

T2S PROGRAMME OFFICE

15 April 2016

v1.2

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Final Summary

Meeting of the Change Review Group (CRG)

10 March 2016, from 10:30 to 17:30

held at the European Central Bank, Frankfurt am Main

1. Introductory session

The Chairperson, Karen Birkel, welcomed participants. The Chairperson informed that the main objective of the meeting was to prioritise the Change Requests (CRs) for the T2S Release 1.3 based on the high/low/medium impact assessment and delivery dates of detailed assessment provided by the 4CB. The Chairperson went through other agenda items which included detailed assessments on 3 CRs for release 1.1.5, potential CRs for Release 2.0, approval of updated Date Migration Tool (DMT) file format specifications, User Testing Sub-group (UTSG) topic, reporting to the CSG Steering Group (CSG) for CRs from Insolvency Task Force (TF), and the status of CR clean-up activities. The Chairperson also informed that the discussion on the detailed assessment of CR-594 (Reporting complete Restriction Type information) and CR-598 (Update value of True / False-Indicator in reda.035 which identifies whether an account is in hold status or not) were postponed.

The Chairperson informed that Release 1.1 was implemented successfully. The deployment itself on the previous weekend was not easy and a few smaller issues were experienced afterwards. However, the deployment is stable, considering the large number of production fixes and a few larger CRs the result is very positive. A CRG member from SIX SIS complemented that there were few issues and delays in the implementation of the T2S Release 1.1, however overall implementation of the release went well.

The Chairperson informed that next CRG meeting in April is likely to be postponed to May, as there would not be enough items for discussion that would justify a physical meeting in April.

2. Feedback on action points from previous CRG meetings

The participants were informed about the follow-up related to the action points from previous CRG meetings and status of the following open action points was provided.

Regarding **T2SACTION-2250** (Change Request T2S-0580-SYS: Additional automatic intraday reimbursement of NCB auto collateralisation instructions - A CRG member (LCH) will bilaterally discuss with CR initiator to clarify on their requirements related to insufficient cash for releasing pending reimbursement instructions), the CR initiator informed that the CR-580 would be updated following the discussion with their clients. The action point remains open.

Regarding **T2SACTION-2245** (Change Request T2S-0557-SYS: Skip validations on minimum settlement unit (MSU) and settlement unit multiple (SUM) for settlement instructions related to Market Claims and Transformations - The CRG members will provide feedback on the CASG opinion related to the topic of fractions handling and CR-557), the ECB shared the CRG feedback on CASG opinion related to CR-557 and the CRG acknowledged that the CR-557 was on hold for Release 2.0. The action point was closed.

Regarding **T2SACTION-2244** (CR-557- A CRG member (LCH) will check with the Corporate Action experts within their institution whether they can live without the CR, considering they are already live and dealing with current T2S behaviour through workarounds), the CRG member (LCH) informed that they do not consider CR-557 as a showstopper. The action point was closed.

Regarding **T2SACTION-2236** (UT-PBR-068: Processing order of settlement instructions vs their priority - INC174375 and INC174412 – Some of the CRG members expressed that the behaviour of T2S in terms of processing order of settlement instruction was a defect. The 4CB was of the opinion that the behaviour of T2S is as per T2S design. The CRG members agreed that the topic should be discussed in OMG. A CRG member (Monte Titoli) will collect business cases in which it is necessary to respect a guarantees sequence in a "discussion paper" for sharing with the CRG), the CRG member explained that after consulting the CSD Regulation (CSDR), they expect that there would not be any difference between various business cases in terms of need for respecting the guarantee for sequence of settlement. The CRG member expressed that the requirements for respecting the guarantee for sequence of settlement could be formalised in a Change Request. The CRG members noted that the implementation of this CR would require a significant change to the current T2S design. The action point remains open.

Regarding **T2SACTION-2235** (UT-PBR-064 : Eligibility check failure - A CRG (NBB-SSS) will inform the CRG about the SMPG feedback related to an issue in which T2S does not provide the information when pool became complete to those T2S actor who had earlier received INBC), the ECB informed that the feedback was awaited from the CRG member. This action point remains open.

Regarding **T2SACTION-2230** (Change Request T2S-0590-SYS -Include ISIN and Message Identification in the T2S 'Bank to customer statement (camt.053)' message) - The CRG will check with the SGMS for their opinion on usage of message fields as proposed in the CR-590), the ECB informed that the Change Request would be shared with the Sub-group on Message Standardisation (SGMS) following feedback on other action points (T2SACTION-2229 and T2SACTION-2228) are available. This action point remains open.

