General Information (Origin of Request)			
☒ User Requirements (URD) or GUI Business Functionality Document (BFD)			
☒ Other User Functional or Technical Documentation (SYS)			
Request raised by: Eurosystem	**Institute:** NCBs		**Date raised:** 28/02/2019
Request title: Allow Liquidity Transfers from a T2S DCA to a RTGS or TIPS DCA (including CB accounts)		**Request ref. no:** T2S 0708 URD	
Request type: Common	**Classification:** Scope Enhancement		**Urgency:** Normal
1. Legal/business importance parameter: Medium		**2. Market implementation efforts parameter:** Low	
3. Operational/Technical risk parameter: Low		**4. Financial impact parameter:** No financial impact	
Requestor Category: Central Bank		**Status:** Implemented	

This Change Request is one of the T2S Change Requests related to the T2-T2S Consolidation Project. The tentative distribution of these Change Requests per functional area and T2S release is summarised in the table below (as of 2 November 2020):

	R4.0 (Jun 2020)	R4.2 (Nov 2020)	R5.0 (Jun 2021)	R5.2 (Nov 2021)	R6.0 (Jun 2022)	R6.2 (Nov 2022)
					T2S>ESMIG	
ESMIG (Connectivity)					CR-701	
CRDM (Reference data)	CR-719	CR-721	CR-704 CR-696		CR-705	
BILL (Billing)				CR-697	CR-706	
BDM (Business day)		CR-698			CR-707	
DWH (Historical data)					CR-699	
LEA (Legal archiving)					CR-700	
T2–T2S communication		CR-702 (ICL) CR-703 (camt.050)	CR-729			CR-734
Liquidity management			CR-708 (Outbound LT) CR-709 (Cash sweep)			
Maintenance window			CR-710			

Reason for change and expected benefits/business motivation:

TARGET Services are a number of services developed and operated by the Eurosystem which ensure the free flow of cash, securities and collateral across Europe.

These financial market infrastructure services include **T2** (for settling payments), **T2S** (for settling securities) and **TIPS** (a service for instant payments). All of them settle in central bank money.

T2-T2S Consolidation is a project to replace TARGET2 with a new RTGS system and to optimise liquidity management across all TARGET Services. In this context, the TARGET Consolidation project will introduce a new Central Liquidity Management component (CLM) to offer a centralised mechanism for the steering, monitoring and management of payment capacity. The tool will function via a main cash account (MCA) that participants can open with a central bank. This account will be linked to the participant's Dedicated Cash Accounts (DCAs) for the new RTGS system, T2S and TIPS.

When T2-T2S Consolidation project (CSLD) goes live, direct liquidity transfers from RTGS DCAs to T2S DCAs will be possible (technically implemented via CLM), in addition to transfers between MCAs in CLM and T2S DCAs (in both directions).

In addition to receiving Liquidity Transfers from RTGS or TIPS DCAs, T2S DCA holders should be allowed to instruct Liquidity Transfers from T2S DCAs to RTGS DCAs and TIPS DCAs (including CB accounts). Having this possibility will allow liquidity managers to manage their cash balances across all TARGET Services in a harmonised way, without specific restrictions applicable to liquidity transfers initiated in T2S.

It is deemed essential that this CR is implemented not later than the go-live of the T2-T2S consolidation project in order to allow using the full benefits right from the start and to avoid unnecessary adaptation efforts for the users to bridge an interim period.

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Description of requested change:

The aim of this CR is to allow T2S Actors to send liquidity transfers from T2S to other DCAs (including CB accounts) in any other TARGET Service (T2 and TIPS).

For this purpose, liquidity transfer orders in T2S should be enhanced to permit specifying as credited account, in addition to an MCA, a DCA opened in RTGS or TIPS.

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Submitted annexes / related documents:

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Proposed wording for the Change request:

URD:

Several references in the URD need to be updated to reflect the appropriate wording for "RTGS account" in the new T2S context i.e. RTGS account term should include now for non-euro currencies a RTGS account whereas for euro currency: MCAs, RTGS DCAs and TIPS DCAs

Liquidity transfers between ~~RTGS~~ <u>external</u> accounts and T2S dedicated cash accounts

Reference ID	T2S.06.060

T2S shall ensure that a T2S dedicated cash account holder is able to receive on or send liquidity from its T2S dedicated cash account(s) from/to any <u>external</u> ~~RTGS~~ account with any NCB provided that both accounts are denominated in the same currency and that this is permitted by the relevant central banks. <u>For euro currency the possible external accounts are the MCA in CLM and the RTGS and TIPS DCAs</u> (including CB accounts).
During real-time settlement cycles, T2S shall settle liquidity transfers between <u>external</u> ~~RTGS~~ accounts and T2S dedicated cash accounts on a real-time basis.

