Preparing for migration

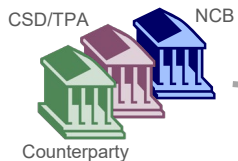**Ana Isa Martins and Bobby Bashford**
European Central Bank

Your journey in Migration: 7 critical steps

Preparation by ECMS Actors
(NSP selection, e-ordering, CGU subscription, prepare migration registration form)

CSD/TPA   NCB

Counterparty

We are here!

1 ☑
Migration Registration Form Submission to NCB

2 ☑
Connectivity
to ECMS via ESMIG
(start upon greenlight of NCB)

3 ☑
NCB migrates reference data
(for NCB and counterparties)

5 ☑
Counterparty set-up of refence data
(upon green-light of NCB)

4 ☑
Set-up of T2S for ECMS
(by CSD/NCB)

6
Preparation Week

Includes initialisation of the database for common reference data (e.g. list of eligible assets) and migration of credit claims data
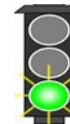
7
Migration Weekend

Includes migration of transactional data (including CA events), sending of data to CLM and T2S, system preparation for Monday go-live.

At national level, the NCB may request the counterparty to access the ECMS.

Ready for go-live business day

Migration Status Summary

- Two PWDR+MWDR tests have taken place so far (MT9 and MT11).

- MT11 showed improvement over MT9, from the activities on the weekend to the post-migration situation.

- ECMS actors still faced some issues with **software** and the **quality of the data available** in the UTEST (pre-production) environment.

- MT11 experience provided re-assurance that planned migration activities are feasible within the defined timeframe.

- **Migration tests are planned so that they do not interrupt the ongoing user testing**. This approach allows migration testing to take place using stable software, avoiding some of the issues faced in previous tests.

Consequences of the new go-live date on migration

Production (PROD) activities

- Adaptation of the "Preparation week" and "Migration weekend" phases timing in view of the new go-live. (details in presentation on timeline and key milestones until go-live)

- Additional new window for updates of the reference data and conclusion of the leftovers from pre-migration phase – **"Pre-migration window II"**.

- **Freeze of the PROD environment was made** after end of pre-migration phase (20 September 2024) to allow investigation of possible changes needed due to new go-live date.

Migration tests

- Postponement of the **Optional Test** previously planned in October – now **MT14 from 5 to 11 May 2025**.

- **Additional test** planned for the UTEST environment – **MT13 from 31 March to 6 April 2025**.

- Additional test planned for the EAC environment – MT12 from 17 to 23 February 2025 (only for NCB and CSD/TPA).

Consequences of the new go-live date on the migration

Migration PROD environment activities:

- The business date in the ECMS was updated to 2 June 2025 (start of preparation week).

- The **freeze of the environment removed counterparty user (U2A and A2A) access** to the system and closed the queues to and from the ECMS.

- The unfreeze of the environment will mark the start of Pre-migration window II, foreseen in January 2025 for NCB users.

- **Counterparty users' reactivation and therefore access to the environment is planned from 3 March 2025** (to be confirmed by the NCBs in December 2024).

- Access will **only be available via U2A**, as the ECMS queues will remain closed.

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Migration activities in
P<u>R</u>OD environment

ECMS Migration in PROD – next steps

PROD Migration journey	Description
From 6 January 2025	Pre-migration window II starts in ECMS PROD, and includes: • Unfreeze of the environment (4CB and NCB) • Completion of the leftovers from Step 2 or updates required to the reference data (4CB and NCB)

From 3 March 2025	Counterparty activities are expected to start as part of Pre-migration window II, **upon green-light from your NCB.**
	
	The following **activities are to be executed** by the counterparty via the ECMS GUI in U2A (similar to Step 5 in slide 3):
	
	    • Set-up of the remaining users or update for existing users
	    • Registration Form data verification
	
	Additionally, **counterparties should not create (in U2A) or send (in A2A) any instructions / messages to the ECMS**.

ECMS Migration in PROD – next steps

5 **Counterparty set-up of refence data**

Scope (what?)

