



EUROPEAN CENTRAL BANK

EUROSYSTEM

# Eurosystem Collateral Management System

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Information pack

## An introduction to the ECMS

January 2020

target | ECMS  
services

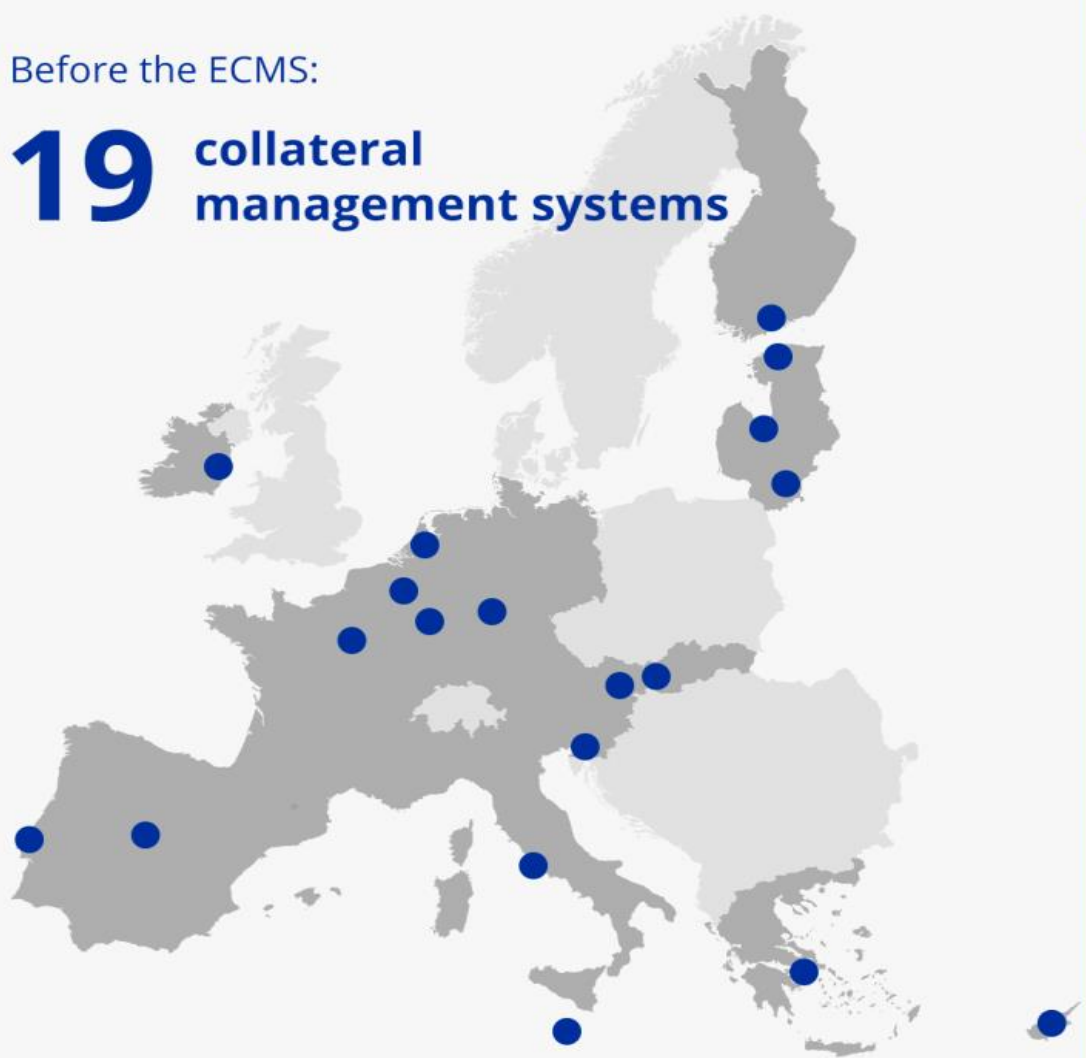
## A single, unified collateral management system

The Eurosystem Collateral Management System will replace the 19 local collateral management systems of the NCBs in operation today.

Go-live is planned for **November 2022**.

Before the ECMS:

**19** collateral management systems



From November 2022 onwards:

**1** unified system



# The ECMS – key aspects

The ECMS will work together with the other TARGET services to ensure that cash, securities and collateral flow freely across Europe.

