DEUTSCHE BUNDESBANK
EUROSYSTEM

FAQs on the ECMS
Frequently asked questions

Last updated: 29.08.2025

Version 3.0

Table of contents

Page

Table of contents 2
Abbreviations 4
1 Introduction 5
2 General questions on the ECMS 5
2.1 What is the scope of application of the ECMS? 5
2.2 How does the ECMS work? 5
2.3 What impact will the ECMS have on counterparties? 6
2.4 Has the ECMS changed business and legal relationships between counterparties and the NCBs? 7
2.5 Has the ECMS completely replaced CAP? 7
2.6 Is the ECMS user interface or the ESMIG landing page be available in multiple languages? 7
2.7 Are the documents provided by the Bundesbank / ECB, i.e. the Connectivity Guide, also be available in German? 7
2.8 Will the counterparties receive appropriate information such as a user handbook for ECMS? 8
3 Interaction with the ECMS 8
3.1 What software requirements are needed to use the ECMS GUI? 8
3.2 What exactly do our counterparties need to do in order to participate in the ECMS? 8
3.3 Is it necessary to set up an U2A connection if an A2A connection is already established? 9
3.4 Does every system user in the ECMS that is set up by the administrator need their own certificate from their NSP? 9
3.5 What must be considered, if an institute uses an U2A connection from a third party such as the LBBW? 9
3.6 Can a counterparty which connects to T2 directly via ESMIG also use this connection via the NSP for ECMS? Is the access to ECMS also possible via the “co-management” to CLM? 9
3.7 Is it possible to use the U2A connection to T2 to access ECMS? Will the user interface be the same GUI as in T2? 9
3.8 Are ECMS administrators (ADMINs) the same users as the T2 ones or separate ones? 10
3.9 Is the assignment to the Closed Group of Users (CGU), for example to the TARGET service T2, sufficient for the use of ECMS? 10
3.10 Is master data maintained directly in ECMS or, like the rest of master data, in the CRDM? 10
3.11 Is the master data created in the same way as in T2? 10
3.12 Can an administrator create other administrators or is the administrator role only assigned to one user? Are more assignments (i.e. for a substitute) possible? 10
3.13 Can an administrator create more users in the U2A mode in ECMS? 10
3.14 What is the “ECMS System User Reference” and how is it designed? For what purpose is it needed? 11
3.15 Is an overview of the to be assigned roles and rights published? 11
3.16 What roles must an admin assign to an ECMS user (U2A)? 11
3.17 The institute is currently not connected to “T2S” to i.e. mobilize securities. Is it mandatory to connect to “T2S” to use ECMS? 11
3.18 Who can be consolidated in an ECMS “Banking Group”? 11
3.19 Must the ECMS “Banking Group” already be declared in the registration form? 12
3.20 Which reports are available in the ECMS? 12
3.21 Does the ECMS provide a report with an overview of all users and their assigned roles of the institute? 12

3.22 Will sample messages of sese messages used in the ECMS be updated regularly in MyStandards (Swift)? 12
3.23 Does the Ascertia Go>Sign Desktop Client, which is used in connection with the NRO process, have to be purchased separately by the institutes or is it provided together with ECMS by the Deutsche Bundesbank? 13
3.24 For what instructions will the U2A NRO solution be applicable? 13
4 Monetary policy operations / Central Bank eligible collateral 14
4.1 Will the OMTOS application remain in place? 14
4.2 When does collateral for open market operations have to be submitted in the case the settlement of these is to take place on the previous day at 7 pm? 14
4.3 Does the ECMS provide delivery routes for recording demobilization/mobilization instructions? What mobilization routes exist in the ECMS? 14
4.4 How are transfers made from the counterparty pool (EUCO pool) to collateral account 2? .. 15
4.5 Can foreign securities also be submitted to CASCADE in future? 15
4.6 What do counterparties need to bear in mind when processing corporate actions in ECMS? 15
4.7 Which user roles must be assigned to a user in the ECMS for processing corporate actions? 16
4.8 For which types of corporate actions are instructions from the counterparty necessary? 16
4.9 How are corporate actions by the counterparty “billed” when using the NSP access of a third party? 16
4.10 How are corporate actions processed when submitting collateral via Triparty Agents? 16
4.11 Which messaging formats (ISO 20022 standard) does the ECMS use to inform counterparties about corporate actions? 16
4.12 How does the ECMS inform the counterparty about an upcoming corporate action (CA) for submitted marketable securities? 17
4.13 Will MACCs be a component of the ECMS? 17
4.14 Can only German “Schuldscheindarlehen” / credit claims be submitted via MACCs? 17
4.15 Which triparty agents have been assessed as eligible by the Eurosystem? 17
4.16 Can the deposit facility be booked after 6 pm at the end of a reserve period? 17
4.17 Is the prerequisite for an application for an overnight loan the existence of an MCA account? 18
4.18 At what time can the maximum credit line be instructed? 18
4.19 How is a counterparty with access to ECMS informed of a shortfall in coverage via a so-called “margin call”? 18
5 TARGET-Service T2 and ECMS 18
5.1 What interdependencies exist between the T2 service and the ECMS? 18
5.2 Is future use of ECMS dependent on whether a counterparty currently maintains an MCA account? 18
5.3 If a counterparty uses a connection to CLM via a third party as part of co-management, is having an own MCA account still required? 19
5.4 What should be noted in the event of disruptions to ECMS operations (act-on-behalf)? 19
5.5 What is meant by the provision of liquidity in the contingency case in ECMS - ECON pool? 19

