

# NUG Target2

Roma, 13 Ottobre 2010



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**Release TARGET2 di Novembre 2010 e Novembre 2011**

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**Operatività in TARGET2 e TARGET2-Banca d'Italia**

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**Interazione T2S/T2: orari giornata operativa T2S**

4

**Possibile strategia di implementazione dell'ISO 20022 in Target2**

## Release TARGET2 4.0

- ⇒ La nuova versione delle UDFS è stata pubblicata a marzo 2010
- ⇒ Il 1° ottobre 2010 è stato pubblicato sul sito BCE il nuovo ICM Handbook I v.4.0
- ⇒ Nell'aprile scorso è stata pubblicata una comunicazione ad hoc che comprende anche la lista dei bugs che saranno risolti con la release 4.0
- ⇒ Informazioni dettagliate sulla fase di test sono state inviate per e-mail a tutti i partecipanti I casi di test saranno disponibili sul sito BCE per TARGET2 (<https://target2.ecb.int> USER: t2user PASSWORD: VBjmspRR7)
- ⇒ Al termine della fase di test è prevista un'autocertificazione da inviare a [test-target2@bancaditalia.it](mailto:test-target2@bancaditalia.it) da parte di ogni partecipante



## Release TARGET2 4.0

**Test di accettazione NCB: svolti dal 23 agosto al 10 settembre**

**Test utente: dal 13 settembre al 5 novembre:**

- Test di connettività e interoperabilità (nuove funzionalità e “non regressione”): test di connettività obbligatori per tutti gli utenti. Sono previsti test differenti per partecipanti diretti, titolari di conto HAM e Ancillary Systems I partecipanti diretti dovranno effettuare il test di invio e ricezione verso un partecipante diretto internet based

- Per la comunità bancaria italiana non sono previsti Business Day Tests

**Freezing period dall'8 novembre al 19 novembre 2010**

**Go-live: 22 novembre 2010**



# Release TARGET2 4.0: pianificazione test

	34	35	36	37	38	39	40	41	42	43	44	45	46
Week number	23/8-27/8	30/8-3/9	6/9-10/9	13/9-17/9	20/9-24/9	27/9-1/10	4/10-8/10	11/10-15/10	18/10-22/10	25/10-29/10	1/11-5-11	8/11-12/11	15/11-19/11
Testing phases	Acceptance testing by CBs			Connectivity-Interoperability tests			Business day tests/AS regression test					Freezing period	
	Free testing												
Operating time SWIFT FIN mode	Test	Test	Test	Test	Test	Test	Test	Live	Test	Test	Test	Test	Test
	CU	CU	FU	CU	CU	CU	FU	FU	FU	FU	FU	FU	FU



## Release TARGET2 4.0: modifiche introdotte

Descrizione	Moduli
<b>Addressing validation tables for AS procedure 3</b>	<b>ASI</b>
<b>Revoking of blocked pending ASI XML transactions</b>	<b>ASI</b>
<b>ICM RTGS payment window sorting</b>	<b>PM, ICM</b>
<b>New function title of contact item in static data</b>	<b>ICM</b>
<b>Automatic query refresh in the ICM</b>	<b>ICM</b>
<b>Notification of credit line change</b>	<b>PM</b>
<b>Internet-based access</b>	<b>PM, HAM</b>
<b>Amendment to the ASTransferNotice message</b>	<b>ASI</b>



## Release TARGET2 4.0: modifiche introdotte

Descrizione		Modulo
Addressing validation tables for AS procedure 3	For AS using procedure 3, the addressing validation tables of the ASI would reject the whole AStransferinitaition file whenever the FirstAgent or the FinalAgent BIC of one individual transaction is not associated to the AS. Considering that transactions in model 3 are not linked, it is proposed that only the transactions where the verification on FirstAgent and FinalAgent is unsuccessful are rejected while the other transactions would be processed normally. The AS would be notified accordingly with an ASinitiationstatus message.	ASI

<b>Descrizione</b>		<b>Modulo</b>
<b>Revoking of blocked pending ASI XML transactions</b>	<b>An erroneous amount in the AS transfer initiation file (for procedure 2,3,4 and 5) may block the settlement queue of settlement banks, in particular if no latest debit time stamp was used. The change aims at allowing the Central Bank of the AS to revoke such a transaction as long as it is not yet final. The revocation is at the level of individual transactions for models 1,2,3 or 6 and for the whole file for models 4 and 5.</b>	<b>ASI</b>

Descrizione		Modulo
<b>ICM RTGS payment window sorting</b>	<b>The default sorting of payments is based on the combination of these three parameters (in ascending order): priority, queue position and entry time. The change request consists in keeping the ascending order for the priority and using a descending order for the entry time. The default sorting according to the queue position will not be kept as the sorting according to entry time makes it irrelevant.</b>	<b>PM, ICM</b>

Descrizione		Modulo
<b>New function title of contact item in static data</b>	<b>The change consists in adding three new functions title in the contact item of the participant's static data namely "liquidity manager", "operational manager", "project manager".</b>	<b>ICM</b>

Descrizione		Modulo
<b>Automatic query refresh in the ICM</b>	<b>When the participant has already executed a query, pressing the refresh button will execute the same query using the same sorting and filtering criteria. This affects the following screens: “select payments”, “select message”, “select business case” and “select file”.</b>	<b>ICM</b>

Descrizione		Modulo
Notification of credit line change	A notification MT900 (resp. MT910) will be sent to the participant when the credit line was successfully decreased (resp. increased). This only applies to participants having opted for receiving MT900/910 in the static data. The difference in the credit line will be indicated in field 32A of the notification message and the code word /CREDITLINE/ will be used in field 72.	PM

■ Il messaggio MT910/900 per la notifica di un accredito/addebito di un RMR continuerà ad essere inviato secondo la codifica attuale insieme al nuovo messaggio (notification of credit line change) implementato nella release 4.0.

■ Il messaggio MT900/910 per la notifica della variazione della linea di credito riveniente da un connected payment (es. OMA) continuerà ad essere inviato secondo la codifica attuale (/CRDTLN/15d).



