



.....

SWIFT selected as a Network Service Provider to all TARGET services

.....

SWIFT has been awarded the license to offer connectivity services to all Eurosystem market infrastructures via the European Single Market Infrastructure Gateway (ESMIG)

Brussels, 3 June 2019

SWIFT announces today that it has been awarded a license to provide ESMIG connectivity services from November 2021, as a Network Service Provider for the Eurosystem's TARGET Services.

SWIFT's appointment through the Eurosystem's public tender process evidences both trust and confidence in SWIFT's services as well as SWIFT's own commitment to supporting Market Infrastructures and in driving modernisation. SWIFT supports 254 domestic and pan-regional payment systems across the world.

Alain Raes, Chief Executive EMEA and Asia Pacific, SWIFT, said: "We are delighted to become a Network Service Provider for all TARGET Services. We take our role in this major infrastructure project very seriously and are already working with both the Eurosystem and our customers to raise market awareness about the tight timeline and to ensure a smooth and successful community migration."

As one of two providers selected by the Eurosystem, SWIFT is committed to supporting its customers through their TARGET consolidation projects and the migration to ESMIG. SWIFT will provide high quality and competitively priced access to TARGET Instant Payment Settlement (TIPS) for instant payments, TARGET2 (T2) for high value payments, TARGET2-Securities (T2S) for securities settlement, and the future Eurosystem Collateral Management System (ECMS).

Combining SWIFT's ESMIG connectivity offering with its existing connectivity to EBA CLEARING's EURO1/STEP1, RT1 and STEP2 services, means banks can use SWIFT to process all of their euro payments – high-value, SEPA, instant and cross-border– in a secure, reliable and cost-efficient manner.

By using SWIFT to connect to all TARGET Services, users will future-proof and maximise their investment, gaining a single-window for connectivity. SWIFT will be offering customers a range of products and services designed to help them be fully prepared for the big bang migration of TARGET2 RTGS traffic to ISO 20022 in November 2021. These will include standards (ISO20022) validation services, standards translation and testing capabilities. To provide more information on its offering around the TARGET consolidation project and ISO 20022 migration, SWIFT will be reaching out to the TARGET community through a series of events and meetings.

SWIFT encourages the industry to look at and plan this migration in conjunction with other ISO 20022 migrations happening in the same timeframe, both in the Market Infrastructure space (EBA CLEARING's EURO1, The Bank of England's CHAPS, the US Federal Reserve's Fedwire, The Clearing House (TCH) and others) as well as in the cross-border payments area, where the migration to ISO 20022 is scheduled to start in November 2021.

-####-

Press Contacts:

Finsbury

+32 (0)2655 3377

SWIFT@Finsbury.com

About the Eurosystem's TARGET Services

TARGET Services are a number of services developed and operated by the Eurosystem which ensure the free flow of cash, securities and collateral across Europe.

These financial market infrastructure services include TARGET2 (the real-time gross settlement (RTGS) system for settling payments), T2S (the securities settlement platform) and TIPS (the service for instant payments). All of them settle in central bank money.

TARGET consolidation is a project launched by the Eurosystem to consolidate TARGET2 and T2S, in terms of both technical and functional aspects. The objective is to meet changing market demands by replacing TARGET2 with a new real-time gross settlement (RTGS) system and optimising liquidity management across all TARGET Services. The new RTGS system will offer the market enhanced and modernised services. The messaging standard ISO 20022 will be used, which is also the case for T2S and TIPS. The new consolidated platform will be launched in November 2021.

The Eurosystem will also introduce a number of components that will be shared across all TARGET Services:

- A harmonised interface – the Eurosystem single market infrastructure gateway – will make it easier for participants to access and use the Eurosystem's services from a single entry point.
- The interface will support multi-vendor connectivity, allowing for participants to choose between different connectivity options and fostering competition among network service providers.
- Common reference data will reduce the effort required to create and maintain multiple copies of reference data and will centralise the management of user access rights.
- A common data warehouse will make it possible for participants to access historic information.
- A common billing system will help the Eurosystem optimise its operational costs.

About SWIFT

SWIFT is a global member owned cooperative and the world's leading provider of secure financial messaging services. We provide our community with a platform for messaging and standards for communicating, and we offer products and services to facilitate access and integration, identification, analysis and regulatory compliance.

Our messaging platform, products and services connect more than 11,000 banking and securities organisations, market infrastructures and corporate customers in more than 200 countries and territories. While SWIFT does not hold funds or manage accounts on behalf of customers, we enable our global community of users to communicate securely, exchanging standardised financial messages in a reliable way, thereby supporting global and local financial flows, as well as trade and commerce all around the world.

As their trusted provider, we relentlessly pursue operational excellence; we support our community in addressing cyber threats; and we continually seek ways to lower costs, reduce risks and eliminate operational inefficiencies. Our products and services support our community's access and integration, business intelligence, reference data and financial crime compliance needs. SWIFT also brings the financial community together – at global, regional and local levels – to shape market practice, define standards and debate issues of mutual interest or concern. SWIFT's strategic five year plan, SWIFT2020, challenges SWIFT to continue investing in the security, reliability and growth of its core messaging platform, while making additional investments in existing services and delivering new and innovative solutions.

Headquartered in Belgium, SWIFT's international governance and oversight reinforces the neutral, global character of its cooperative structure. SWIFT's global office network ensures an active presence in all the major financial centres.