



EUROPEAN CENTRAL BANK

EUROSYSTEM

Possible extension of the RTGS operating hours

AMI-Pay meeting



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Possible extension of the RTGS operating hours

Background



The expansion of the RTGS operating hours has been a prominent theme for the G20 roadmap for enhancing cross-border payments



It has also emerged in discussions at the CPMI and with the market (e.g. AMI-Pay, MMCG) in the context of an increased importance of fast payment systems in the current payments landscape



Several G20 central banks have recently launched work on extending their RTGS operating hours by consulting their market participants on possible roadmaps to reach 24/7/365 (e.g. Bank of England and US Federal Reserve)



The Eurosystem's RTGS (T2) has since March 2023 extended its operating hours to 22.5 hours/weekday to support cross-border correspondent banking activities with non-European markets, especially in Asia



Technically, T2 is ahead of the Bank of England's RTGS (CHAPS) and the US Federal Reserve's RTGS (Fedwire Funds) in terms of operating times or industry standards (ISO20022)



In order to keep its leading role in the field of RTGS services, the Eurosystem shall also reflect on the topic and seek the market's feedback



A possible extension of the RTGS operating hours would have an impact on monetary policy implementation as well as on financial stability. The involvement of the relevant Eurosystem committees and a Governing Council approval would be necessary.

Possible extension of the RTGS operating hours

Reasons for possible extension of the T2 operation hours

Reasons which may justify expanding T2 operating hours



Cross-border payments

G20 work on addressing frictions affecting cross-border payments which continue to increase in value and importance is relevant for the Eurosystem



Instant payments

Increased use of instant payments on a 24/7/365 basis, particularly following the entry into force of the Instant Payment Regulation but also due to inter-linking



Market participants' needs

Requests for extended hours by market participants e.g. CCPs, banks (mainly due to the increased use of instant payments)



Innovation

With the launch of the D€ and possibly the use of DLT the need for liquidity on a 24/7/365 basis will increase



International role of the euro

Extended operating hours will support the leading role of euro in the global payments

Possible extension of the RTGS operating hours

High level timeplan



