

May 2012

SIGNING CEREMONY OF TARGET2-SECURITIES

SPEECH – JAVIER ALONSO

8th May 2012

Good afternoon,

Ladies and gentlemen,

I don't need to say that I am very pleased to be here today in this signing ceremony representing Banco de España.

I am not going to insist on the many benefits that T2S will bring to the whole securities industry in Europe. Everybody here is well aware of them.

I would say a few words on just three points which I consider worth mentioning in this forum.

The **first thought** I would like to share with you is how impressed I am by the way a huge initiative as T2S has been brought forward. I remember when T2S was born and the discussions that we had at that time among the central banks about this undertaking. Then I was somehow standing in front of the T2S idea and how it would be moved forward. Now, I look at T2S and I see the tremendous amount of work done.

T2S has already passed the "equator" and one can see the end of the project, or in other words, T2S being a reality is not that far. All what have been achieved is thanks to the massive participation and efforts of all interested parties (which are many). Today I would like to thank all of you for your support and work, and in particular I would like to congratulate the ECB, the CSDs, the Program Board and the 4CB teams for their effort and dedication to this project.

The second topic on which I would like to make some reflections is about the way ahead of us to make T2S work. Only with the participation and support of all the stakeholders it has been possible to get where we are now, and this has to continue to get to the go live date. There is a lot of work to be done, now and in the coming phases, in particular on the adaptation tasks on the CSDs and on the central banks; on the testing of the T2S application, and on the user testing side. These activities are fundamental for a smooth migration of each market to T2S. Again, only with your support and contribution, T2S will be up and running and will

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be ready to serve the European markets and the whole community as expected. Please just keep working hard as you have done so far. It is truly worthy.

Lastly, I would like to praise the commitment that Spain has hold from the beginning of T2S. This is something of which I am very proud. We felt from the beginning that T2S would be that kind of project in which we had to embark. As you may know, our settlement landscape needed adjustments to make it more modern and compatible with T2S. We worked to reach a general consensus for the changes. This consensus involved public authorities, such as the Spanish Treasury and the national securities regulator and the private sector: including the infrastructure services providers, particularly Iberclear, and their participants. We took seriously our duties, and undertook the necessary measures to bring our systems in line with the latest trends in the international markets. At present, we are working hard in the redesign of our systems, making them ready also for T2S. And I am very confident that we will deliver. Because following this morning metaphor, we might not have the fastest formula one car, but we have very good drivers.

Thank you for your attention!