Liquidity transfers between T2S dedicated cash account and ~~RTGS~~ <u>external</u> account

Reference ID	T2S.06.113

T2S shall settle liquidity transfers <u>for non-euro currencies</u> between a T2S dedicated cash account and the RTGS account and vice versa. <u>For euro currency, T2S shall settle liquidity transfer between a T2S dedicated cash account and the following accounts in the TARGET Services (an MCA in CLM and a DCA opened in RTGS or TIPS (including CB accounts))</u>

Liquidity transfers between cash accounts belonging to payment bank(s) and/or NCB(s)

Reference ID	T2S.06.114

T2S shall settle liquidity transfers between;

- two T2S dedicated cash accounts linked to the same RTGS account <u>for non-euro currencies or MCA for euro currency</u> or between T2S dedicated cash accounts of the same payment bank (including the T2S dedicated cash accounts of another T2S party the payment bank acts for as liquidity provider) ;

- two T2S NCB cash accounts;

- a T2S dedicated cash account of a payment bank and a T2S NCB cash account and vice versa.

Decreasing of the liquidity on T2S dedicated cash accounts by a specified amount

Reference ID	T2S.06.410

T2S shall allow a payment bank or settlement bank, or authorised party acting on its behalf to define a specified amount for transfer from the T2S dedicated cash account to the RTGS account <u>for non-euro currencies or an account in the TARGET Services for euro currency</u> of the related payment or settlement bank at a certain point in time and for a given event.

Generating an immediate liquidity transfer from static data

T2S shall treat the pre-defined and standing liquidity transfer orders as immediate liquidity transfers. T2S shall generate immediate liquidity transfer orders from pre-defined or standing liquidity transfer orders, which are defined via static data (with a unique liquidity transfer order identifier), through the event-based scheduler on the occurrence of the defined event or time.

In the event of generation the attributes of a liquidity transfer order shall be set as below:

- Currency, Transfer cash amount, RTGS system, ~~RTGS account~~ *==Credited cash account number,==* Credited account type, Target Dedicated Cash Account of the instructing party shall be set as defined in the Static data.

- Sending party shall be set as T2S.

- Instructing party shall be set as the Payment bank/ Settlement bank/ NCB.

- The order reference must be set as the Liquidity transfer order reference (i.e. the unique reference defined by the instructing party for the liquidity transfer order) as defined in the static data (See T2S.16.660).

Mandatory fields for liquidity transfer orders between RTGS and T2S

Reference ID	T2S.06.520

T2S shall check the existence of the following fields for a liquidity transfer order instruction between an RTGS account and T2S dedicated cash account

- currency

- transfer cash amount

- RTGS system

- ~~RTGS account~~ *Cash account number*

- Target Dedicated Cash Account (i.e. T2S dedicated cash account to be credited)

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UHB v5.0 page 316 (Section 2.3.2.3 Immediate Liquidity Transfer – Search/List Screen)[1]

T2S Dedicated Cash Account Number Debit

Shows the cash account to be debited. If the liquidity transfer is internal or outbound, the cash account is a T2S dedicated cash account. If the liquidity transfer is inbound, the cash account is an <u>External RTGS Account, Main Cash Account, RTGS DCA, CLM CB Account, RTGS CB Account or TIPS Account.</u> If you sort the list by that value, the screen is divided into different sections grouped by debit cash account numbers.

T2S Dedicated Cash Account Number Credit

Shows the cash account to be credited. If the liquidity transfer is internal or inbound, the cash account is a T2S dedicated cash account. If the liquidity transfer is outbound, the cash account is an <u>External RTGS Account, Main Cash Account, RTGS DCA, CLM CB Account, RTGS CB Account or TIPS Account.</u> If you sort the list by that value, the screen is divided into different sections grouped by credit cash account numbers.

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[1] Please note that the described functionality won´t be available before CSLD go-live.