<b>Descrizione</b>	<b>Modulo</b>
<b>Amendme nt to the ASTransfe rNotice message</b>	<b>In the framework of cross DVP settlement, the credited AS is presently notified by an ASTransferNoticemessage containing the amount of the transaction. Upon request of some AS, the ASTransferNotice message will be enhanced in order to provide as well the resulting balance on the credited account after the successful settlement of the cross DVP transactions</b>
<b>ASI</b>	

<b>Descrizione</b>		<b>Modulo</b>
<b>Internet-based access</b>	<p>The envisaged solution consists in connecting banks to the SSP of TARGET2 via a secured Internet connection. A browsing functionality for the https traffic and an interactive and authenticated messaging service using XML standards will allow the small banks to monitor their account balances via the ICM. The ICM would also be used for entering outward payments via specific ICM screens. These transactions would be converted by the SSP after the necessary checks into SWIFT FIN Y-Copy payment message, which would subsequently follow the standard processing of a TARGET2 payment. For inward flows (i.e. incoming transactions, notification, reporting), a similar mechanism would be in place to convert the messages into a format that can be forwarded to the Internet-based participants and can be displayed on their ICM. The Restricted Access to registered user members, the Delivery Guarantee for messages and files sent and the Message Validation feature would also be provided.</p>	<b>PM, HAM</b>



## Release TARGET2 4.0: Internet-based access

- E' un canale alternativo per la connettività alla SSP per le banche con limitato volume di traffico (minori costi di connessione e di gestione SWIFT)
- Potenziali destinatari: principalmente partecipanti diretti al PHA che, dopo la dismissione degli stessi vorranno partecipare direttamente a TARGET2
- Nella quasi totalità dei casi le banche effettueranno pagamenti esclusivamente nei confronti della propria banca centrale (utilizzo di un unpublished BIC) mentre continueranno a regolare i pagamenti in via indiretta; le banche titolari di conto PM internet based che intendono regolare i pagamenti in via indiretta dovrebbero avere un BIC unpublished
- In Italia l'interesse appare estremamente limitato
- E' un servizio opzionale soggetto a specifica tariffazione di 70 euro mensili oltre alle normali tariffe previste per il regolamento delle transazioni
- Per i partecipanti "internet-based" non sarà possibile inserire la 3<sup>a</sup> e 4<sup>a</sup> posizione del campo 113 Banking Priority dello User Header dei messaggi SWIFT (es. UYBI). I flag attualmente vengono utilizzati dalla comunità bancaria italiana per indicare la tipologia dell'operazione



## Release TARGET2 4.0: Internet-based access

**Informazioni per il test di pagamenti da un PM participant nei confronti di un internet-based participant con conto PM:**

- Il BIC utilizzabile per i collaudi è ZYAEITR04P1 ( IBP con conto PM )
- l'IBAN utilizzabile è IT88A0100003221000000000001
- per raggiungere un IBP con conto PM è necessario indirizzare il messaggio al BIC addressee TRGTXEP0LVP
- Il TAG 57A nei messaggi MT103 e MT103+ deve essere sempre valorizzato. La SSP invierà al regolamento il messaggio solo nel caso in cui sul primo campo a credito valorizzato (56A o 57A ) sia presente il BIC di un IBP. Diversamente il messaggio sarà scartato con MT019.
- La compilazione dei messaggi MT202 rimane invariata. La SSP invierà al regolamento il messaggio solo nel caso in cui sul primo campo a credito valorizzato (56A o 57A o 58A ) sia presente il BIC di un IBP. Diversamente il messaggio sarà scartato con MT019.



## Modifiche ai contratti

**La nuova TARGET2 Guideline approvata nel mese di settembre comporta un adeguamento dei contratti relativi al sistema TARGET2–Banca d'Italia. Essi saranno modificati per tenere conto degli aggiornamenti tecnici che saranno introdotti con la release 4.0 del 22 novembre p.v. e per altri aspetti di natura formale.**


**In particolare:**

- **Saranno adeguati tutti i contratti per tenere conto della possibilità che si interagisca con un soggetto connesso alla piattaforma tramite Internet**
- **Saranno predisposti appositi contratti per le banche che intenderanno essere titolari di conto PM ed HAM basato sulla connessione a Internet**



# SSP release 5.0 milestones

## Main milestones for the SSP release 5.0

	1 <sup>st</sup> User consultation:	22 February 2010 – 22 March 2010
	2 <sup>nd</sup> User consultation:	20 September 2010 – 13 October 2010
	Communication of the final release content	15 November 2010
	Delivery of the UDFS to the TARGET2 users	15 March 2011
	Delivery of users' test requirements	20 April 2011
	Delivery in Test & Training environment	22 August 2011
	Go-live	21 November 2011

## Release Target2 5.0

- Sulla base della prima user consultation l'Eurosistema ha selezionato gli 8 CR che hanno ricevuto maggior supporto da parte degli utenti e condotto l'analisi costi/benefici
- Con la seconda consultazione l'Eurosistema propone la realizzazione di 5 CR, la non realizzazione di 2 CR mentre per 1 (*Mass retrieval capability for AS FileAct and InterAct*) non sono ancora disponibili tutte le informazioni necessarie per poter prendere una decisione
- Nessuna modifica avrà effetti sull'attuale struttura tariffaria
- Potrebbero essere necessari adattamenti anche per i msg SWIFTFin e SWIFT Cash Management Standards; comunicazioni in tal senso verranno effettuate quando al SWIFT avrà confermato il contenuto della propria release



## Mass retrieval capability for AS FileAct and InterAct

Valutare l'interesse della funzione considerando che gli AS sono già dotati di *retrieval capability functions* per potere rinviare i messaggi *InterAct* e *FileAct* in caso di disastro regionale

Non è ancora noto il costo e lo schema di pricing della funzione

In prospettiva la funzione appare più rilevante in T2S, dove verranno regolate tutte le transazioni in titoli provenienti dai CSD

## SSP Release 5.0 Change requests

### Modifiche già stabilite:

- Nuova versione della Backup Functionality sulla base delle indicazioni della Back Up Task Force in ambito TWG

### Modifiche da approvare:

CR-1	Invisibility of unpublished BICs on the ICM	Green
CR-7	Liquidity transfer from RTGS to HAM accounts	Green
CR-9	Liquidity transfer from co-managed HAM to RTGS	Green
CR-11	Sorting criteria for the profile selection (work as BIC)	Green
CR-15	Implementation of mass retrieval for AS files	Yellow
CR-16	Separation of standing order SD request	Green
CR-24	Default values in GetTransaction	Red
CR-25	Possibility to input fields 57A and 72 in ICM back up	Red

