

SCoREBOARD

Corporate Actions – H2 2021





German NSG

The Single Collateral Management Rulebook for Europe (SCoRE) contains 15 Standards related to the processing of corporate actions (published as the [SCoRE Standards for Corporate Actions](#)). Implementation progress is monitored twice per year. This summary report presents the results of the H2 2021 monitoring exercise conducted by the German NSG with the involvement of the following stakeholders:

- 1 CSD – Clearstream Banking Frankfurt
- 1 TPA – Clearstream Banking Frankfurt
- 16 Custodians
- 8 Issuers

26 entities are monitored in the German market

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

SCoRE SINGLE COLLATERAL MANAGEMENT RULEBOOK FOR EUROPE	 Response Rate	 Implementation Status	 Milestone achieved?	 Implemented on Time?
Custodians	94%	Implemented 26.3% Analysis started 30.0% Implementation started 14.9%	38%	88%
Issuers	67%	Yes 31.4% No 51.4%	n/a	n/a
CSD - Clearstream Banking Frankfurt	100%	Implemented 27.1% Analysis started 69.0% Implementation started 0%	No	Yes
TPA - Clearstream Banking Frankfurt	100%	Implemented 0% Analysis started 100% 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.

Executive Summary

The overall implementation of the Corporate Actions Standards in the German market is mostly on track, however, a more detailed view shows a mixed image.

Clearstream Banking Frankfurt as CSD has already implemented 27.1% (as compared to 45.1% in H1 2021) of the corporate action standards. This decrease in compliance is due to the inclusion of several new items requiring compliance under the rulebook. This has required further analysis for the purposes of implementing the full, finalised rulebook with the remaining standards still in the process of such analysis.

For Clearstream Banking Frankfurt as TPA, standard one is the only relevant corporate action standard. All related sub-standards are still in the process of analysis.

Clearstream Banking Frankfurt has not met the current Milestone 3 (Analysis Completed). It will reach this milestone by December 2021. It is also envisaged that Milestones 5 and 7 will also not be achieved according to the timeline specified by the AMI-SeCo. They expect to meet Milestone 5 (Detailed External Communication) by March 2022 and Milestone 7 (SCoRE Adaptation Complete) by September 2022. All other milestones are still on track.

The implementation status of German custodians varies - depending on the specific standard - within the range of between 59% and 88%.

The majority of custodians confirm that they will meet the targets as specified by the AMI-SeCo's milestones.

The majority of issuers confirm awareness of their obligations.

CSD – Clearstream Banking Frankfurt

Clearstream Banking Frankfurt as a CSD is behind schedule. It has already implemented 27.1% (as compared to 45.1% in H1 2021) of the standards. This decrease in compliance is due to the inclusion of several new items requiring compliance under the rulebook. This has required further analysis for the purposes of implementing the full, finalised rulebook with the remaining standards still in the process of such analysis.

Implementation of the Corporate Action Standards in the German market is mostly on track

CBF as CSD is in process of analysing corporate actions standards

Clearstream Banking Frankfurt as a CSD has not met the current Milestone 3 (Analysis Completed) It will reach this milestone by December 2021. It is also envisaged that Milestones 5 and 7 will also not be achieved according to the timeline specified by the AMI-SeCo. They expect to meet Milestone 5 (Detailed External Communication) by March 2022 and Milestone 7 (SCoRE Adaptation Complete) by September 2022. All other milestones are still on track.

TPA – Clearstream Banking Frankfurt

CBF as TPA is in process of analysing the corporate action standards relevant for triparty

Clearstream Banking Frankfurt as a TPA is still in the process of analysing the corporate actions standards relevant to triparty agents.

Clearstream Banking Frankfurt has not met the most recent Milestone 3 (Analysis Completed). It will reach this milestone by December 2021. It is also envisaged that Milestones 5 and 7 will also not be achieved according to the timeline specified by the AMI-SeCo. They expect to meet Milestone 5 (Detailed External Communication) by March 2022 and Milestone 7 (SCoRE Adaptation Complete) by September 2022. All other milestones are still on track.

Custodians

The majority of custodians in the German market have commenced internal analysis

The majority of custodians in the German market have started internal analysis; however, their compliance status provides a mixed picture.

