



EUROPEAN CENTRAL BANK

EUROSYSTEM

TARGET Services - Crisis communication workshop

Joint AMI-Pay/SeCo workshop

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FINAL



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Introduction

The workshop is a follow-up of the joint AMI-Pay/SeCo held in December 2020

The aim of the presentation is to:

1. recall the existing communication protocols for TARGET Services, including recent changes
2. discuss lessons learnt from recent incidents and options for further enhancements
3. discuss how to enhance the communication protocols for TARGET Services also in view of T2/T2S consolidation

Final conclusions shall be reached once the report of the ongoing external review is available.

1

Existing communication
protocols for TARGET
Services, including recent
changes

Normal conditions

TARGET Services communication aims at reporting the status of TARGET Services [one-way communication]

Abnormal conditions

TARGET Services communication aims at reporting factually on the outage and the impact on the business day/critical cut-offs, explaining the approach taken or the envisaged response to the extent relevant, and providing guidance to participants and an indicative timing for resolution [two-ways communication]


TARGET Services communication protocols - current practices

 Crisis managers are **available 24/7**

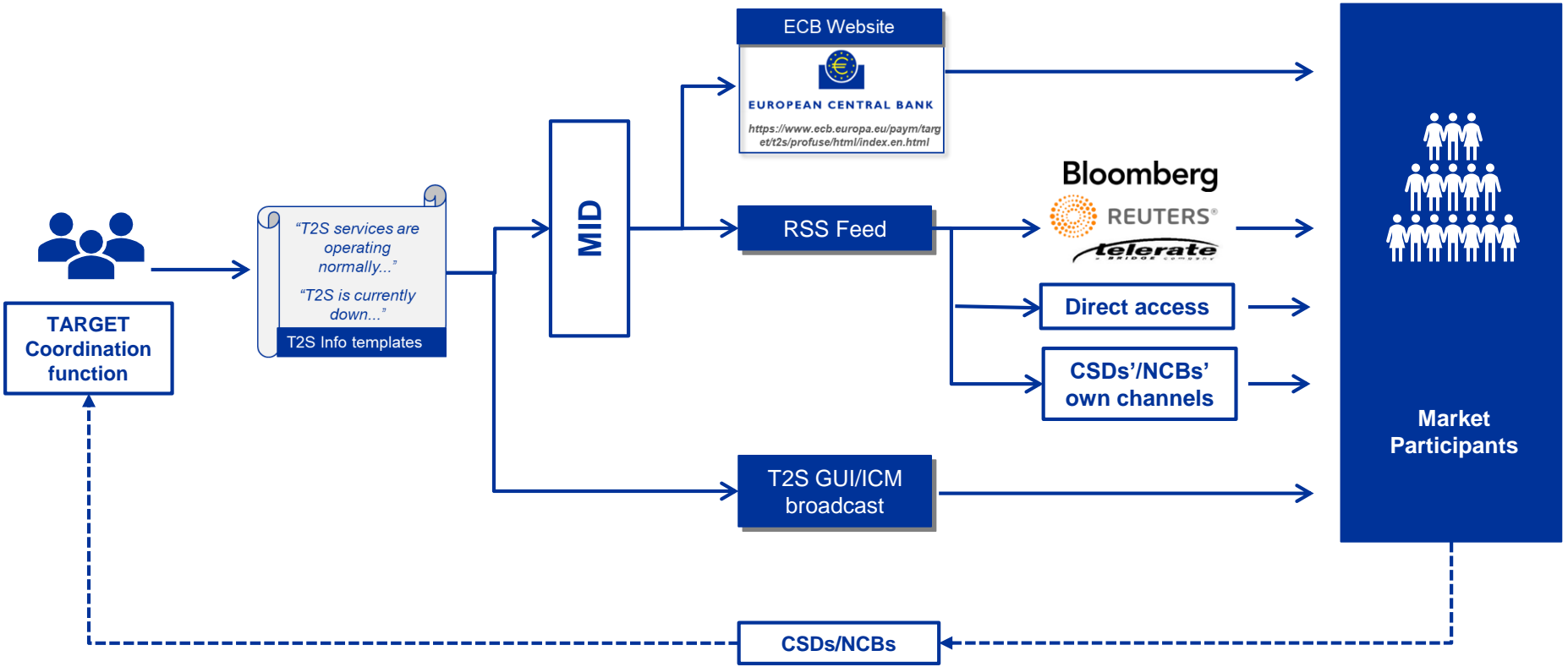
 Communication procedures in place for **business hours & out of business hours**