<b>CR-1</b>	Invisibility of unpublished BICs on the ICM.	The participants using unpublished BICs would not be visible by others participants on ICM screen displays “list of SSP participants”, “enter standing order limit” and “display group of account”. Filters will be put in place so that unpublished BICs are visible to the Central Bank and to the unpublished participant itself. Whenever it is relevant, it will also be made visible to its Group of Account manager, to its AS and to its co-manager.	This development was already envisaged for SSP release 4.0 but it was foreseen to raise the monthly fee for unpublished BICs from 30 EUR to 40 EUR to cover the development costs. The participants did not agree with this increase. However, the number of unpublished BICs is expected to rise with the progressive phasing out of PHAs as a number of banks will need a PM account but, in general, will use it solely for monetary policy / refinancing purposes.  In this context the Eurosystem is envisaging the implementation of that change. The higher number of unpublished BICs would then cover the development costs, which would allow keeping the fee unchanged.
<b>CR-7</b>	Interbank transfer from RTGS account to other HAM accounts.	Currently, transfers from RTGS account to other HAM accounts (i.e. the debtor is not the account holder of the credit account) are not possible, only the reverse direction. This CR allows banks to transfer liquidity from their RTGS account to several HAM accounts except to CB customer accounts.	Most communities using or intending to use the HAM supported this enhancement during the 1st User consultation. The Eurosystem is therefore envisaging its implementation
<b>CR-9</b>	Interbank transfer from co-managed HAM account to co-manager RTGS account.	Currently, interbank transfers from co-managed HAM accounts to RTGS account of the co-manager are supported through ICM and via MT202 simplified to HAM. At the end of the message flow the co-manager receives a MT202 from PM where the BIC of the co-manager is mentioned in field 58A as final beneficiary. The HAM account owner (BIC in field 52A) should be mentioned in field 58A.	Most communities using or intending to use the HAM supported this enhancement during the 1st User consultation. Furthermore it would avoid audit problems already reported by some participants. The Eurosystem is therefore envisaging its implementation.



<b>CR-11</b>	Sorting criteria for the profile selection (workas BIC).	When there are more than one BIC assigned to the DN of the user, those BICs are listed ad random. This CR would list the main BIC (flag in SD) on top as default and the other BICs will further be listed in an alphabetical order.	Considering the support received by the user community during the 1st User consultation as well as the limited costs at stake, the Eurosystem is envisaging the implementation of this change request.
<b>CR-16</b>	Separation of standing order SD request from PM message GetAccount.	The GetAccount request towards PM also queries for standing order liquidity held in SD. SD will return an error message when there is no standing order or when the user is not allowed access to the standing order sub account, but the user may only have wanted the PM account balance to which he has RBAC access rights. For harmonisation (same procedure as for standing order mirror account) and in order to reduce operational risk, queries towards SD should be separated from queries towards PM.	Considering the support received by the user community during the 1st User consultation as well as the limited costs at stake, the Eurosystem is envisaging the implementation of this change request.

<p><b>CR-15</b></p>	<p>Implementation of mass retrieval capability for AS FileAct and InterAct.</p>	<p>An inter-region failover can only be managed asynchronously resulting in a maximum two minutes gap with possible loss of data. The account balances and payment queues need to be rebuilt in the surviving region for which S.W.I.F.T. provides the retrieval functionality. Currently, this service only encompasses FIN traffic. AS using ASI would thus have to resend FileAct and InterAct traffic. S.W.I.F.T. has announced that the retrieval functionality will be enhanced and will include the SnF FileAct and InterAct traffic by November 2011. This enlarged functionality in TARGET2 could then also cover the AS settlement files.</p>	<p>The assessment of this change request is still ongoing. A number of technical analyses still have to be carried out in collaboration with S.W.I.F.T. For that reason it is not yet possible to indicate whether it would eventually receive the support of the Eurosystem. The decision will be announced together with the final release content in November 2010. However, the Eurosystem wants to highlight that, in case this new service would be implemented, it could have cost implications on the users' side as S.W.I.F.T. could possibly apply an extra charge directly invoiced by S.W.I.F.T. to the sender as is the practice for SWIFT FIN messages (0,003 EUR per message). S.W.I.F.T. is at the moment considering this aspect.</p>
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<b>CR-24</b>	Default values in GetTransaction	Currently, default return criteria are only used if no return criteria were chosen in the GetTransaction request. Related information about all the criteria that were not mentioned in the request is not present in the ReturnTransaction. It should be possible to switch single criteria without impacting the default of all the other criteria which were not mentioned in the request.	This change request received a limited support from the communities during the 1st User consultation. Furthermore the added value it would bring would be very limited and would not offset the costs at stake. For these reasons the Eurosystem would not envisage its implementation.
<b>CR-25</b>	Additional input fields on Back up payment screen	Currently, in ICM usage for back up payments only fields 58A and 32A are available. Field 58A is currently also used as receiver of the MT202 output message generated by PM. At present, the only way to send the information of fields 57A (Receiver) and 72 (Sender to Receiver information) to the receiver bank would be through a mandated payment by the Central Bank. Therefore, it is requested that banks should have all MT202 fields available for back up payments. In U2A mode this is feasible through a new ICM screen. In A2A mode a cash management standard is used that does not provide the possibility to include the additional information of fields 57A en 72.	The functionality of back up payments primarily aims at enabling the users to send critical transactions in contingency situations. In this context it is essential that such transactions are simplified to the maximum extent to allow their processing in a very short timeframe. Furthermore the back up payment feature is not supposed to become an alternative to the sending of fully-fledged payment transactions via the standard channels (i.e. SWIFTNet FIN or Internet). Considering the limited value added and the significant costs at stake, the Eurosystem would not envisage the implementation of this change request.