Regarding **T2SACTION-2229** (Change Request T2S-0590-SYS- The 4CB will check if any of the existing fields in camt.053 message could be used to provide the information required in CR-590), the 4CB clarified that the ISIN could be transported in field Statement/Entry/Entry Details/Transaction Details/Financial Instrument Identification/ISIN. A reference could be included in one of the fields of References-block. Both fields would have to be unpruned. The action point was closed.

Regarding **T2SACTION-2228** (Change Request T2S-0590-SYS - The CR initiator will clarify on the need of the CR by expanding the business case description in the Change Request), the ECB informed that the feedback was awaited from the CR initiator. This action point remains open.

Regarding **T2SACTION-2227**, **T2SACTION-2226** and **T2SACTION-2224**, these action points were related to potential ISO change requests. The 4CB informed they were under analysis. This action point remains open.

Regarding **T2SACTION-2215** (Change Request T2S-0573-SYS: Reporting of actually impacted securities Sub-Balance Type in settlement confirmation, statement of pending transactions and statement of settled transactions - A CRG member (ESES) will provide their feedback whether the reporting needs enhancement to also include the sub-balance used during the booking process), the feedback was awaited for the CRG member. This action point remains open.

Regarding **T2SACTION-2207** (Change Request T2S-0515-SYS: Allow instructions from CSD participants for n days after maturity date of security - The CSG will be asked whether each CSD will provide a solution for their market participants, until the CR is implemented (e.g. a CSD can send settlement instruction on behalf of ICP/DCP on or after the maturity date of ISIN with CSD as

instructing party or CSD set-up the maturity date in T2S static data as 20 business days later than the actual maturity date of the security), the ECB informed that this will be reported to the CSG in the next CSG meeting.

Regarding **T2SACTION-2202** (Change Request T2S-0359-SYS: Change of hold/release should be notified to counterparty before the Intended Settlement Date- The ECB will check on how the counterparty would be advised of the release of the other leg once notified the PRCY before the ISD. It seems currently there are no means for that which was flagged by CRG members as worsening the situation. If required, SGMS consultation would be done.), the ECB was of the opinion that the existing behaviour for advising the release of the other leg once notified the PRCY on/after the ISD should be maintained for advising the release of the other leg once notified the PRCY before the ISD. This action point was closed.

Regarding **T2SACTION-2200** (Change Request T2S-0350-URD: Pre-defined orders for end-of-day FOP account transfers - CRG members (Iberclear, Euroclear, SGSS and VP securities) will provide their business cases which require restricting settlement to allow specific transfers towards EOD, to include these business cases in the CR. The CR initiator will update the CR), the CR initiator informed that the feedback form one CRG member was received and the Change request will be updated after receiving feedback from remaining CRG members. This action point remains open.

3. Approval of the summary of previous meetings

The ECB informed that the following summaries of the CRG meetings/telcos were updated following the CRG comments.

- Summary of the CRG teleconference of 22 January 2016
- Summary of the CRG written procedure of 22-29 January 2016
- Summary of the CRG written procedure of 12-17 February 2016
- Summary of the CRG written procedure of 24-29 February 2016
- Summary of the CRG written procedure of 4-8 March 2016

The participants did not raise any objections to the final approval of the summaries. These summaries were approved by the CRG.

4. Prioritisation of Change Requests for the T2S Release 1.3

The participants went through the candidate list of potential Change Requests for the T2S Release 1.3 with the objective of defining a tentative scope of Release 1.3. Some of the CRG participants (Banco de España and Iberclear) requested for more flexibility regarding the possibility to keep the scope of the Release 1.3 open for the CSDs of the last wave and accommodate subsequent changes, given that the market is not able to test with such long time in advance. The CRG took note of the request.

The CRG recommended the following 7 Change Requests which have medium or low impact for detailed assessment. The CRG took note that the 4CB will start the detailed assessment on these Change Requests from 1 April 2016.

CR Number	CR Title
T2S-0564-SYS	T2S should also validate the counterparty's securities account in a unmatched settlement instruction
T2S-0548-SYS	Central Bank access to CMB securities account link list query
T2S-0496-SYS	Add "Corporate Action Event Identifier" and reason code "Cancellation due to transformation" in sese.024
T2S-0576-SYS	Handling of leading and trailing "blanks" and "/" in A2A and U2A attributes
T2S-0560-SYS	T2S query/reporting functionality must be enhanced to allow the retrieval of the settlement instructions impacted by insolvency and their related SF1 (accepted) /SF2 (matched) timestamps in an efficient and standard way
T2S-0595-SYS	Allow settlement restrictions to impact positions other than the earmarked restriction type used at the securities account level
T2S-0534-SYS	CFI code and country of issuance of a security should be modifiable

T2S-0573-SYS (Reporting of actually impacted securities Sub-Balance Type in settlement confirmation and intra-position movement confirmation)

The aim of the CR is an accurate reporting of the actually impacted balances for the settlement must be ensured. Therefore, sese.025 (settlement confirmation) messages and semt.015 (intra position movement confirmation) messages should report the position impacted by settlement.

