T2S CHANGE REQUEST FORM

General Information (Origin of Request)
☐ User Requirements (URD) or GUI Business Functionality Document (BFD)
☒ Other User Functional or Technical Documentation (SYS)

Request raised by: Clearstream	Institute: CSD	Date raised: 23/06/2021
Request title: T2S message customization should be reduced for sese.024 messages		Request No.: T2S 0768 SYS
Request type: Common	Classification: Scope Enhancement	Urgency: Normal
1. Legal/business importance parameter: Medium[1]		2. Market implementation efforts parameter: Low[2]
3. Operational/Technical risk parameter: Low[3]		4. Financial impact parameter: (provided by 4CB)
Requestor Category: CSD		Status: Withdrawn

Reason for change and expected benefits/business motivation:

Currently, T2S applies very strict message customization rules to ISO20022 messages as outlined in UDFS section 3.2.1.3:
- When possible, T2S customization drops all the message elements with no direct connection to the user requirements of T2S;
- When possible, T2S customization restricts element types to the T2S-specific usage;
- T2S customization defines the necessary content of mandatory fields which cannot be pruned (i.e. "removed") from the ISO schema files;
- T2S customization restricts the list of possible code values to the sole codes allowed in T2S;
- T2S customization sets the length of the values to the length applicable in T2S;
- T2S customization sets the occurrence of message elements to the occurrence applicable in T2S;
- T2S customization makes optional message elements mandatory if their usage in T2S is always compulsory;
- T2S customization restricts the allowed characters to those used in T2S with a pattern;
- T2S customization restricts numeric fields applicable to T2S (e.g. for amounts).

This approach implies that T2S customized messages only contain the minimum of attributes within the customization, and additional T2S Change Requests would be needed to enable additional attributes:
- A good example is the LEI attribute that was introduced in ISO2002 a while ago (i.e. into sese.023.001.06), but to use it in T2S, a CR would be needed.
- For existing T2S CRs, additional un-pruning was needed to enable elements that were contained in the ISO20022 base message but pruned in T2S, e.g.
  - T2S-0728-SYS (europa.eu) to be able to provide proprietary information in the STCO field,
  - T2S-0690-SYS (europa.eu) to extend the attributes within allegements,
  - T2S-0688-SYS (europa.eu) to enable reporting of additional cancellation reason codes.
- Current customization approach also creates additional effort for the ISO maintenance CRs on T2S side, where new attributes or attribute values are pruned per default in a first step, in order to be included again via CR in case they are needed within T2S.

While it implies additional pruning and un-pruning effort within the T2S world, the current customization approach also has some impact on potential re-use of T2S messages within the extended remit of T2S. Namely, if CSDs would like to us such messages in the communication with their ICP clients, they are limited to the exact scope of T2S message elements. Any scope that goes beyond such message elements cannot be supported.

Some examples for sese.024 might illustrate the limitations:
- In certain cases, Tax Identification Numbers (TIN) are needed to verify whether an instruction is subject to exemptions. In case such TINs are missing or incorrect, the CSD might want to report this status back to their ICP clients, so that they can update the TINs. Possible processing status would be "pending

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[1] Parameters was set to "MEDIUM" as the change improves usability of the system.
[2] Parameter was set to "LOW" as the change does not imply significant changes to T2S Actors. XSD updates are occurring regularly and are business as usual.
[3] Parameter was set to "LOW" as the change does not affect any SLA.

processing" (SctiesSttlmTxStsAdvc/PrcgSts/PdgPrcg) or "repair" (SctiesSttlmTxStsAdvc/PrcgSts/Rpr). However, both status branches are pruned in the T2S sese.024 message.
- Similarly, a pending cancellation (SctiesSttlmTxStsAdvc/PrcgSts/PdgCxl) cannot be reported, as this status branch was also pruned.
- One level deeper, on the level of status reasons, the same problem could occur. E.g. a rejection due to tax status cannot be reported as the relevant code TXST is pruned (in SctiesSttlmTxStsAdvc/PrcgSts/Rjctd/Rsn/Cd/Cd). Similarly for a variety of other reasons, be if for rejections, pending or failing instructions. Using proprietary reasons is also not an option since those are pruned as well.
- Same issue would occur if the CSD would like to report additional information in the transaction details (SctiesSttlmTxStsAdvc/TxDtls) of the T2S sese.024, e.g. trade ID, place of safekeeping, or various settlement parameters: the T2S sese.024 would not support it.

Therefore, the current customization approach strongly limits re-use of T2S messages in the broader remit of T2S, namely in the communication of CSDs with their ICP clients. CSDs would have to define own customizations, and their customers would have to deal with a variety of customized messages, although the common background for all CSDs is the settlement on T2S.

