-Michel GODEFFROY
Director-General Payment Systems
EUROPEAN CENTRAL BANK
Kaiserstrasse, 29
D - 60311 Frankfurt am Main

Brussels, 24 April 2003

Dear Mr. Godeffroy,

Subject: TARGET2 Consultation

In the name of the European Banking Industry and of the European Payments Council, the TARGET Working Group is pleased to send you herewith its response to the Public Consultation on TARGET2: Principles and Structure, issued by the ECB on 16 December 2002.

This response is sent to you by e-mail first. The official signed letter will follow shortly.

We wish to thank you for the extension of the deadline to respond granted to our group. This has enabled the TARGET Working Group to perform an extensive consultation amongst the national banking communities of the EU and make sure that the response sent to you effectively reflects the common expectations of the European Banking Industry at large.

The Introduction of TARGET2 is indeed a major development for the future enlarged single euro payment market and we have given particular attention in formulating our response to the public consultation, as representatives of the users of the TARGET system.

Our response is in 3 parts:

- the response to the consultation document itself.
- the original TARGET2 User Requirements sent to you by our group in November 2002
- an appendix to these User Requirements with some add-ons following the information included in the consultation

These 3 documents taken together constitute the official response of the European Banking Industry.

We are conscious of the complexity of the task ahead for the Central Banks. The European Banking Industry recognises that the ECB and especially the National Central Banks will face a tremendous challenge in the building of TARGET2 after the excellent job done in 1999 when they interconnected their local environment and behaviour into Euroland with great success.

TARGET users will endeavour to assist the Eurosystem as far as possible in meeting this new challenge.

We look forward to working closely with the TARGET2 project set up and task forces in the coming months and remain, in the meantime, at your disposition to further expand on or clarify our response in more detail.

Yours Truly,

Peter TWILHAAR
Chairman TARGET Working Group

Patrick PONCELET
Secretary TARGET Working Group

Enclosures: 3

Copy: Koenraad DeGeest