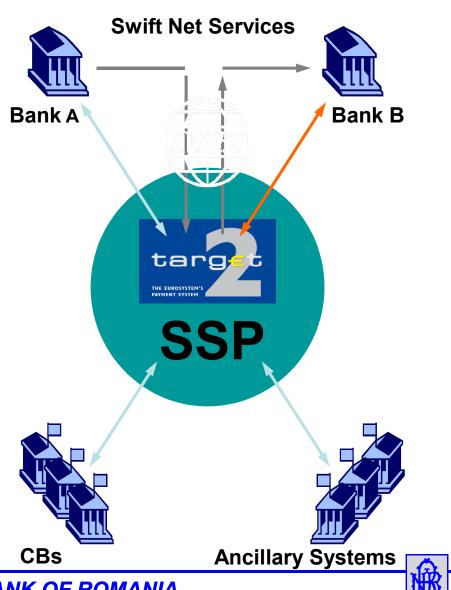


What is TARGET2?

- T Trans-European
- A Automated
- R Real-time
- G Gross settlement
- E Express
- T Transfer system



TARGET2 participation

Direct participation 866 Indirect participation 3,585 Multi-addressee

- credit institution 26
- branch of direct participant 1,432

Addressable BIC

- correspondent 12,950
- branch of direct participant 27,991
- branch of indirect participant 12,646

Ancillary systems – 69

Source: TARGET Annual Report 2010



TARGET2- Romania The project

- >Starting point: NBR strategy for the development of payment and securities settlement systems in view of the euro adoption
- **▶ Period**: August 2010 July 2011
- ➤ Participants: NBR, 22 Romanian credit institutions, ECB, 3CB, other banking communities
- > Work streams: functional, technical, legal and communication
- ➤ **Go-live date**: 4 July 2011

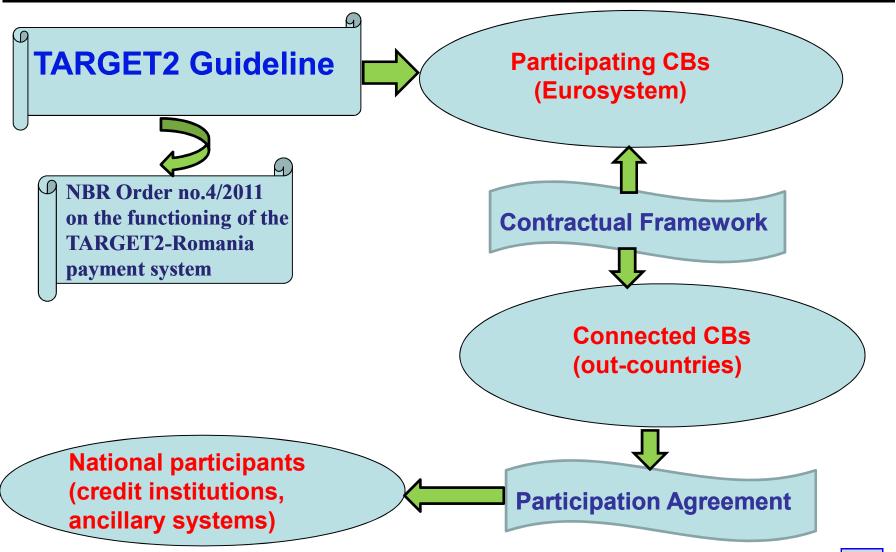


TARGET2- Romania National specificities

- ➤ Minimal model: mandatory modules
- ➤ No PHA
- ➤ Optional modules: CRISP (billing module) and CRAKS1 (statistical module)
- > No intraday credit for the time being
- > No standing facilities (e.g. overnight credit) for the time being
- ≥ 23 direct participants (22 credit institutions and NBR)
- ➤TARGET2 RONUG

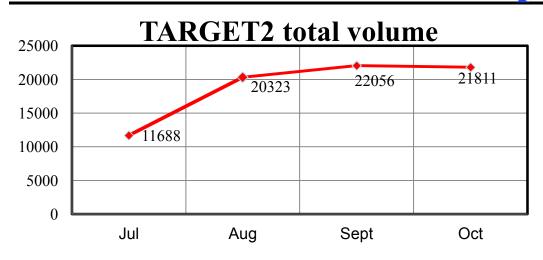


TARGET2- Romania Legal framework





TARGET2- Romania 4 months of operation

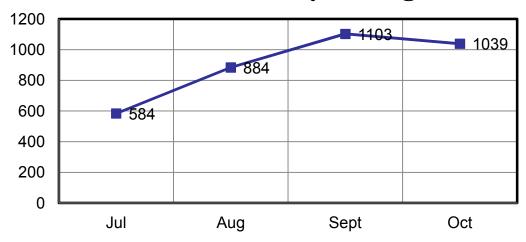


Peak day:

13 October 2011

1,117 payments

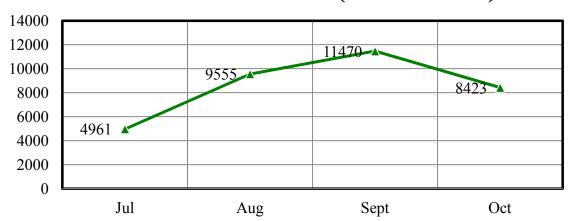
TARGET2 daily average volume





TARGET2- Romania 4 months of operation

TARGET2 total value (EUR million)