The 4CB explained that the CR would have a high impact and that the delivery date of the detailed assessment would be on 20 July 2016.

The 4CB explained that camt.068 (Intra Balance Movement Confirmation) should also be included in the scope of the CR and the CR initiator agreed to update the CR accordingly.

The CRG members agreed to confirm within a week whether the Change Request should be considered for the T2S Release 1.3, considering that the CR has a high impact.

CRG decision: The CRG put the Change Request on hold.

Action Points:

- The CR initiator will update the Change Request to include camt.068 (Intra Balance Movement Confirmation) in the scope of this CR
- The CRG members will confirm whether the Change Request should be considered for the T2S Release 1.3 by 18 March 2016.

T2S-0564-SYS (T2S should also validate the counterparty's securities account in a unmatched settlement instruction)

The aim of the Change Request is to adjust the business rules in T2S to validate the counterparty's securities account in an unmatched settlement instruction. Adjustment is required in the business rules MVCV001/002/273/274/280/281 so that the validations in these rules are performed for both delivering and receiving settlement instructions.

The 4CB explained that the CR would have a medium impact and that the delivery date of the detailed assessment would be on 28 June 2016. The 4CB further explained that the CR involves new validations for settlement instruction which might have negative performance impact on end-of-day/start of day (EOD/SOD) processes and such impact will be confirmed during the detailed assessment. A CRG member expressed that T2S already has many validations and the addition of few validations should not impact performance. Another CRG member expressed that any delay in EOD reporting would not be acceptable.

CRG decision: The CRG recommended the Change Request for detailed assessment.

T2S-0549-SYS (Statement of Transactions and Statement of Settled Intra-Position Movements reporting for Partially Settled transactions to be made SMPG compliant)

The aim of the Change Request is to follow the SMPG standards on reporting of cumulative amount/quantity in the statement of transaction (semt.017) and in the statement of settled intra-position movements (semt.016).

The 4CB explained that the CR would have a high impact and that the delivery date of the detailed assessment would be on 28 June 2016.

The CRG participants agreed that the Change Request should apply to flat files also. A CRG member expressed that the solution should not impact EOD reporting. The 4CB will confirm the impact on EOD/SOD process during detailed assessment phase. Based on the concerns of CRG members about the potential impacts to the EOD/SOD, the CRG requested the 4CB to have a special focus in the choice of their solutions which would avoid such impact, during the detailed assessment.

The CRG members agreed to confirm within a week whether the Change Request should be considered for the T2S Release 1.3, considering that the CR has a high impact.

CRG decision: The CRG put the Change Request on hold.

Action Points:

- The CRG members will confirm whether the Change Request should be considered for the T2S Release 1.3 by 18 March 2016.

T2S-0548-SYS (Central Bank access to CMB securities account link list query)

The aim of the Change Request is allow Central Banks to query Credit Memorandum Balance (CMB) securities account links related to Dedicated Cash Accounts (DCAs) under their data scope.

The 4CB explained that the CR would have a low impact and that the delivery date of the detailed assessment would be on 28 June 2016.

CRG decision: The CRG recommended the Change Request for detailed assessment.

T2S-0496-SYS (Add “Corporate Action Event Identifier” and reason code “Cancellation due to transformation” in sese.024)

The aim of the Change Request is to add the field Corporate Action Event Identification (CorpActnEvtId) in the Transaction Details (TxDtIs) sequence of the sese.024.

The 4CB explained that the CR would have a medium impact and that the delivery date of the detailed assessment would be on 28 June 2016.

CRG decision: The CRG recommended the Change Request for detailed assessment.

T2S-0355-URD (New account flag “negative position only”)

The aim of the Change Request is to add a new option to the “negative position indicator” which indicates that only negative positions can be held in that account. Currently the options ‘only positive positions’ and ‘positive as well as negative positions’ are present.

The 4CB explained that the CR would have a high impact and that the delivery date of the detailed assessment would be on 20 July 2016. The 4CB explained that a leaner version of the CR (which introduces ‘Negative Only’ for issuance and mirror account) is also expected to have a high impact.