Abbreviations

Abb.	Abbreviation
A2A	Application-to-Application
CAP	Collateralmanagement Access Portal
CCBM	Correspondent Central Banking Model
CGU	Closed Group of Users
CLM	Central Liquidity Management
CRDM	Common Reference Data Management
ECMS	Eurosystem Collateral Management System
ESMIG	Eurosystem Single Market Infrastructure Gateway
GUI	Graphical User Interface
MACCs	Mobilization and Administration of Credit Claims
MCA	Main Cash Account
NCA	National Central Bank
NRO	Non-Repudiation of origin
NSP	Network Service Provider
OMTOS	OpenMarket Tender Operations System
RTGS	Real-time Gross Settlement
T2	T2 (along with TIPS, T2S and ECMS) is one of the services of the new TARGET system. T2 consists of the components CLM (Central Liquidity Management) and RTGS (Real-Time Gross Settlement).
T2S	TARGET2-Securities
TLTRO	Targeted-Longer-Term Refinancing Operations
U2A	User-to-Application

1 Introduction

The Eurosystem Collateral Management System (ECMS) successfully went live on June 16, 2025. Since then, collateral submitted in connection with Eurosystem credit operations has been managed via this central technical platform. The ECMS offers counterparties access to a simpler and more efficient procedure for mobilising collateral via a single gateway. Further documents relating to the ECMS can be found on our website (Bundesbank website) (Bundesbank website).

2 General questions on the ECMS

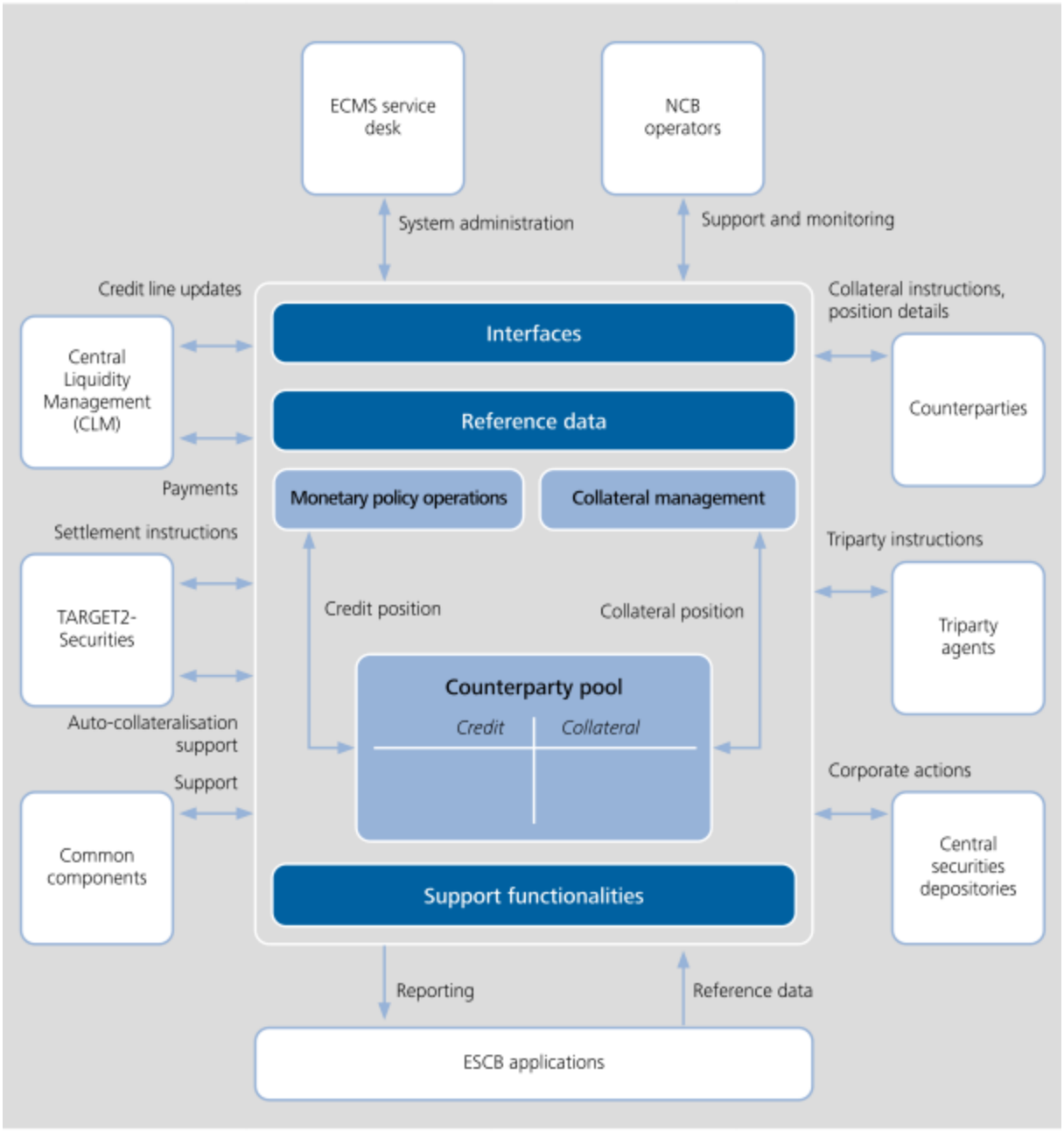
2.1 What is the scope of application of the ECMS?

