TARGET2 in Operations

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AMI-Pay meeting
19 May 2022

Overview

Traffic evolution, Jan 2021 – April 2022
yearly growth rate, % (daily average volume per month)

Volume Growth of daily average (y-o-y, %) (Category: Overall, Country: All)

10.18%
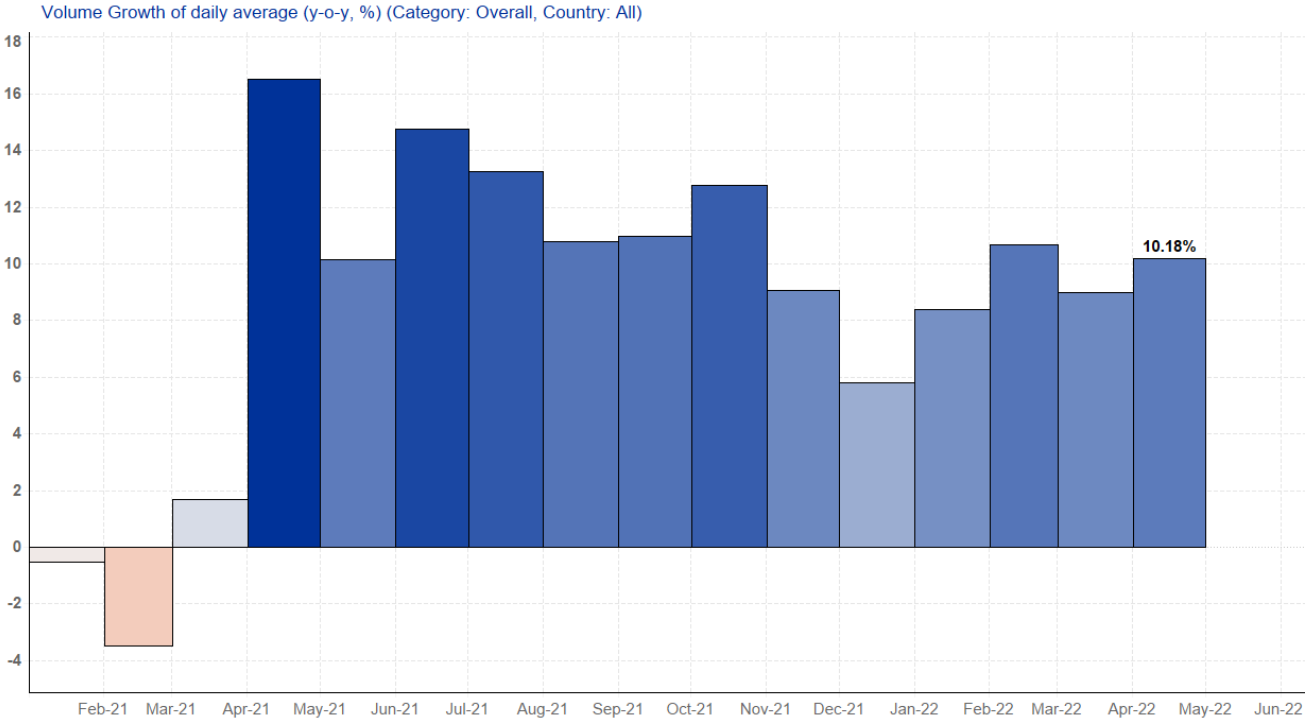
Value evolution, Jan 2021 – April 2022
yearly growth rate, % (daily average value per month)

Value Growth of daily average (y-o-y, %) (Category: Overall, Country: All)

