



EBA CLEARING



TARGET2 User Testing for EURO1 and Pre-fund Participants

EBA CLEARING Company
Operations Services Unit (OSU)



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Background

TARGET users will migrate to TARGET2 in three migration windows. The migration period is from November 2007 to May 2008. EBA CLEARING will migrate to TARGET2 in May 2008, being the last migration group (Group 3) together with the ECB. In case of any delays in the three migration windows, this migration will be postponed to the contingency window in September 2008.

As a result of this progressive migration, EBA CLEARING will operate as follows:

▶ **Phase 1: TARGET2 Migration phase (19 November 2007 – 19 May 2008)**

During this period, EBACL and ECB will remain in operation on the TARGET1 platform. The interlinking mechanism, implemented at the ECB level, will manage the communication link with the SSP TARGET2 platform. EBACL will be able to process TARGET payments to/from both migrated banks, which will use TARGET2, and non-migrated Participants, banks that are still operating on the TARGET1 platform.

▶ **Phase 2: Payment Module implementation (From 19 May 2008)**

After completion of this phase, EBACL will become a Direct Participant of TARGET2, using the Payment Module of the SSP.

In addition, the direct debit functionality will be offered to all the participants for the settlement of their end of day short position in EURO1. The decision of using this option is taken at the participant level and no more at country level and requiring the support of the Central Banks.

1. Introduction

At the EBA CLEARING Operational and Technical Committee (OTC) meeting held in May 2007 it was requested that EBA CLEARING would prepare testing scripts for the EURO1 Participants and Pre-funding banks that should contain the dates and testing scenarios to be performed by the Participants within the scope of the TARGET2 migration.

The tests described in this document contain testing scenarios aiming to verify that the payment processing for End of Day Settlement in EURO1 and Flexible Settlement Capability services (Pre-funding and Liquidity Distribution) can be managed by:

- ▶ The EBA CLEARING Operations Services Unit, hereafter EBA CLEARING OSU
- ▶ EURO1 banks
- ▶ PF banks

both for the migration period and after the completed transition to TARGET2 during both normal and emergency situations.

Section 2 introduces the testing objectives and details of the testing environment and EBA CLEARING and Participants Test schedule.

Section 3 contains an overview of the migration window groups.

Section 4 contains an overview of all Business Day test cases in Test environment and Mandatory test cases that are scheduled in Live environment for all the EURO1 and PF Participants.

- ▶ **Appendix A** contains a description of the SWIFT messages to be used during the testing.
- ▶ **Appendix B** contains a template of the Observation Report
- ▶ **Appendix C** contains a glossary.
- ▶ **Appendix D** contains the testing details to be filled out by all the Participants and returned to EBACL.
- ▶ **Appendix E** contains a self-certification form to be signed and returned by fax to EBACL.
- ▶ **Appendix F** contains BKE Pre-agreements for key exchange with the Business Administrator BIC EBAPFRP0 and with the System Operator BIC ZYDVFRP0.
- ▶ **Appendix G** contains BKE Pre-agreement details for key exchange with EBA Processing Service BIC EBASBEB0.

1.1 // Purpose of this document

1.2 // Summary

This document addresses the principal testing Participants:

- ▶ EBA CLEARING OSU
- ▶ EBA EPM Helpdesk Operations
- ▶ Banks participating in the test activities

1.3 // Readership

Version	Date	Remarks
0.1	9 May 2007	Draft version (for internal review)
0.2	21 June 2007	Internal Review
0.3	26 June 2007	Internal Review
1.0	9 July 2007	Final
2.0	15 October 2007	Changes in section 1.2 / 2.6 / 2.8 / 4.1.1 / 4.1.2 / 4.2

1.4 // Modification and History

- ▶ TARGET2 User Testing Guide for Migration, version 2.2 / 01 August 2007
- ▶ Routing / Mapping of Payments and Ancillary System Transactions, version 1.4 / 8 February 2007
- ▶ TARGET2 Test Related Information System (T2TRIS)

1.5 // References

2. Overview

During the testing, the EURO1 and Pre-fund Participants will have the opportunity to: **2.1 // Objectives of Testing**

- ▶ Verify the correctness of their technical upgrades / changes made to their own systems within the scope of TARGET2 project;
- ▶ Test the end to end processing of TARGET payments exchanged with EBA CLEARING;
- ▶ Check their operational preparedness for the smooth migration in the live environment;
- ▶ Test direct debit functionality for the end of day settlement in EURO1.