The Eurosystem Collateral Management System (ECMS) is a platform for carrying out all harmonised functionalities in the area of collateral management for certain Eurosystem collateralised credit operations (monetary policy operations and intraday credit in T2). The ECMS is a Eurosystem application that enables all Eurosystem national central banks (NCBs), their counterparties and other involved parties such as central securities depositories and triparty agents to operate in a unified system with a single interface.

2.2 How does the ECMS work?

The national central banks maintain a collateral pool (counterparty pool) in the ECMS for each monetary policy counterparty, in which the collateral is compared with the credit position of the respective counterparty. It uses data sourced from central securities depositories, triparty agents and ECB/Eurosystem databases. The ECMS calculates the free collateral value currently available for each counterparty and sends this information as a credit line for intraday liquidity to the central liquidity management (CLM).

Structure of the ECMS and connections to other actors and systems Chart 3.2



Source: ECB.

Deutsche Bundesbank

Source: https://www.ecb.europa.eu/paym/target/ecms/html/index.en.html

2.3 What impact will the ECMS have on counterparties?

The ECMS has largely replaced the collateral management systems previously used by the NCBs. The ECMS has a uniform interface (with U2A and A2A communication capabilities) for customer communication for all NCBs and thus differs from the systems previously used by the NCBs. ISO 20022 is used as the messaging standard.

The ECMS offers Eurosystem counterparties a range of enhanced, harmonized services for the management of collateral in connection with Eurosystem credit operations. This is intended to create a level playing field for all counterparties.
Access is provided via a single, common interface that can be used across borders, thus facilitating the mobilization of collateral used across borders. For banking groups that participate in Eurosystem credit operations via several NCBs, the ECMS should simplify group-wide collateral management.

2.4 Has the ECMS changed business and legal relationships between counterparties and the NCBs?

No. The existing relationships between the NCBs and their counterparties remain unchanged in accordance with the principle of decentralisation laid down in Article 12.1 of the Statute of the ESCB. Counterparties can continue to turn to their existing contacts at the respective NCBs if they have questions or need assistance in procedural matters.
The legal relationships governing monetary policy operations and the use of intraday credit also remain unchanged, i.e. there is no change to the legal relationships between the counterparties and their NCBs.

2.5 Has the ECMS completely replaced CAP?

CAP is the graphical user interface for the Deutsche Bundesbank's internal collateral management system, which Counterparties used to manage monetary policy holdings (including holdings for the TARGET contingency case) until the ECMS went live on June 16, 2025. These can now only be managed and viewed via the ECMS. The accounts (so-called collateral account 2[1] and 5[2]) used for other purposes will remain in the local systems until after the go live of ECMS is completed and then administration will take place in ECMS at a later point in time. Therefore, until further notice, inquiries about these accounts will be possible via U2A through the ExtraNet Collateral Management Access Portal (CAP) or A2A via Swift in accordance with ISO 15022. There are no plans to convert A2A communication with the Deutsche Bundesbank's local collateral management system to the ISO 20022 message standard.

2.6 Is the ECMS user interface or the ESMIG landing page be available in multiple languages?

The ECMS and the ESMIG landing page are only available in English.

2.7 Are the documents provided by the Bundesbank / ECB, i.e. the Connectivity Guide, also be available in German?

Many of the documents published by the Deutsche Bundesbank are only available in English. With the “ECMS Leitfaden für die Produktion,” the Deutsche Bundesbank provides a document containing particularly important information on the operation of the ECMS in German. This

[1] The collateral account 2 for BBk’s own operations is maintained for the collateralisation of Bundesbank own-account transactions, such as the central bank service.
[2] The collateral account 5 is maintained in connection with the management of collateral in accordance with the "Einlagensicherungsgesetz" (Deposit Protection Funds).

document is revised regularly. In addition to the ECMS Guide, we also provide our counterparties with general information presentations and training materials in German on the ECMS website under the heading “Training and Support Materials.” These are supplemented by videos that illustrate specific processes step by step. You can access this page via the link: https://www.bundesbank.de/en/tasks/payment-systems/ecms/training-and-accompanying-materials-853534

2.8 Will the counterparties receive appropriate information such as a user handbook for ECMS?

Yes. The ECB provides the *User Handbook for Counterparties*. This user handbook supports Counterparties in using the graphical user interface (GUI) of the ECMS. It contains detailed information on all GUI screens and step-by-step instructions for typical application functionalities in the ECMS. You can access this document via the link: ECMS User Handbook for Counterparties (europa.eu).

3 Interaction with the ECMS

3.1 What software requirements are needed to use the ECMS GUI?

For the operation of ECMS in U2A mode, no specific operating system (OS) or any other software is required. ECMS supports the following web browsers: Microsoft Internet Explorer (11), Microsoft Edge, Google Chrome (40+), and Firefox (32+). Java script and Java applets are used for validations on the client side, so "JavaScript" and "Cookies" must be set to "enabled". No additional plug in based internet applications like "Flash" or "Silverlight" are required. The recommended cache size is 1 to 2 MB.
The Edge browser is supported by ESMIG and ECMS.
The Asceria Go-Sign Desktop Client software is required to record certain critical transactions in ECMS. For more information, see question 3.23ff.