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4

**Possibile strategia di implementazione dell'ISO 20022 in Target2**

# Partecipazione a TARGET2

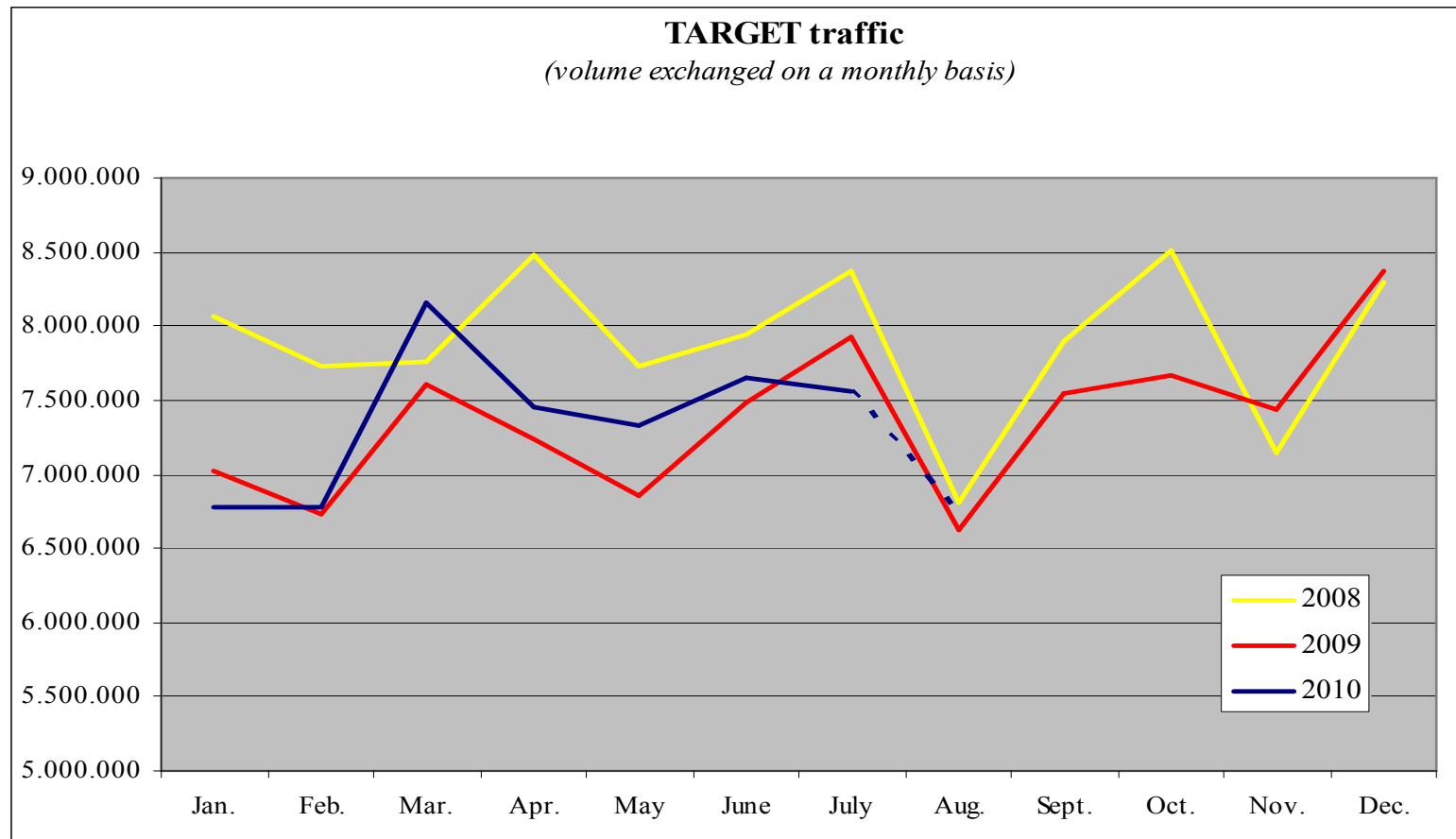
## A ottobre 2010:

- oltre 930 partecipanti diretti (780 a maggio 2008)
- circa 3.600 partecipanti indiretti
- più di 55.000 istituzioni finanziarie raggiungibili (addressable)
- 67 sistemi ancillari