The testing is split into two parts:

1) Business Day tests EBA CLEARING – Participants – ECB in Testing environment.

EBA CLEARING scheduled these dates in coordination with the ECB.

2) Mandatory testing in the Live environment for EURO1 End of Day Settlement.

Errors or problems encountered should be faxed to EBA CLEARING OSU at the numbers shown below, using the Observation Report - see **Appendix B**. **2.2 // Reporting of problems**

Problems encountered during the TARGET2 User Testing are to be reported immediately to the following contact details: **2.3 // Contact Details**

Organisation	Location	Contact Details
Test Manager	Paris	Tom Jourquin Tel: +32 2 643 27 83 t.jourquin@ebaclearing.eu
EBA CLEARING OSU	Paris	Tel: +33 1 53 67 07 25 or 26 Fax: +33 1 47 23 02 21 clearing_operations@ebaclearing.eu
EBA CLEARING OSU	Brussels	Tel: +32 2 64 32 786 or 787 Fax: +32 2 64 32 781 clearing_operations@ebaclearing.eu



For a full detailed glossary, see [Appendix C](#).

- ▶ EBA CLEARING EURO1/STEP1 Business Administration Workstation (BAWS) by EBA CLEARING OSU
- ▶ EBA CRISTAL Business Administration System (CRISTAL BAS2) by EBA CLEARING OSU
- ▶ EURO1 Interactive Workstation (IWS)
- ▶ EBA SWIFT Alliance Workstation (SAW)
- ▶ Information and Control Module (ICM)

2.4 // Glossary

2.5 // System components
of the EURO1 system
that will be tested



(1) For Banks taking part in the end of day settlement process and who will be using Direct Debit functionality, please refer to the section 2.8 Prerequisites before the testing.

**2.6 // EBA CLEARING
and Participants
Test schedule**

			PARTICIPANTS in TESTING		
			Group 1	Group 2	Group 3
T&T env.	1	Connectivity Testing	Yes	Yes	Yes
	2	Interoperability Testing	Yes	Yes	Yes
	3	Country Testing	Yes	Yes	Yes
	4	Business Day Testing	Yes	Yes	Yes
	5	Business Day Testing with EBA CLEARING	3/4 & 5 Sep 07	3 & 4 Sep 07	3 & 4 Sep 07
	5	Business Day Testing with EBA CLEARING		12/13 & 14 Nov 07	12/13 Nov 07
	5	Business Day Testing with EBA CLEARING	25/26 & 27 Feb 08 Including direct debit functionality for end of day settlement (1)	25/26 & 27 Feb 08 Including direct debit functionality for end of day settlement (1)	25/26 & 27 Feb 08 Including direct debit functionality for end of day settlement (1)
6	Free Testing	Yes	Yes	Yes	
			PARTICIPANTS in TESTING		
LIVE env.	7	Mandatory Live Testing STL	Group 1	Group 2	Group 3
		19-Nov-07	Yes	Yes – FR and BE via their Central Banks using Standing Order Model	Yes
		18-Feb-08		Yes - BE via their Central Bank using Standing Order Model	
		19-May-08	Yes – Including direct debit functionality for end of day settlement (1)	Yes – Including direct debit functionality for end of day settlement (1)	Yes – Including direct debit functionality for end of day settlement (1)



Note:

The ECB will install fixes / patches on the SSP platform on a monthly basis. Any details related to this installation, should be consulted under **TARGET2 Test Related Information System (T2TRIS)** website of the ECB. Tests might have to be changed or re-run as a result of updates to the SSP platform.