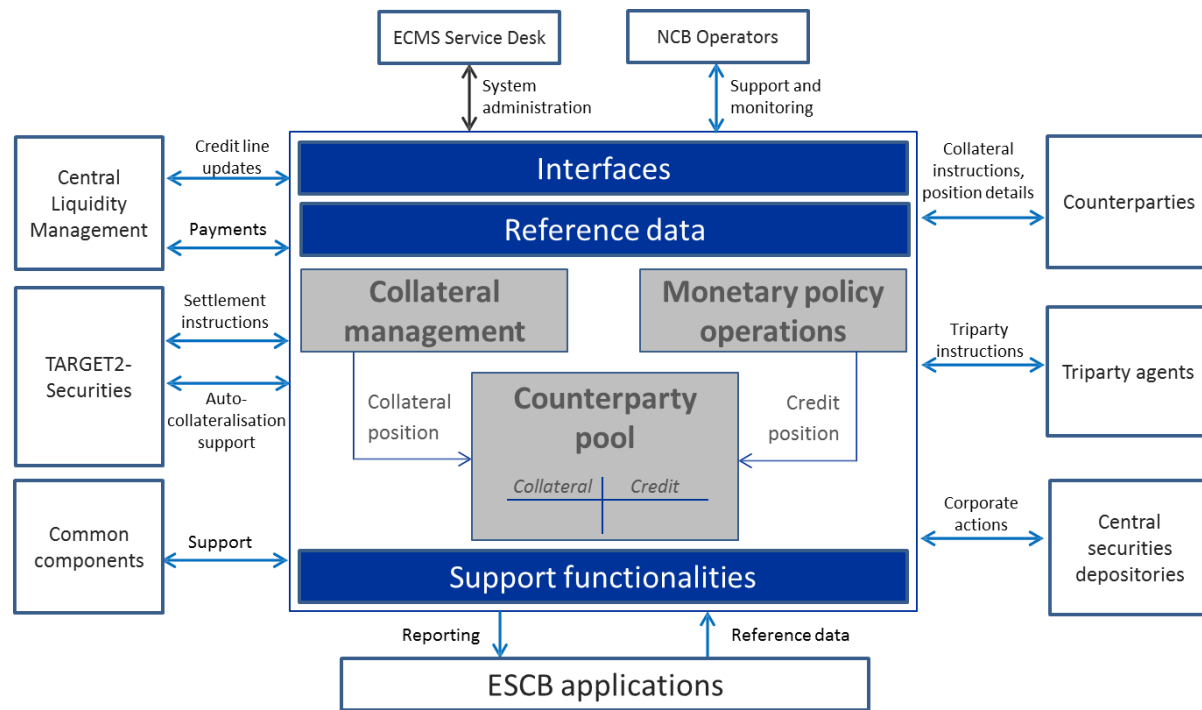
The ECMS keeps track of the individual collateral and credit positions of counterparties belonging to the Eurosystem national central banks.

The ECMS calculates the credit line available to each counterparty and send this information to the central liquidity management tool (CLM).

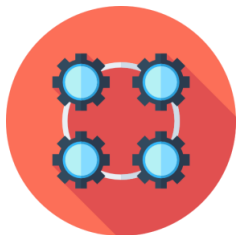
The ECMS converts counterparties' (de-) mobilisation instructions into settlement instructions which are sent to and settled in TARGET2-Securities (T2S).

# Interaction of the ECMS with the outside world

The ECMS interacts with many other services to provide Eurosystem NCBs and their communities with common functionality for managing marketable assets and credit claims used as collateral in Eurosystem credit operations.



# Benefits of the ECMS



**Harmonisation**  
of collateral  
management  
practices



**Efficiency**

NCBs, their counterparties and other relevant actors to operate on one single system with a single interface.



**Integration**  
within the Eurosystem's  
market infrastructure  
landscape (T2 and T2S).

# ECMS: perimetro e novità tecnologiche per la comunità finanziaria italiana

**Perimetro ECMS:** saranno gestite - attraverso distinti Pool - le garanzie per le operazioni di credito dell'Eurosistema, per gli assegni circolari, per la tramitazione SDD

**Perimetro Bdl:** saranno gestiti con le attuali procedure solo i portafogli di prestiti, il cui valore confluirà nel Pool in ECMS

## **Rete di comunicazione:**

- con ECMS: Network Service Provider (SWIFT o SIA Colt);
- con Bdl: Internet per i portafogli di prestiti;

**Dismissione** del canale RNI-CAT

**Standard dei messaggi:** ISO20022; XML (ad hoc) per i prestiti individuali;



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## Readiness of the ECMS community