3.2 What exactly do our counterparties need to do in order to participate in the ECMS?

For further information, please refer to the “New Customer Information” section on the Bundesbank website. You can access this page via the link: New Customer Information | Deutsche Bundesbank.
If you have any questions, please contact the ECMS National Service Desk of the Deutsche Bundesbank (ECMS-NSD). You can reach the ECMS-NSD at the email address ECMS-NSD@bundesbank.de or on TARGET business days between 7:00 a.m. and 6:15 p.m. at the telephone number 069 –2388 2477.

3.3 Is it necessary to set up an U2A connection if an A2A connection is already established?

A counterparty that decides to use an A2A connection will, in principle, always receive an U2A connection to access ECMS that way. The consistent use of the U2A connection is not necessary, however certain functionalities (i.e. user management, pool projection) will be available to U2A connection users only. Furthermore is the U2A connection necessary for the setup of users, the assignment of roles and to view certain reports.

3.4 Does every system user in the ECMS that is set up by the administrator need their own certificate from their NSP?

Counterparties may use ECMS either A2A – in that case communicates i.e. an application of the counterparty with the ECMS – or employees of the respective counterparties U2A access the ECMS GUI. For the applications or employees technical users “system users” will be set up in ECMS and every system user needs a certificate to communicate with ECMS. But multiple systems users may use the same certificate in ECMS.
In the ECMS, it is technically possible to link an ECMS user with multiple DNs or certificates. This allows counterparties to link multiple DNs per user (in both U2A and A2A mode).

3.5 What must be considered, if an institute uses an U2A connection from a third party such as the LBBW?

Regarding the creation of users in the ECMS and the use of a user with multiple certificates, we ask the institute to contact LBBW directly. We would be happy to provide you with the relevant contact information upon request (email to ECMS-nsd@bundesbank.de).

3.6 Can a counterparty which connects to T2 directly via ESMIG also use this connection via the NSP for ECMS? Is the access to ECMS also possible via the “co-management” to CLM?

If a counterparty has set up access to ESMIG through their own network service provider, this access can be used for all TARGET services after the contract has been adjusted accordingly with the NSP.
If a counterparty uses co-management in CLM, his institution is exempt from having to connect to T2 via ESMIG via its own NSP. However, an NSP is required for the connection to the ECMS via ESMIG, as access via co-management in the CLM is not possible. This means that each institution must either connect itself or use a third party for this purpose. In the cooperative sector and savings banks, head institutions offer a connection to the ECMS. For further information, counterparties should contact the institutes known in the market.

3.7 Is it possible to use the U2A connection to T2 to access ECMS? Will the user interface be the same GUI as in T2?

As with T2, U2A access to ECMS is initially available via ESMIG and the ESMIG landing page. On that page the counterparty chooses “ECMS” as a service given that the required access rights have been granted. In general, there will be an individual GUI available for each TARGET service, the ECMS and T2.

3.8 Are ECMS administrators (ADMINs) the same users as the T2 ones or separate ones?

ECMS is based on its own rights and roles concept, which means that separate ECMS administrators are required. These may however be the same as the T2 administrators.

3.9 Is the assignment to the Closed Group of Users (CGU), for example to the TARGET service T2, sufficient for the use of ECMS?

No, a separate assignment to an ECMS CGU is necessary. A CGU is a closed user group, to which the ECMS user of a counterparty get assigned to via the NSP (Swift or Nexi-Colt (former: SIA-Colt)). The assignment to a CGU – "e-Ordering" takes place at the NSP (Unlocking of the required certificates to use ECMS). Further information is available via the link: Common components of TARGET Services | Deutsche Bundesbank. The NSP has different CGUs for the production environment and for the test environment.

3.10 Is master data maintained directly in ECMS or, like the rest of master data, in the CRDM?

Yes, the maintenance and administration mainly takes place in the ECMS. But the ECMS does interchange certain master data such as the ECMS-Distinguished Name (DN) or the User-DN-Links with the Common Reference Data Management (CRDM).

3.11 Is the master data created in the same way as in T2?

No. The creation of master data takes place in ECMS. Furthermore, different name conventions for the assignment of DNs and users of the ECMS apply. See also the filling support: Fill-in-guide for the ECMS production registration form (bundesbank.de) (in German).

3.12 Can an administrator create other administrators or is the administrator role only assigned to one user? Are more assignments (i.e. for a substitute) possible?

The Bundesbank configures the administrators for the respective counterparties. In principle, the Central Bank can create multiple administrators. If an institute i.e. has wished for two administrators, they can also apply a 2-eye-principle or a 4-eye-principle additionally to the already existing role.
These administrators are users of the counterparty who may create new users as well as assign U2A and A2A roles to these users in ECMS. So the initial creation of administrators is done by the Bundesbank based on the handed in registration form. Any further steps must be instructed by the institute.

3.13 Can an administrator create more users in the U2A mode in ECMS?

To create new users the administrator needs to be equipped with the writing role ECMS ENTITY – U2A ADMINSTRATOR EXECUTION - #54. The creation of new users is possible in the module Reference Data.