Event	T&T	LIVE
TARGET Start of Day	07:00	07:00
EURO1 and STEP1 Start-up	09:30	07:30
STEP1 Sending & Cancellation Cut-off	12:00	14:00
STEP1 Cut-off Report	12:15	14:10
EURO1 Cut-off	13:00	16:00
TARGET End of Day	14:30	18:00
Final Balance Report	13:05	16:05
Final Statements	16:30	16:30
Limit Calculation Cut-off	17:00	18:00

2.7 // Business Day
for EURO1 –
Daily Time schedule

Note to all Participants: In order to mitigate the risk of receiving unwanted traffic via TARGET2, EBACL decided not to publish their test and training and live account BICs in the TARGET2 Directory, namely: Live BICs (EBAPFRPPBAS, EBAPFRPPCOL, EBAPFRPPPSA) and Test BICs (EBAPFRPOBAS, EBAPFRPOCOL, EBAPFRPOPSA).

2.8 // Prerequisites
before the testing

Each Testing Bank is requested to:

- ▶ Provide a single point of contact and a back-up contact for all User Testing issues. The name, telephone, fax numbers and email addresses should be provided in writing to EBA CLEARING as soon as possible, **at the latest, 27/07/07. Appendix D** is to be used.
- ▶ Carefully read this document and contact EBA CLEARING for any questions you may have relating to this document or the testing in general.
- ▶ Check all actions to be performed prior to the testing dates and assure that operational staff and the contact persons are available throughout the testing period.
- ▶ Check that the 'bilateral relationship management' service provided by SWIFT's Relationship Management Application (RMA) is in place with the central destination BIC of the SSP. TARGET2 has decided to be an RMA bypass service. This means that there will be no need to have an RMA

relationship between EBA CLEARING and your Bank to send/receive payment messages.

Direct Debit Functionality will be tested during the Business Day Testing on 25th, 26th and 27th February 2008. Each Testing Bank using Direct Debit Functionality for End of Day Settlement is requested to:

- ▶ Fill in a specific technical SSP Form 1018.
- ▶ Send the SSP Form 1018 to their National Central Bank for validation and approval. In parallel a copy of this form has to be sent via e-mail / fax to EBACL.
- ▶ Notify the EBACL, once the Direct Debit has been correctly implemented.

Please note that usage of the specific legal document of EBACL 'Direct Debit Mandate' will only apply **in Live Environment**.

3. Migration window Groups

For the migration to TARGET2, the Eurosystem opted for a country window approach, allowing TARGET users to migrate to the SSP in different waves and on different predefined dates.

Each wave consists of a group of central banks and their respective national banking communities. The fourth window will be reserved for contingency.

The composition of the migration groups is shown in the table below:

Group 1	Group 2	Group 3	Group 4
19-Nov-07	18-Feb-08	19-May-08	15-Sep-08
Austria	Belgium	Denmark	
Cyprus	Finland	Estonia	
Germany	France	ECB	Reserved
Latvia	Ireland	Greece	For
Lithuania	The Netherlands	Italy	Contingency
Luxembourg	Portugal	Poland	
Malta	Spain		
Slovenia			



4. Business Day Testing with EBA CLEARING

Business Day Testing Dates				
	Group 1	Group 2	Group 3	
3/4 & 5 Sep 07	M	O	O	EBA and ECB remain on TARGET1 platform
12/13 & 14 Nov 07		M	O	
25/26 & 27 Feb 08	M	M	M	EBA and ECB migrate to TARGET2

4.1 // Business Day Testing in Test environment

Note:

- ▶ 'M' means mandatory testing on Participants' TARGET2 platform.
- ▶ 'O' means optional testing on Participants' TARGET1 platform, except on **5 September 2007** and **14 November 2007**.

