



EUROPEAN CENTRAL BANK

EUROSYSTEM

T2S CHANGE REQUEST FORM		
General Information (Origin of Request)		
<input type="checkbox"/> User Requirements (URD) or GUI Business Functionality Document (BFD) <input checked="" type="checkbox"/> Other User Functional or Technical Documentation (SYS)		
Request raised by: AMI-SeCo / TFOS	Institute: CSD	Date raised: 22/11/2023
Request title: Add Partial release new reason code "PREL" in sese.024 and semt.018		Request No.: T2S 0823 SYS
Request type: Common	Classification: Scope Enhancement	Urgency: Fast-track ¹
1. Legal/business importance parameter²: Medium		2. Market implementation efforts parameter³: Low
3. Operational/Technical risk parameter⁴: Low		4. Financial impact parameter⁵: (provided by 4CB)
Requestor Category: CSD		Status: Proposed for a release

Reason for change and expected benefits/business motivation:

Currently T2S applies the following "freeze approach" for maintenance of T2S customized versions of ISO 20022 messages:

- At the time of writing of this CR in November 2023, the T2S customized versions of ISO20022 messages are based on ISO20022 message versions from 2019.
- As T2S evolves, new versions of the T2S customized messages are generated, but they keep being based on the "frozen" original ISO20022 message versions from 2019.
- In parallel, the ISO20022 standard evolves with the yearly Maintenance Releases, but this evolution is not yet reflected in T2S. In fact, ISO versions and T2S versions evolve independently.

In June 2025, the T2S customized versions will be aligned with the evolved ISO20022 versions via [T2S CR 809 "Alignment of T2S Messages with ISO Maintenance Release 2020 – 2024"](#), which will integrate all changes of ISO Maintenance Release (MR) 2020 – 2024 into the customized T2S message versions.

At this point in time, T2S will launch the "T2S Unfreeze Strategy" with the objective for all T2S messages to be updated to the latest ISO20022 base message versions, and from then on, to follow the latest ISO20022 versions via the yearly Maintenance Releases.

In this context, the TFOS was created to provide the market view of how T2S messages can be improved. The initial scope of the work of the TFOS is to review which SWIFT/ISO CRs, implemented since the last freeze of the T2S settlement messages, should be implemented with priority and ideally at the same time with the "T2S Unfreeze Strategy". To implement such scope items, dedicated T2S Change Requests shall be raised.⁶

This Change Request covers one of those scope items, namely, to implement in T2S the following ISO CR:

- [CR 001778: Add new information to report partial release request](#) (MR 2022)

This change request has introduced two new elements:

- New reason code PREL to indicate that a transaction has been partially released,
- New structured field to report a partially released quantity.

Those new elements shall also be introduced in T2S, by first un-pruning them in the sese.024 and semt.018 message, and then by using them as foreseen in the ISO CR.

¹ Fast-track justification: A fast-track approach is requested due to the need to have this CR detailed assessed in parallel with T2S-0809-SYS 'Alignment of T2S Messages with ISO Maintenance Release 2020 – 2024' to make sure they can be implemented jointly with the first step of the ISO unfreeze strategy.

² Legal/business importance parameter was set to "Medium" because T2S Actors will benefit from updated reporting for partial release.

³ Market implementation effort parameter was set to "Low" as the change does not imply significant changes to T2S Actors.

⁴ Operational/technical risk parameter was set to "Low" because it is not expected that this change will have an operational impact on the T2S Actors.

⁵ Low < 100kEUR < Low-Medium < 200 kEUR < Medium < 400kEUR < High < 700kEUR < Very high

⁶ In this context TFOS supports the implementation of [T2S CR 807 "Add new reason code in the sese.024 to identify that there is a mismatch in the partial settlement indicator"](#) which implements one of those ISO CRs in T2S.

This will result in an alignment with ISO standard usage of the respective codes as currently those are not used, or not used in the fields recommended by ISO standard. It will also support the interoperability between ISO15022 and ISO20022.

Description of requested change:

This change request to implement ISO CR001778 “Add new information to report partial release request” into T2S comprises four scope elements:

- Update of sese.024 XSD,
- Update of semt.018 XSD,
- Update of status reporting logic for partial release to use new reason code PREL for partial release,
- Update of mapping logic for partially released quantity to use new structured field for partially released quantity.

Updates to sese.024 XSD:

- Qualifier PREL to be made available as pending reason,
- Qualifier PREL to be made available as failing reason,
- Subsequence “Partially Released Quantity” to be made available within the “Transaction Details”, whereby the same customizations shall be applied as for “Settlement Quantity”, i.e.,
 - only “Quantity” attribute is needed, with options:
 - “Unit” (customized as “RestrictedFINDecimalNumber”) and
 - “Face Amount” (customized as “RestrictedFINImpliedCurrencyAndAmount”),
 - while other quantity type options as well as “Original and current face” can remain pruned.

sese.024.001.12 impacted by

Name	Mult.	CR
▼ Securities Settlement Transaction Status Advice V12 (sese.024.001.12)		
▼ Settlement Status	[0..1]	
▼ Pending	[1..1]	
▼ Reason	[1..*]	
▼ Code	[1..1]	
▼ Code	[1..1]	
◆ Partially Released [PREL]		01778
▼ Failing	[1..1]	
▼ Reason	[1..*]	
▼ Code	[1..1]	
▼ Code	[1..1]	
◆ Partially Released [PREL]		01778
▼ Transaction Details	[0..1]	
▼ Partially Released Quantity	[0..1]	01778
▼ Quantity	[1..1]	01778
○ Unit	[1..1]	01778
○ Face Amount	[1..1]	01778
○ Amortised Value	[1..1]	01778
○ Digital Token Unit	[1..1]	01778
<input checked="" type="checkbox"/> Textual : DigitalTokenUnitUsageRule		01778
▼ Original And Current Face	[1..1]	01778
○ Face Amount	[1..1]	01778
○ Amortised Value	[1..1]	01778