The highest compliance status of 88% is achieved for Standard 4 (Rounding Rule 1 and Rounding Rule 2) and Standard 12. The lowest compliance status of 59% is achieved for Standard 15 (ISO 20022 messaging).

The most recent Milestone 3 (Analysis Completed) has been met by 38%, whilst Milestones 4 and 5 (Documentation Completed and Detailed External Communication) will be met by 50% of custodians. The final Milestone 13 (SCoRE Standards Implemented) will presumably be met by 88% of custodians.

The highest implementation status in the category “already implemented” is achieved for Standard 4 (Rounding Rule 1) with 57%.

Issuers

Vast majority of Issuers confirms awareness of obligation

Issuers were asked to confirm awareness of their obligation to provide all relevant information to the Issuer CSD (on a Yes/No basis). Confirmed awareness by Issuers ranges - depending on the relevant standard – between 0% (Standard 1F Meeting Notification) and 78% (Standard 6 Business Day Rule and Standard 7 – Securities Amount Data Rule 1).

NCB

Deutsche Bundesbank is on track to adopt the AMI-SeCo Standards by November 2023

Deutsche Bundesbank is on track to implement the SCoRE Standards for Corporate Actions for its collateral management activities by November 2023.

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 1¹. Custodians and Issuers 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 and issuers, 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.

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

Table A
SCoREBOARD

STANDARD	Custodians	Issuers	CSD - Clearstream Banking Frankfurt	TPA - Clearstream Banking Frankfurt
1A: Notification	80%	20%	Y	Y
1B: Instruction	79%		Y	Y
1C: Advise	80%		Y	Y
1D: Confirmation	74%		Y	Y
1E: Reversal	78%		Y	Y
1F: Meeting Notification	67%	0%	Y	Y
1G: Meeting Instruction	67%		Y	Y
1H: Meeting Results	65%		Y	Y
2: Calculation of Proceeds	77%	22%	Y	
3: Consistency of Information	71%	11%	Y	
4: Rounding Rule 1	88%	33%	Y	
4: Rounding Rule 2	88%	33%	Y	
4: Rounding Rule 3	81%	44%	Y	
4: Rounding Rule 4	75%	44%	Y	
4: Rounding Rule 5	81%	56%	Y	
5: Negative Cash Flows	75%	22%	Y	
6: Business Day Rule		78%	Y	
7: Securities Amount Data Rule 1		78%	Y	
7: Securities Amount Data Rule 2		56%	Y	
7: Securities Amount Data Rule 3		44%	B	
7: Securities Amount Data Rule 4		44%	Y	
8: Payment Time Rule 1		44%	Y	
8: Payment Time Rule 2		33%	Y	
8: Payment Time General Principle 3		33%	Y	
9: Processing Status	75%	67%	Y	
10: Blocking Rule 1	81%		Y	
10: Blocking Rule 2	75%		Y	
10: Blocking Rule 3	75%		Y	
10: Blocking Rule 4	69%		Y	
10: Blocking Rule 5	63%		Y	
11: Default Option	75%	44%	B	
12: Handling of Fees	88%		Y	
13: Reversal	81%	33%	B	
14: Foreign Currency			B	
15: ISO 20022 Messaging	59%		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.
- TPAs are using custody services provided by CSDs or Custodians in order to disseminate CA information to Collateral Givers and Collateral Takers. Monitoring of TPAs thus focuses on the implementation of triparty specific workflows described in Standard 1.
- 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.
- Issuers were asked to confirm awareness of their obligation to provide all relevant information to the Issuer CSD (on a Yes/No basis). The % reflects the number of issuers who responded yes to the survey
- Percentages are calculated on the basis of expected respondents, i.e. number of entities monitored in the market.
- A plausibility check was performed by the CMH-TF Secretariat.

2 Milestones

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
M1	Analysis Started: 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
M2	Initial Communication: Has initial high-level communication with external stakeholders on the changes introduced by SCoRE commenced?	01/03/2021
M3	Analysis Completed: Have you completed an in-depth analysis of all applicable SCoRE Standards?	31/07/2021
M4	Documentation Completed: 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
M5	Detailed External Communication: 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
M6	SCoRE Adaptation Started: Have you started to adapt/develop the processes and procedures in order to comply with the SCoRE Standards?	01/01/2022
M7	SCoRE Adaptation Complete: Have you completed the necessary adaptations/developments for the processes and procedures in order to comply with the SCoRE Standards?	30/06/2022
M8	Internal Testing Started for SCoRE: 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
M9	Internal Testing Complete for SCoRE: Have you completed the necessary internal testing?	02/12/2022
M10	External Testing Started for SCoRE: 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
M11	Final External Communication on SCoRE: 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
M12	External Testing Completed for SCoRE: 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
M13	SCoRE Standards Implemented: 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 the AMI-SeCo.