4.1.1 Action to be taken before Business Day Scripted Testing

Time	Test ID	Participant	Action before scripted Business Testing Day 1	Result	Comments
Before scripted testing day 1		EBA	EBA CLEARING OSU to reschedule Daily Events for D+1 at earlier timing, due to SSP closing at 14:30 CET during the Business Day Test period.		
Before scripted testing day 1	DDL1	EURO1 Banks	Each testing bank sets both the MT204 Total Daily Limit and MT204 Single Message Limit towards EBA-SO, value = EUR 100. (See Appendix A MT 298 template) For banks using IWS, please see IWS_UG_10_0 – Section 4.1.5 and 4.1.6).		
Before scripted testing day 1	DDL2	EURO1 Banks and PF Banks	Each testing bank needs to exchange Bilateral Keys with ZYDVFRP0, EBAPFRP0 (See Appendix F). Testing banks using CWS need to exchange Bilateral Keys with EBASBEB0. (See Appendix G) Please note that IWS users do not need to exchange bilateral keys with this BIC.		
Before scripted testing day 1	DDL3	EURO1 Banks and PF Banks	Each testing bank checks that the testing BICs are correctly set-up in their testing environment as shown in Appendix A templates.		



4.1.2 Business Day Testing – Scripted Days 1, 2 and 3.

The content of the Business Day Test cases is identical for all the testing groups scheduled for the period September 3, 4 and 5, 2007 – November 12, 13 and 14, 2007 – February 25, 26 and 27, 2008.

Time	Test ID	Participant	Business Day Testing	Result	Comments
			Action scripted day 1		
09:30		SWIFT	EURO1 / STEP1 Start-up		
10:00	PFU1	EURO1 and PF Banks	All testing banks initiate a pre-funding payment by sending an MT202 for EUR 5 to credit PSA account EBAPFRP0PSA.		
> 10:00	PFU2	EBA	Automated submission of MT202 messages to the EURO1 Central System by the Business Administration System (BAS2), crediting the banks' position in the EURO1 Central System by EUR 5.		
> 10:00	PFU3	EURO1 and PF Banks	All testing banks monitor the receipt of an MT 202 advice from the EURO1 Central System that indicates a balance increase of EUR 5.		
10:30		EBA	EBA CLEARING OSU contacts Participants who did not successfully submit Pre-Funding of EUR 5.		
12:00	LQW1	EBA	EBA CLEARING OSU sends an MT204 for EUR 10 to debit EURO1 position of all testing banks and credit TARGET account of the banks with the same amount.		
> 12:00	LQW2	EURO1 Banks	All testing banks monitor the receipt of an MT 204 advice from the EURO1 Central System that indicates a balance decrease of EUR 10.		
< 13:00	STL1	EURO1 Banks	All testing banks should ensure they have a short position in EURO1 at EURO1 Cut-off		
< 13:00	STL2	EBA	EBA CLEARING OSU checks that all testing Participants have a short position.		
13:00		SWIFT	EURO1 Cut-off. Testing Banks observe receipt of Final Balance Reports (MT971)		
By 13:30	STL3	EURO1 Banks	EOD Settlement - All testing banks pay in their short position by crediting BAS account EBAPFRP0BAS		
By 13:30	STL4	PF Banks	EOD Settlement - All testing PF banks will receive settlement payment to pay out their long position from EBAPFRP0BAS.		



Time	Test ID	Participant	Business Day Testing	Result	Comments
			Action scripted day 2		
09:30		SWIFT	EURO1 / STEP1 Start-up		
< 13:00	STL5	EURO1 Banks	All testing banks need to ensure they have a long position in EURO1 at EURO1 Cut-off. This can be achieved by sending pre-funding payments or receiving payments from other Participants.		
13:00		SWIFT	EURO1 Cut-off. Testing Banks observe receipt of Final Balance Reports (MT971)		
By 13:30	STL6	EBA	EOD Settlement - EBA CLEARING OSU pays out to long banks. (BAS2 sends MT202 to credit the TARGET account of the testing banks)		