UHB v5.0 page 329 (Section 2.3.2.5 Immediate Liquidity Transfer – New Screen)[2]

External RTGS Account Number*

You can choose to either enter the external RTGS account, <u>Main Cash Account, RTGS DCA or TIPS DCA </u>(including CB accounts) to be credited for the outbound liquidity transfer or to select it from the suggested items in the drop-down menu. Required format is: max. 35 characters (SWIFT-x). The default value is the RTGS account which is linked to the T2S dedicated cash account for the end-of-day liquidity transfer <u>(for a currency not open in CLM) or the linked MCA.</u> If you have selected 'Outbound Liquidity Transfer', this field is mandatory. If you have selected 'Internal Liquidity Transfer', this field is not available. References for error messages [} 2015]:

UHB v5.0 pages 820-838 (Section 2.5.4.9 Standing/Predefined Liquidity Transfer Order - Search/List Screen; Section 2.5.4.10 Standing/Predefined Liquidity Transfer Order - Details Screen; Section 2.5.4.11 Standing/Predefined Liquidity Transfer Order - New/Edit Screen).

Addition of the new field "Linked Account Type" in order to distinguish between liquidity transfer orders to an External RTGS Account or to a Cash Account. Amendment of the existing field "External RTGS Account Number" accordingly.

<u>UHB-Chapter 2.5.4.9 Standing/Predefined Liquidity Transfer Order - Search/List Screen, page 822</u>[3]

[…]

Order Reference	Enter the unique reference of the liquidity transfer order. Required format is: max. 16 characters (SWIFT-x), no wildcards allowed References for error messages [2389]: **l** DCD4075 **l** ~~DCC4075~~
Credited ~~External RTGS~~ <u>Cash</u> Account Number	You can choose to either enter the number of the ~~external RTGS~~ <u>cash</u> account to be credited or to select it from the suggested items in the drop-down menu. <u>The field contains the list of the External RTGS Accounts, Main Cash Accounts, RTGS DCA, CLM CB Account, RTGS CB Account or TIPS Account.</u> Required format is: max. 35 characters (SWIFT - x) References for error messages [2389]: **l** <u>DCD4020</u> **l** DCD4021 **l** ~~DCC4080~~
Debited T2S Dedicated Cash Account Number	Enter the number of the T2S dedicated cash account to be debited. References for error messages [2389]: **l** DCD4022

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[2] Please note that the described functionality won´t be available before CSLD go-live
[3] Please note that the described functionality won´t be available before CSLD go-live

I DCD4090

~~**I** DCC4070~~

I QMPC031

[…]

UHB-Chapter 2.5.4.9 Standing/Predefined Liquidity Transfer Order - Search/List Screen, page 824[4]

[…]

Order Reference	Shows the unique reference for the order assigned by the instructing party. References for error messages [2389]: **I** DCD4075 ~~**I** DCC4075~~
Credited ~~External RTGS~~ Cash Account Number	Shows the number of the ~~external RTGS~~ cash account to be credited. References for error messages [2389]: **I** DCD4020 **I** DCD4021 ~~**I** DCC4080~~

[…]

UHB-Chapter 2.5.4.9 Standing/Predefined Liquidity Transfer Order - Search/List Screen, pages 826-827[56]

[…]

Restore	This function enables you to restore a previously deleted liquidity transfer order. Upon clicking on the restore button you will be asked to enter your PIN for digital signature purposes (NRO). With the entry of the PIN, T2S attaches a digital signature to the instruction entered by the T2S actor. Next screen: **I** Standing/predefined liquidity transfer orders – search/ list screen If the status of the selected liquidity transfer order is already set to 'Active', this function is not available. References for error messages [2389]: **I** DCD4001 **I** DCD4012 **I** DCD4020 **I** DCD4021 **I** DCD4022 **I** DCD4075 **I** DCD4090 **I** DCD4100 **I** DCD4200

[…]

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[4] Please note that the described functionality won´t be available before CSLD go-live
[5] Please note that the described functionality won´t be available before CSLD go-live
[6] Please note that the described functionality won´t be available before CSLD go-live

UHB-Chapter 2.5.4.10 Standing/Predefined Liquidity Transfer Order - Details Screen, page 830[7]

[…]

Credited Account Type	Shows the type of the cash account to be credited from the possible values:
	l Cash Account
	l External RTGS Account