Updates to semt.018 XSD:

The equivalent changes shall be implemented within the “Transactions” sequence:

- Qualifier PREL to be made available as pending reason,
- Qualifier PREL to be made available as failing reason,
- Subsequence “Partially Released Quantity” to be made available within the “Transaction Details”, whereby the same customizations shall be applied as for “Posting Quantity”, i.e.,
 - only “Quantity” attribute is needed, with options:
 - “Unit” (customized as “RestrictedFINDecimalNumber”) and
 - “Face Amount” (customized as “RestrictedFINImpliedCurrencyAndAmount”),
 - while other quantity type options as well as “Original and current face” can remain pruned.

Update to status reporting logic for execution of partial release:

Currently, once a partial release request was executed in T2S, T2S sends a “*Execution of Partial Release SecuritiesSettlementTransactionStatusAdvice*” (i.e., a sese.024 message) with the Party Hold indicator set to “True” and including information on the partially released quantity and quantity remaining on Hold to inform the relevant T2S Actor (Instructing party) that the Referenced Settlement Instruction still remains on Party Hold but is now under Partial Release Process. (UDFS section 2.10.5.2 Execution of the Release Instruction).

- Currently T2S sends sese.024 with reason codes “FUTU” (for pending instructions) or “CYCL” (for failing instructions), and with Hold indicator set to TRUE to indicate execution of a partial release.
- In the future T2S shall send sese.024 with reason code “PREL” in such cases (with Hold indicator still being TRUE).

The same change shall apply in an equivalent way to status reporting via semt.018.

It should be noted that the new reason code PREL also needs to be considered in the penalty deduction logic: partially released instructions shall be treated as today, but they might have to be identified via an adjusted mechanism based on the new reason code PREL.

Update of mapping logic for partially released quantity

Currently, T2S reports the partially released quantity plus the quantity remaining on Hold in a free text field of the sese.024 (i.e., in *SciesSttlmTxStsAdvnc/TxDtls/SttlmInstrPrcgAddtlDtls*), in the following way:

- The first 4 positions will represent a prefix PRQ/ followed by the settlement type (UNIT or FAMT) and by the digits of the “Partially released” quantity.
- After the last digit of the “partially released quantity”, the next 4 positions will represent the settlement type (UNIT or FAMT) to separate both quantities followed by the digits of the “Quantity remaining on hold”.

This logic shall be dropped: T2S shall no longer use the free text field to provide information about partially released quantity and quantity remaining on hold.

Instead, the partially released quantity shall be reported in the corresponding structured field of the sese.024 (i.e., in *Document/SciesSttlmTxStsAdvnc/TxDtls/PrtlyRlsdQty/Qty*).

- The quantity remaining on hold will not be reported any longer, but it can be derived from the “settlement quantity” minus the “partially released quantity”. T2S informs in the settlement quantity of the sese.024 always the “quantity remaining to be settled” (i.e., “original quantity” minus “quantity already settled”), therefore this applies also to cases where partial release is applied on a partially settled instruction, or where a partially released instruction is partially settled.

The partially released quantity shall be reported in the following business scenarios:

- After partial release of a pending instruction (together with pending reason PREL)
- After partial release of a failing instruction (together with failing reason PREL)
- After partial settlement of a pending or failing partially released instruction (together with pending or failing reason PART).

The same change shall apply in an equivalent way to the semt.018, i.e., the partially released quantity shall be reported in the corresponding structured field (i.e., in */Document/SciesTxPdgRpt/Txs/TxDtls/PrtlyRlsdQty/Qty*) in case it is different to zero.

- For a partially released pending instruction the pending reason PREL (instead of FUTU currently) should be reported if no other relevant pending reason was detected by the T2S settlement procedure after the partial release was applied.
- For a partially released failing instruction the failing reason PREL (instead of CYCL currently) should be reported if no other relevant failing reason was detected by the T2S settlement procedure after the partial release was applied.

No impact is expected for the EOD flat file reporting of semt.018, as the partial release will be automatically

cancelled by T2S at the relevant cut-off time, and therefore there should be no cases of partially released quantity to report in such EOD report.

The partially released quantity is currently not reported in any free text field of the semt.018, therefore there is also no need to drop any current mapping.

Following the "T2S Unfreeze strategy", the strong preference of the TFOS is to implement this CR together with the implementation of [T2S CR 809 "Alignment of T2S Messages with ISO Maintenance Release 2020 – 2024"](#), currently scheduled for June.2025 release.

Submitted annexes / related documents:

[CR 001778: Add new information to report partial release request](#)

Outcome/Decisions:

*CRG on 30 January 2024: the CRG agreed to recommend CR-0823 for authorisation by the T2S Steering Level, following a fast-track approach.

*AMI-SeCo on 20 February 2024: the AMI-SeCo agreed with the CRG recommendation of CR-0823 for T2S Steering Level Authorisation.

*CSG on 20 February 2024: the CSG agreed to authorise CR-0823.

*NECSG on 20 February 2024: the NECSG agreed to authorise CR-0823.

*MIB on 28 February 2024: the MIB agreed to authorise CR-0823.

*PMG on 7 March 2024: the PMG agreed to launch the detailed assessment of CR-0823 with a view of scoping in R2026.JUN.

Documentation to be updated:**Preliminary assessment:****Detailed assessment:**