➔ **connessione Romania a TARGET2 a luglio 2011 (25 partecipanti diretti)**



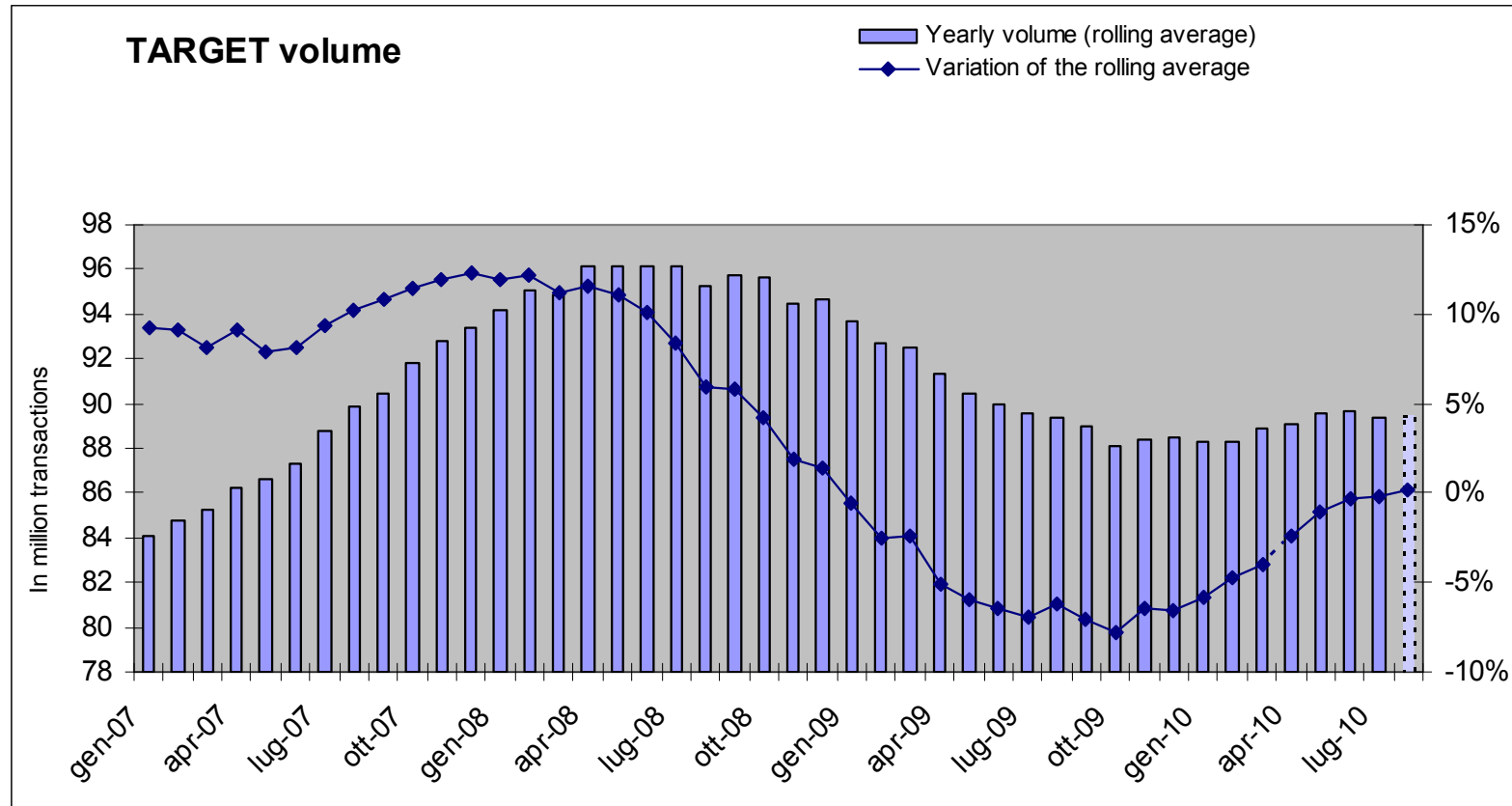
## TARGET2: numero pagamenti regolati



Fonte: BCE



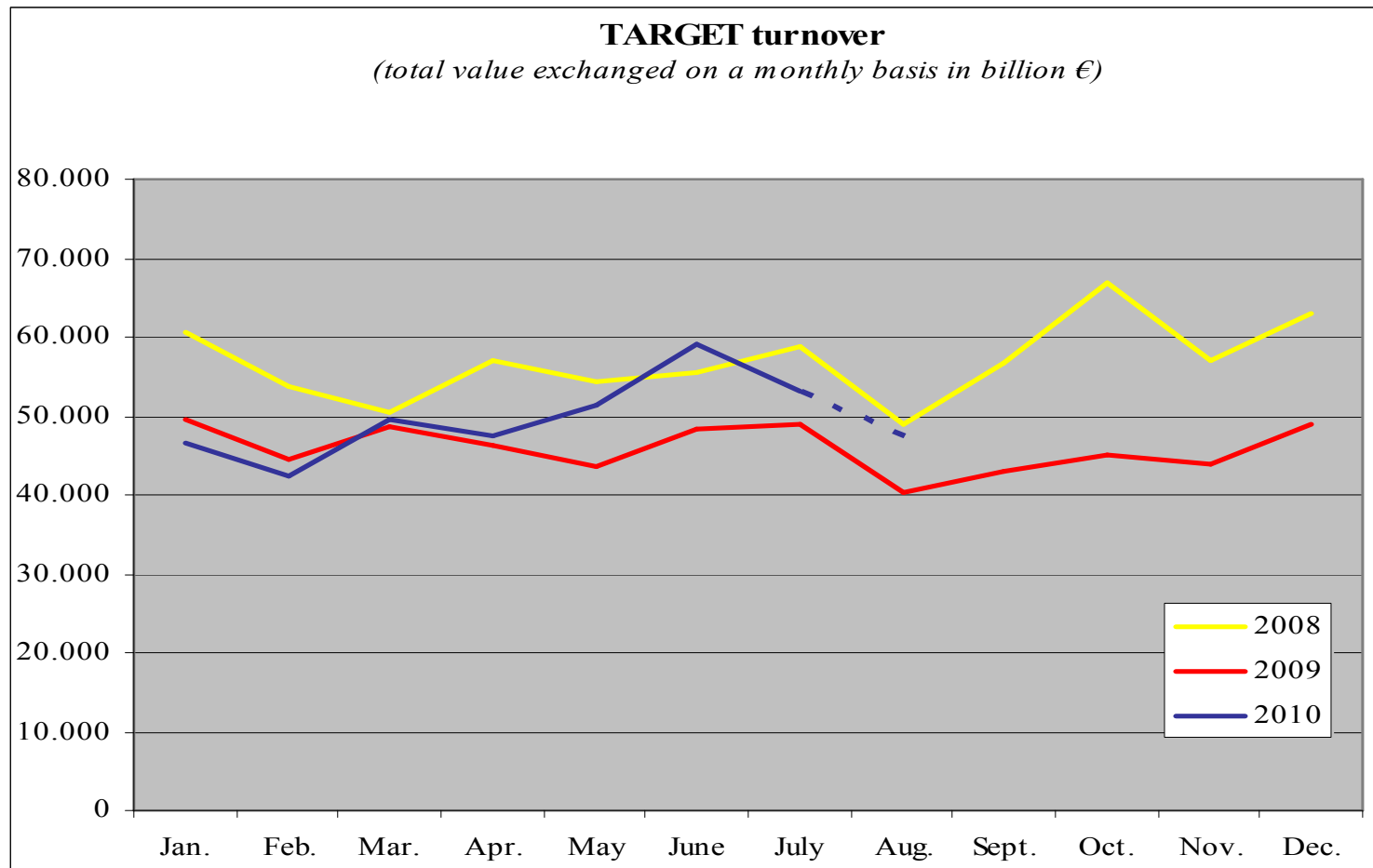
# TARGET2: numero cumulado pagamenti regolati (ultimi 12 mesi)