Credited ~~External RTGS~~ Cash Account Number ~~Credit~~	Shows the number of the ~~external RTGS~~ cash account to be credited.
	References for error messages [2369]:
	l DCD4020
	l DCD4021

[…]

UHB-Chapter 2.5.4.10 Standing/Predefined Liquidity Transfer Order - Details page 832[8]

[…]

Restore	This function enables you to restore a previously deleted item. Upon clicking on the restore button you will be asked to enter your PIN for digital signature purposes (NRO).
	With the entry of the PIN, T2S attaches a digital signature to the instruction entered by the T2S actor. This button is not visible in case the status of the shown item is 'Active'.
	Next screen:
	l Standing/predefined liquidity transfer orders – search/list screen [820]
	References for error messages [2369]:
	l DCD4001
	l DCD4012
	l DCD4020
	l DCD4021
	l DCD4022
	l DCD4075
	l DCD4090
	l DCD4100
	l DCD4200

[…]

UHB-Chapter 2.5.4.11 Standing/Predefined Liquidity Transfer Order – New/Edit Screen, page 834-836[9]

Order Reference(*)	Shows the unique identification of the liquidity transfer order.
	This field is a mandatory enter field in the new screen.
	Required format is: max. 35 characters (SWIFT-x-red)
	References for error messages [2372]:

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[7] Please note that the described functionality won´t be available before CSLD go-live
[8] Please note that the described functionality won´t be available before CSLD go-live
[9] Please note that the described functionality won´t be available before CSLD go-live

l DCC4075

[…]

Credited Account Type	Shows the type of the cash account to be credited from the possible values: l Cash Account l External RTGS Account This field is a select field in the new screen.
Credited ~~External RTGS~~ Cash Account Number ~~Credit~~	Enter the number of the external RTGS account or cash account to be credited, or search via the magnifier icon. This field is mandatory in the new screen. You can choose to either enter the external RTGS or cash account number ~~credit~~ or to select it from the suggested items in the drop-down menu. Required format is: max. 35 characters (SWIFT-x). References for error messages [2372]: l DCC4079 l DCC4080
Debited T2S Dedicated Cash Account Number	Shows the number of the T2S dedicated cash account to be debited from the drop-down menu. References for error messages [2372]: l DCC4001 l DCU4001 l DCU4070 This field is a mandatory select field in the new screen. Requires format is: max. 34 characters (SWIFT-x), inputsensitive

[…]

Submit	This function enables you to create or edit a liquidity transfer order. Upon clicking on the submit button you will be asked to enter your PIN for digital signature purposes (NRO). With the entry of the PIN, T2S attaches a digital signature to the instruction entered by the T2S actor. Next screen: l Standing/predefined liquidity transfer orders – search/ list screen [820] References for error messages [2372]: l DCC4001 l DCC4070 l DCC4075 l DCC4079 l DCC4080 l DCC4081 l DCC4090 l DCC4091

I DCC4092

I DCC4093

I DCC4120

I DCC4121

I DCC4200

I DCU4001

I DCU4003

I DCU4010

I DCU4030

I DCU4081

I DCU4090

I DCU4091

I DCU4092

I DCU4093

I DCU4130

I DCU4140

I DCU4141

I DCC4800

I DCU4800

I DCU4200

UHB v5.0 pages 2369-2372 (Section 6.4.2.177 Standing/Predefined Liquidity Transfer Order – Details Screen); 2372-2379 (Section 6.4.2.178 Standing/Predefined Liquidity Transfer Order – New/Edit Screen); 2389-2393 (Section 6.4.2.182 Standing/Predefined Liquidity Transfer Order – Search/List Screen); Addition of new Business Rules.

UHB-Chapter 6.4.2.177 Standing/Predefined Liquidity Transfer Order – Details Screen, page 2370[10]

[…]

Reference for error message	Field or button	Error Text	Description
DCD4020	I Credited Cash Account Number field I Restore button	Unknown Creditor Cash Account	When performing a Standing and Predefined Liquidity Transfer Order restore request, if the restored instance contains a reference to a creditor Cash Account, this must refer to an existing and open instance in T2S or CRDM.
DCD4021	I ~~External RTGS~~ Credited Cash Account Number ~~Credit~~ field I Restore button	Unknown External RTGS Cash Account	When performing a Standing and Predefined Liquidity Transfer Order restore request, the restored instance contains a reference to a credited External RTGS Cash Account, this must refer to an existing and open account in T2S.