A CRG member was of the view that the provision check to allow negative only positions should be applied to available (AWAS) and earmarked (EARM) positions. The CR initiator agreed to include the list of position types which can be exempted for provision check, clarification related to partial settlement and description of how already existing data should be managed (handling of CR implementation -cutover) in the CR. Given the complex nature of this CR further exchanges for precision in the CR may still occur during the detailed assessment phase.

The 4CB informed that the CR could have impact on static data management, and that an update- of the data migration tool- would be required at the time of implementation of the CR. A CRG member made it clear that existing configuration of static data should not be affected following the implementation of the CR but CSDs can later change these configurations if required.

A CRG member suggested that if the CR competes with other CRs with high priority then it can be considered for Release 2.0

The CRG members agreed to confirm within a week whether the Change Request should be considered for the T2S Release 1.3, considering that the CR has a high impact.

CRG decision: The CRG members put the Change Request on hold.

Action Points:

- The CR initiator (Clearstream) will update the CR before that start of detailed assessment i.e. 1 April 2016 to clarify which security positions could be exempted for provision check, clarification related to partial settlement and description of how already existing data should be managed (handling of CR implementation cut off).
- The CRG members will confirm whether the Change Request should be considered for the T2S Release 1.3 by 18 March 2016.

T2S-0576-SYS (Handling of leading and trailing "blanks" and "/" in A2A and U2A attributes)

The aim of the Change Request is to prohibit the use of leading blanks followed by "/" at the beginning or trailing blanks preceded by "/" to ensure valid outbound messages.

The CRG acknowledged that there was no objection from OMG participants to postpone the Change Request to Release 2.0.

The 4CB explained that the CR would have a medium impact and that the delivery date of the detailed assessment would be on 28 June 2016

CRG decision: The CRG recommended the Change Request for detailed assessment.

T2S-0565-SYS (T2S should allow CSDs to remove links in instructions under CoSD)

The aim of the Change Request is to allow CSDs to remove links in instructions under CoSD (Conditional Security Delivery).

The CR has been updated to include a new simpler solution to allow only allow CSDs to remove links in instructions under CoSD. The 4CB explained that the CR will have a high impact and proposed a delivery date for detailed assessment as 28 June 2016.

The CRG members agreed to confirm within a week whether the Change Request should be considered for the T2S Release 1.3, considering that the CR has a high impact.

The CRG members agreed that the long term solution proposed by a CRG member will be discussed during the next CRG physical meeting.

CRG decision: The CRG members put the Change Request on hold.

Action Points:

- The CRG members will confirm whether the Change Request should be considered for the T2S Release 1.3 by 18 March 2016.

T2S-0560-SYS (T2S query/reporting functionality must be enhanced to allow the retrieval of the settlement instructions impacted by insolvency and their related SF1 (accepted) /SF2 (matched) timestamps in an efficient and standard way)

The aim of the Change Request is to allow the retrieval of the settlement instructions impacted by insolvency and their related SF1 (accepted) /SF2 (matched) timestamps in an efficient and standard way.

The 4CB explained that the CR would have a medium impact and that the delivery date of the detailed assessment would be on 20 July 2016.

In case of default DCA, the 4CB informed that the query response may take more time to retrieve information related to the DCA linked to securities account. A CRG member informed that the U2A query would be enough to fulfil their regulatory requirement.

CRG decision: The CRG recommended the Change Request for detailed assessment.

T2S-0593-URD (Prevent acceptance (i.e. reaching SF1) of new settlement instructions at the level of a CSD Participant)

The discussion on the CR was postponed as the 4CB informed that high level feasibility assessment and the proposed delivery date of the detailed assessment for this CR will only be available on 18 March 2016.

T2S-0595-SYS (Allow settlement restrictions to impact positions other than the earmarked restriction type used at the securities account level)

The aim of the CR is to allow settlement restrictions to impact positions other than the earmarked restriction type used at the securities account level so that T2S should make no transformation of securities settlement restrictions when either the 'Balance from' or 'Balance to' contains the restriction type used at the securities account level.

The 4CB explained that the CR would have a medium impact and that the delivery date of the detailed assessment would be on 28 June 2016

A CRG participant supported the CR; however the participant also mentioned that the UDFS is not clear on the current behaviour as to how T2S would deal with pending instructions. The 4CB agreed to prepare a clarification note to explain the current T2S behaviour for pending instruction after change in earmarking at account level. Another CRG member expressed that settlement instructions should also be included in the scope of the CR.