3.14 What is the "ECMS System User Reference" and how is it designed? For what purpose is it needed?

The "ECMS System User Reference" is needed for the creation of new users or a new ECMS group. The Deutsche Bundesbank recommends to structure the creation and registration of a new ECMS System User Reference or a new ECMS Group by using a uniform naming scheme. One example: DECPTY-DE0nnnn[3]-ADMIN-PA2
For that purpose we would also like to point out to the "Form guide and information sheet for the ECMS production environment" which can be found on the Bundesbank Website.

3.15 Is an overview of the to be assigned roles and rights published?

A list of all available U2A and A2A roles is available at U2A and A2A roles in the ECMS (europa.eu). The file "ECMS Access rights matrix" additionally describes the access rights to certain screens in the ECMS GUI, based on different user roles. The file is available at: Functional documents | Deutsche Bundesbank

3.16 What roles must an admin assign to an ECMS user (U2A)?

An administrator always assigns a U2A user the role of Validator (4-eye-principle) or Super Validator (2-eye-principle) in addition to a functional role in the ECMS. It is the counterparty's responsibility to determine which user should receive which roles. Privileges are associated with a role, so privileges do not need to be assigned separately. This approach differs from that of other TARGET services. The counterparty therefore decides by assigning roles, among other things about the use of the 4-eye-principle.
Please note: Instructions recorded using the dual control principle are processed directly by the ECMS. Whereas with the 4-eyes-principle, a recorded instruction must be approved by another person.

3.17 The institute is currently not connected to "T2S" to i.e. mobilize securities. Is it mandatory to connect to "T2S" to use ECMS?

Counterparties do not need a direct T2S connection for the delivery and collection of securities as collateral, among other things. In addition to a connection to ECMS, institutions only need access to the central securities depository or custodian bank where they hold the securities they submit as collateral to the Deutsche Bundesbank in order to deliver and collect securities as collateral.

3.18 Who can be consolidated in an ECMS "Banking Group"?

Different groups of counterparties can be consolidated in an ECMS "Banking Group". One counterparty will be defined as the "manager" of the Banking Group. The manager has access to the consolidated view of the collateral pools. This functionality is only available U2A.

[3] RIAD-Code/MFI-Code of the institute

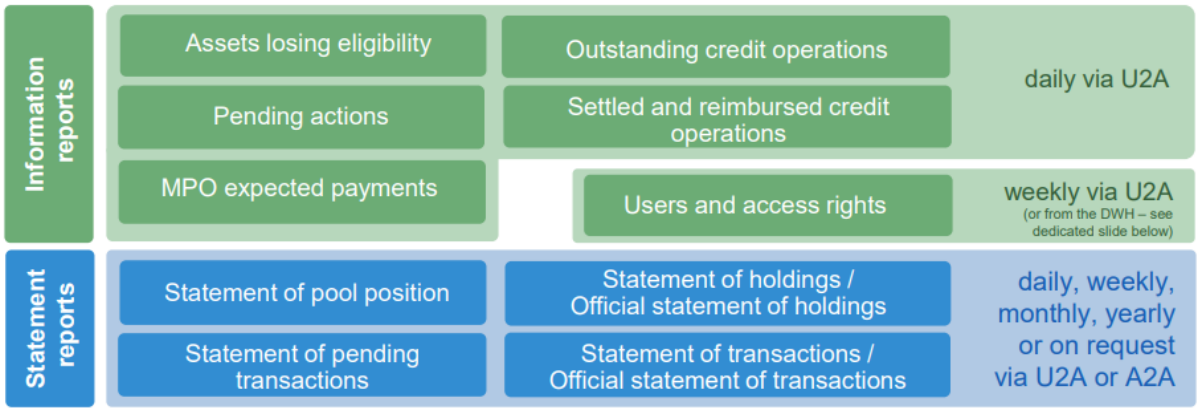
3.19 Must the ECMS "Banking Group" already be declared in the registration form?

Institutes, who wish this functionality may provide the correspondent information in the registration form (Link: Forms | Deutsche Bundesbank).

3.20 Which reports are available in the ECMS?

The ECMS offers various reports to counterparties, which are available either in U2A (with export option) in various formats, but also in A2A.

The following overview shows the reports available to the counterparties in the ECMS:



In addition, counterparties have access to a report in the ECMS Data Warehouse on ECMS users and their access rights.
Source: ECMS info pack - reports (europa.eu)

3.21 Does the ECMS provide a report with an overview of all users and their assigned roles of the institute?

The "Users and access rights" report provides the counterparties with the relevant information. Counterparties can download and save this report on a weekly basis. Alternatively, a similar report, which lists historical data on users and access rights for the last 10 years, is available in the ECMS Data Warehouse (DWH). This is the only report which is available for the Counterparties in the DWH. To access this information, they must authorize a user specifically for the DWH and participate in testing activities to ensure that this functionality can be used.

3.22 Will sample messages of sese messages used in the ECMS be updated regularly in MyStandards (Swift)?

The exchange of sese messages concerns communication in A2A mode. The MyStandards platform provided by Swift allows users to view the content of various messaging formats. The sample messages are updated regularly.
The section 3 of the ECMS catalogue of messages and credit claim files (europa.eu) also contains further information on the used messaging formats and their content.

3.23 Does the Ascertia Go>Sign Desktop Client, which is used in connection with the NRO process, have to be purchased separately by the institutes or is it provided together with ECMS by the Deutsche Bundesbank?