[…]

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[10] Please note that the described functionality won´t be available before CSLD go-live

UHB-Chapter 6.4.2.178 Standing/Predefined Liquidity Transfer Order – New/Edit Screen, page 2372[11]

[…]

Reference for error message	Field or button	Error Text	Description
DCC4070	**I** Debited T2S Dedicated Cash Account Number field **I** Submit button	Invalid ~~T2S Dedicated~~ Debited Cash Account	When performing a Standing and Predefined Liquidity Transfer Order Create request, the specified T2S Dedicated Cash account to be debited must refer to an existing, active and open instance in T2S.
DCC4075	**I** Order Reference field **I** Submit button	Standing and Predefined Liquidity Transfer Order Reference already assigned	When performing a Standing and Predefined Liquidity Transfer Order Create request, the specified Standing and Predefined Liquidity Transfer Order Reference must not be already assigned to an existing and active instance for the same T2S Dedicated Cash Account.
DCC4079	**I** Credited Cash Account Number field **I** Submit button	Invalid Creditor Cash Account	When performing a Standing and Predefined Liquidity Transfer Order Create request, when the specified Creditor Account is a Cash Account, it must refer to an existing, active and open instance in with cash account type RTGS DCA, RTGS Central Bank Account, TIPS Account, MCA or CLM Central Bank Account Furthermore, when the Creditor Account is a Cash Account, it must have the same currency as the debited Cash Account.
DCC4080	**I** Credited Cash Account Number field **I** Submit button	Invalid External RTGS Cash Account	When performing a Standing and Predefined Liquidity Transfer Order Create request, when the Creditor Account is an External RTGS account, it must refer to an existing, active and open instance in T2S. Furthermore, it must have the same currency as the debited T2S Dedicated Cash Account.

[…]

UHB-Chapter 6.4.2.182 Standing/Predefined Liquidity Transfer Order – Search/List Screen, page 2389[12]

Reference for error message	Field or button	Error Text	Description
~~DCC4070~~	~~**I** Debited T2S DCA Number field~~	~~Invalid T2S Dedicated Cash Account~~	~~When performing a Standing and Predefined Liquidity Transfer Order Create request, the specified T2S Dedicated Cash account to be debited must refer to an existing, active and open instance~~

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[11] Please note that the described functionality won´t be available before CSLD go-live .

[12] Please note that the described functionality won´t be available before CSLD go-live .

			in T2S.
~~DCC4075~~	I ~~Order Reference field~~	~~Standing and Predefined Liquidity Transfer Order Reference already assigned~~	~~When performing a Standing and Predefined Liquidity Transfer Order Create request, the specified Standing and Predefined Liquidity Transfer Order Reference must not be already assigned to an existing and active instance for the same T2S Dedicated Cash Account.~~
~~DCC4080~~	I ~~Credited External RTGS Account Number field~~	~~Invalid External RTGS Cash Account~~	~~When performing a Standing and Predefined Liquidity Transfer Order Create request, the specified External RTGS account must refer to an existing, active and open instance in T2S. Furthermore, it must have the same currency as the debited T2S Dedicated Cash Account.~~

[…]

DCD4020	I <u>Credited Cash Account Number field</u> I <u>Restore button</u>	<u>Unknown Creditor Cash Account</u>	<u>When performing a Standing and Predefined Liquidity Transfer Order restore request, if the restored instance contains a reference to a creditor Cash Account, this must refer to an existing and open instance.</u>
DCD4021	I Credited ~~Ext. RTGS Acc.~~ <u>Cash Account Number</u> field I Restore button	Unknown External RTGS Cash Account	When performing a Standing and Predefined Liquidity Transfer Order restore request, the restored <u>instance contains a reference to a</u> credited External RTGS Cash Account<u>, this</u> must refer to an existing and open account in T2S.

[…]

UDFS V5.2

1.1.2.1 Liquidity Transfers page 25[13]

I A T2S Actor can specify to move liquidity from a T2S Dedicated Cash Account to an External RTGS <u>Account, Main Cash Account, RTGS DCA, CLM CB Account, RTGS CB Account or TIPS Account</u> once at a predefined point in time or related to a business event (so-called Predefined Liquidity Transfer Order);

I A T2S Actor can specify to move liquidity from a T2S Dedicated Cash Account to an External <u>RTGS Account, Main Cash Account, RTGS DCA, CLM CB Account, RTGS CB Account or TIPS Account</u> repetitively at predefined points in time or related to dedicated business events (so-called Standing Liquidity Transfer Order).