 Communication agreed by settlement/crisis managers; once agreed, the following actions are taken:

- **MID and ECB Website updated**; specifying when the next update is due
- **ICM/T2S GUI broadcast to all participants**; if ICM is not available, via ESCB-mail/signed email (to settlement managers, SSP/T2S Service Desk and if relevant TIPS Service Desk)

 NCBs/CSDs are entitled (and assumed) to set-up **communication channels** with their participants with which they are maintaining business relationships and **channel the feedback** at settlement/crisis management level (not harmonised)

TARGET Services communication protocols – flows



RSS Feed is a web feed that allows users and applications to access updates to websites in a standardised, computer-readable format.



Exceptionally, **post incident communication** (normally via MID and ECB Website) provided on business day(s) following the incident and agreed by the Crisis Managers



Publication of **ECB Press Release** under specific circumstances

- To provide more in-depth information to the market (severe incidents)
- If ECB Press Office is approached by media asking for more information

ECB Press Release communication is agreed by Crisis Managers and approved at ECB Executive Board level prior to the publication on the ECB webpage.

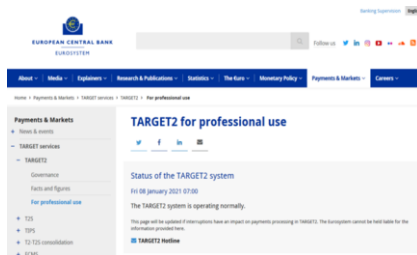
What	Who decides for TARGET2/TIPS	Who decides for T2S
Normal situations - Predefined status messages	Market Infrastructure Board (MIB)	Operational Managers Group (OMG)
Abnormal situations - Predefined status messages	Settlement/Crisis Managers	Settlement/Crisis Managers
Abnormal situations - Ad hoc communication messages	Crisis Managers	Crisis Managers

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Lessons learnt from recent incidents and ideas for further enhancements

1. **External communication** is not seen as optimal
2. **Time to confirm an outage** to participants is perceived as too long (50 min for 23/10 incident)
3. **Actions expected from participants** under specific and demanding scenarios are not clear
4. **Feedback from participants** during crisis (direct communication flows) is not consistently channelled to the TARGET Coordination function
5. **Communication/response across TARGET Services** is not aligned

1. External communication means



Ongoing ECB initiatives



Actively promoting the operational status pages & RSS feeds on the ECB Website (with the help of NCBs/CSDs)

Preparation of a **step-by-step 'User Guide'** that describes how a user can subscribe to the RSS feed that will be published on the ECB Website under TARGET Services pages (by Q1 2021)

Enhancing the MID RSS feed tool and the ECB Website to **keep the history** of the communications including a timestamp. Each communication should include timing of next update (by Q2 2021)

Investigating the option to restructure the TARGET Services Website to have a **dedicated** TARGET Services operational status Communication page (by Q1 2021)