The CRG acknowledged that the CR is valid independently from the clarification expected on pending instructions. Upon request of a participant, it was confirmed that this CR is applicable on settlement restriction but not on settlement instruction. CRG members made it clear that automatic cancellation of pending instructions would not be a feasible option.

CRG decision: The CRG recommended the Change Request for detailed assessment.

Action Points:

- The 4CB will prepare a clarification note to explain the current T2S behaviour for pending instruction after change in earmarking at account level.

Change Request T2S-0534-SYS (CFI code and country of issuance of a security should be modifiable)

The aim of the Change Request is to allow changing the Classification of Financial Instrument (CFI) code of an existing security in T2S static data.

The 4CB explained that the CR would have a medium impact and that the delivery date of the detailed assessment would be on 28 June 2016.

A CRG member informed that the need to change CFI codes could arise by September 2016 at the earliest. It was acknowledged that a CFI code is not used in T2S for any processing and therefore CSDs could choose to change the CFI codes in T2S when the CR is implemented, even though the data between T2S and the CSD legacy system may look inconsistent temporarily. The CRG agreed to communicate to other T2S governance groups that until the CR is implemented, the CFI cannot be modified (i.e. the CFI code in T2S may not be correct in case of changes after the set-up of the security in T2S) and that wrong CFI codes could be corrected by CSDs after implementation of CR 534. The CRG also acknowledged that a CFI code could be changed by the T2S Operator using last level intervention, however there is a risk involved, especially if it is a mass-update. The CRG took note that such change to the CFI by the T2S Operator could be requested via a normal service request and agreed to share this possibility with the OMG.

The 4CB explained that new standard for CFI codes (i.e. ISO 19062:2015) could potentially impact the T2S business rules that check the format of a CFI code, for the creation as well as the update of a security. The initiator of the CR agreed to check the new ISO standards for CFI codes to see how it impacts the business rules in T2S.

The 4CB clarified that any change in the country of issuance for a security would apply on next business day and changes in the country of issuance will not trigger a revalidation. CRG members were of the view that this behaviour should be acceptable.

CRG decision: The CRG recommended the Change Request for detailed assessment.

Action Points:

- The CRG will check with OMG on the possibility to change CFI code by T2S operator upon CSDs request.
- The CRG will communicate to the OMG/PMG/CSG that until the CR is implemented, the CFI cannot be modified (i.e. the CFI code in T2S may not be correct in case of changes after the creation in T2S) and that wrong CFI codes could be corrected by CSDs after implementation of CR 534.

- A CRG member (VP Securities) will check the new ISO standard for CFI codes (i.e. ISO 19062:2015) to see how it impacts business rules in T2S.

T2S-0597-SYS (T2S should identify static data-related transmissions for Central Bank auto-collateralisation and client-collateralisation separately for billing process)

The aim of the CR is to allow distinguishing between the auto-collateralisation service offered by CBs and the operations for maintaining the client-collateralisation offered by payment banks. This would allow accommodating future pricing policy changes for both services as they tend to be considered in parallel and distinctively. As the pricing of auto-collateralisation services in T2S is closely linked to the Eurosystem's policy on provision of auto-collateralisation services, the new functionality shall have the flexibility embedded to add or remove these operations to/from the T2S billing process.

The 4CB explained that the CR would have a high impact and that the delivery date of the detailed assessment would be on 20 July 2016.

The CRG members agreed to confirm within a week whether the Change Request should be considered for the T2S Release 1.3, considering that the CR has a high impact.

CRG decision: The CRG members put the Change Request on hold.

Action points:

- The CRG members will confirm whether the Change Request should be considered for the T2S Release 1.3 by 18 March 2016.

General action points:

- The CRG will report to the CSG a request to expedite the process to gather requirements for CSDR which are relevant for 2017 before the scope for Release 1.3 is finalised in summer 2016 to enable assessment of overall impact of CSDR in combination with other CRs in T2S Release 1.3. CSD members should internally pass the message to their representatives in the CSDR TF, to expedite the requirements gathering process for CSDR which are relevant for 2017 to efficiently manage CSDR requirements along with the T2S Release 1.3.
- The 4CB will take into account the concerns raised by some of the CRG members about potential impacts on the SOD/EOD during the detailed assessments of CR-0564 "T2S should also validate the counterparty's securities account in a unmatched settlement instruction" and CR-0549 "Statement of Transactions and Statement of Settled Intra-Position Movements reporting for Partially Settled transactions to be made SMPG compliant" in the T2S Release 1.3.

5. Analysis of the change requests for future releases

The participants went through the different Change Requests (CRs) and made the below recommendations.