Time	Test ID	Participant	Business Day Testing	Result	Comments
			Action scripted day 3		
09:30		SWIFT	EURO1 / STEP1 Start-up		
10:00	CONICM BAS1	EURO1 Banks	BACK-UP CONTINGENCY PAYMENT via ICM - All EURO1 testing banks generate a fallback settlement payment MT202 for EUR 10 to EBAPFRP0BAS via the ICM.		
10:00	CONICM PSA1	PF Banks	BACK-UP CONTINGENCY PAYMENT via ICM - All PF testing banks generate a fallback pre-funding payment MT202 for EUR 10 to EBAPFRP0PSA via the ICM.		
> 10:05	CONICM BAS2	ECB	Payments are received and credited to the settlement (BAS) account EBAPFRP0BAS.		
> 10:05	CONICM PSA2	EBA	Automated submission of MT202 messages to the EURO1 Central System by the Business Administration System (BAS2), crediting the PF banks' position in the EURO1 Central System by EUR 10.		
< 10:30		ECB	MT202 sent to EBA.		
> 10:30		EBA	Call the banks, which have still not paid, send interim message and inform the ECB.		
10:45!		EURO1 and PF Banks	All the ICM contingency payments should be received at this time!		



11:00	CONOTH BAS1	EURO1 Banks	BACK-UP CONTINGENCY PAYMENT via another channel - All EURO1 testing banks generate a fallback settlement payment MT202 for EUR 10 to EBAPFRP0BAS using their contingency procedure. (I.e. another Bank or fax procedure with their Central Bank).		
11:00	CONOTH PSA1	PF Banks	BACK-UP CONTINGENCY PAYMENT via another channel - All PF testing banks generate a fallback pre-funding payment MT202 for EUR 10 to EBAPFRP0PSA using their contingency procedure. (I.e. another Bank or fax procedure with their Central Bank).		
> 11:05	CONOTH BAS2	ECB	Payments are received and credited to the settlement (BAS) account EBAPFRP0BAS.		
> 11:05	CONOTH PSA2	EBA	Automated submission of MT202 messages to the EURO1 Central System by the Business Administration System (BAS2), crediting the PF banks' position in the EURO1 Central System by EUR 10.		
< 11:30		ECB	MT202 sent to EBA.		
> 11:30		EBA	Call the banks, which have still not paid, send interim message and inform the ECB.		
11:45!		EURO1 and PF Banks	All the contingency payments should be received at this time!		

This testing will take place on the first Live date of each migration window in the Live environment between 09:00 – 12:00 CET. For EURO1 Banks, it will consist of sending EUR 1 to the settlement account (BAS account) that will then be reimbursed back to the Participants. For Pre-fund Participants, it will consist of sending EUR 1 to credit the pre-settlement account (PSA account).

4.2 // Mandatory testing in the Live environment for End of Day Settlement

The aim of this testing is to:

- ▶ Validate that payments received from all the Participants can be received and automatically processed by BAS2;
- ▶ Check correctness of the outgoing flows generated by BAS2 to the migrated and/or non-migrated banks.

4.2.1 Mandatory EOD Settlement in the Live environment (EURO1 Banks) and Pre-funding Testing (PF Banks).

Time	Test ID	Participant	Action before scripted Mandatory Live Testing EOD Settlement	Result	Comments
D-10		EBA	Issue details to banks taking part together with a timetable and inform the ECB.		
D-1		EBA	Prepare MT299 templates for banks as a substitute of MT971s. Ensure the use of a reference to identify this as a test message in field 20.		
D-1		EBA	Prepare MT299 template for ECB as a substitute MT971s. Ensure the use of a reference to identify this as a test message in field 20.		



Time	Test ID	Participant	Mandatory Live Testing EOD Settlement	Result	Comments
			Action		
07:30		SWIFT	EURO1 / STEP1 Start-up		
09:30		EBA/ECB	Confirm readiness for Settlement Exercise.		
10:07	MAN1	EBA	Send the SWIFT MT299 message to the workstation of the bank as if it was the generation of the settlement request (MT971). This will be for an amount of EUR 1.		
10:07	MAN2	EBA	Send an MT299 the equivalent of MT971 to the ECB detailing expected payments.		
> 10:07	MAN3	EURO1 Banks	Receive the request for settlement. Opening the message at the workstation will generate an acknowledgement to EBACL.		
> 10:07	MAN4	EURO1 Banks	All testing banks generate a settlement payment to EBAPFRPP-BAS for EUR 1.		
> 10:07	MAN5	ECB	A payment is received and credited to the settlement (BAS) account EBAPFRPPBAS.		
< 10:30	MAN6	ECB	MT202 sent to EBA.		
> 10:30	MAN7	EBA	Call the banks, which have still not paid, send interim message and inform the ECB.		
11:00!		EURO1 Banks	All the settlement payments should be received at this time!		
11:00	MAN8	EBA	MT202 refunding payments are sent to the ECB.		
> 11:05	MAN9	ECB	Payments are debited from the settlement (BAS) account and sent via TARGET.		
> 11:15	MAN10	EBA	MT299 Settlement Complete message is issued.		