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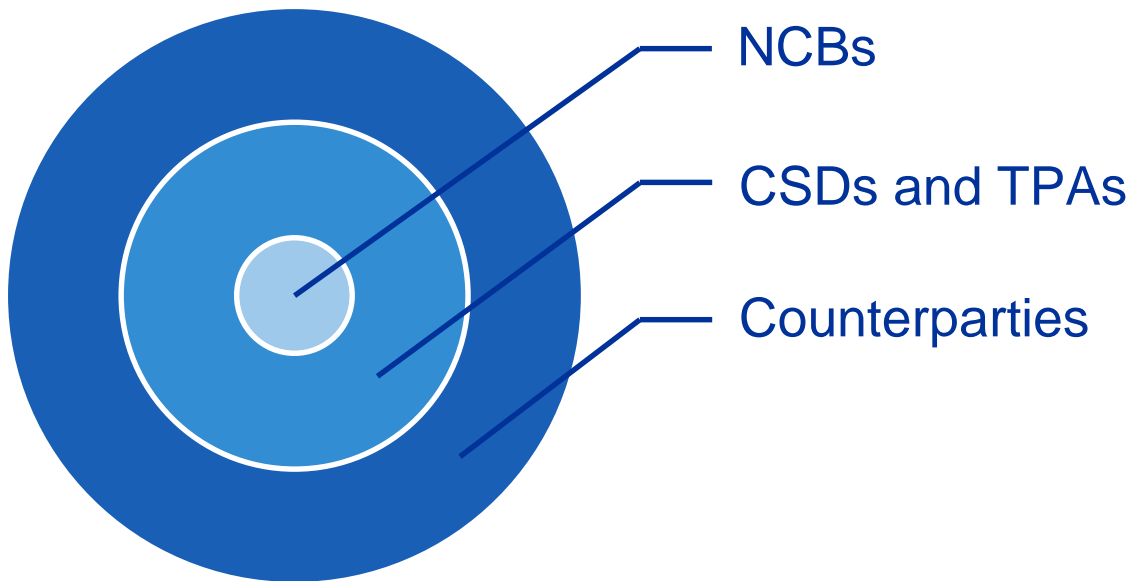


# Why monitor ECMS Community readiness?

- To ensure the successful go-live of the ECMS by coordinating, supporting and monitoring activities related to the technical, legal/regulatory, business/functional and operational readiness of the relevant stakeholders.
- To ensure the compliance with the intermediate readiness milestones leading towards successful migration, go-live and transition to operations in the ECMS.
- Fostering exchange of information (lessons learned)
- Enabling the early identification of risks and issues

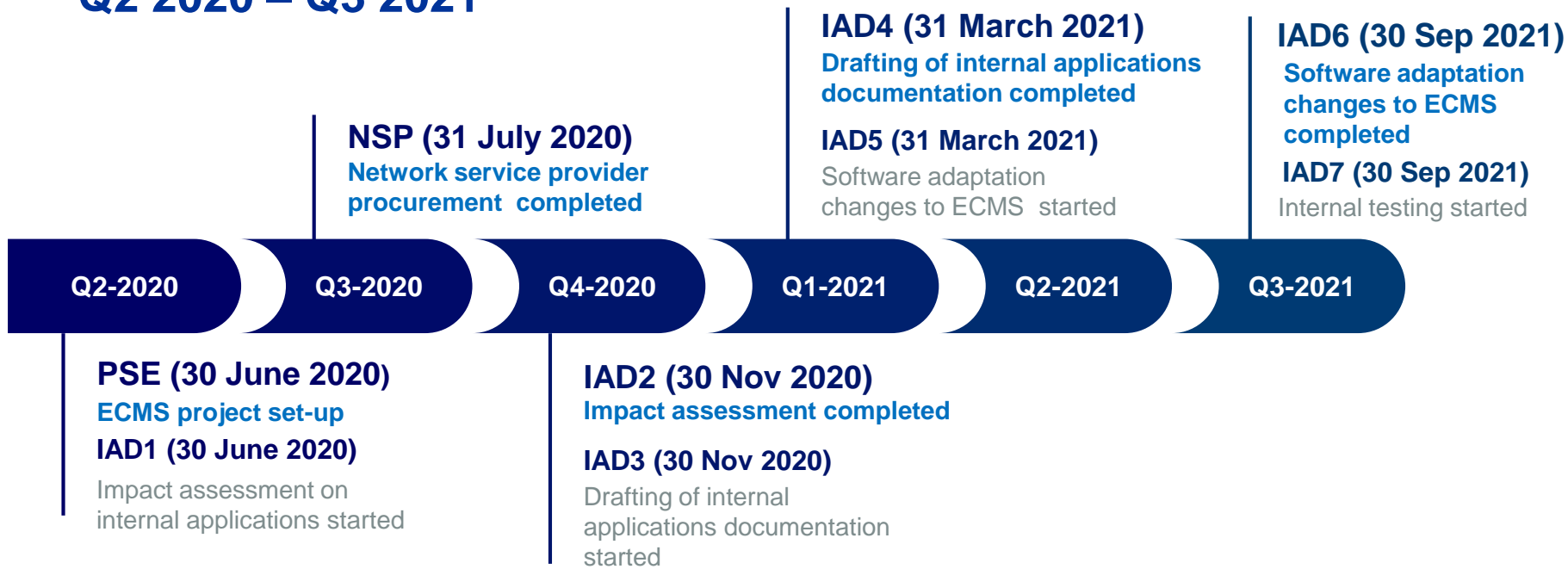
# Who needs to be ready?