11.07%

Source: TARGET2, calculations of the TARGET2 Analytical Team

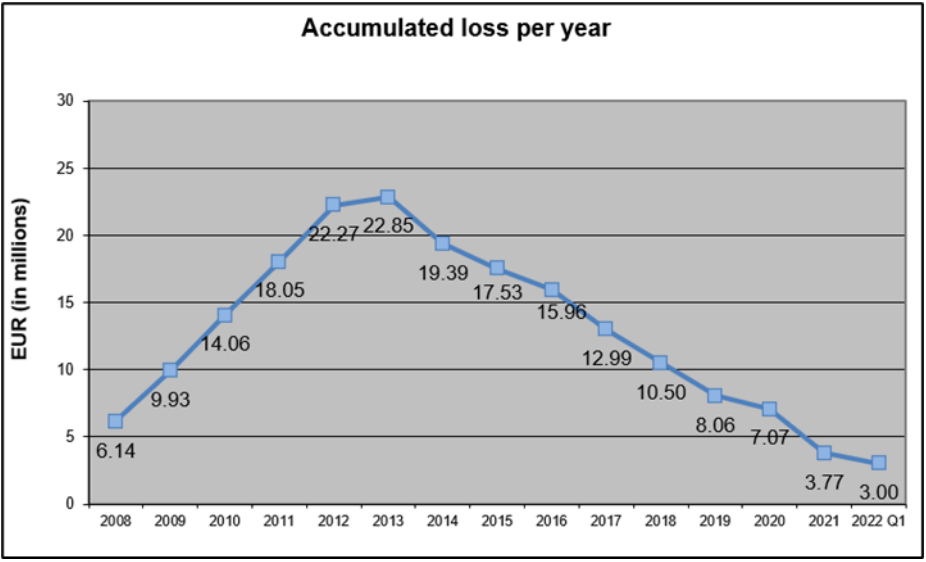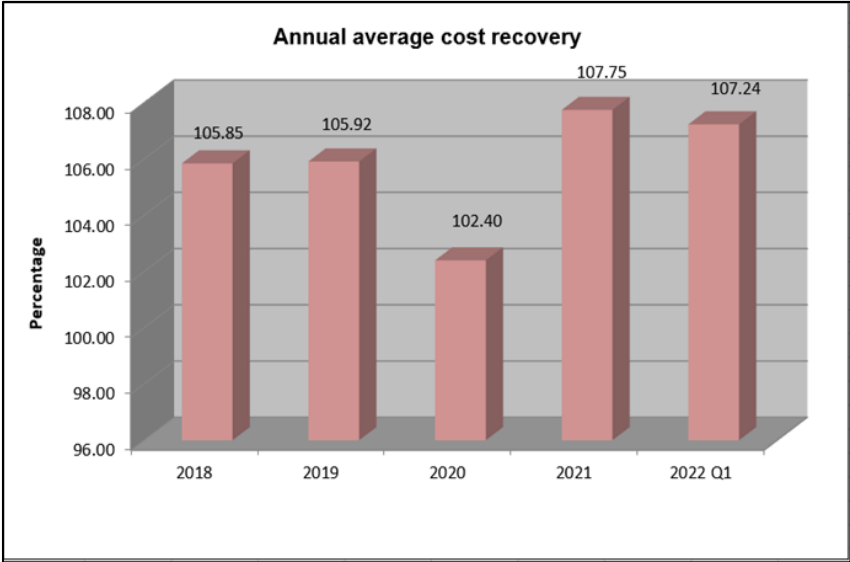www.ecb.europa.eu ©

List of main incidents

21/22 December 2021	In the morning 22 December approx. **25k undelivered outbound messages** were detected (at around 7:20). Root cause was identified in one of the SWIFT components at 3CB side, coupled with the delay of MW sub-set activities. Service was **restored at 8:30 and all messages delivered by 9:20**. The issue did **not impact the payment processing,** only the settlement confirmations were not sent out in real-time.
28 December 2021	**Running of the algorithms 2, 3 and 4 was stopped** in the Payment Module. Some TARGET2 payments and AS transfers were put on a queue although there was enough liquidity on the participants accounts. Some of those AS transfers were eventually rejected because their "till" time was reached. The Entry Disposition and the Algorithm 5 were not affected by the issue. The root cause was a failed LT from TARGET2 to TIPS with a wrong timestamp. The issue **impacted payment processing (including AS files) from 7:13 to 10:03**.
21 January 2022	**Running of the algorithms 2, 3 and 4 was stopped** in the Payment Module. Due to this some **ancillary system transactions were blocked and could not be settled**. All the other transactions were being settled normally. As a result of the interruption, the closing of TARGET2 was delayed until 19:00.
18 February 2022	**Delayed closing of TARGET2 for 30 minutes** due to a T2S issue with the execution of the cash sweep from T2S to TARGET2.