Thus, current customization rules create additional effort on T2S for changes, and they limit re-use of T2S messages within the broader T2S community. On the other hand, it should be added that such customization rules add little value to T2S outbound messages, as T2S does not validate such outbound messages vs. the T2S XSDs before sending them.

Therefore, T2S customization rules should be revised, to be able to create a message customization that not only serves the needs of T2S communication, but that creates a **message standard for the broader T2S community** around T2S, namely the DCPs, CSDs and their ICP clients. This shall be done in the following way:
- Only minimum customizations are applied.
- Customizations are agreed with the community, to create a standard for use within the broader T2S remit.
- New and updates elements from future ISO upgrades are automatically included, thus reducing the maintenance effort on T2S side.

Description of requested change:

The following customization approach should be applied to the sese.024 message:

Current customization approach	Future customization approach
When possible, T2S customization drops all the message elements with no direct connection to the user requirements of T2S;	*T2S customization drops only those message elements with no usage need within the broader T2S community including T2S, CSDs, DCPs and ICPs.*
When possible, T2S customization restricts element types to the T2S-specific usage;	*T2S customization restricts element types to the usage pattern of the broader T2S community.*
T2S customization defines the necessary content of mandatory fields which cannot be pruned (i.e. "removed") from the ISO schema files;	No change (TBC)
T2S customization restricts the list of possible code values to the sole codes allowed in T2S	*All possible code values are supported, i.e. no customization in this area.*
T2S customization sets the length of the values to the length applicable in T2S;	No change
T2S customization sets the occurrence of message elements to the occurrence applicable in T2S;	*T2S customization sets the occurrence of message elements to the occurrence applicable in the broader T2S community.*
T2S customization makes optional message elements mandatory if their usage in T2S is always compulsory;	No change
T2S customization restricts the allowed characters to those used in T2S with a pattern;	No change
T2S customization restricts numeric fields applicable to T2S (e.g. for amounts).	No change

Customization requirements for the sese.024 message

When those principles are applied to the sese.024 message, this implies the following requirements for customization of the updated sese.024 message:
-   All possible status should be supported (i.e. not pruned):
    o   SctiesSttlmTxStsAdvc/PrcgSts
    o   SctiesSttlmTxStsAdvc/IfrrdMtchgSts
    o   SctiesSttlmTxStsAdvc/MtchgSts
    o   SctiesSttlmTxStsAdvc/SttlmSts
-   For each status, all possible choices except for proprietary status should be supported, e.g. for Processing Status
    o   SctiesSttlmTxStsAdvc/PrcgSts/AckdAccptd
    o   SctiesSttlmTxStsAdvc/PrcgSts/PdgPrcg
    o   SctiesSttlmTxStsAdvc/PrcgSts/Rjctd
    o   SctiesSttlmTxStsAdvc/PrcgSts/Rpr
    o   SctiesSttlmTxStsAdvc/PrcgSts/Canc
    o   SctiesSttlmTxStsAdvc/PrcgSts/PdgCxl
    o   SctiesSttlmTxStsAdvc/PrcgSts/CxlReqd
    o   SctiesSttlmTxStsAdvc/PrcgSts/ModReqd
-   For each status, all possible reasons should be supported, including the option for proprietary reasons.
-   For the Transaction Details, at least the following additional elements should be supported in addition to the current ones:
    o   SctiesSttlmTxStsAdvc/TxDtls/TradId
    o   SctiesSttlmTxStsAdvc/TxDtls/SfkpgPlc
    o   SctiesSttlmTxStsAdvc/TxDtls/AcctOwnr
        ▪   LEI should be included
        ▪   All possible party identification options should be supported on all levels, i.e. BIC, PropId and NameAndAddress
    o   SctiesSttlmTxStsAdvc/TxDtls/RcvgSttlmPties:
        ▪   LEI should be included for all parties
        ▪   All possible party identification options should be supported on all levels, e.g. BIC, PropId and NameAndAddress on Party level 1
    o   SctiesSttlmTxStsAdvc/TxDtls/DlvrgSttlmPties
        ▪   LEI should be included for all parties
        ▪   All possible party identification options should be supported on all levels, e.g. BIC, PropId and NameAndAddress on Party level 1
-   Customizations in the context of coexistence should be kept, e.g. RestrictedFINXMax16Text for references, or similar customizations for quantities and amounts.

Submitted annexes / related documents:

Outcome/Decisions:

*CRG on 16 July 2024: the CRG initiator withdrew CR-0768 and no CRG member agreed to take full ownership.

Documentation to be updated:

Preliminary assessment:

Detailed assessment: