T2S CHANGE REVIEW GROUP

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Outcome

Meeting of the T2S Change Review Group (CRG)

09 November 2021, from 10:00 to 16:00 CET (held remotely)

1.   Introductory remarks and approval of the agenda

Outcome

The CRG chairperson, Karen Birkel, welcomed the participants and introduced the meeting, held remotely due to COVID-19 precautionary measures.

The CRG members approved the agenda of the meeting.

The CRG members were informed that the CSG Task Force on T2S Recovery would raise several change requests on this topic. As this topic is handled directly at Steering Level, the CRs will be detailed assessed based on a CSG resolution, and the detailed assessments will be made available for CRG review once available i.e. in the first quarter of 2022. At the same time, the CSG is expected to withdraw the previously discussed CR on this topic, CR-711[1].

2.   Outcome of previous meetings

Background documentation

- Outcome of the CRG meeting on 09 September 2021

Outcome

The CRG members approved the outcome of the CRG meeting on 09 September 2021.

3.   Analysis of change requests

3.1   Change requests under implementation

Background documentation

- T2S-0705-SYS (CRDM Business Interface Impact on T2S)
- T2S-0706-SYS (Billing common component – T2S Migration)
- T2S-0707-SYS (T2-T2S Consolidation Business Day Management – T2S Migration)
- T2S-0722-BFD (Upgrade of non-repudiation for U2A) – Annex update

Outcome

T2S-0705-SYS (CRDM Business Interface Impact on T2S)

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[1] T2S-0711-SYS Recovery building processes

The CRG members agreed to update CR-705 to reference several changes to message schemas which were described with CR-704[2] (allocated to T2S R5.0, June 2021) but become applicable in PROD, for T2S users, with R6.0 (June 2022).

Furthermore, the CRG members took note that 4CB would provide a cover letter to summarise the wording updates proposed to reflect CR-705 in the T2S Scope Defining Documents.

Follow-up actions:

➢ *4CB to provide a cover letter summarising the SDD wording updates planned with CR-705 [26 November 2021]*

T2S-0706-SYS (Billing common component – T2S migration)

The CRG members took note of the result of the detailed re-assessment of CR-706, foreseeing that the T2S Billing module would remain accessible in the interim period between R6.0 and R6.2, via ESMIG, to query billing data generated before R6.0. The CRG members confirmed their earlier recommendation to the PMG to implement CR-706 in R6.0.

Furthermore, the CRG members took note that 4CB would provide a cover letter to summarise the wording updates proposed to reflect CR-706 in the T2S Scope Defining Documents.

Follow-up actions:

➢ *4CB to provide a cover letter summarising the SDD wording updates planned with CR-706 [26 November 2021]*

T2S-0707-SYS (T2-T2S Consolidation Business Day Management – T2S Migration)

The CRG members agreed to update CR-707 to reference several changes to message schemas which were described with CR-698[3] (allocated to T2S R4.2, November 2020) but become applicable in PROD, for T2S users, with R6.0 (June 2022).

Follow-up actions:

➢ *ECB to share the updated CR-707 with the other Technical groups [19 November 2021]*

T2S-0722-BFD (Upgrade of non-repudiation for U2A) – Annex update

The CRG members took note that a technical workshop on NRO would take place on 17 November 2021, and that the annex to CR-722 would be updated, i.e. replaced by the 'ESMIG qualified configurations' document, following this workshop.

Follow-up actions:

➢ *CRG members (NCBs and CSDs) to notify the CRG Secretariat if they wish to participate in the technical workshop on NRO installation [15 November 2021]*

➢ *ECB to distribute the CR-722 and the updated annex for review via written procedure at the CRG and PMG once the updated annex is available. [26 November 2021]*

3.2   Change requests already authorised at T2S Steering Level (not yet under implementation)

Background documentation
- Detailed assessment of CR-0528 & CR-733

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[2] T2S-0704-SYS CRDM Business Interface development
[3] T2S-0698-SYS T2-T2S Consolidation Business Day Management

- T2S-0528-SYS (T2S should allow the modification of possible values for an Attribute domain linked to a Market-specific attribute)
- Summary presentation of DAs for CR-568-0675-0723
- Additional information on DAs for CR-568-0675-0723
- T2S-0568-SYS (T2S should allow system-wide SME and Security CSD link search via T2S GUI)
- T2S-0675-SYS (Add ISIN as Search Criteria in Eligible counterpart screen)
- T2S-0723-URD (Introduce Reason Code as Parameter for T2S Message Subscription Logic)
- T2S-0733-SYS (Definition of a classification of transactions for CB T2S data)

Outcome

T2S-0528-SYS (T2S should allow the modification of possible values for an Attribute domain linked to a Market-specific attribute)
The CRG took note that the results of the detailed assessment of CR-528 were available and requested time to review them and make a recommendation to the PMG on its implementation in R6.2 (November 2022).