To ensure Non-Repudiation of Origin (NRO) for critical transactions, a digital signature will be introduced for certain screens (U2A usage) of the ECMS. Users must enter a PIN code to add a digital signature to their instruction in the ECMS. ECMS users must therefore have the Ascertia Go>Sign Desktop Client installed on their workstation (application that communicates with ECMS, i.e. computer). Downloading is possible for all authorized users via the ESMIG portal. Ascertia is the unified NGO solution for all TARGET services, i.e. if you already use the software in connection with other TARGET services, you do not need to install them again.

Information about the Ascertia Go-Sign Desktop Client:

•Users must have version 8.3.6 of the Ascertia Go>Sign Desktop Client installed on their workstation from June 2025 onwards in order to be able to use ECMS via U2A for screens that require a digital signature. Detailed instructions for installing the Ascertia Go>Sign Desktop Client are available at the following link: ESMIG U2A Qualified Configurations v1 7 GoSign 836 final

Further information is available in the Terms of Reference for the Go-Sign-Desktop (GSD) client upgrades schedule .

3.24 For what instructions will the U2A NRO solution be applicable?

In order to ensure non-repudiation of origin (NRO) for critical transactions, the use of a digital signature will be introduced for certain screens. This means that the user is asked to enter a PIN code for authentication when an instruction is initiated. By entering the PIN, the ECMS adds a digital signature to the instruction entered by the user.

The NRO solution is currently intended to be used for the following transactions:

- (De-) mobilization of marketable security,
- Deletion of a (de)mobilization of a marketable security
- Entering a corporate action instruction
- Deletion of the instruction in a corporate action transaction and
- Application for Margining Lending on Request (MLOR)

An extension to other instruction types will be implemented in future ECMS releases.

4 Monetary policy operations / Central Bank eligible collateral

4.1 Will the OMTOS application remain in place?

Yes, the OpenMarket Tender Operation System (OMTOS) will continue to be operated to carry out monetary policy tender operations. The submission of bids for open market transactions for counterparties of the Deutsche Bundesbank as well as the allocation of the corresponding open market transactions will continue to be carried out via OMTOS. Counterparties can view information about the monetary policy tender operations they participated in via the ECMS.

4.2 When does collateral for open market operations have to be submitted in the case the settlement of these is to take place on the previous day at 7 pm?

The Deutsche Bundesbank will arrange for the allocated amounts in standard tenders to be credited to TARGET-BBk on the settlement date specified in the tender, provided that there is sufficient collateral coverage for the loan amount plus any interest incurred. This will take place on the previous day between 7:00 p.m. and 7:30 p.m. Any missing collateral must be delivered immediately, but no later than 5:00 p.m. on the settlement date. To avoid problems with the booking of transactions at 7:00 p.m., collateral must be submitted by 5:45 p.m.

4.3 Does the ECMS provide delivery routes for recording demobilization/mobilization instructions? What mobilization routes exist in the ECMS?

All delivery and withdrawal instructions for monetary policy transactions are carried out via the ECMS. The recording of instructions using so-called delivery routes is not available with ECMS.

Delivery data (e.g., specific counterparty, counterparty storage location, responsible clearing system) must be re-entered by the counterparties in ECMS each time (de)mobilization instructions are created.

A detailed overview of securities transfers with all common technical constellations and special cases already tested in the ECMS environment is available on our website under Training and Accopanying Material | Deutsche Bundesbank. The documents “Accompanying document for ECMS settlement constellations A2A U2A and for the DZ Bank access service ECMS – ZuSe” and “Test principles and ECMS instructions for securities delivery U2A A2A” contain detailed instructions on the technical settlement parameters to be entered for a wide variety of transfer scenarios.

The mobilization channels available to counterparties for marketable collateral can largely be used with the ECMS. It is therefore still possible to submit collateral by pledging securities in favor of the Deutsche Bundesbank via Clearstream Banking Frankfurt (domestic). For the cross-border mobilization of marketable collateral, i.e., for the use of eligible collateral deposited in other euro member states, “direct” or “relayed links” between securities settlement systems are still available. For this purpose, the foreign custodian must be instructed to transfer the collateral to the Deutsche Bundesbank's securities account at Clearstream Banking Frankfurt. Marketable collateral and credit claims can also continue to be submitted cross-border via the Correspondent Central Banking Model (CCBM). For this purpose, the national central

banks maintain mutual custody accounts in the ECMS. In addition, securities can also be pledged in favor of the Deutsche Bundesbank via approved triparty agents. With the go-live of the ECMS, the triparty service Cmax from Clearstream Banking SA Luxembourg has taken over the functionalities of the current Xemac service from Clearstream Banking AG Frankfurt.

Bilateral mobilization of securities in favor of the Deutsche Bundesbank via account 67069 and the CREATION platform of Clearstream Banking SA is no longer possible due to the applicable T2S settlement policy.

4.4 How are transfers made from the counterparty pool (EUCO pool) to collateral account 2[4]?

Delivery and return instructions must be entered in the respective system (ECMS for counterparty pool alias collateral account 1 and CAP for collateral account 2). It is planned to transfer collateral account 2 to the ECMS at a later, as yet unspecified date after the ECMS go-live. From this point on, it will be possible to initiate transfers between the counterparty pools (collateral pools). Until then, securities in favor of collateral account 2 must be transferred to the newly established CBF 7110 depository.