After the capture of counterparty registration form and other data (such as accounts and pools) by the NCB, counterparties should:

- Capture their own remaining reference data under their direct management, i.e. the remaining users and their access rights
- Verify that the data created by the NCB based on the registration forms is correct.

Planning (when?)

Upon greenlight of the NCBs

In the period from 3 March until 30 March 2025

Actors involved

Counterparties

1st level support (who?)

ECMS National Service Desk

Key documents (how?)
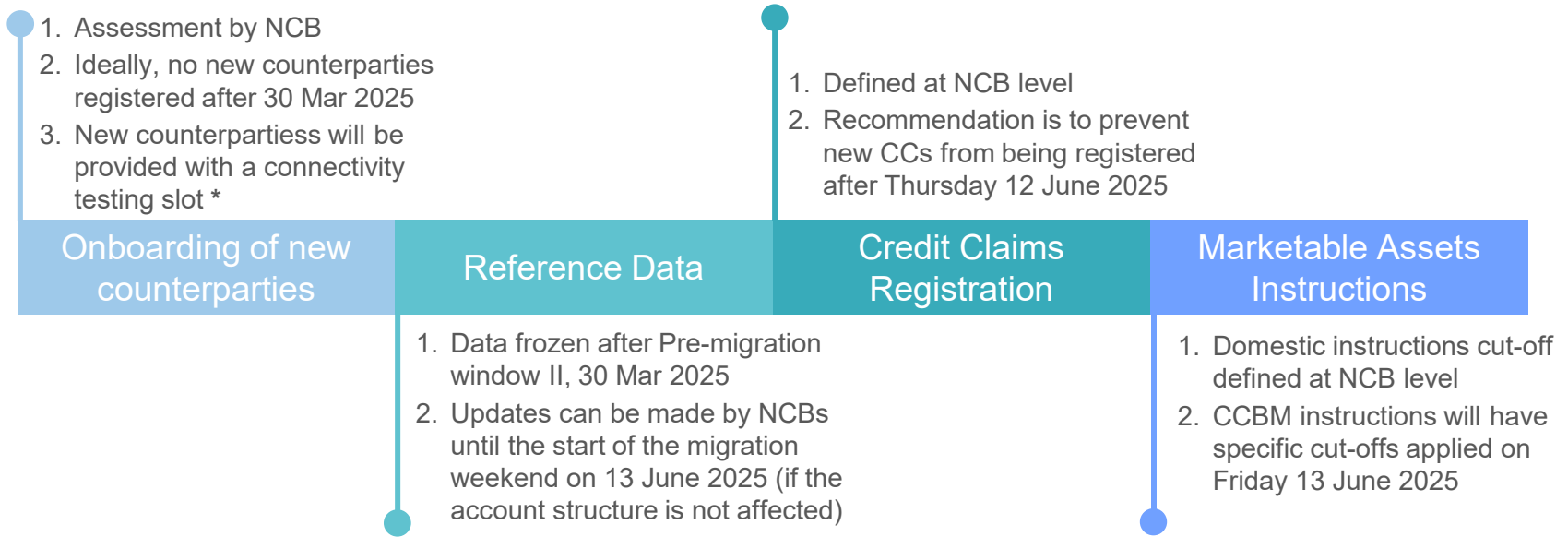
U2A and A2A roles in the ECMS*

ECMS User Handbook for Counterparties*

ECMS Migration Document for Counterparties**

*   ECB website
** via your NCB

ECMS Migration in PROD – Freezing Period & Cut-offs

Freezing periods or cut-offs can be applied for migration of certain data types, either at the NCB or Eurosystem level:

Onboarding of new counterparties

1. Assessment by NCB
2. Ideally, no new counterparties registered after 30 Mar 2025
3. New counterpartiess will be provided with a connectivity testing slot *

Reference Data

1. Data frozen after Pre-migration window II, 30 Mar 2025
2. Updates can be made by NCBs until the start of the migration weekend on 13 June 2025 (if the account structure is not affected)

Credit Claims Registration

1. Defined at NCB level
2. Recommendation is to prevent new CCs from being registered after Thursday 12 June 2025

Marketable Assets Instructions

1. Domestic instructions cut-off defined at NCB level
2. CCBM instructions will have specific cut-offs applied on Friday 13 June 2025

* The U2A connectivity test is possible throughout March 2025, i.e. once counterparty U2A access is restored in Pre-migration window II. For A2A connectivity testing, dedicated slots will need to be arranged with the NCB. However, such slots would still be within March 2025.

ECMS Migration in PROD – Freezing Period & Cut-offs

CCBM MA instructions cut-off		Description
Friday 13 June 2025	12:00	Cut-off for reception of the counterparty instruction (related to the cross-border asset) in the **home** central bank's (HCB) local collateral management system.
	12:30	Cut-off for the reception of the cross-border instruction from the home central bank in the **correspondent** central bank's (CCB) local collateral management system.
	14:00	All cross-border instructions must be either settled, rejected or cancelled in both the **home and correspondent** central banks' local collateral management systems.

- The objective is to ensure that there are no pending instructions at the end of day on Friday 13 June 2025, as NCBs will migrate those end of day positions into the ECMS during the weekend.

- Hence, **it is important that counterparties make sure their instructions are either settled or cancelled in time**.

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Migration Testing activities

ECMS Migration Tests – counterparty involvement

The upcoming migration tests are as follows:

Test no.	Type of test	Actors involved	Start date	End date	Environment
Test 12	PWR + MWR	NCBs, CSDs, TPAs	17 February	23 February	EAC
Test 13	PWDR	NCBs, TPAs	31 March	4 April	UTEST
	MWDR	NCBs, CSDs, TPAs	4 April	6 April	
		Counterparties	**6 April**	**6 April**	
Test 14 (Optional)	PWDR	NCBs, TPAs	5 May	9 May	UTEST
	MWDR	NCBs, CSDs, TPAs	9 May	11 May	
		Counterparties	**11 May**	**11 May**	

- Prior to the migration test, a **preparation of the environment is required**, e.g., a snapshot is taken.
- This usually lasts 1 day, and the **environment may be unavailable** for other testing.
- For MT13 is 28/03 and MT14 is 02/05.
- After each migration test, the **after go-live is mimicked**, the so-called post-migration.
- This usually lasts for 2 days, and the **environment is available** for other testing.
- For MT13 is 07 and 08/04 and MT14 is 12 and 13/05.

ECMS Migration Tests – counterparty involvement

- **MT12** is in the EAC environment, therefore **counterparties are not involved** in the test.

- As **MT13** and **MT14** (optional) focus on testing the preparation week and migration weekend activities, the **main actors are NCBs and the 4CB**. CSD/TPA also take part with specific activities.

- The **involvement of counterparties in MT13 and MT14 depends on what each NCB requires of their community**, considering what will be requested of them in PROD.

  Counterparty users are deactivated after pre-migration and will be reactivated close to the end of migration weekend (Sunday 07:00 CET)

  The NCB may request counterparties to access the ECMS on the weekend from this point in time and execute some checks or activities

  The window for these activities, as per the migration weekend schedule, will be Sunday from 07:00 CET, upon green-light from the NCB

- As a migration weekend activity, NCBs will migrate the transactional data including credit claims. ECMS will attribute a new credit claim ID to all migrated credit claims. NCBs must provide counterparties with the correspondence between the old and new ID. This activity will also take place in MT13 and MT14.

ECMS Migration important reminders for counterparties

> ! **It is important that counterparties respect the execution of the migration PROD or test activities by:**

- ✓ **Only executing the activities requested from them**
- ✓ **Executing the activities at the time requested**
- ✓ **Respecting the environment availability**

Unwanted activity (like non-migration tasks) may create disruptions or unnecessarily impact the test, which are fundamental for the validation of the migration strategy for PROD.

Similarly, unwanted activities in PROD may cause unexpected side effects prior to and post go-live.