Follow-up actions:

➢ *CRG members to review the detailed assessment of CR-528 and make a recommendation to the PMG via written procedure. [17/11/2021]*

T2S-0568-SYS (T2S should allow system-wide SME and Security CSD link search via T2S GUI)
The CRG took note of the results of the detailed assessment of CR-568 and agreed to recommend to the PMG its implementation in R6.2.

T2S-0675-SYS (Add ISIN as Search Criteria in Eligible counterpart screen)
The CRG took note of the results of the detailed assessment of CR-675 and agreed to recommend to the PMG its implementation in R6.2.

T2S-0723-URD (Introduce Reason Code as Parameter for T2S Message Subscription Logic)
The CRG took note of the results of the detailed assessment of CR-723 and agreed to recommend to the PMG its implementation in R6.2.

T2S-0733-SYS (Definition of a classification of transactions for CB T2S data)
The CRG took note that the results of the detailed assessment of CR-733 were available and requested time to review them and make a recommendation to the PMG on its implementation in R6.2 (November 2022).

Follow-up actions:

➢ *CRG members to review the detailed assessment of CR-733 and make a recommendation to the PMG via written procedure. [17/11/2021]*

3.3 Change requests not yet authorised at T2S Steering Level

3.3.1 Change requests under preliminary assessment

Background documentation
- Preliminary assessment of CR-735 – Presentation
- T2S-0735-SYS (T2S to provide the CSDs the possibility to receive message transmission information grouped by Securities Account)

- Preliminary assessment of CR-763, 0764, 0766 – Presentation
- T2S-0763-SYS (T2S Multi-Criteria Settlement Optimisation)
- T2S-0764-SYS (No intraday update of the Negative Position flag)
- T2S-0766-SYS (T2S Settlement Optimisation Analysis)
- Preliminary assessment of CR-769 - Presentation
- T2S-0769-BFD (Add MS Edge to the list of supported browsers for U2A interaction)

Outcome

T2S-0735-SYS (T2S to provide the CSDs the possibility to receive message transmission information grouped by Securities Account)

The CRG took note of the findings in the preliminary assessment of CR-735. Considering the complexity of the CR, the CRG members agreed to set up an ad hoc workshop to answer the outstanding questions stemming from the preliminary assessment and ensure that the requirements / business expectations for CR-735 are stable and complete.

Follow-up actions:

➢ *ECB to set up a workshop on CR-735 for interested CRG members. [17/12/2021]*

T2S-0763-SYS (T2S Multi-Criteria Settlement Optimisation)

The CRG members took note of the findings in the preliminary assessment of CR-763 and agreed to recommend it for authorisation by the T2S Steering Level.

Follow-up actions:

➢ *CRG members to review proposed value and justification of CR parameters. [15 November 2021]*
➢ *ECB to inform the OMG about the CRG recommendation to authorize CR-763. [18 November 2021]*

T2S-0764-SYS (No intraday update of the Negative Position flag)

The CRG members took note of the findings in the preliminary assessment of CR-764 and agreed to recommend it for authorisation by the T2S Steering Level.

Follow-up actions:

➢ *CRG members to review proposed value and justification of CR parameters [15 November 2021]*
➢ *ECB to inform the OMG about the CRG recommendation to authorize CR-764 [18 November 2021]*

T2S-0766 (T2S Settlement Optimisation Analysis)

The CRG members took note of the findings in the preliminary assessment of CR-766 and agreed to recommend it for authorisation by the T2S Steering Level.

Follow-up actions:

➢ *CRG members to review proposed value and justification of CR parameters [15 November 2021]*
➢ *ECB to inform the OMG about the CRG recommendation to authorize CR-766 [18 November 2021]*

T2S-0769-BFD (Add MS Edge to the list of supported browsers for U2A interaction)

The CRG members took note of the findings in the preliminary assessment of CR-769, whereby 4CB identified no obstacle to an implementation in R7.0 (June 2022), to be confirmed by the detailed assessment of the CR. The CRG members confirmed their earlier recommendation to authorise CR-769.

3.3.2 Candidates for preliminary assessment / Newly raised CRs

The CRG members will be invited to discuss the following CRs and consider the launch of their preliminary assessment or other adequate next steps.