4.5 Can foreign securities also be submitted to CASCADE in future?

Eligible collateral from other Eurosystem member states may still be transferred to the Bundesbank via eligible links between security settlement systems (SSSs). For securities held by a foreign depository up to this point, this depository must be instructed to transfer the collateral to the Deutsche Bundesbank's T2S-CASCADE account. A list of eligible links can be found on the ECB's page using the following link: List of eligible links (europa.eu). In addition, it is still possible to transfer foreign securities to other central banks in the Eurosystem via the CCBM procedure.
Further information is provided via The correspondent central banking model (CCBM) (europa.eu).

4.6 What do counterparties need to bear in mind when processing corporate actions in ECMS?

In addition to participating in mandatory securities events[5], the ECMS also offers the opportunity to participate in voluntary corporate actions for pledged securities. For events with a decision option, counterparties will have the opportunity to issue instructions via the ECMS in the future.
Communication will also change for all capital measures. Based on the ISO 20022 standard and in accordance with the Harmonized Standards for the Settlement of Corporate Actions (SCoRE), the ECMS will forward information to counterparties promptly after receiving information from the relevant central securities depository. Cash receipts from corporate actions in EUR are credited exclusively to MCA accounts in CLM.

[4] The collateral account 2 for BBks own business is maintained for collateralisation of Bundesbank own-account transactions, such as the central bank service.
[5] The relevant counterparties, e.g. in connection with TEFRA D securities, will be informed of this.

4.7 Which user roles must be assigned to a user in the ECMS for processing corporate actions?

Users editing corporate actions should have one of the following two ECMS Corporate Actions user roles:
ECMS ENTITY - U2A CORPORATE ACTIONS AND TAX MANAGEMENT
(Execution #78 & Read Only #79) (Also refer to U2A and A2A roles in the ECMS (europa.eu)).

4.8 For which types of corporate actions are instructions from the counterparty necessary?

A basic distinction is made between mandatory, mandatory with choice and voluntary capital measures. Further instructions from the counterparties are not required in case of a mandatory CA event. Mandatory CA events with choice require collateral provider instructions unless a predefined default option is selected. In the case of a voluntary CA event, instructions from the counterparty are necessary if they want to take part in the measure (optional).
The issuer informs the CSD directly of the details of a CA event once it has been publicly announced. This information is passed along the custody chain.

4.9 How are corporate actions by the counterparty "billed" when using the NSP access of a third party?

Since the processing depends on the service provider and can therefore be different, we ask you to contact the service provider through whom you plan to connect to the ECMS with this question.

4.10 How are corporate actions processed when submitting collateral via Triparty Agents?

We ask counterparties to contact the relevant triparty agent directly, since there might be variations.

4.11 Which messaging formats (ISO 20022 standard) does the ECMS use to inform counterparties about corporate actions?

The applicable business processes and associated Swift ISO 20022 messages vary depending on the type of CA event and the stage in the CA lifecycle, i.e. not all business processes and messages are applicable to every CA event (i.e. the Instruct phase is only relevant for CA events that offer CA options). Basically, messages of the "Securities Event (seev)" type are used. For the structure of the respective messages, we refer to the ECMS catalogue of messages and credit claim files (europa.eu), which contains relevant information in chapters 3.34 ff. An overview of the messages used is provided on page 14 Presentation: ECMS specialised training session: „Corporate Actions" (bundesbank.de)

4.12 How does the ECMS inform the counterparty about an upcoming corporate action (CA) for submitted marketable securities?

If a corporate action is pending, the central securities depository sends a corresponding message (Corporate Action Notification) to the ECMS. The ECMS stores the information about the CA event in its reference data and forwards it to the counterparties. Messages for CA events are only created if the corporate action affects a security that a counterparty holds in its securities account (counterparty asset account). This can either receive the information in A2A messaging format or directly retrieve U2A in the ECMS GUI. In the Messages Monitoring menu item, the counterparty can download (outgoing) CA messages received from ECMS in XML format.
For elective CA events, counterparties can submit their instructions via U2A mode or via A2A mode.

4.13 Will MACCs be a component of the ECMS?

No. The Deutsche Bundesbank has decided to continue managing credit claims under German law for German counterparties in Mobilisation and Administration of Credit Claims (MACCs), as this system is specifically tailored to the needs of the German market. Credit claims for domestic use will continue to be submitted via MACCs and reported in the counterparty pool of the counterparties under the item “Externally Managed Collateral”. Cross-border credit claims will be managed exclusively in the ECMS. Whether cross-border use applies is determined by the law governing the credit claim. The submission of credit claims by German counterparties whose credit agreements are not subject to German law is therefore referred to as cross-border use. The location of the debtor of the credit claim is not decisive for cross-border use.

4.14 Can only German “Schuldscheindarlehen” / credit claims be submitted via MACCs?

Only credit claims and promissory note loans under German law can be submitted via MACCs in the ECMS. Credit claims that are not subject to German law can only be mobilized by German counterparties via the ECMS.
For further information please refer to Correspondent central banking model (CCBM): Procedures for Eurosystem counterparties (europa.eu) section 2.2.

4.15 Which triparty agents have been assessed as eligible by the Eurosystem?

Only triparty agents that have implemented the harmonised triparty model can be used in the ECMS. More information on this can be found at: SCoRE - Triparty Collateral Management: Single Collateral Management Rulebook for Europe (europa.eu)

4.16 Can the deposit facility be booked after 6 pm at the end of a reserve period?

The deposit facility is used via the T2 Service; requests via the ECMS are not possible. The cut-off time in CLM is generally 6.15 pm, but on the last day of the minimum reserve maintenance period it is 6.30 pm. Closing time in RTGS is at 6 pm.