Table B
Milestones

	Custodians	CSD - Clearstream Banking Frankfurt	TPA - Clearstream Banking Frankfurt
Milestone 1 June 2020	38%	Yes	Yes
Milestone 2 March 2021	50%	Yes	Yes
Milestone 3 July 2021	38%	12/21	12/21
Milestone 4 December 2021	31%	Yes	Yes
Milestone 5 December 2021	38%	03/22	03/22
Milestone 6 January 2022	44%	Yes	Yes
Milestone 7 June 2022	38%	09/22	09/21
Milestone 8 July 2022	50%	Yes	Yes
Milestone 9 December 2022	56%	Yes	Yes
Milestone 10 December 2022	56%	Yes	Yes
Milestone 11 April 2023	69%	Yes	Yes
Milestone 12 October 2023	81%	Yes	Yes
Milestone 13 November 2023	88%	Yes	Yes

Notes: Actors were asked to report for all milestones, i.e. whether they meet the current milestone (1) and whether they expect to meet the dates for future milestones.

Summary

Milestones will be met by the majority of implementing actors in the German market.

Clearstream as both a CSD and TPA: Milestone 3 (Analysis Completed) be met by December 2021. Milestones 5 (Detailed External Communication) and Milestone 7 (SCoRE Adaptation Complete) will not be achieved as specified by the AMI-SeCo. Instead, Clearstream expects to meet Milestone 5 by March 2022 and Milestone 7 by September 2022. All other milestones remain on track.

Clearstream Banking Frankfurt provided the following information:

“For some questions, answers are not yet known or cannot be provided in set. In this case we have indicated 'still under analysis', 'TBA' or '0%'. Due to the very late adoption of most standards, and the continued discussions on those standards not yet adopted. As a result, we have taken an approach that as our analysis in general is still ongoing, we have provided this answer as default wherever a previous answer was not given.

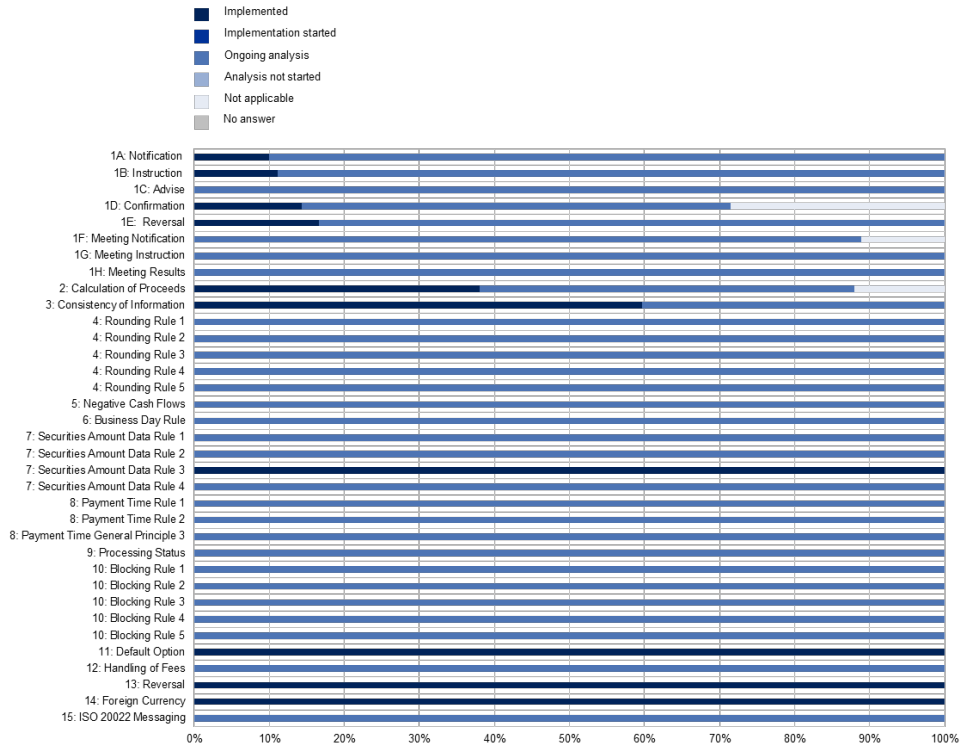
In terms of our overall progress and readiness, we are still analysing the standards and completing our high level business requirements, and intend to start development by 10.01.2022.”

