

5TH MEETING OF THE T2S DLT TASK FORCE

OUTCOME

Date & Time	27.02.2017 [10:15 to 17:00]
Venue	European Central Bank, Main Building, Sonnemannstrasse 20, Frankfurt am Main, Germany

List of participants:

Mr. Stephen Lomas (Chairman, Deutsche Bank)
Mr. Andrea Pinna (Rapporteur, ECB)
Mr. Rob Morgan and Emmanuel Le Marois (AFME)
Ms. Cécile Becuwe (Banque de France)
Mr. Alan Cameron (BNP Paribas)
Mr. James Higgins (BNY Mellon)
Mr. Marcello Topa (Citi)
Mr. Robert Somogyi (Clearstream Banking)
Mr. George Kalogeropoulos (ECB)
Mr. Björn Svensson (Euro CCP)
Mr. Luc Vantomme (Euroclear)
Ms. Berta Ares (Iberclear)
Mr. Alain Rocher (Société Générale)
Mr. Swen Werner (State Street)
Mr. Tomas Thorsén (observer, European Commission)
Ms. Anne Choné (observer, ESMA)

List of Task Force members who could not attend the meeting:

Ms. Chiara Rossetti (Monte Titoli)

1. Chairman's introduction

The Task Force (TF) meeting started with an introduction by the Chairman on the agenda of the meeting and the changes in composition of the Task Force. The TF members took note of the outcome of the fourth meeting. New additions to the list of relevant DLT projects in financial markets were discussed.

2. EU public authority initiatives

Mr. Tomas Thorsén (European Commission) updated TF members on the activities programmed by the EC in the field of DLTs and digital innovation in general. The current plan is to run a public

consultation between mid-March and mid-June, especially to seek feedback on whether current EU regulation is fit for digitalisation. The Chairman will verify via the HSG whether the AMI SeCo intends to take part in the public consultation and what contribution is expected from the DLT TF.

Ms. Anne Choné (ESMA) informed DLT members on the internal ESMA work on DLT and the recent ESMA report on DLTs applied to securities markets. The main conclusion in the report is that EU regulation does not need change to allow DLT adoption. The Chairman praised the work done by ESMA and suggested that the TF shall conduct its analysis further beyond the main EU pieces of legislation on post-trading activities, to verify whether ESMA conclusions hold – also looking at how current business models may be affected by the new technology.

3. Impact of DLT on Harmonisation

TF members discussed the updated version of their analyses on the potential impact of DLTs on financial markets.

Action Points

TF members shall deliver to the ECB team the following papers:

1. **Mr. Emmanuel Le Marois** (AFME) on **data privacy** and **cybersecurity**, by Friday 24 March;
2. **Ms. Cécile Becuwe** (BdF) on **digital identity**, by Friday 24 March;
3. **Mr. James Higgins** (BNY Mellon) and **Ms. Chiara Rossetti** (BNY Mellon) on **issuance** (covering also the T2S Harmonisation **activities 1, 2 on ISO messages and matching fields**), by Friday 10 March;
4. **Mr. Marcello Topa** (Citi) on **asset servicing** and on **settlement** (covering also the T2S harmonisation **activities 5 and 12, 6, 18, and 21, 24 on corporate actions, timetable and settlement cycles**), by Friday 24 March;
5. **Mr. Luc Vantomme** (Euroclear) on **Settlement** (covering also T2S harmonisation **activities 7, 8, 9 on settlement finality**), by Friday 24 March;
6. **Mr. Alain Rocher** (Société Générale) on **collateral** and **collateral management**, by Friday 24 March, with contribution from **Mr. Robert Somogyi** (Clearstream Banking) by 10 March;
7. **Mr. Swen Werner** (State Street) on **settlement discipline**, by Friday 24 March;
8. **Mr. Björn Svensson** (Euro CCP) on **interoperability**, by Friday 24 March.

The set of scenarios that a group of TF members has prepared to capture what characteristics of DLT adoption models are relevant in additional future analysis has been considered useful in principle. TF members have been invited to share further comments by Friday 10 March.

4. Q2 2017 Meetings

TF members agreed on the proposed schedule of next meeting dates:

- 6th meeting: 4 April 2017;
7th meeting: 16 May 2017;

8th meeting: 27 June 2017.