Background documentation

- Assessment CR-770 alternative v2.1 – presentation
- T2S-0770-URD (Dynamic allocation of processing priority to massive concurrent settlement attempts and optimisation limit)
- T2S-0772-SYS (Export of T2S cash transactional data from the Data Warehouse to a Eurosystem's monetary policy application)

Outcome

T2S-0770-URD (Dynamic allocation of processing priority to massive concurrent settlement attempts and optimisation limit)
The CRG members took note of the outcome of recent interactions between the 4CB, the ECB and interested CRG members on CR-770. The CRG agreed with the proposed way forward i.e. for 4CB to withdraw CR-770 and create a new CR with design enhancements supported by CRG members. Specifically, following the preference of CRG members, the new CR will optimise the way CORP transactions are processed (i.e. constitution of collections and sorting method) by the T2S Settlement module.

Follow-up actions:

➢ *4CB to provide a draft of the new CR once available [17 January 2022]*

T2S-0772-SYS (Export of T2S cash transactional data from the Data Warehouse to a Eurosystem's monetary policy application)
The CRG members took note that CR-772 was raised to document the T2S impacts of the T2 change request CSLD-CR-82. The CRG members considered CR-772 to be stable and agreed that its preliminary and/or detailed assessment should start only when such an assessment is launched for CSLD-CR-82.

New CR on SAC ceiling

The CRG members took note that a CR would be raised by the 4CB following OMG discussions on the securities account ceiling. The CRG recommendation to the Steering Level will be sought via written procedure once the CR is available. The new CR will follow a fast-track procedure as it is intended to cover the period from January 2022 until June 2023.

Follow-up actions:

➢ *4CB to provide a final draft of the CR [19 November 2021]*
➢ *CRG members to review the new CR on SAC ceilings and make a recommendation to the Steering Level via written procedure [26 November 2021]*

3.4 Editorial CRs

Background documentation

- T2S-0444-BFD (User authentication without USB-token/SmartCard for GUI-access)

Outcome

T2S-0444-BFD (User authentication without USB-token/SmartCard for GUI-access)

The CRG members took note that the requirements of CR-444 would be addressed by the introduction of ESMIG for T2S in R6.0, as ESMIG NSPs must offer the possibility to store certificates in a remote Hardware Security Module maintained by the NSP, rather than on a USB token / SmartCard held by the user. Accordingly, the CRG members agreed to convert CR-444 into an editorial CR describing editorial changes to the Business Functionality Document (BFD).

The CRG members recommended CR-444 for authorisation by the T2S Steering Level and for approval of the inclusion of the underlying editorial updates in the T2S SDDs for R6.0.

4. Clarification notes

Background documentation

- CLSD SDD-PBR-0048 (Autofill BIC fields on Report configuration screens)

Outcome

CLSD SDD-PBR-0048 (Autofill BIC fields on Report configuration screens)

CRG members took note of a slight modification of the behaviour of the report configuration screens, introduced by the T2-T2S Consolidation project, i.e. BIC fields will be pre-filled to reduce the risk of erroneous user input. CRG members had no outstanding questions on the note, which is also the background of item 1 of the editorial CR-773.

5. Annual full review of the CRG ranking

Finalization of the annual CRG ranking exercise.

Background documentation

- CRG ranking as of 26 October 2021
- Release Scoping presentation for R7.0

Outcome

CRG ranking

The CRG members confirmed the CR ranking prepared by the ECB team based on the business values provided by CRG members.

Release Scoping presentation for R7.0

The CRG members took note that the 4CB would propose to the PMG to distribute CR candidates for R7.0 into two batches of detailed assessments (starting in November 2021 and early 2022, respectively). Package 1 would include

CR-551, CR-740, CR-764 and CR-766[4], which would be detailed assessed in parallel with the planned Recovery CRs, while Package 2 would include CR-525, CR-720, CR-756, CR-763 and CR-769[5].

A CRG member pointed out that one highly-ranked change request, CR-638[6] (#6/23) was not included in the proposed packages. The reason for non-inclusion being to avoid potential impacts on the Eurosystem Collateral Management System (ECMS) project, the CRG requested that this discrepancy between the CRG ranking and the envisaged contents of R7.0 be highlighted to the PMG for resolution (including interaction with the ECMS governance if needed).

In addition, the CRG members agreed to re-discuss in the January 2022 meeting the requirements of CR-580, in particular to clarify the rationale for the 'Negative' business value allocated to this CR by some CRG members.

Follow-up actions:

➢ *ECB team to highlight to the PMG the non-inclusion of CR-638 in the envisaged CR packages for R7.0 [10 November 2021]*

➢ *CRG to discuss the requirements of CR-580 in the next CRG Meeting [17 January 2022]*

6. OGPF Update

Background documentation

- *Operational Governance Process Framework v3.4*

Outcome

Operational Governance Process Framework v3.4

The CRG members agreed to the proposed updates to the OGPF and took note that the new version of the OGPF would be submitted to the Steering Level for approval once PMG and OMG provided a similar agreement.