## The ECMS Community



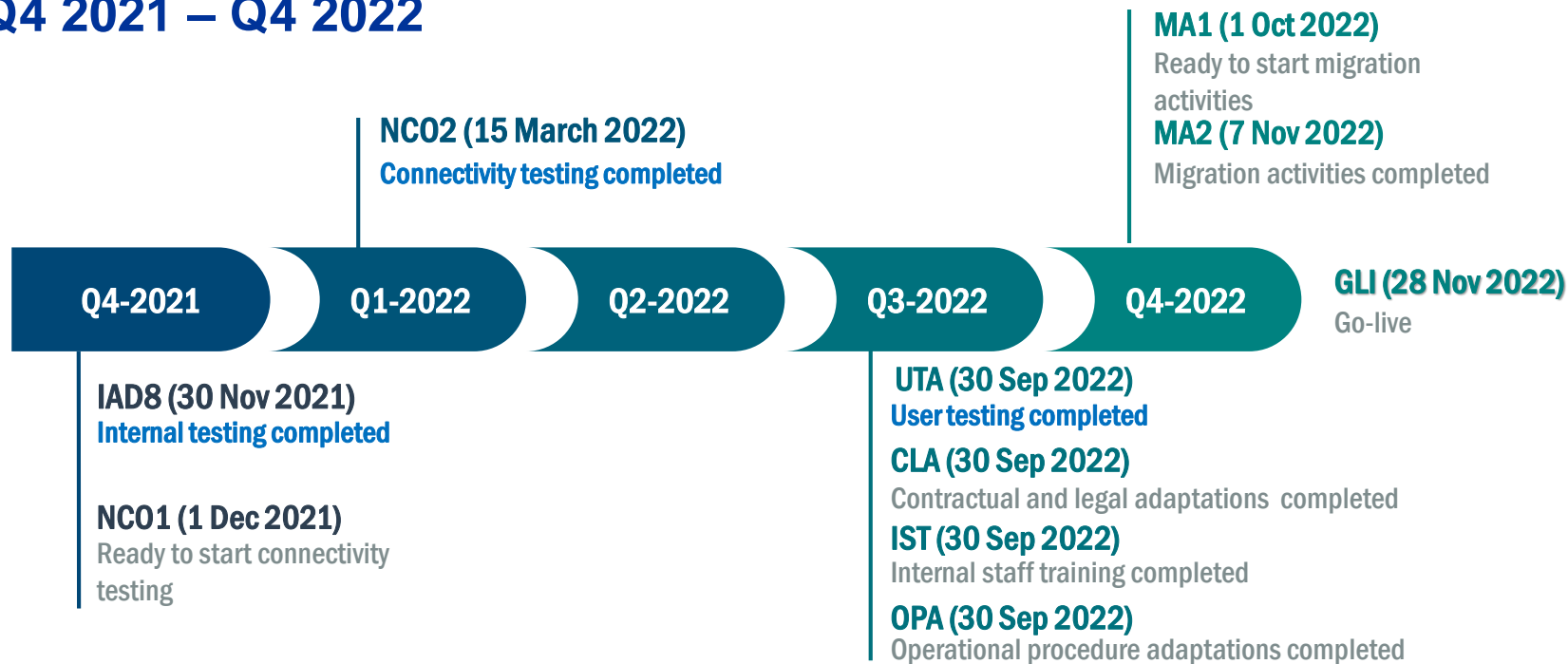
# What are the main milestones up to Q3 2021?

## Q2 2020 – Q3 2021



# What are the main milestones from Q4 2021 onwards?

## Q4 2021 – Q4 2022



# How is the monitoring conducted?

4 times a year:

- March
- June
- September (August in 2020)
- November

## Step 1

### Questionnaire distribution

by each NCB to its community ahead of the milestone dates

## Step 2

### Milestone

A set of questions are asked for each milestone

If a previous milestone was not met, the related questions will be re-asked.

## Step 3

### Questionnaire collection

After the deadline has been reached, answers are collected by the NCBs and sent to the ECB.

## Step 4

### Generation of internal report

Generated and reviewed by NCBs

This report enables the Eurosystem to identify obstacles to preparation for the go-live of the ECMS. It will not be public

# What documentation will the Eurosystem provide?

- ★ **Business Description Document** and **Info pack presentations published on ECB website**
- ★ **ECMS messages in MyStandards + ECMS catalogue of messages**
- ★ **ECMS message usage review guide**
- ★ **Connectivity Guide** Q2 2020
- ★ **GUI screens** Q3 2021
- ★ **Testing and migration documentation** Q3/Q4 2021