



EUROPEAN CENTRAL BANK

EUROSYSTEM

Single Collateral Management Rulebook for Europe (SCoRE)

*Update on latest
developments*

AMI-SeCo
01/12/2022

Single Collateral Management Rulebook for Europe
common rules for managing collateral



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Agenda

1 SCoRE implementation

- Timing of Wave 1

- Implementation questions (SCoRE FAQ)

2 Promoting overall migration to SCoRE & ISO 20022 messaging

3 Monitoring SCoRE implementation – status as at H2 2022

1

SCoRE implementation

- Timing of Wave 1
- Implementation questions
(SCoRE FAQ)

1. SCoRE implementation - Timing of Wave 1

Background: On 21 October 2022, the Eurosystem announced that the launch of T2 would be rescheduled to 20 March 2023 (in a press release [here](#)). CMH-TF members assessed the possible implications on the implementation of SCoRE Standards for Triparty Collateral Management (TCM), Corporate Actions (CA) and Billing Processes (BP):

Way forward:

- ***There should be an alignment of the implementation dates of SCoRE and ECMS.***
 - *In case the implementation time for ECMS changes, the implementation time for SCoRE Standards should also be changed accordingly.*
 - *It is preferable to keep the adaptations for SCoRE aligned with ECMS as much as possible, so that market participants that are active in several markets can coordinate their adaptations.*

1. SCoRE implementation – SCoRE FAQ

Background: SCoRE implementation questions may still arise when adaptations are being made and answers are being prepared. For SCoRE CA Standard 12 - Handling of fees for meeting events, the exact message to be used on meeting fee has been determined and agreed in conjunction with SWIFT/SMPG.

Way forward:

- **Clarifications on the messages for the handling of meeting fees will be added to the SCoRE CA Standard 12.**
 - *AMI-SeCo is invited to take note that the procedure for handling of meeting fees has been agreed.*
 - *Clarifications will be added in the SCoRE Standard 12 (in Q1 2023) that the existing market practice should continue to be used, i.e. announcing and paying meeting fees via corporate action messages (CANO and CACO) using CONS as CAEV. (Please see Annex for further details).*
- **Remaining SCoRE implementation questions should be clarified in a FAQ document.**
 - *SCoRE implementation questions are being collected during the implementation phase and are being addressed in a FAQ document.*
 - *A dedicated session (in the context of the Asset Servicing Expert Group) will be organised to discuss and clarify any remaining items as needed.*

2

Promoting overall
migration to SCoRE
& ISO 20022
messaging

2. Promoting overall migration to SCoRE & uptake of ISO 20022 messaging

Background: In the last AMI-SeCo meeting, CMH TF was requested to review the main factors that foster the overall migration to SCoRE and the uptake of ISO 20022 messaging.

Way forward: ***Good reasons that support the use ISO 20022 messaging***

- ***Better handling of CA and TCM.***
 - *The new/latest messaging can do more (more data, more workflows, etc) and it allows better handling (more structured and clear - 1 message 1 function, etc). Better and more structured reporting for TCM.*
- ***Better capturing data (including 'source' of the CA information from issuer/agent).***
 - *Key data elements (as defined in SCoRE) should be captured at the 'source' from issuer/agent by issuer CSDs and subsequently passed through the chain. At the entry point, SCoRE compliant data is needed for further processing by asset servicers. This would create overall advantages to CA processing if provided in an ISO 20022 message. An active engagement with the issuer community should be pursued. Additional questions will be included in the next SCoRE CA survey to understand how the information is being provided by issuers today.*

2. Promoting overall migration to SCoRE & uptake of ISO 20022 messaging

Way forward: ***Good reasons that support the use ISO 20022 messaging (cont.)***

- ***Better interactions between the different layers in the custody chain.***
 - *FMLs (first layer of the custody chain) and account servicers (second layer): close network that will use ISO 20022 messaging in Wave 1*
 - *Third layer (asset managers and asset owners): will be offered the option to use it by account servicers – to those clients that have the capability to use the ISO protocol*
- ***More integration / consistency for processing corporate events***
 - *With the Shareholder Rights Directive (SRD II), ISO 20022 messaging for corporate events have been introduced in the EEA:*
 - *Shareholder Identity Disclosure: 5 new ISO 20022 messages (MX)*
 - *General Meeting: ISO 20022 “Proxy Voting” Solution (MX) – 8 messages*
 - *In addition support for the processing of all other Corporate Events via ISO 20022 (MX) has been enabled.*