7. CRG action points

Background documentation
- List of CRG action points

Outcome

Action points

The CRG members took note of the updates presented and agreed on the outlined resolutions of the following action points:

AP-4037 (ECB Team to distribute CRG-PBR-0027 to OMG members for information): *The CRG took note that CRG-PBR-0027 had been distributed to the OMG on 21 September 2021 and agreed to close the action point.*

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[4] T2S-0551-SYS (Reporting of Restriction References for COSD blocked positions in the Statement of Holdings (semt.002)); T2S-0740-SYS (No check of the Minimum Settlement Unit upon revalidation of partially settled instructions and partially settled settlement restrictions); T2S-0764-SYS (No intraday update of the Negative Position flag); T2S-0766-SYS (T2S Settlement Optimisation Analysis)

[5] T2S-0525-SYS (Provide Restriction Type name and description in reason code due to Market Specific Restriction Types), T2S-0720-URD (Rule-based liquidity transfers between a T2S DCA and a MCA (CLM)), T2S-0756-SYS (If an instruction is cancelled, then T2S should no longer consider it to be part of a Pool), T2S-0763-SYS (T2S Multi-Criteria Settlement Optimisation), T2S-0769-SYS (Add MS Edge to the list of supported browsers for U2A interaction)

[6] T2S-0638-SYS (T2S should allow and process already matched instructions which include the counterparty's securities sub-position to be used for settlement purposes)

AP-4036 (ECB Team to organise a dedicated workshop on CR-768 and message customization principles in T2S): *The CRG took note that the workshop was held on 06 October and agreed to close the action point.*

AP-4027 (ECB team to distribute a draft updated version of T2S OGPF): *The CRG took note that the updated OGPF had been distributed via written procedure due by 09 November 2021 and was closed during the CRG Meeting 09 November. Therefore, the CRG agreed to close the action point.*

AP-3921 (ECB Team to ensure that the ongoing work to define a strategy for the long-term evolution of messages used in TARGET Services also includes a review of the principles for message customisation): *The CRG took note that, as the ad hoc workshop on 6th October concluded, the possible revision of customisation principles was connected to a broader discussion on the harmonisation of ISO 20022 securities-related messages. Accordingly, this potential new harmonisation topic will be discussed in the next meeting of the AMI-SeCo, and the CRG agreed to close the action point.*

8.   Any other business

Background documentation

- T2S – Publication of CoCo usage guidelines on MyStandards
- Delivery plan of change requests
- HSG consultation of the T2S governance: changing T2S Standard 4 - tax info - background doc
- HSG consultation of the T2S governance: changing T2S Standard 4 - tax info – presentation
- Update on ISO customization [oral update]

Outcome

T2S – Publication of CoCo usage guidelines on MyStandards

The CRG members took note of the presentation and to avoid duplication, preferred that 4CB publish Common Components usage guidelines only in the "Common components" group of MyStandards, and not in the "T2S" group anymore. The same timeline should be followed as for the inclusion of T2S-relevant functionalities in the common components' UDFS and UHB (and their removal from the T2S UDFS and UHB).

Follow-up actions:

➢ *4CB to demonstrate how T2S-relevant usage guidelines will be presented in MyStandards [17 January 2022]*

HSG consultation of the T2S governance: changing T2S Standard 4 - tax info
The CRG members took note of the presentation and confirmed that from a functional perspective, no negative effect is expected to result from the envisaged modification of the T2S standard 4, whereby the rule stating that T2S messages should not contain tax information would be removed.

Update on ISO customization
CRG members took note that the participants in the workshop on 6th October 2021 considered that the customisation of securities-related ISO20022 messages should be handled as a harmonisation topic, since in the absence of harmonisation, an actor active on several markets might need to follow different message specifications depending on the intermediaries it interacts with – even if these intermediaries are connected to the same market infrastructure, i.e. T2S.

CRG members had no additional comments on the outcome of the workshop and agreed with the conclusion to raise this topic in the AMI-SeCo, for AMI-SeCo members to assess the relevance of a harmonisation activity in this area.

T2S CRG Meetings calendar 2022

The CRG members took note of the planned dates for CRG teleconferences and meetings until end 2022.

17 January 2022	09:30-13:00	Webex
28 February 2022	09:30-13:00	Webex
25 April 2022	09:30-13:00	Webex
30 May 2022	09:30-13:00	Webex
6 July 2022	09:30-13:00	Webex
29 August 2022	09:30-13:00	Webex
26 October 2022	10:00-16:00	ECB Main building
12 December 2022	09:30-13:00	Webex