

# SCoREBOARD

## Billing Processes – H2 2021






### Hungarian NSG

The Single Collateral Management Rulebook for Europe (SCoRE) contains four Standards related to billing processes (published as the [SCoRE Standards for Billing Processes](#)). Implementation progress is monitored twice per year. This summary report presents the results of the H2 2021 monitoring exercise conducted by the Hungarian NSG with the involvement of the following stakeholders:

- 1 CSD – KELER
- 8 Custodians

9 entities are monitored in the Hungarian market

The SCoRE Overview provides a high-level summary of the H2 21 monitoring exercise.

 <small>SINGLE COLLATERAL MANAGEMENT RULEBOOK FOR EUROPE</small>	 <b>Response Rate</b>	 <b>Implementation Status</b>	 <b>Milestones achieved?</b>	 <b>Implemented on Time?</b>
Custodians	50%	Implemented 20% Analysis started 32.5% Implementation started 5%	25%	38%
CSD - KELER	100%	Implemented 0% Analysis started 60% Implementation started 0%	No	Yes

Note: Implemented on time reflects the entity's expected ability to achieve the final milestone on time.

This NSG summary report is structured as follows: The Executive Summary provides an overview of the responses received per Entity Type i.e. CSD, TPA, Custodian etc. Section 1 presents the compliance status of each entity type. Section 2 provides an overview of the progress against the individual milestones. Section 3 then provides a more detailed overview of the implementation status per Standard for each entity type.

Implementation of the Billing Processes Standards in the Hungarian market is behind schedule based on the agreed milestones

## Executive Summary

KELER CSD and 4 Custodians out of 8 responded to the H2 2021 survey, which shows a decrease in the number of responses compared to H1 2021. This section presents the key findings of the survey for each entity type.

KELER CSD and 3 of the 4 respondent Custodians are behind schedule based on the agreed milestones. However, KELER CSD is on schedule according to its approved adaptation plan. Only 1 Custodian reported being on schedule overall.

### CSD - KELER

KELER CSD is behind schedule based on the agreed milestones, with analysis being conducted regarding Standards 2 to 4

KELER CSD follows a two-tiered approach regarding the implementation of the Billing Processes Standards, with different target dates applying to Standard 1 and Standards 2 to 4.

KELER CSD plans to start the necessary analyses regarding the implementation of Billing Standard 1 on ISO 20022 messaging on 1 June 2023 with a planned implementation date of 20 November 2026. These plans are behind schedule based on the agreed milestones, but on schedule according to KELER CSD's approved adaptation plan.

KELER CSD plans to complete the analysis on Standards 2 to 4 by 30 June 2022, i.e. with an 11-month delay compared to the agreed deadline; however, the final deadline is not at risk. This is reflected in KELER CSD's current compliance status. KELER CSD also indicated that it expects delays in milestones 3, 4, 5, 7, 8, 10 and 11, but will meet the other milestones of Standards 2 to 4 on time, meaning that the final deadline – Milestone 13 – is not at risk. Similarly to Standard 1 above, KELER CSD is on schedule according to its approved adaptation plan.

### Custodians

32.5% of Custodian answers show that internal analysis has started

The 4 Custodians responding to the H2 2021 survey indicated different levels of compliance with the Standards.

For Standard 1 on providing and receiving ISO messages, 2 Custodians indicated ongoing analysis, 1 indicated that the analysis has not started yet, and 1 indicated that it does not find the Standard applicable.

For Standard 2 on Billing cycles, 3 Custodians indicated full compliance, and 1 indicated that the analysis has not started yet.

For Standard 3 on Cut-off dates, 2 Custodians indicated full compliance, 1 indicated that the analysis has not started yet and 1 indicated that it does not find the Standard applicable.

For Standard 4 on Dates for payment fees, 1 Custodian indicated full compliance, 1 indicated ongoing analysis, 1 indicated that the analysis has not started yet and 1 does not find the Standard applicable.

1 of the 4 respondent Custodians indicated that the milestones will be met on time. Out of the other 3 Custodians, one entity indicated 4-12 month delays for milestones 3 to 13, and two entities indicated delays for all milestones with a finish date of 30 November 2026. The latter is assumed to be linked to the target date indicated by KELER CSD regarding the implementation of Billing Standard 1.