3

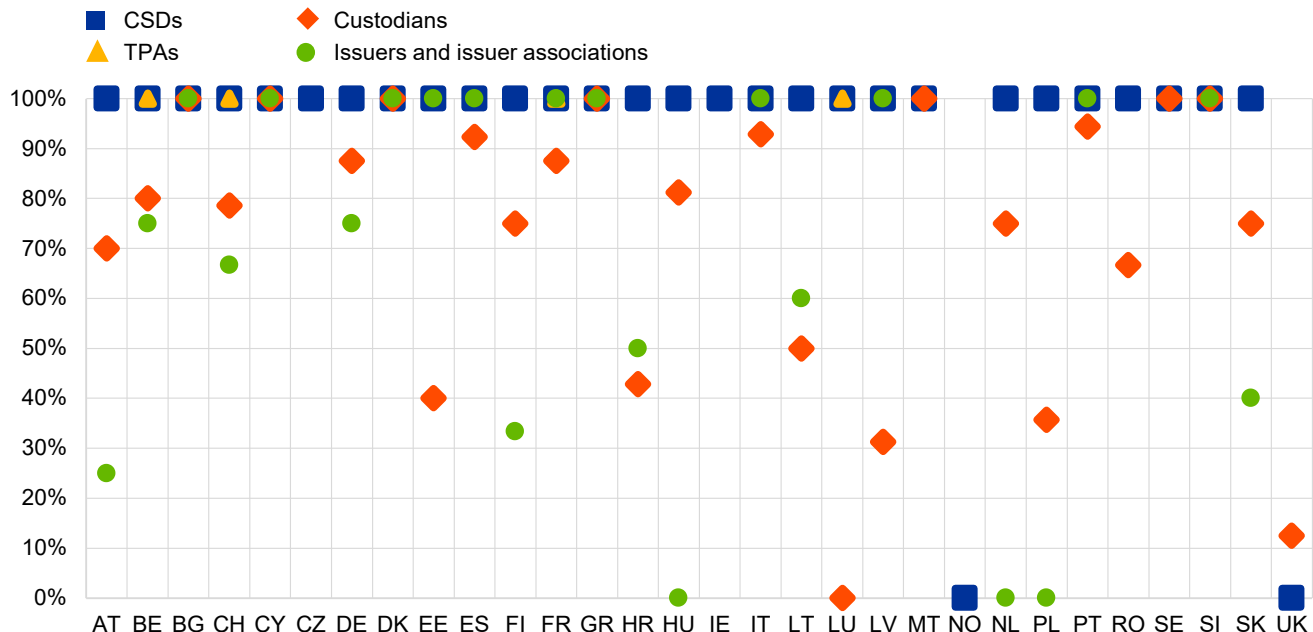
Monitoring SCoRE

Status as at H2 2022

3. SCoREBOARD

Participation

- 29 (out of 30) AMI-SeCo markets participated
- All 7 TPAs participated
- Almost all CSDs participated 36 (out of 38)
- 105 (out of 175+) custodians participated
- 40 issuers participated



3. SCoREBOARD

SCoRE Triparty Collateral Management (TCM) Standards

Current status:

- There have been some delays in the implementation of the TCM Standards. Five TPAs indicated that they are behind schedule in completing their adaptations (Milestone 7) and 2 TPAs are behind schedule for internal testing (Milestone 8).

Expectations:

- Four TPAs will be able to implement the standards on time (Milestone 13) Three TPAs will be compliant shortly after.

	Milestones 1-13												
	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12	M13
BE - BNY Mellon	Yes	Yes	03/23	03/23	09/23	Yes	09/23	Yes	10/23	10/23	10/23	11/23	
BE - Euroclear Bank	Yes	Yes	11/23	11/23	11/23	09/23	11/23	11/23	11/23	11/23	Yes	11/23	03/24
CH - SIX SIS	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
FR - BNP Paribas	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
FR - Euroclear France	Yes	Yes	11/23	11/23	11/23	10/23	11/23	11/23	11/23	11/23	Yes	11/23	03/24
LU - Clearstream Banking	Yes	Yes	Yes	Yes	Yes	Yes	05/23	Yes	06/23	Yes	Yes	Yes	Yes
LU - JP Morgan	Yes	Yes	Yes	Yes	Yes	Yes	11/22	Yes	12/22	Yes	Yes	Yes	Yes



M7	SCoRE Adaptation Complete	By 30/06/2022
M8	Internal Testing Started for SCoRE	By 01/07/2022
M13	SCoRE Standards Implemented	By 20/11/2023

3. SCoREBOARD

SCoRE Billing Processes (BP) Standards

Current status:

- There are delays in the implementation of the BP Standards, regarding the adaptations (Milestone 7) and internal testing (Milestone 8).