Change Request for Release 1.1.5

Detailed assessment of Change Request T2S-0583-SYS (Non-Editorial Change Request on GFS, UDFS and UHB)

The Change Request includes changes to align the T2S documentation (i.e. GFS V5.1, UDFS V2.1 or UHB V2.1) with the resolution of known problems. The changes referring to UDFS V2.1 will also be reflected, when relevant, into the schema documentation published in MyStandards.

The 4CB clarified that items 4 and 7 are part of the T2S Release 1.1.5, although these items have not been asked by the users (the 4CB proposed them for software stability reasons). The CRG took note that 8 items in the CR are related to problems included on the T2S Release 1.1.5 and remaining items were either deployed in the past releases or they are linked to updates of scope defining documents only. The 4CB agreed to correct a typo in the presentation to update the delivery date for item 19 as 23 March 2016.

The CRG recommended the approval of the Change Request and its inclusion in Release 1.1.5. The CRG also took note that few items of the Change Request are related with the problem fixes which were part of past releases.

CRG decision: The CRG recommended the approval of the Change Request and its inclusion in the T2S Release 1.1.5.

Action point:

- The 4CB agreed to correct the typo in the presentation to correct the delivery date for item 19 (PBI-158254) as 23 March 2016

Detailed assessment on Change Request T2S-0591-SYS (Reinstate the use of the field <MsgId> in the payload of the Security Activity Advice (reda.009))

The aim of the Change Request is to reinstate the use of the field <MsgId> in the payload of the Security Activity Advice (reda.009) in order to transport the Statement Id as generated by T2S. Change the T2S-Use of field <MsgId> in MyStandards description of reda.009 message to “Statement Id”.

The CRG recommended the approval if the Change Request and its inclusion in Release 1.1.5

CRG decision: The CRG recommended the approval of the Change Request and its inclusion in the T2S Release 1.1.5

Detailed assessment on Change Request T2S-0592-SYS (New business rule for change of security name via a Security Maintenance Request (reda.007))

The aim of the Change Request is to add a new business rule that makes it explicit to the user that submitting a Security Maintenance Request (reda.007) for the modification of a Security Name without specifying the “ISOSctyLngNm” or “ISOSctyShrtNm” would lead to a rejection. Via additional technical validation this business rule should ensure that in case of a Security name update request the fields “ISOSctyLngNm” or “ISOSctyShrtNm” are filled.

The CRG recommended the approval of the Change Request and its inclusion in Release 1.1.5

CRG decision: The CRG recommended the approval of the Change Request and its inclusion in Release 1.1.5

Change Request T2S-0596-SYS (Enhance Settlement Instruction - Details screen to display T2S Matching Reference, the T2S Reference (Market Infrastructure Transaction Identification) and T2S Actor Reference of the Counterparty settlement instruction)

The aim of the Change Request is to add T2S Matching Reference, T2S market infrastructure reference and T2S Actor Reference of the Counterparty settlement instruction in the Settlement Instruction Detail Screen.

A CR initiator explained that the CR is required to support their operational users to get information on the counterparty’s references for domestic instructions in exceptional situations (i.e. when a CSD application is not in sync with T2S due to non-delivery of T2S messages caused by network/infrastructure issues). T2S does not display information related to matching reference and T2S reference of the counterparty settlement instruction. The CR initiator also explained that an alert mechanism for non-delivery of T2S messages was being discussed by the OMG.

The CRG acknowledged that the business situation explained by the CRG member requesting this change refers more to an abnormal situation than to a standard T2S functionalities’ behaviour. The CRG members agreed to check whether the CR-596 is also required in normal situation.

The CRG decided to put the Change Request on hold for the T2S Release 2.0 potentially.

The CR initiator agreed to prepare a presentation on the business case for the CR. After the next CRG, the CRG will share this CR with the DCP-G for expert feedback on the need for the functionality

CRG decision: The CRG decided to put the Change Request on hold for the T2S Release 2.0 potentially.

Action points:

- The business situation explained by the CRG member requesting this change refers more to an abnormal situation than to a standard T2S functionalities’ behaviour. The CRG members will check whether the CR-596 is required in normal situation

- The CR initiator will prepare a presentation on the business case for the CR. After the next CRG, the CRG will share this CR with the DCP-G for expert feedback on the need for the functionality

Change Request T2S-0600-SYS (T2S reporting functionality must be enhanced to allow the retrieval of the settlement instructions and their related SF1 (accepted) /SF2 (matched) timestamps via A2A in an efficient and standard way)

The aim of the Change Request is to enhance the T2S reporting mechanism to provide the accepted and matched timestamp of settlement instructions.