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[13] Please note that the described functionality won´t be available before CSLD go-live.

Furthermore T2S offers the functionality to automatically transfer cash proceeds stemming from corporate actions and credited on a T2S Dedicated Cash Account to an External RTGS Account, Main Cash Account, RTGS DCA, CLM CB Account, RTGS CB Account or TIPS Account.

In addition when T2S Dedicated Cash Account holders receive liquidity from different liquidity providers (i.e. from different External RTGS Accounts, Main Cash Accounts, RTGS DCA, CLM CB Accounts, RTGS CB Accounts or TIPS Accounts) they can opt for a specific application process to retransfer the remaining liquidity at the end of the night-time settlement to their liquidity providers according to a predefined priority. For further information, see section Multiple Liquidity Provider [□ 677].

Finally, at the end of the business day all T2S Dedicated Cash Accounts must have a balance of zero. Therefore, T2S automatically transfers the remaining liquidity at the end of the business day to an External RTGS Account, Main Cash Account, RTGS DCA, CLM CB Account, RTGS CB Account or TIPS Account which has to be mandatorily specified for each T2S Dedicated Cash Account. It is also not possible to have overnight credit within T2S. Thus, T2S triggers forced reimbursements to close the pending intraday credits provided by central banks in T2S through auto-collateralisation. For further information, see section End of Day Cash Management [□ 593].

For Euro denominated T2S Dedicated Cash Accounts there is no automatic cash sweep and the T2S Dedicated Cash Accounts have to be mandatorily linked to an Main Cash Account. For Euro denominated T2S Dedicated Cash Accounts it will be possible to initiate outbound liquidity transfers to all accounts belonging to TARGET Services (MCA, RTGS DCA and TIPS DCA (including CB accounts)) and receive cash via inbound liquidity transfers from all accounts in the TARGET Services (MCA, RTGS DCA and TIPS DCA (including CB accounts))). The actual booking process will be handled between T2S and CLM.

2.14.1 Send RTGS Answer – Introduction page 921[14]

Term "External RTGS Accounts" has to be replaced by "External RTGS Account, Main Cash Account, RTGS DCA, CLM CB Account, RTGS CB Account or TIPS Account"

The only T2S Actor potentially involved in the use case is "CB (RTGS)", the CB to which belongs the respective RTGS system.

Outbound Liquidity Transfers to CLM or the TARGET Services will be handled in the same way as Outbound Liquidity Transfers to another RTGS system making use of the same messages and communication mechanisms.

Impact on message documentation on MyStandards / Schemas:

camt.024:

Unprune and set to mandatory element /Document/ModfyStgOrdr/NewStgOrdrValSet/CdtrAcct/Tp

Unprune and set to mandatory element /Document/ModfyStgOrdr/NewStgOrdrValSet/CdtrAcct/Tp/Prtry

Add to the latter element the codes "Cash account [CASH]" and "External RTGS Account [EXTA]" (Datatype: Exact4AlphaNumericText_T2S_1)

camt.050:

Document/LqdtyCdtTrf/LqdtyCdtTrf/CdtrAcct/Tp/Cd and

Document/LqdtyCdtTrf/LqdtyCdtTrf/DbtrAcct/Tp/Cd

Update of the T2S-Use:

CASH = for T2S dedicated cash account; SACC = for RTGS account and MCA, RTGS DCA, TIPS DCA, RTGS CB Account, CLM CB Account

Document/LqdtyCdtTrf/LqdtyCdtTrf/CdtrAcct/Id/Othr/Id
Update of the T2S-Use: Credit account in a Liquidity Transfer can be the T2S Dedicated Cash Account or the RTGS account, MCA, RTGS DCA, TIPS DCA, RTGS CB Account, CLM CB Account

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[14] Please note that the described functionality won´t be available before CSLD go-live

Delete current T2S-Mapping: ~~T2S Dedicated Cash Account number: T2S Dedicated Cash Account or RTGS External Account References: External RTGS Account~~

Document/LqdtyCdtTrf/LqdtyCdtTrf/DbtrAcct/Id/Othr/Id
Update of the T2S-Use: Debit account in a Liquidity Transfer can be the T2S Dedicated Cash Account or the RTGS account, MCA, RTGS DCA, TIPS DCA, RTGS CB Account, CLM CB Account
Delete current T2S-Mapping: ~~T2S Dedicated Cash Account number: T2S Dedicated Cash Account or RTGS External Account References: External RTGS Account~~

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High level description of Impact:

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Outcome/Decisions:

* CRG on the 20 March 2019: The CRG has agreed to launch the preliminary assessment of CR-708.