Expectations:

- Most CSDs (32 out of 38) will be able to implement the standards on time (Milestone 13).

	Milestones 1-13												
	M 1	M 2	M 3	M 4	M 5	M 6	M 7	M 8	M 9	M 10	M 11	M 12	M 13
AT - Oesterreichische Kontrollbank	Yes	Yes	Yes	Yes	Yes	Yes	06/23	06/23	08/23	10/23	07/23	Yes	Yes
BE - Euroclear Bank	Yes	12/22	12/22	12/22	12/22	Yes	12/22	Yes	02/23	Yes	Yes	Yes	Yes
BE - Euroclear Belgium	Yes	12/22	12/22	12/22	12/22	Yes	12/22	Yes	02/23	Yes	Yes	Yes	Yes
BE - NBB-SSS	02/23	Yes	02/23	02/23	06/23	02/23	02/23	02/23	06/23	Yes	Yes	Yes	Yes
BG - BNBGSSS	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	01/24
BG - CDAD	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
CH - SIX SIS	Yes	02/23	12/22	12/22	04/23	03/23	06/23	08/23	08/23	09/23	09/23	Yes	Yes
CY - Cyprus Stock Exchange	Yes	Yes	12/22	01/23	02/23	Yes	03/23	01/23	06/23	04/23	Yes	Yes	Yes
CZ - CSD Prague	Yes	Yes	03/23	03/23	03/23	Yes	03/23	03/23	03/23	07/23	Yes	Yes	Yes
CZ - SKD	Yes	Yes	12/23	Yes	Yes	Yes	Yes	12/25	12/25	12/25	12/25	12/25	12/25
DE - Clearstream Banking Frankfurt	Yes	Yes	Yes	Yes	Yes	01/23	06/23	03/23	06/23	07/23	07/23	10/23	Yes
DK - Euronext Securities Copenhagen	Yes	Yes	Yes	Yes	Yes	Yes	04/23	Yes	06/23	04/23	06/22	Yes	Yes
EE - NASDAQ	Yes	Yes	Yes	Yes	Yes	Yes	01/23	01/23	04/23	04/23	Yes	Yes	Yes
ES - Iberclear	Yes	Yes	Yes	Yes	Yes	Yes	12/22	01/23	03/23	Yes	Yes	Yes	Yes
FI - Euroclear Finland	Yes	Yes	12/29	12/29	12/29	12/29	12/29	12/29	12/29	12/29	12/29	12/29	12/29
FR - Euroclear France	Yes	12/22	12/22	12/22	12/22	Yes	12/22	Yes	02/23	Yes	Yes	Yes	Yes
GR - BOGS	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
GR - AthexSD	Yes	Yes	12/22	01/23	02/23	Yes	03/23	01/23	06/23	04/23	Yes	Yes	Yes
HR - SKDD	Yes	Yes	Yes	Yes	Yes	Yes	12/22	01/23	02/23	Yes	05/23	Yes	Yes
HU - KELLER	Yes	Yes	12/22	02/23	06/23	Yes	03/23	04/23	08/23	Yes	07/23	Yes	Yes
IE - Euroclear Bank	Yes	12/22	12/22	12/22	12/22	Yes	12/22	Yes	02/23	Yes	Yes	Yes	Yes

Annex: SCoRE CA Standard 12

Agreed procedure for handling of meeting fees

- The details of the general meeting, including the details of the incentive premium or of an early incentive premium, are announced via a meeting notification message (MENO - seev.001).
- Following the announcement of the meeting, the existing market practice of announcing and confirming meeting fees via corporate action messages (CANO and CACO) using the Consent (CONS) CA event will stand.
- In order to clearly identify CONS events relating to the payment of meeting fees, a dedicated additional business process indicator code (INCP) has already been added to the relevant messages (seev.031, seev.035 and seev.036) as part of the 2022 ISO maintenance release.
- The presence of the INCP code - CorpActnNtfctn/CorpActnDtIs/AddtlBizPrclnd/INCP - in the CANO message thus indicates that the CONS event is related to the payment of a meeting fee.
- The CONS event should be linked to the meeting the incentive relates to, with:
 - either a Corporate Action Reference (CORP) equal to the MeetingIdentification in the seev.001 (MENO),
 - or an Official Corporate Action Event Reference (COAF) equal to the IssuerMeetingIdentification in the seev.001 (MENO).
- SCoRE CA Standard 12 will be updated in Q1 2023 to reflect the above-mentioned procedure.