TARGET2 technical availability

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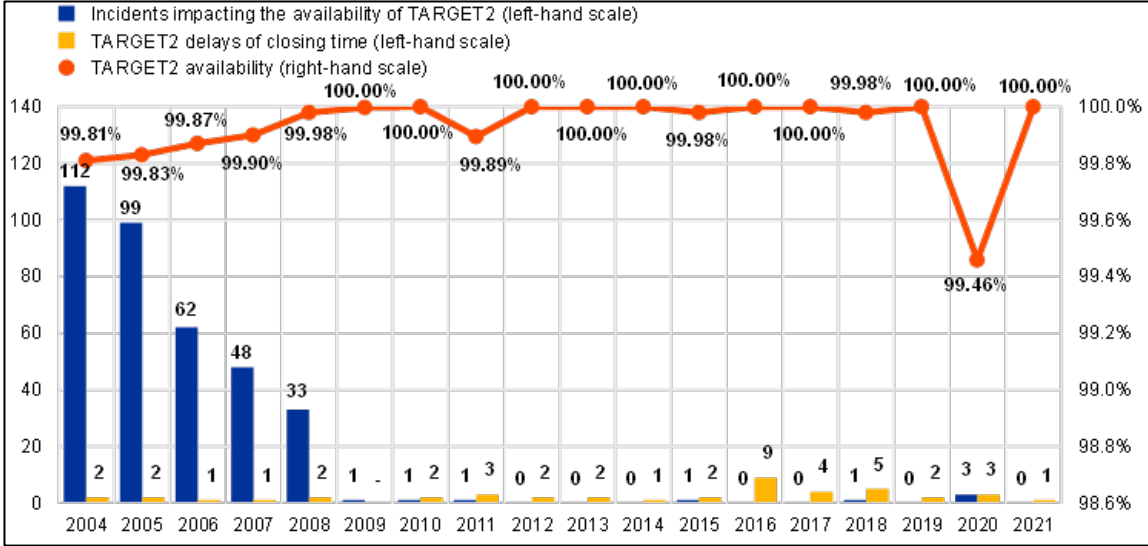
TARGET2 overall cost recovery development

Annual average cost recovery

Accumulated loss per year

Source: TARGET2 operational team

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Crisis communication

TARGET Crisis Communication Group (TC2)

Purpose and scope:

Open a bi-directional communication channel in case of major incidents

→ Strengthen and make more direct the communication towards key market participants

→ Crisis managers may receive valuable information during an incident

Composition:

- all Central Banks' TARGET2 crisis managers

- TARGET2 critical participants

- ▪ *Operational since end of March 2022*
- ▪ *All relevant information can be found in the Information Guide for TARGET2 users, ch. 2.4.3.1.2*   *Link*

Crisis communication

ECB website communication templates

Dedicated website reflecting the current status of the TARGET Services

- Daily regular updates reflecting the status of each system
- Ad-hoc updates sharing information in case of incidents

Using predefined templates for timely update

Link

Templates were revised in content and structure in order to reflect:

- ✓ Which TARGET service/functionality is impacted
- ✓ Which functionalities are not impacted by the incident
- ✓ Actions to be taken by the participants (if any)
- ✓ Impacted cut-offs (for TARGET2 and T2S if applicable)
- ✓ Timing of the next communication