Fonte: BCE



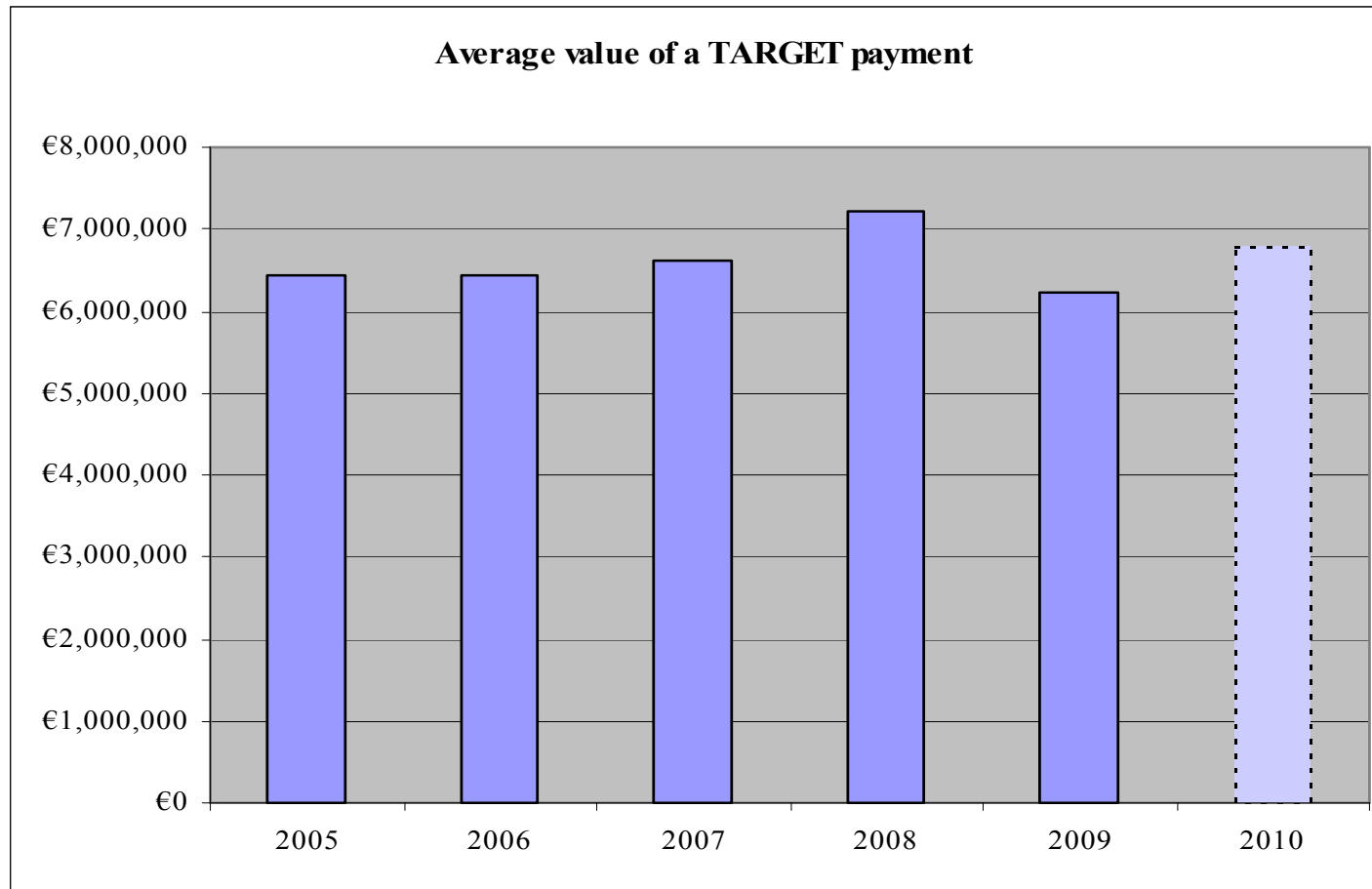
## TARGET2: importo pagamenti regolati



Fonte: BCE



## TARGET2: importo medio giornaliero



Fonte: BCE



## Partecipazione a TARGET2-BdI

TARGET2-Banca d'Italia (ottobre 2010):

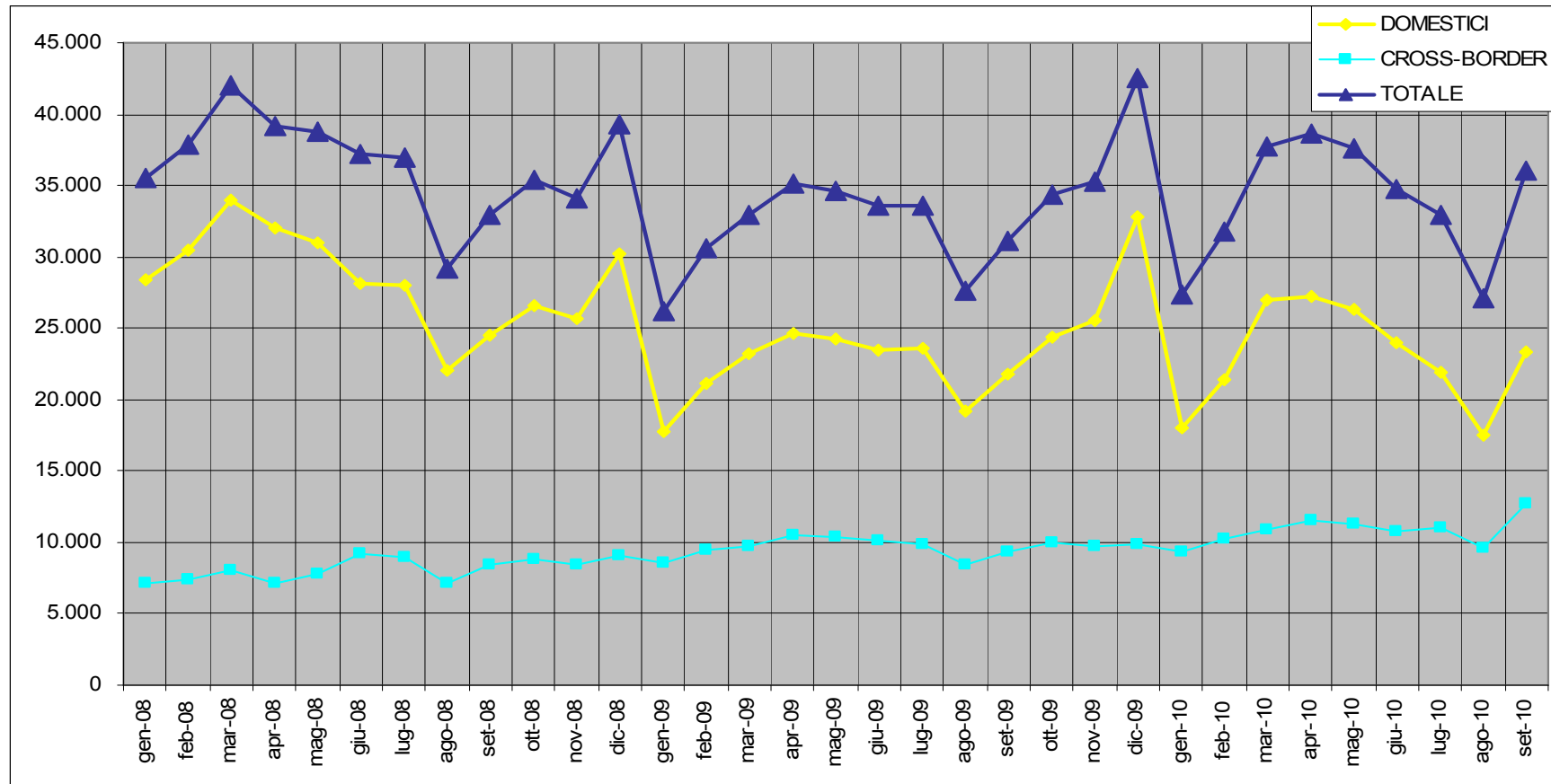
- 98 partecipanti diretti, inclusa BdI (97 ad ottobre 2009)
- 373 partecipanti indiretti
- circa 1200 multi-addressee
- oltre 23.000 addressable BICs