Time	Test ID	Participant	Mandatory Live Testing Pre-funding	Result	Comments
			Action		
07:30		SWIFT	EURO1 / STEP1 Start-up		
10:00	PFU4	PF Banks	All testing banks initiate a pre-funding payment by sending an MT202 for EUR1 to credit PSA account EBAPFRPPPSA.		
> 10:00	PFU5	EBA	Automated submission of MT202 messages to the EURO1 Central System by the Business Administration System (BAS2), crediting the banks' position in the EURO1 Central System by EUR 1.		
> 10:00	PFU6	PF Banks	All testing banks monitor advices from the EURO1 Central System and should observe an MT202 message that indicates a balance increase of EUR 1.		
10:30		EBA	EBA CLEARING OSU contacts Participants who did not successfully submit their pre-funding payment.		

Appendix A: Templates to be used

Note: Any specific requirements for MT202 sent by the participating banks should be checked with their Central Banks.

Pre-Funding:

MT202 Sent by the Participant

	TARGET2 Phase 1 (Non-Migrated Banks)	TARGET2 Phase 1 (Migrated Banks)	TARGET2 Phase 2 (Migrated Banks)
Field 103	-	"TGT"	"TGT"
Sender	<EURO1 BIC>	<T2 Direct Participant BIC>	<T2 Direct Participant BIC>
Receiver	NCB or National RTGS system	TRGTXEP0TGT	EBAPFRP0PSA
52A	<EURO1 BIC>	<EURO1 BIC>	<EURO1 BIC>
54A	ZYABDET0 or //TAEU in front of beneficiary in F58A	ZYABDET0	
58A	EBAPFRP0PSA	EBAPFRP0PSA	EBAPFRP0PSA

Liquidity distribution:

Received by the Participant

	TARGET2 Phase 1 (Non-Migrated Banks)	TARGET2 Phase 1 (Migrated Banks)	TARGET2 Phase 2 (Migrated Banks)
Field 103 In block 3			"TGT"
Sender	NCB or National RTGS system	TRGTXEP0TGT (V copy)	EBAPFRP0PSA
Receiver	<EURO1 BIC>	<T2 Direct Participant BIC >	<T2 Direct Participant BIC >
52A	//TAEUEBAPFRP0PSA + TRN (field 20 of original MT198 equivalent of MT202)	//TAEUEBAPFRP0PSA + TRN (field 20 of original MT198 equivalent of MT202)	
	EBAPFRP0PSA	EBAPFRP0PSA	
58A	<EURO1 BIC>	<EURO1 BIC>	<EURO1 BIC>

End of Day Settlement:

MT202 (Settlement Pay-in phase)

Sent by the Participant

	TARGET2 Phase 1 (Non-Migrated Banks)	TARGET2 Phase 1 (Migrated Banks)	TARGET2 Phase 2 (Migrated Banks)
Field 103		"TGT"	"TGT"
Sender	<EURO1 BIC>	<T2 Direct Participant BIC>	<T2 Direct Participant BIC>
Receiver	NCB or National RTGS system	TRGTXEP0TGT	EBAPFRP0BAS
52A	<EURO1 BIC>	<EURO1 BIC>	<EURO1 BIC>
54A	ZYABDET0 or //TAEU in front of beneficiary in F58A	ZYABDET0	
58A	EBAPFRP0BAS	EBAPFRP0BAS	EBAPFRP0BAS