4.17 Is the prerequisite for an application for an overnight loan the existence of an MCA account?

Counterparties who are authorized to do so can apply for the marginal lending facility directly in ECMS in U2A or A2A mode (overnight credit application). The process is initiated by the counterparties by entering a corresponding instruction in ECMS. If an overnight credit application is entered in accordance with the dual control principle, it is processed by ECMS and cannot be canceled. However, the counterparties can enter any number of new instructions in ECMS, e.g., to adjust amounts.

4.18 At what time can the maximum credit line be instructed?

With the introduction of the ECMS, the Maximum Credit line can only be requested until 5.45 pm.

4.19 How is a counterparty with access to ECMS informed of a shortfall in coverage via a so-called “margin call”?

The counterparty can find out about margin calls in the ECMS. In addition, the counterparties will receive an email or phone call from the ECMS NSD, as before. It is the responsibility of the counterparties to take action in the event of a shortfall in the counterparty pool and to respond to the margin call[6].

5 TARGET-Service T2 and ECMS

5.1 What interdependencies exist between the T2 service and the ECMS?

The T2 service comprises central liquidity management (CLM) and RTGS (component for processing individual payment transactions and ancillary system clearing). CLM manages the central cash accounts (Main Cash Account – MCA accounts), which are used, among other things, for the settlement of monetary policy transactions and the provision of intraday credit (Eurosystem credit operations).

5.2 Is future use of ECMS dependent on whether a counterparty currently maintains an MCA account?

Maintaining a free central cash account (Main Cash Account – MCA account) is a mandatory requirement for participating in all central bank operations, such as tender operations or overnight loans, which are booked on a central cash account (MCA account). If necessary, a dedicated cash account (subject to a fee) can be maintained for the settlement of payment transactions and ancillary system clearing (RTGS Dedicated Cash Account – RTGS DCA accounts); it is also possible to maintain several MCA accounts and/or RTGS DCA accounts.

[6] In this context, a “margin call” refers to a request to increase collateral.

5.3 If a counterparty uses a connection to CLM via a third party as part of co-management, is having an own MCA account still required?

An own MCA (primary MCA) is a mandatory prerequisite to participate in monetary policy operations of the Eurosystem. All payments within the scope of monetary policy are settled through it. Settlement via a third party is no longer possible now that T2 has started on 20 March, 2023. Counterparties connected to T2 via co-management have their own primary MCA, but access it technically via co-managers.

5.4 What should be noted in the event of disruptions to ECMS operations (act-on-behalf)?

The Deutsche Bundesbank will only accept orders, applications, and notices by email—and by prior arrangement—if technical disruptions prevent electronic transmission via the ECMS (act-on-behalf). The Bundesbank will inform its counterparties in the event of a disruption. The relevant act-on-behalf forms are available for download on the ECMS | Deutsche Bundesbank website.
In addition to the Bundesbank, the ECB always provides information on the current operating status of the TARGET Services ECMS on its website. You can access this page via the link: https://www.ecb.europa.eu/paym/target/html/index.en.html. It is also possible to register on this website for email notifications regarding the operating status. No separate MCA is required. The ECMS communicates with the T2 system and uses the existing MCA (called the "Default" = "primary" MCA) to ensure the processing of payments related to monetary policy operations, corporate actions of submitted securities and fees, and credit line updates.

5.5 What is meant by the provision of liquidity in the contingency case in ECMS - ECON pool?

If there is a disruption to the normal operation of CLM and/or RTGS, the emergency solution ECONS II (Enhanced Contingency Solution II) can be activated to maintain limited payment transactions. Counterparties can provide liquidity in different ways.

(i) An automatic injection of liquidity into the ECONS II module when the emergency solution occurs only takes place if counterparties deliver collateral into the separate ECON pool in advance of a possible contingency case and also use the "Credit Freezing" function, so collateral has been blocked at the desired amount for the ECONS transfer. If collateral is also delivered directly to the ECON pool during an already activated contingency case, this will immediately lead to a corresponding increase in liquidity in ECONS II. There is no need to change the credit freezing lock.

This reinforcement of collateral

a) can happen through the delivery of eligible assets from the Eurosystem via the usual approved mobilization channels (domestic, cross-border, triparty and credit claims), or
b) can be initiated by the counterparty via the multipooling function in the ECMS. In the ECMS, the counterparty has the opportunity to transfer unused collateral in the

monetary policy counterparty pool (collateral pool) to the ECON pool (analogous to additional collateral account or collateral account 3). The prerequisite for this is that the counterparty has previously set up an ECON pool and, as before, there is a Maximum Creditline (MaxCL) in the monetary policy counterparty pool.

(ii) If the ECONS II module is already activated and the counterparty only then delivers eligible Eurosystem collateral into the ECON pool via the usual approved mobilization channels (domestic, cross-border, triparty and credit claims) or uses the multipooling function in the ECMS the equivalent value of the collateral is then made available as liquidity by the ECMS in the ECONS II module without any further action on the side of the counterparty.

Contact

ECMS National Service Desk

Deutsche Bundesbank – ECMS

Email: ECMS-NSD@bundesbank.de

Tel: 069 2388 2477