The ECB explained that the CR was raised as long term solution to provide SF1 and SF2 timestamps in A2A messages. This CR was in addition to the CR T2S-0560-SYS (T2S query/reporting functionality must be enhanced to allow the retrieval of the settlement instructions impacted by insolvency and their related SF1 (accepted) /SF2 (matched) timestamps in an efficient and standard way), which provides SF1 and SF2 timestamps in the U2A query.

The CR proposes the following non-exhaustive means to address this requirement:

1. Inclusion of accepted and/or matched timestamps in the sese.024 message schema
2. Simplification of queries in A2A mode in order to retrieve the necessary accepted and matched timestamp of settlement instruction
3. Enhancement in reporting in order to retrieve the necessary accepted and matched timestamp of settlement instruction

The CRG chairperson asked whether all three proposals should be requested or only specific ones. The CRG was of the view that all three proposals should be kept in the Change Request.

CRG decision: The CRG decided to put the Change Request on hold for Release 2.0 potentially.

Action points:

- The CR initiator (NBB-SSS) will update the CR to also include flat files reports in the scope of the CR.
- The CRG will send the Change Request to the SGMS for their expert advice on the CR.
- The CRG will share the CR-600 with the CSG Task Force on CSDR for information, as it was identified that the CR may be relevant for CSDR requirements.

6. Input requested by the User Testing Sub-group

UT-PBR-069 (Update Delete of Certificate DN - INC170876/ INC172896)

The note explains that, a user belonging to a CSD Participant or to a Payment Bank cannot delete a Certificate DN object. Regardless of the privileges being granted to the User, the functionality is not allowed to such a User since the underlying data model structure segregates Certificate DNs by System Entity and not by Party. To avoid that a User belonging to CSD Participant or Payment Bank deletes a certificate DN used by a SUR belonging to a different T2S Actor, this functionality is limited to CSD/NCB user.

The 4CB also highlighted a gap in the current design, which allows deleting a certificate DN that is already linked to a user and proposed to introduce new business rules to prevent the deletion of a Certificate DN if it is linked to an active user to avoid possible inconsistencies.

A CRG member questioned the need to introduce a new business rule to prevent the deletion of a certificate DN if it is linked to an active user. The CRG member informed that the user-certificate DN link could be cross entity for a participant with a set-up in multiple markets. For such cases, the current T2S behaviour provides more flexibility to delete the certificate DN which would in-turn restrict all system users linked to the certificate. The CRG member further informed that a certificate DN is usually linked to a single physical user who in turn has multiple system users and deleting a certificate DN restricts all system user of the physical user for desired situations e.g. person has left the company. Another CRG member pointed out that there is a possibility that several physical users share the same certificate DN and deleting certificate DN thinking that one system user is no longer active may block other users until the issue is figured out. The CRG member expressed concern, if an A2A certificate DN is deleted by mistake; it would have a huge impact on the institution's business and therefore preferred to prevent the deletion of a certificate DN if it is linked to an active user. Few CRG members also supported to have restriction on deletion of a certificate DN if it is linked to an active user. The CRG also considered whether a warning message is possible when a user tries to delete a certificate DN. The 4CB informed that current T2S implementation does not support to provide warning as the check should be done at interface before providing warning. The CRG agreed to prevent the deletion of a certificate DN if it is linked to an active user.

For the proposal to allow deletion of certificate DN by CSD Participant or Payment Bank, the CRG was in favour of option 2 which allows CSD Participant or Payment bank to delete Certificate DNs belonging to their System Entity (leaving to the CSDs/CBs the decision whether to take the risk that the authorized CSD participant or Payment banks deletes by mistake a certificate DN belonging to another T2S Actor).

The CRG acknowledged that - the addition of BRs and the chosen option 2 will be treated as production problem and will follow usual approval path and complemented by a CR issued by the 4CB to align the specifications. The CRG expected that CSD participants or payment banks should be able to delete the certificate DNs they have created for themselves.