* CSG on the 13 June 2019: The CSG proposed to reclassify CR-708 as necessary with the practical effect that their costs (estimate: 500-900kEUR) are borne by the T2-T2S Consolidation project instead of the T2S community.

* MIB on the 18 June 2019: The MIB has approved to reclassify CR-708 as necessary as proposed by the CSG with the practical effect that their costs (estimate: 500-900kEUR) are borne by the T2-T2S Consolidation project instead of the T2S community.

* CRG on the 4 July 2019: The CRG has agreed to recommend CR-708 for authorisation by the Steering Level.

* PMG on the 15 October 2019: The PMG proposed the allocation of the CR for R5.0.

* AMI-SeCo on 16 October 2019: The AMI-SeCo agreed with the recommendation of the CRG.

* CSG on 25 October 2019: The CSG authorised the CR for allocation to a T2S release.

* NECSG on 28 October 2019: The NECSG authorised the CR for allocation to a T2S release.

* MIB on 8 November 2019: The MIB authorised the CR.

* CRG on 22 January 2020: The CRG took note of the detailed assessment results and agreed to recommend to the PMG the implementation of the CR in R5.0.

* PMG on 23 January 2020: The PMG agreed to recommend the CR for approval by the T2S Steering Level and on its inclusion in R5.0.

* OMG on 30 January 2020: The OMG completed the operational assessment of the CR and identified an operational impact.

* CSG on 5 February 2020: The CSG approved the inclusion of CR-708 in R5.0.

* NECSG on 10 February 2020: The NECSG approved the inclusion of CR-708 in T2S R5.0.

* MIB on 13 February 2020: The MIB approved the inclusion of CR-708 in the scope of R5.0 without discussion.

* CRG on 30 March 2020: The CRG agreed to the updated documentation of CR-708.

* CSG on 3 April 2020: The CSG approved the updated CR-708 documentation.

* NECSG on 3 April 2020: The NECSG approved the updated CR-708 documentation.

* CRG on 26 May 2020: The CRG agreed to the proposed SDD updates resulting from CR-708, and confirmed its earlier recommendation to the PMG to implement CR-708 in T2S R5.0.

Preliminary assessment:

- **Impacted modules: INTF (U2A), LQMG, SETT, SDMG (CRDM)**

- **Impact on other T2 Services: TIPS**

- **Findings:**

  The Liquidity Transfers will be technically implemented via CLM, the camt.050 message will be updated with CR-0703. When a Liquidity Transfer is moving cash between different T2 services accounts:

- Credit and debit accounts in the camt.050 will have the ID account of the corresponding service cash account (i.e., the respective DCA of each service).

- Since the camt.050 messages will be exchanged between CLM and T2S (and not exchanges between T2 services are envisaged), any posting in T2S related to a LT to/from RTGS/TIPS DCA's should be done as it is now (crediting/debiting in the EUR transit account and in the T2S DCA).

  The impact in LQMG is that new validations have to be performed (retrieving data from SD/CRDM) to check the existence of the new external accounts (i.e. TIPS/RTGS DCA's).

- **Release Allocation:**
  Targeted T2S R5.0 has been confirmed, might be subject to change with result of CR Detailed Assessment

- **Open issues/ questions to be clarified by the originator:**

- No specific questions

Detailed Assessment

EUROSYSTEM ANALYSIS – GENERAL INFORMATION		
T2S Specific Components		**Common Components**
LCMM		
	Instructions validation	
	Status management	
	Instruction matching	
	Instructions maintenance	
	Penalty Mechanism	
Settlement		
	Standardisation and preparation to settlement	
	Night-time Settlement	
	Daytime Recycling and optimisation	
	Daytime Validation, provisioning & booking	
	Auto-collateralisation	
Liquidity Management		
X	Outbound Information Management	
	NCB Business Procedures	
X	Liquidity Operations	
T2S Interface *(as of June 2022 without Static Data Management, Communication for SDMG, Scheduler, Billing)*		
	Communication	
X	Outbound Processing	
X	Inbound Processing	