130 titolari di conto HAM, di cui 5 CB customer (136 a ottobre 2009); di questi, 54 assolvono direttamente agli obblighi di riserva

Non ci si attende una crescita nel numero dei partecipanti diretti o dei titolari di conto HAM con l'avvio dell'*internet based access*

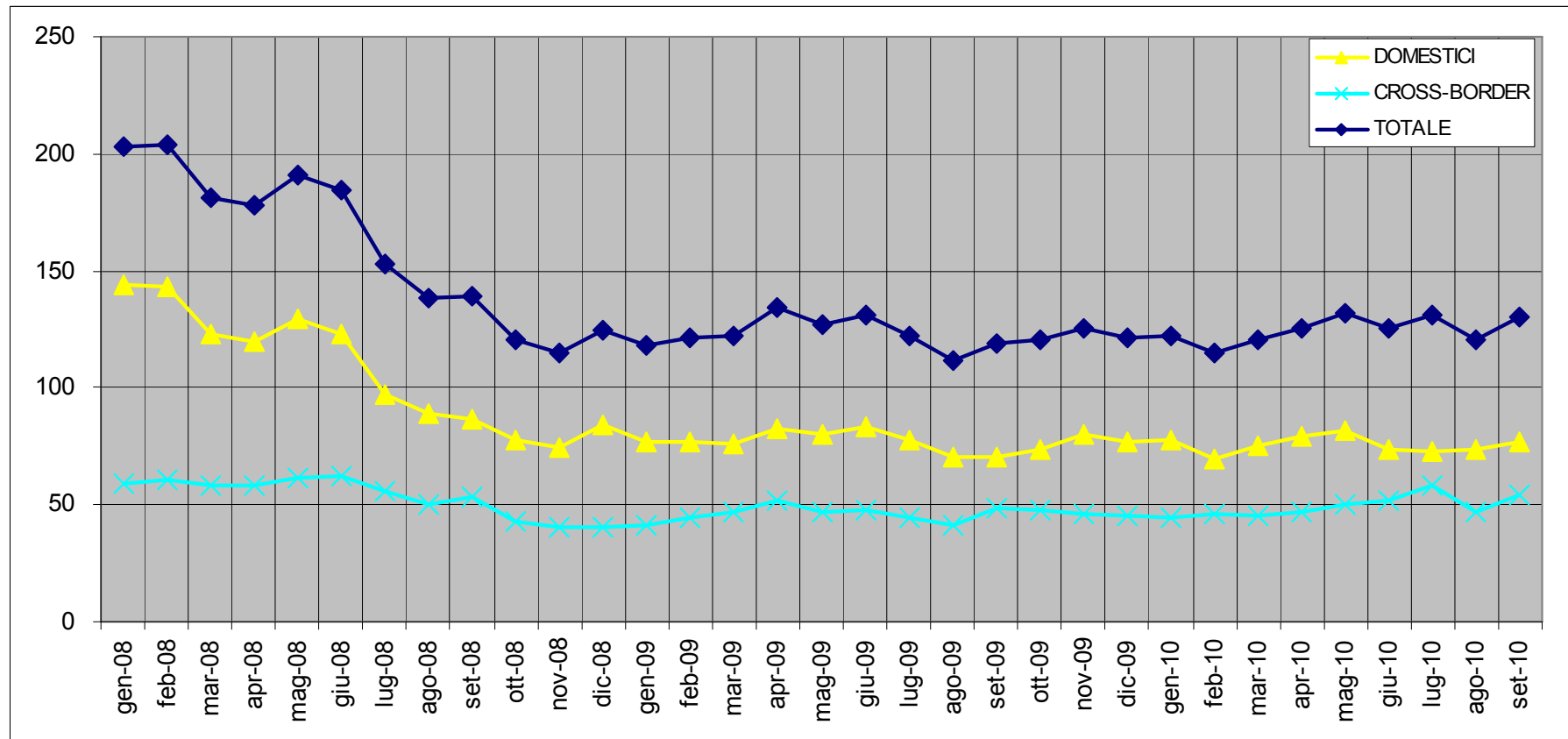


## Numero medio giornaliero pagamenti regolati in TARGET2-BdI (dati mensili; gennaio 2008- settembre 2010)

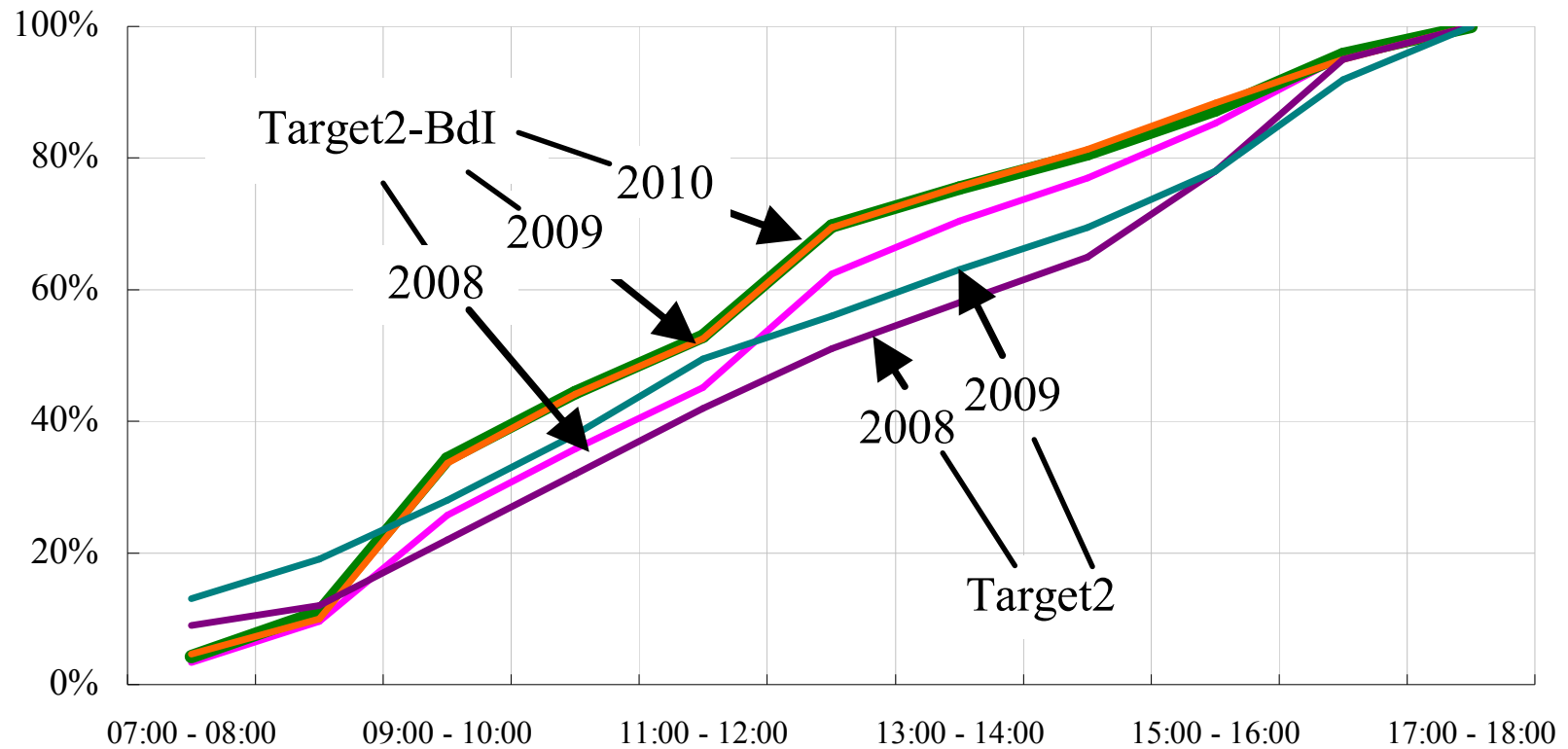