# 1 SCoREBOARD

This section presents the overall compliance status in the market. CSDs and TPAs are monitored on an individual basis and are assigned a colour-code status in accordance with the methodology outlined in Box 1<sup>1</sup>. Custodians are monitored on an aggregated basis and assigned a percentage compliance status.

## Box 1 SCoREBOARD – Implementation Phase



- The Standard has been implemented
- Implementation of the Standard is on schedule (based on the agreed milestones)
- Implementation is behind schedule (based on the agreed milestones)
- Implementation has not started

For custodians, progress is monitored and reported as a percentage; for example the % of custodians in a given market who have started internal adaptation of IT systems.

**Table A**  
SCoREBOARD

STANDARD	Custodians	CSD - KELER
1: ISO 20022 messaging	50%	Y
2: Billing cycles	75%	Y
3: Cut-off date	50%	Y
4: Dates for payments fees	63%	Y

Notes:

- For CSDs and TPAs the colour-code reflects the current implementation status of each Standard in accordance with the methodology outlined in Box 1 above.
- For custodians the % indicates that the standard has either already been implemented, or that implementation is on track i.e. at a minimum that analysis has already started or that implementation has started per Standard.
- Percentages are calculated on the basis of expected respondents, i.e. number of entities monitored in the market.

<sup>1</sup> For further details please refer to the [AMI-SeCo Monitoring Framework](#)

## 2 Milestones

This section presents the compliance This section tracks an entity's progress in implementing the Standards on an ongoing basis. 13 milestones have been defined as listed in the box below.

### Box 2

#### SCoRE Milestones

Milestone	Description	Date
<b>M1</b>	<b>Analysis Started:</b> Have you commenced an in-depth analysis of all applicable SCoRE Standards in order to identify and document all the changes required to internal processes and procedures in order to comply with the SCoRE Standards?	30/06/2020
<b>M2</b>	<b>Initial Communication:</b> Has initial high-level communication with external stakeholders on the changes introduced by SCoRE commenced?	01/03/2021
<b>M3</b>	<b>Analysis Completed:</b> Have you completed an in-depth analysis of all applicable SCoRE Standards?	31/07/2021
<b>M4</b>	<b>Documentation Completed:</b> Have you documented all the internal processes and procedures which need to be adapted in order to comply with the SCoRE Standards?	31/12/2021
<b>M5</b>	<b>Detailed External Communication:</b> Has detailed communication started regarding (i) upcoming changes in business processes, (ii) messaging formats and usage guidelines (in the case of new messages based on non-registered latest drafts by SWIFT) and (iii) planned testing activities been provided to users?	31/12/2021
<b>M6</b>	<b>SCoRE Adaptation Started:</b> Have you started to adapt/develop the processes and procedures in order to comply with the SCoRE Standards?	01/01/2022
<b>M7</b>	<b>SCoRE Adaptation Complete:</b> Have you completed the necessary adaptations/developments for the processes and procedures in order to comply with the SCoRE Standards?	30/06/2022
<b>M8</b>	<b>Internal Testing Started for SCoRE:</b> Have you started to test the changes to your internal processes and procedures which have been introduced in order to comply with the SCoRE Standards?	01/07/2022
<b>M9</b>	<b>Internal Testing Complete for SCoRE:</b> Have you completed the necessary internal testing?	02/12/2022
<b>M10</b>	<b>External Testing Started for SCoRE:</b> Are you in a position to test the changes introduced in order to comply with the SCoRE Standards with your user community (i.e. CSD participants / Collateral Givers and Collateral Takers in the context of the Standards applicable to TPAs)?	05/12/2022
<b>M11</b>	<b>Final External Communication on SCoRE:</b> has final communication to users been provided (i.e. updated user guide to reflect the changes implemented, final message usage guidelines for A2A communication) related to the SCoRE Standards?	01/04/2023
<b>M12</b>	<b>External Testing Completed for SCoRE:</b> Is the testing of the changes introduced in order to comply with the SCoRE Standards with your user community completed (i.e. CSD participants / Collateral Givers and Collateral Takers in the context of the Standards applicable to TPAs)?	13/10/2023
<b>M13</b>	<b>SCoRE Standards Implemented:</b> have the SCoRE Standards been implemented?	20/11/2023

Notes: N/A

Milestones expected to be achieved in the current reporting period are highlighted in blue in the header of Table B below. The blue colour-code is then assigned to those milestones which have been successfully achieved to date for each respective entity. Milestones which will only be achieved later are assigned a yellow status, while milestones which will only be achieved with significant delays / where work has not yet commenced are marked in red.