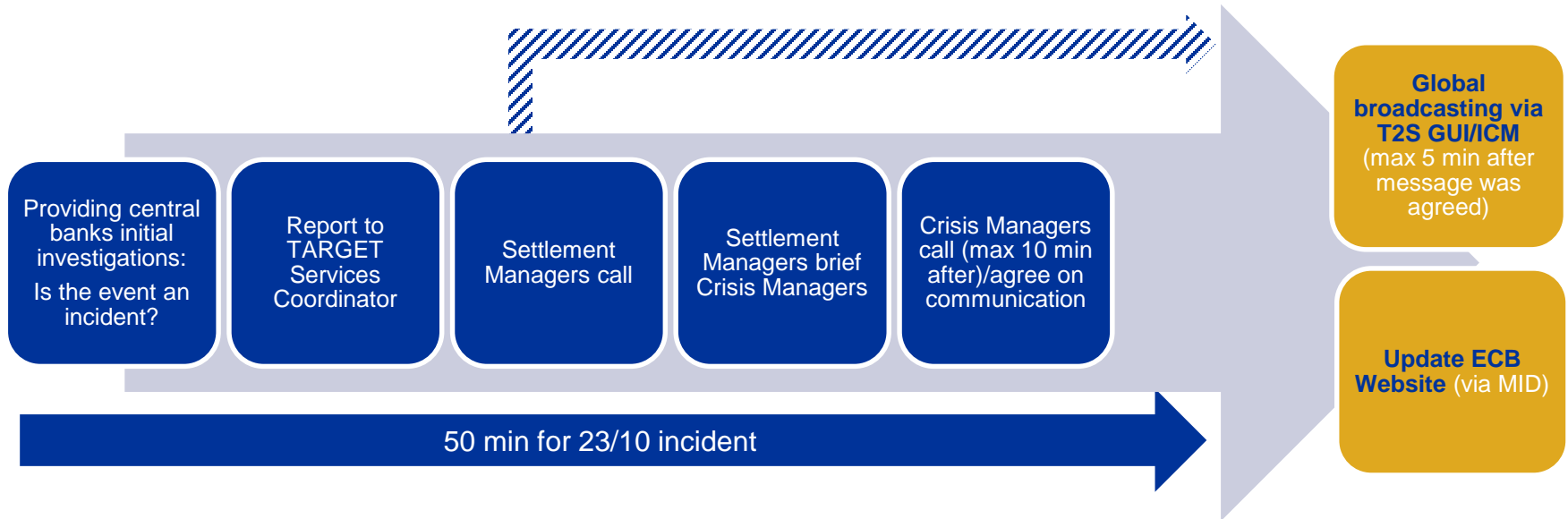
Creation of a **contingency tool** that can be used in case the primary one i.e. MID is unavailable (under investigation)

2. Shortening the time to communicate on the outage

Potential enhancement



Settlement Managers (for each service) to be mandated to publish immediately factual communications before the Crisis Managers meet and decide on a more extended and up to date communication



3. Better preparing participants to extreme scenarios

Potential enhancement



Better **document** (e.g. procedures, runbooks) what is expected from participants under extreme scenarios like contingency activations or failover



Consider the opportunity of organising more frequent and more extensive **operational tests** with participants



Consider **regular practising** of communication protocols (e.g. desktop exercises/ “war room” simulations)

4. Direct communication with the market

Potential enhancement



Set up a group of **key stakeholders**, which would be called in case of major incidents causing complete unavailability of the TARGET Service(s):

- The group would be activated on an **ad-hoc basis** and upon decision of the crisis managers.
- It would **complement** (and not replace) existing arrangements.
- It would be aiming at **enhancing communication flows** or bring clarification but would not be responsible per se for the management of the incident.
- Arrangements already in place in **other jurisdictions** (e.g. US, UK, CH, CA).

*One group per service or one single group for all services ?
How to keep the size of the group manageable ?
Who should be taking part ?*

5. Aligning communication across TARGET2 and T2S

Potential enhancement



Need to **avoid overlaps** of the Crisis Managers calls between TARGET2 and T2S



In crisis calls, the Coordinator/Crisis Manager of the relevant service could **debrief** the other TARGET Service Crisis Managers' group about decisions taken and communication made to the market. This would also help **aligning the communications across the services.**

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Communication protocols
for TARGET Services also
in view of T2/T2S
consolidation

Dependency does exist between the different TARGET Services.



The need to harmonise the communication protocols across different TARGET Services is **acknowledged** by the ECB.



Due to different governance structures, this is a **demanding exercise** for which the Eurosystem will require more time to review and align the future communication protocols across the different TARGET Services.



The communication protocols will be **further refined as part of the ongoing review of the future operational framework** that will be in place for the T2-T2S consolidation platform.



The **operational experience** on the T2-T2S consolidation platform and the **feedback by market participants** on the effectiveness of the communication protocols will also be taken into account to ensure transversal communication across TARGET Services.



Should the set-up be as such so that it can be extended to other currencies?

Thank you!