## Importo medio giornaliero pagamenti regolati in TARGET2-BdI

(miliardi di euro; dati mensili; periodo gennaio 2008- settembre 2010)



## TARGET2-Banca d'Italia: distribuzione dei pagamenti per fasce orarie (in termini di importo)



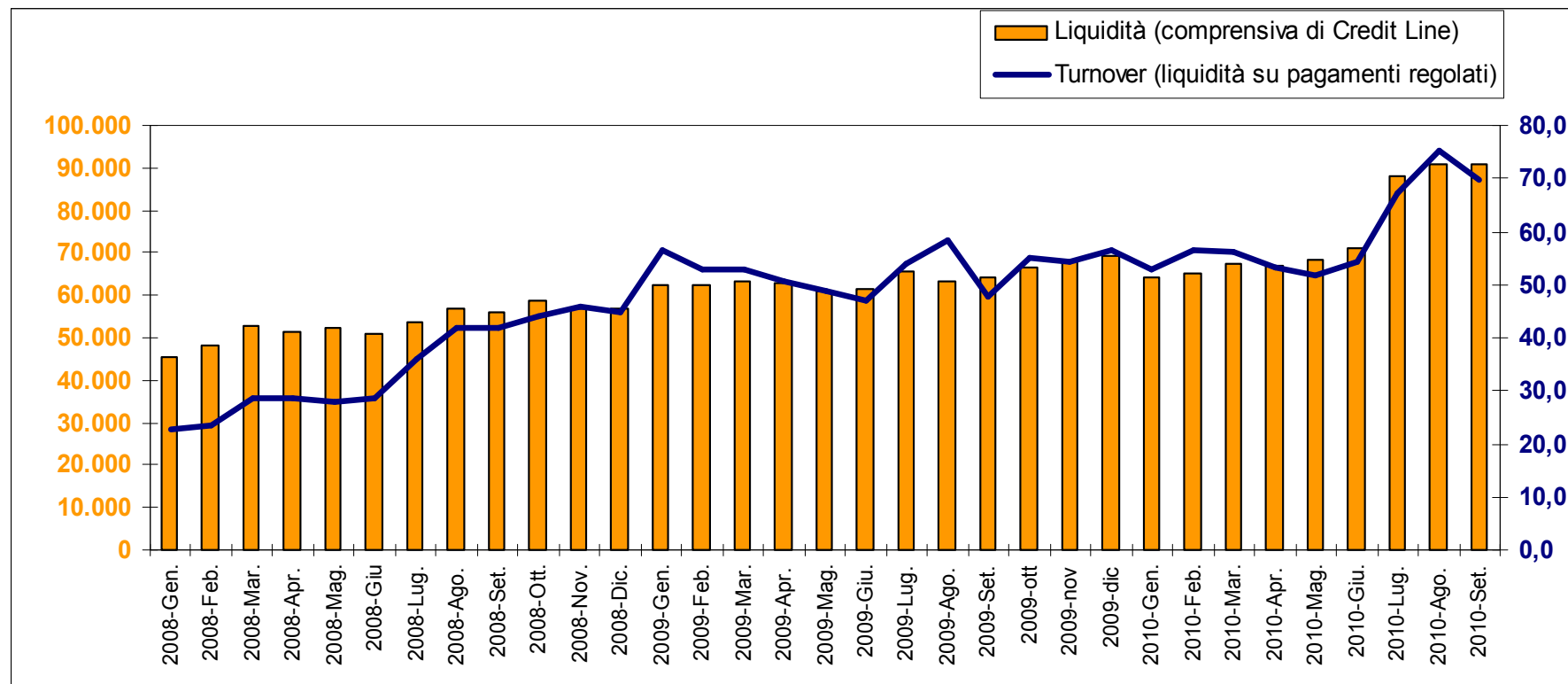
Fonte: Banca d'Italia e BCE



# TARGET2-Banca d'Italia

## Liquidità disponibile in base monetaria

(importi in milioni di euro; periodo gennaio 2008-settembre 2010)



# TARGET2-Banca d'Italia

## Utilizzo liquidità infragiornaliera

(importi in milioni di euro; periodo gennaio 2007-settembre 2010)

