



EUROPEAN CENTRAL BANK

EUROSYSTEM

Knowledge Sharing Session European Central Bank (ECB)



23 April 2021
SADC - ISO 20022 Migration Programme

ECB
DG-MIP/MID

Overview

- 1 Who are we?
- 2 Why are we migrating to ISO 20022?
- 3 How are we migrating to ISO 20022?
- 4 What are we doing to migrate to ISO 20022?
- 5 Q&A and additional references

- Eurosystem comprises of 19 central banks (CBs) and the ECB
- Eurosystem owns the RTGS system for euro settlement called TARGET2
- TARGET2 undergoes a renewal project called “T2-T2S Consolidation” (project realisation phase commenced in Jan 2018 and is targeted to finish in Nov 2022):
 - ECB is responsible for the renewal project and works together with Eurosystem CBs
 - Eurosystem CBs are responsible for interaction with their 1000+ TARGET2 participants as part of the T2-T2S consolidation project

- Common data dictionary across various business domains

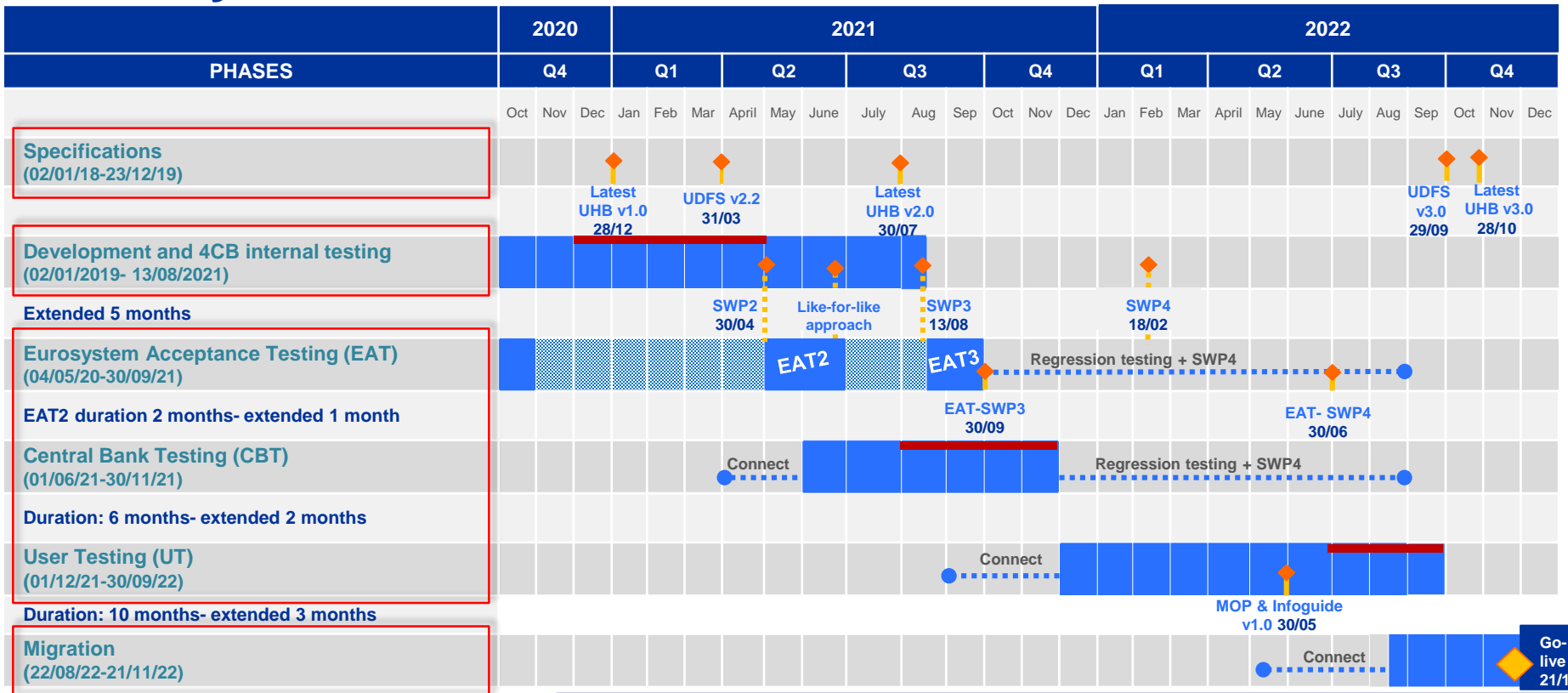


- Removal of restrictions regarding network choice and message richness:
 - Network service provider agnostic
 - More structured address information
 - More granular remittance information
 - Additional party and agent information
 - Additional business flows
- Global standard adopted by major RTGS operators
- Potential for future evolution of standard from message based to API

- Move from Y-copy service to V-shape model to become network service provider agnostic
- Big bang migration approach with whole community of 1000+ European banks:
 - Complete switch from legacy FIN message types (e.g. MT202) to ISO 20022 XML messages like pacs.009
- Migration of payment messages in fully-fledged fashion and no like-4-like mapping with FIN MT messages as requested by market:
 - Allows for exchange of rich payment data from project go-live
 - Based on HVPS+ message usage guidelines
- Go-live coincides with start of CBPR+ ISO 20022/FIN co-existence phase

What are we doing to migrate to ISO 20022? (I/III)

Eurosystem milestones



Extension of phases

What are we doing to migrate to ISO 20022? (II/III)

Participant Roadmap 2021

IAD7 (01/03): Testing of the internal applications started

NSP3 (31/03): NSPs selection and contract preparation completed

IAD6 (30/06): Software development for the required adaptation changes to T2 completed

NSP4 (30/06): Network Service Providers procurement completed

IAD8 (31/08): Testing of the internal applications completed

NCO2 (30/11): Network connectivity tests completed

IST2 (30/11): Training for user testing completed

UTA1 (01/12): User testing activities started

NCO1 (01/09): Network connectivity tests started

IST1 (01/09): Training for user testing started



What are we doing to migrate to ISO 20022? (III/III)

Participant Roadmap 2022

OPA (30/09): Operational procedure adaptations completed
CLA (30/09): Contractual and legal adaptations completed
UTA2 (30/09): User testing activities completed

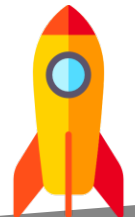
MIG2 (31/10): Pre- Migration activities on production completed

21 Nov 2022
Launch

NCPO1 (01/05): Network connectivity tests on production started

NCPO2 (31/07): Network connectivity tests on production completed

MIG1 (22/08): Pre- Migration activities on production started



- Time for questions and answers
- Additional references
 - [TARGET Services – T2-T2S Consolidation](#)
 - [T2-T2S Consolidation project key milestones for participants](#)
 - [T2 User Detailed Functional Specifications v2.2 – Real-time Gross Settlement System \(RTGS\)](#)
 - [T2 User Handbook v1.0 – Real-Time Gross Settlement \(RTGS\)](#)
 - [Information on how to access ISO 20022 message usage guidelines on T2 MyStandards](#)

Thank you for your attention

www.ecb.europa.eu/paym

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 [ECB: market infrastructure and payments](#)