7. Approval of updated DMT File format specifications

Updated DMT File format specifications v1.2.5

The Data Migration Tools (DMT) file format specifications were updated following the approval of the below Change Requests:

- T2S-0495-SYS (Add settlement transaction condition code “TRAN” as a possible message subscription parameter);
- T2S-0513-SYS (Adding new message subscription parameter types for Business Sending Party, Instructing Party and Business Sending User);
- T2S-0575-SYS (Alignment of ISO transaction codes of the Data Migration Tool for pending instructions);
- T2S-0599-SYS (Update of the parameter type value for the System User Reference in the message subscription rule in the Data Migration Tools)

Following the CRG written procedure from 10-17 February 2016 on DMT file format specifications v1.2.5, a CRG member highlighted an inconsistency between the CR-513 and the DMT file format specifications for the code to be used for “System user reference” in the messages subscription. The CRG took note of the correction that instead of the code SURE (System User Reference) which was mentioned in the CR-513 on page 8, the code BUSE (Business Sending User) should have been used to maintain the message subscription parameter "System User Reference" in the DMT file in line with current DMT implementation.

CRG Decision: The CRG recommended the approval of the updated DMT File format specifications v1.2.5.

Change Request T2S-0599-SYS (Update of the parameter type value for the System User Reference in the message subscription rule in the Data Migration Tools)

The aim of the Change Request is to clarify that instead of the code SURE (System User Reference) which is mentioned in the CR-513 on page 8, the code BUSE (Business Sending User) should be used to maintain the message subscription parameter "System User Reference" in DMT file in line with current DMT implementation.

The CRG recommended approval of the Change Request. The CRG took note that the CR-599 will not be part of any T2S release as it impacts DMT file format specifications.

CRG Decision: The CRG recommended approval of the Change Request.

8. Any other business

Reporting to CSG on the status of CRs from the CSG task force on insolvency

The CRG took note and provided comments on the presentation for reporting CSG on the status of CRs from the CSG Task Force on insolvency. The ECB agreed to update the presentation for CRG member's comments.

Action point:

- The ECB will update the presentation for CRG member's comments.

Status of the CR clean-up activities

The ECB provided the status of CR clean-up activities done so far and informed about the next steps for prioritising CRs for future releases. The ECB also informed that the CRG website will be updated to maintain the information on all Change Requests as well as information related to T2S releases. A CRG member proposed to take into consideration the possibility to withdraw some of the CRs which may not be required for any of the future release, instead of postponing them for next release.

Action point:

- The ECB will add the following updates on the CRG website
 - Publish all CRs on the website
 - Separate tab to provide information on T2S releases
 - Separate tab to provide summary of CRG feedback on UTSG topics

Summary of the Technical workshop on T2S cash forecast and message output optimisation held on 23 February 2016

The CRG took note that the various proposals for improvement for T2S cash forecast and message output optimisation were discussed in the workshop along with relevant Change Requests. The workshop was constructive and helped participants to exchange views and share their business needs for different proposals.

Website link to the workshop documentation and outcome: <http://www.ecb.europa.eu/paym/t2s/governance/sessions/html/mtg30.en.html>

<u>Participant's organisation</u>	<u>Name of participant</u>	
European Central Bank	Ms Karen Birkel	Chairperson
European Central Bank	Mr. Alejandro del Campo Roiz de la Parra	Rapporteur
European Central Bank	Mr Hemant Patil	
European Central Bank	Mr Chandrajeet Dhani	
European Central Bank	Ms Madhura Satardekar	
European Central Bank	Ms Elba García Fernández	
European Central Bank	Mr Lorenzo Dal Bianco	
4CB	Mr Arno Friederich	
4CB	Ms Kristin König	
4CB	Ms Mariana Shkurtova	
4CB	Mr Gunnar Dickfeld	
4CB	Mr Victorien Goldscheider	
4CB	Mr Andrea Dimartina	
4CB	Mr Massimiliano Renzetti	
4CB	Ms Natalia Canalejo	
4CB	Ms Marian Abendibar	
Deutsche Bundesbank	Ms Melanie Gulden	
Bank of Greece	Mr Yorgos Korfiatis	
Banco de España	Ms Anca Parau	
Banque de France	Mr Hervé Angebaut	
Banca d'Italia	Mr Luca Rissolo	
Oesterreichische Nationalbank	Ms Silvia Rotter	
BOGS	Mr Panagiotis Petropoulos	
Clearstream	Mr Markus Glück	
Euroclear	Mr Dan Toledano	
Iberclear	Ms Pilar Sanchez	
Monte Titoli	Mr Umberto Granata	
SIX SIS	Mr Vijay Joshi	
VP SECURITIES	Ms Susanne Hass	
ABN AMRO Clearing	Mr Ton van Andel	
BBVA	Mr Daniel Saeta	
BNP Paribas Securities Services	Mr Giorgio Ferraro	
Deutsche Bank AG	Ms Britta Woernle	
Nordea	Mr Janne Palvalin	
LCH Clearnet Sa	Mr Pierre Peczi	