MT204 (Settlement Pay-in phase)

Received by the Participant

	TARGET2 Phase 1 (Non-Migrated Banks)	TARGET2 Phase 1 (Migrated Banks)	TARGET2 Phase 2 (Migrated Banks)
Field 103			"TGT"
Sender			EBAPFRP0BAS
Receiver			<T2 Direct Participant BIC>
53A			<EURO1 BIC>

MT202 (Settlement Pay-out phase)

Received by the Participant

	TARGET2 Phase 1 (Non-Migrated Banks)	TARGET2 Phase 1 (Migrated Banks)	TARGET2 Phase 2 (Migrated Banks)
Field 103 In block 3			"TGT"
Sender	NCB or National RTGS system	TRGTXEP0TGT (V copy)	EBAPFRP0BAS
Receiver	<EURO1 BIC>	<T2 Direct Participant BIC >	<T2 Direct Participant BIC >
52A	//TAEUEBAPFRP0BAS + TRN (field 20 of original MT198 equivalent of MT202)	//TAEUEBAPFRP0BAS + TRN (field 20 of original MT198 equivalent of MT202)	
	EBAPFRP0BAS	EBAPFRP0BAS	
58A	<EURO1 BIC>	<EURO1 BIC>	<EURO1 BIC>

MT298 (Set up of both the MT204 Single Message Limit and MT204 Total Daily Limit towards EBA-SO, value = EUR 100)

Sent by the Participant

Sender	<EURO1 BIC>
Receiver	EBASBEB0
:20:	<i>your reference</i>
:12:	979
:77E:	
:79:	/LMR,UPDATE /DDR,EBAPFRPS,204,S100,T100



Appendix B: Observation Report

Observation Report				
Bank name & BIC:				
Contact phone & e-mail:				
Reported By:				
Title:				
Occurred on:	Business Test Day:	Date/Time:		
Occurred on:	Mandatory Live Test Day:	Date/Time:		
Description:				
Severity:	Critical:	High:	Medium:	Low:
Evidence supplied (i.e. Attachments / screen dumps):				
Analysis:				
Action taken:				
Resolved signature and date:				

Appendix C: Glossary

BAWS	Business Administrator Workstation: a workstation connected to the Clearing Computer and installed at the EBA premises, allowing it to carry out monitoring and control functions
BAS2	See <i>CRISTAL BAS2</i>
BKE	Bilateral Key Exchange
CB	Central Bank
CET	Central European Time
CRISTAL BAS2	Business Administration System: a system run by EBA CLEARING which manages the EURO1 /STEP1 System settlement process
DDL	Direct Debit Limit: The liquidity distribution process uses the MT204 Financial Markets Direct Debit Message (MT204) to downwardly adjust the positions of EURO1 Participants. The dual limit setting mechanism for MT204 direct debits enables Participants to limit the amount it is prepared to be debited in EURO1 (and to receive through TARGET). DDL comprises of a Single and a Total limit.
EBA CLEARING	EBA Clearing S.A.S. (legal name ABE Clearing S.A.S.), a company incorporated under the French law and of which the EURO1 Banks are the shareholders.
EBA CLEARING OSU	EBA CLEARING Operations Services Unit
EBA-SO	EBA CLEARING as System Operator
ECB	European Central Bank
EURO1	The Euro System of the EBA CLEARING for payments denominated in EUR made amongst the Participants.
EODS / EOD Settlement	End of Day Settlement.
FSC	Flexible Settlement Capability: comprises a Pre-funding Utility (PFU) and Liquidity Distribution Windows (LQW). FSC is designed to enable the movement of funds to and from EURO1 intra-day, for Participants' liquidity management purposes and systemic fluidity.
ICM	Information and Control Module
IWS	Interactive Workstation - a replacement for the EURO1/STEP1 CWS, which is being introduced as from late 2006. IWS-Browse operates on a SWIFTAlliance Webstation communicating with EURO1/STEP1 via SWIFTNet Browse. From mid-2007 additional functionality will allow communication via FileAct. In addition, for back-office automation, an API using standard Cash Management XML messaging through InterAct and FileAct will also become available then.
LQW	Liquidity Distribution Windows: Intra-day distribution of EURO1 liquidity in Central Bank funds up to the aggregate pre-fund amount at specific times and under pre-defined conditions, whereby Participants receive Central Bank funds against a downward adjustment of their position in EURO1 of the equivalent amount.