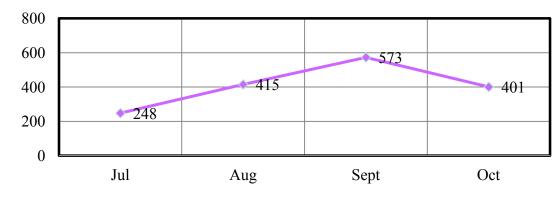


Peak day:

29 July 2011

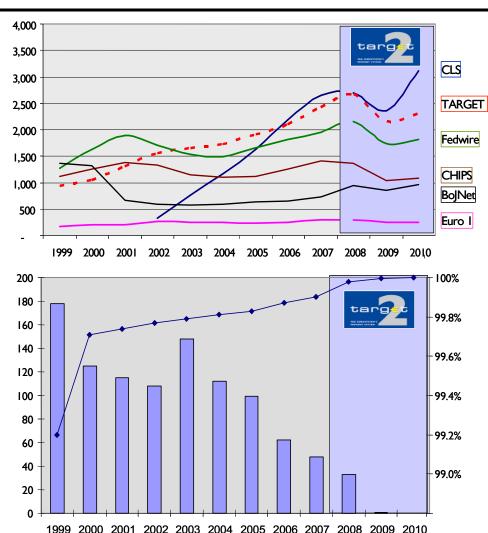
EUR 1,262.98 million

TARGET2 daily average value (EUR million)





TARGET2 statistical data



Comparison with other LVPS

daily turnover in € billion equivalent

In 2010...

- •One of the biggest LVPS in the world
- •90% market share in euro LVPS

System's performance

In 2010...

- •100 % technical availability
- •99.74% of payments settled < 5 min



TARGET2 Three years of operation

After three years of operation...

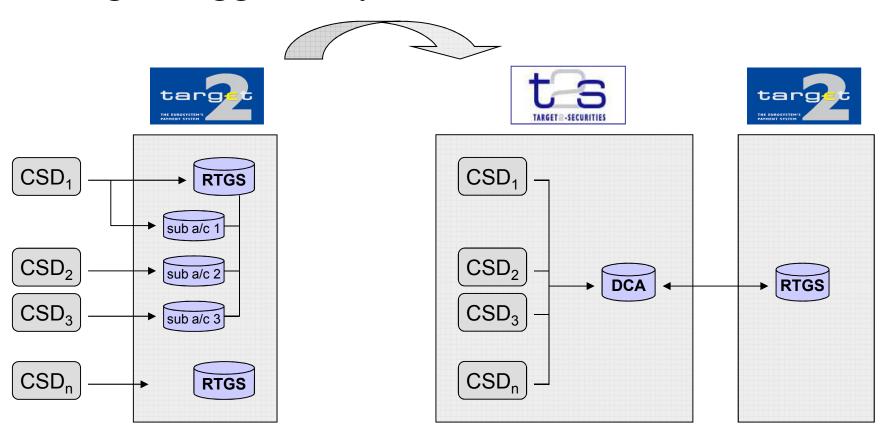
- Smooth functioning of the system
- High level of customer satisfaction
- Regular dialogue with the users on system's enhancement

... time to think about strategic developments



TARGET2 Getting ready for T2S

Changes triggered by T2S (cash side)





TARGET2 Getting ready for T2S

Changes triggered by T2S (cash side)







ts TARGET -- SECURITIES

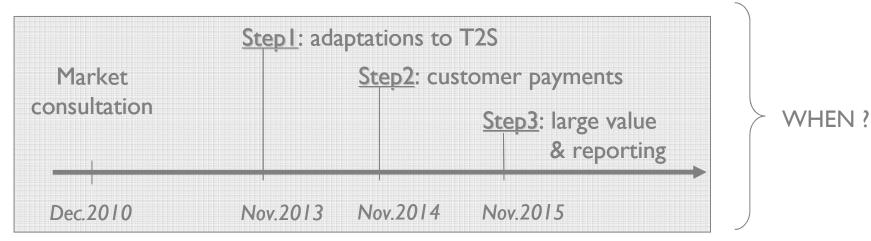
- Fragmentation of participants' liquidity due to the multiplicity of sub-accounts.
- Auto-collateralisation in few CSDs and with RTGS account opened with the 'local' NCB.
- Multiplicity of the settlement procedures.
- Strong operational dependence between CSDs and TARGET2.

- Rationalisation of banks' liquidity management (possibility to have one single DCA for settling in all CSDs).
- Auto-collateralisation available with all CSDs where the eligible securities are held.
- One single interface for all CSDs hosted by T2S.
- Large operational autonomy thanks to auto-collateralisation



TARGET2 Migration to ISO20022

- Cornerstone in the development of TARGET2
- Benefits in terms of efficiency and interoperability
- Synergies with other projects in Europe and worldwide
- Step-by-step implementation of ISO20022 in TARGET2
- Flexible coexistence of legacy and ISO20022 standards
- Discussions with users' community





WHY?

HOW?

TARGET2-Romania Future developments

- ➤ New participants credit institutions direct and indirect
- Connection of the ancillary systems operating in Euro in Romania to TARGET2-Romania:
 - ✓ SENT- EURO
 - ✓ RO-Clear, etc.



Thank you for your attention!

Questions????



www.bnr.ro

www.ecb.europa.eu

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