For the remaining milestones (i.e. milestones due to be achieved only after the current reporting cycle) the colour-code indicates an entity's expected ability to achieve a future milestone on time. The expected date of achievement is also indicated in the table if it is different to the milestone date defined by AMI-SeCo.

**Table B**  
Milestones

	Custodians	CSD - KELER
Milestone 1 June 2020	38%	Yes
Milestone 2 March 2021	38%	Yes
Milestone 3 July 2021	25%	06/22
Milestone 4 December 2021	38%	08/22
Milestone 5 December 2021	38%	06/23
Milestone 6 January 2022	38%	Yes
Milestone 7 June 2022	38%	03/23
Milestone 8 July 2022	38%	04/23
Milestone 9 December 2022	38%	Yes
Milestone 10 December 2022	38%	08/23
Milestone 11 April 2023	38%	07/23
Milestone 12 October 2023	38%	Yes
Milestone 13 November 2023	38%	Yes

Notes: Actors were asked to report for all milestones, i.e. whether they meet the current milestones and whether they expect to meet the dates for future milestones.

**Summary**

Out of the 5 entities responding to the H2 2021 survey 1 indicated that it met the first three milestones on time and will meet the upcoming milestones (Milestones 4 to 6) also according to the expected deadline. The other 4 respondent entities reported delays of different length.

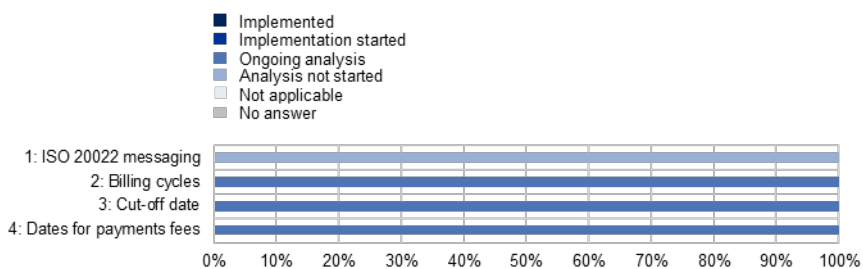
As for the following milestones, only 1 respondent Custodian expects full compliance with milestones 7 to 13, while 3 Custodians expect delays with all of them. According to KELER CSD’s two-tiered approach, it expects delays with some interim milestones but full compliance with the final deadline regarding Standards 2 to 4, and it envisions delays with all agreed milestones regarding Standard 1 on ISO 20022 messaging. Nevertheless, KELER CSD does not expect delays compared to its approved adaptation plan.

### 3 Implementation status per SCoRE Standard

This section presents the implementation status of each Standard per entity type.

#### CSD - KELER

##### Implementation status per SCoRE Standard

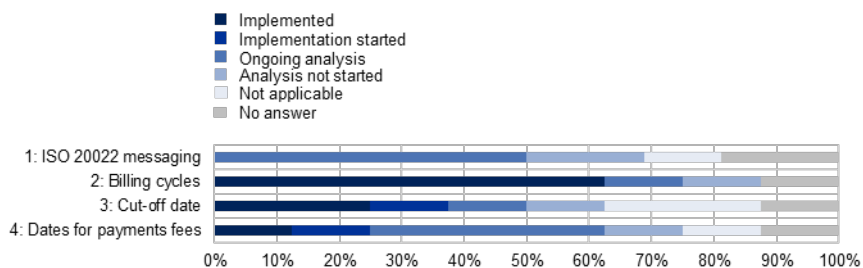


#### Notes

N/A

#### Custodians

##### Implementation status per SCoRE Standard



#### Notes

N/A

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The cut-off date for the data included in this report was 17 November 2021.

For specific terminology please refer to the [ECB glossary](#) (available in English only).