NCB	National Central Bank
PFU	Pre-Fund Utility: Intra-day Pre-Funding of positions in EURO1 for all Participants in EURO1, enabling Participants to transfer Central Bank funds to the Pre-settlement Account at the ECB against a position adjustment of the equivalent amount in EURO1
PKI	Public Key Infrastructure
PSA	Pre-settlement Account
SAW	SWIFT Alliance Workstation
SSP	Single Shared Platform
STL	<i>See EODS / EOD Settlement</i>
TARGET	Trans-European Automated Real-time Gross settlement Express Transfer, the payment system in each of the European Union member states, connected through an inter-linking mechanism to allow real time euro transfers to be effected.

Appendix F: BKE Pre-agreements

Sent to: EBA CLEARING OSU E-mail: t.jourquin@ebaclearing.eu FAX: +32 2 64 32 781	Att.: Tom Jourquin
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T&T Contacts and BICs – Business Administrator (EBA CLEARING)

Pre-agreement details for key exchange with Business Administrator BIC:

BKE User and KMA Identity: **EBAPFRP0 (T&T)**
 Key type: bi-directional
 Key activation date: ASAP (T&T)
 Renewal period: 12 months
 Initiator: yourselves
 Both counters to: 1

EURO1 and PF Participant's pre-agreement details for the key exchange (T&T):

BKE User:

KMA Identity:

Key type: bi-directional
 Key activation date: ASAP
 Renewal period: 12 months
 Initiator: ourselves
 Both counters to: 1

T&T Contacts and BICs – Business Administrator (EBA CLEARING)

Pre-agreement details for key exchange with System Operator BIC:

BKE User and KMA Identity: ZYDVFRP0 (T&T)
 Key type: bi-directional
 Key activation date: ASAP (T&T)
 Renewal period: 12 months
 Initiator: yourselves
 Both counters to: 1

EURO1 and PF Participant's pre-agreement details for the key exchange (T&T):

BKE User:

KMA Identity:

Key type: bi-directional
 Key activation date: ASAP
 Renewal period: 12 months
 Initiator: ourselves
 Both counters to: 1

 Name Phone number Signature
 Key Management Authority (SWIFT Department)

Appendix G: BKE Pre-agreements

T&T Contacts and BICs – SWIFT

Department	Phone / Fax no.	E-mail
Customer Service Centre	Phone: +31 715 822 822 Fax: +31 715 812 645	support.europe@swift.com
SMC - Security Management Centre (key exchange w/ CS)	Phone: +32 2 655 3456 Fax: +32 2 655 4294	n/a
COS - Customer Order Services (general BIC matters)	Phone: +32 2 655 3111 Fax: +32 2 655 3009	n/a

The IWS users do not need to exchange BKE with EBASBEB0, contrary to CWS users and those still requesting information via FIN messages (manual or CWS-equivalent tools from other providers). Before the key exchange, the pre-agreement form (Annex C.2 of the SWIFT Service Description) must be sent to the Security Management Centre (see address on the form itself). They will counter-sign the pre-agreement and will return it by fax. After reception of this fax, the key exchange can be initiated.

Please note that the key exchange is unidirectional, **SWIFT will not initiate any key.**

Pre-agreement details for key exchange with EBA Processing Service BIC:

Details about the Correspondent destination: **EBAS BE B0 (for T&T)**

Details about the Correspondent KMA: **EBAS BE 90 (for T&T)**

Key type: Unidirectional, one side (sender key only).
Renewal period: 6 months.

Lead time:

Generally, a key exchange with SWIFT needs to be completed by the Wednesday preceding the Monday on which you want to start using it (keys have to be uploaded from SMC to the EBA CLEARING server over the weekend).



EBA CLEARING



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