



EUROPEAN CENTRAL BANK

EUROSYSTEM

<b>General Information (Origin of Request)</b> <input type="checkbox"/> User Requirements (URD) or GUI Business Functionality Document (BFD) <input checked="" type="checkbox"/> Other User Functional or Technical Documentation (SYS)		
<b>Request raised by:</b> Clearstream	<b>Institute:</b> CSD	<b>Date raised:</b> 24/05/2018
<b>Request title:</b> Financial Instrument Short Name validations should be compliant with the latest ISO18774 standard		<b>Request ref. no:</b> T2S 0678 SYS
<b>Request type:</b> Common	<b>Classification:</b> Standards Compliance	<b>Urgency:</b> Urgent
<b>1. Legal/business importance parameter:</b> High	<b>2. Market implementation efforts parameter:</b> Low	
<b>3. Operational/Technical risk parameter:</b> Low	<b>4. Financial impact parameter:</b>	
<b>Requestor Category:</b> CSD	<b>Status:</b> Withdrawn by initiator	

**Reason for change and expected benefits/business motivation:**

T2S makes use of various ISO standards in the area of settlement, e.g.:

- ISO 4217 Currency codes
- ISO 6166 International securities identification numbering system (ISIN)
- ISO 8601 Representation of dates and times
- ISO 9362 Banking - Business identifier code (BIC)
- ISO 10962 Classification of financial instruments (CFI code)
- ISO 18774 Financial Instrument Short Name (FISN)
- ISO 3166 Country Codes

Those standards are also used in ISO 20022, as well as in various applications on the T2S Actor side.

It is therefore important that T2S follows the evolution of those standards, and always implements the latest version.

With regards to ISO 18774, this is currently not the case. T2S is based on a draft version of ISO 18774:2015, but a late change request to the standard is not yet considered (the bold sentence is currently not implemented):

*The FISN is composed of:*

- ***an issuer short name with a maximum length of 15 alphanumeric characters. In the case of collective investment vehicles and derivatives, the issuer short name can be extended beyond 15 alphanumeric characters up to the maximum length of the FISN (see 5.3 and 5.5);***
- *a “/” as the delimiter between the issuer short name and the instrument description; abbreviations forming the FISN must be separated by blanks where required;*
- *an instrument description with a maximum length up to 19 alphanumeric characters, assuming that the available length of the issuer short name has been fully used including the delimiter (“/”). In the event that all characters have not been used in the issuer short name, the remaining space may be used to describe the characteristics of the financial instrument.*

This gap was identified via incident INC221835, and a workaround solution was implemented via PBI-202443, namely to temporarily drop the validations of FISN to avoid incorrect rejection of input which would be correct according to the latest version of ISO 18774.

The workaround should be replaced by a proper solution, i.e. the validations of the FISN in T2S should be upgraded to the latest version of ISO 18774:2015, so that FISN input which meets the definition of the standard is accepted, but input which does not comply with the standard is rejected.

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**Description of requested change:**

The validations vs. ISO 18774 FISN standards which are implemented in T2S validation rules DSC1701/1702 and DSU1701/1702 should be updated to reflect the latest version of ISO 18774:2015.

Short Name of BR	Description	Incoming Message	Checked field in the Incoming Message	Reply Message	Reason Code	Error Text
DSC1701	When performing a Securities Create request, the Securities Short Name must be compliant with ISO 18774 standards.	reda.006	ISOSecurityShortName Document/SctyCreReq/Scty/FinInstrmAttrbts/ISOsctyShrtNm	reda.008	REJT	Securities Short Name not compliant with ISO 18774
DSC1702	When performing a Securities Create request, the Securities Long Name must be compliant with ISO 18774 standards.	reda.006	ISOSecurityLongName Document/SctyCreReq/Scty/FinInstrmAttrbts/ISOsctyLngNm	reda.008	REJT	Securities Long Name not compliant with ISO 18774 standard
DSU1701	When performing a Securities Update request, the Securities Short Name must be compliant with ISO 18774 standards.	reda.007	ISOSecurityShortName Document/SctyMntncReq/UpdTp/UpdTp/Add/FinInstrmAttrbts/ISOsctyShrtNm	reda.029	REJT	Securities Short Name not compliant with ISO 18774
DSU1702	When performing a Securities Update request, the Securities Long Name must be compliant with ISO 18774 standards.	reda.007	ISOSecurityLongName Document/SctyMntncReq/UpdTp/UpdTp/Add/FinInstrmAttrbts/ISOsctyLngNm	reda.029	REJT	Securities Long Name not compliant with ISO 18774

This applies to A2A (reda.006 and reda.007) and U2A (Security - New/Edit Screen)

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**Submitted annexes / related documents:**

CRG meeting on 26 March 2018: Document entitled Incorporation of updates to ISO standards in T2S

[http://www.ecb.europa.eu/paym/t2s/progress/pdf/tg/crg/crg126/07.incorporation\\_of\\_updates\\_to\\_ISO\\_standards\\_in\\_T2S.pdf](http://www.ecb.europa.eu/paym/t2s/progress/pdf/tg/crg/crg126/07.incorporation_of_updates_to_ISO_standards_in_T2S.pdf)

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**Proposed wording for the Change request:**

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**High level description of Impact:**

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**Outcome/Decisions:**

\* CRG meeting on the 4 September 2018: The CRG has agreed upon withdrawing this Change Request

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