Static Data Management *(until Nov 2021)*		**Common Reference Data Management** *(from PROD R5.2 Nov 2021)*	
	Party data management		Party data management
	Securities data management		Securities data management
X	Cash account data management	X	Cash account data management
	Securities account data management		Securities account data management
	Rules and parameters data management		Rules and parameters data management
Statistics and archive		**Statistics and archive**	
	Statistical information (until Nov 2021)		Short term statistical information
	Legal archiving (until Nov 2021)		Legal archiving (from PROD R5.2)
			Data Warehouse (from PROD R5.2)
Information *(until June 2022 containing reference data)*		**CRDM business interface** *(from PROD R6.0 June 2022)*	
	Report management		Report management
	Query management		Query management
			Communication
		X	Outbound Processing
		X	Inbound Processing
Operational Services			
	Data Migration (T2S DMT)		Data Migration (CRDM DMT, from PROD R5.2)
	Scheduling (until Nov 2021)		Business Day Management (from PROD R5.2)
			Business Day Management business interface (from PROD R6.0)
	Billing (until June 2022)		Billing (from PROD R5.2)
			Billing business interface (from PROD R6.0)
	Operational Monitoring		Operational and Business Monitoring

Impact on major documentation		
Document	**Chapter**	**Change**
Impacted GFS chapter		
Impacted UDFS chapter	1.1.2.1 Liquidity Transfers	Paragraph to be inserted to clarify that outbound Liquidity Transfers are possible to TARGET Services (MCA, RTGS DCA and TIPS DCA (including CB accounts)). Actual booking occurs between T2S and CLM
	2.14.1 Send RTGS Answer-Introduction	Paragraph to be inserted to clarify that outbound Liquidity Transfers are possible to TARGET Services (MCA, RTGS DCA and TIPS DCA (including CB accounts)). Actual booking occurs between T2S and CLM
Additional deliveries for Message Specification	Message documentation for camt.024	Update of the schema Update of the message examples Upload to MyStandards
	Message documentation for camt,050	Update of the T2S-Use for the Account Type Codes Upload to MyStandards
UHB	2.3.2.3 Immediate Liquidity Transfer – Search/List Screen	Amendment to field values as MCA, RTGS DCA and TIPS DCA (including CB accounts) are possible values for debited and credited T2S Dedicated Cash Account

	2.3.2.5 Immediate Liquidity Transfer – New Screen	Term "External RTGS Accounts" has to be replaced by <u>External RTGS Account, Main Cash Account, RTGS DCA, CLM CB Account, RTGS CB Account or TIPS Account</u>"
	2.5.4.9 Standing/Predefined Liquidity Transfer Orders – Search/List Screen	
	2.5.4.10 Standing/Predefined Liquidity Transfer Order – Details Screen	Amendment of screens to allow input and visualization of credited Cash Accounts (MCA, RTGS DCA, TIPS Account (including CB accounts)) as well as an additional "Credited Account Type" field and changes in Business rules
	2.5.4.11 Standing/Predefined Liquidity Transfer Order – New/Edit Screen	
	6.4.2.177 Standing/Predefined Liquidity Transfer Order – Details Screen	Addition of new Business Rules
	6.4.2.178 Standing/Predefined Liquidity Transfer Order – New/Edit Screen	
	6.4.2.182 Standing/Predefined Liquidity Transfer Order – Search/List Screen	

Links with other requests

OVERVIEW OF THE IMPACT OF THE REQUEST ON THE T2S SYSTEM AND ON THE PROJECT
Summary of functional, development, infrastructure and migration impacts

The CR foresees amendment of back-end and GUI functions to reflect and accept Cash Accounts (MCA, RTGS DCA, TIPS Accounts (including CB accounts)) as possible debited and credited accounts for Liquidity Transfers (inbound and outbound).

Main cost drivers:
- Change of the Liquidity Management domain to allow for new data accesses and handling of LTs (reflecting specific EUR business).
- Change of the T2S data model, implementation of new business rules and input validations
- Amendment of the screens related to LTs.

Summary of project risk

To minimise the risk for the CSLD go-live 4CB recommend the execution of user tests with T2 in the timeframe of T2S R5.0.

Security analysis

No adverse effects have been identified during security assessment.