

ECB
DG-MIP
T2-T2S Consolidation

Liquidity Transfers to Overnight Deposit Accounts and RTGS Sub Accounts

TARGET Consolidation Contact Group

14th Meeting on 13 February 2020



- ❑ The UDFS 2.1 foresees the possibility to initiate liquidity transfers directly (inter alia):
 - ❑ From RTGS DCA and RTGS CB Accounts to *CLM Overnight Deposit Account* and vice versa
 - ❑ From CLM MCA, CLM CB to an *RTGS Sub Account* and vice versa
- ❑ The goal is to provide flexibility and efficiency to participants
- ❑ However the flexibility introduces additional possibilities of erroneously transferring funds to “the wrong account” as there are no restrictions on inter-service LTs
- ❑ Such risk is mitigated/limited by
 - ❑ The A2A management of liquidity transfers in many cases
 - ❑ The confidentiality of Account Numbers used to initiate liquidity transfers
 - ❑ The Naming Convention of account numbers which includes the account owner BIC
 - ❑ The tools available to monitor account balances

The TCCG is invited to take note of the risk and mitigation measures

Thank you for your attention!

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