3

Implementation status per SCoRE Standard

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

CSD – Clearstream Banking Frankfurt Implementation status per SCoRE Standard

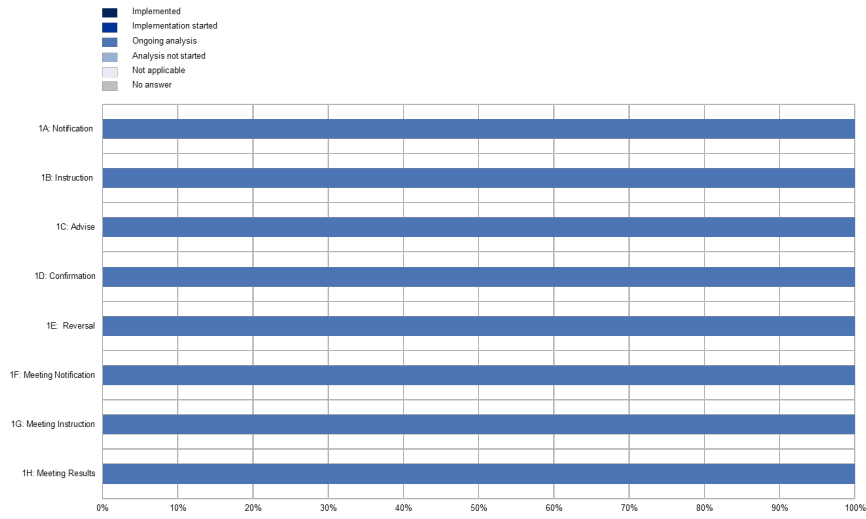


Notes

A plausibility check was performed by the CMH-TF Secretariat.

TPA - Clearstream Banking Frankfurt

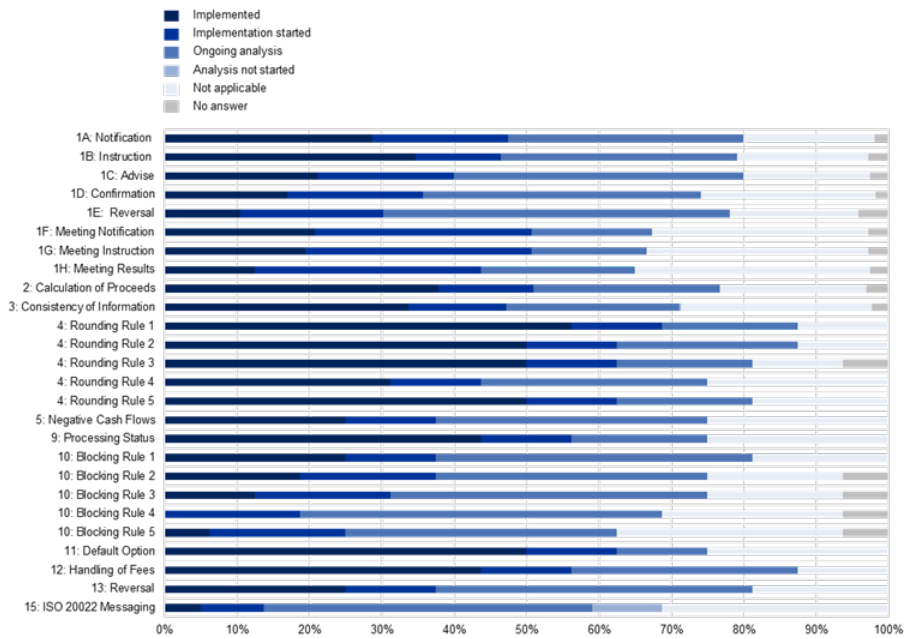
Implementation status per SCoRE Standard



Notes
A plausibility check was performed by the CMH-TF Secretariat

Custodians

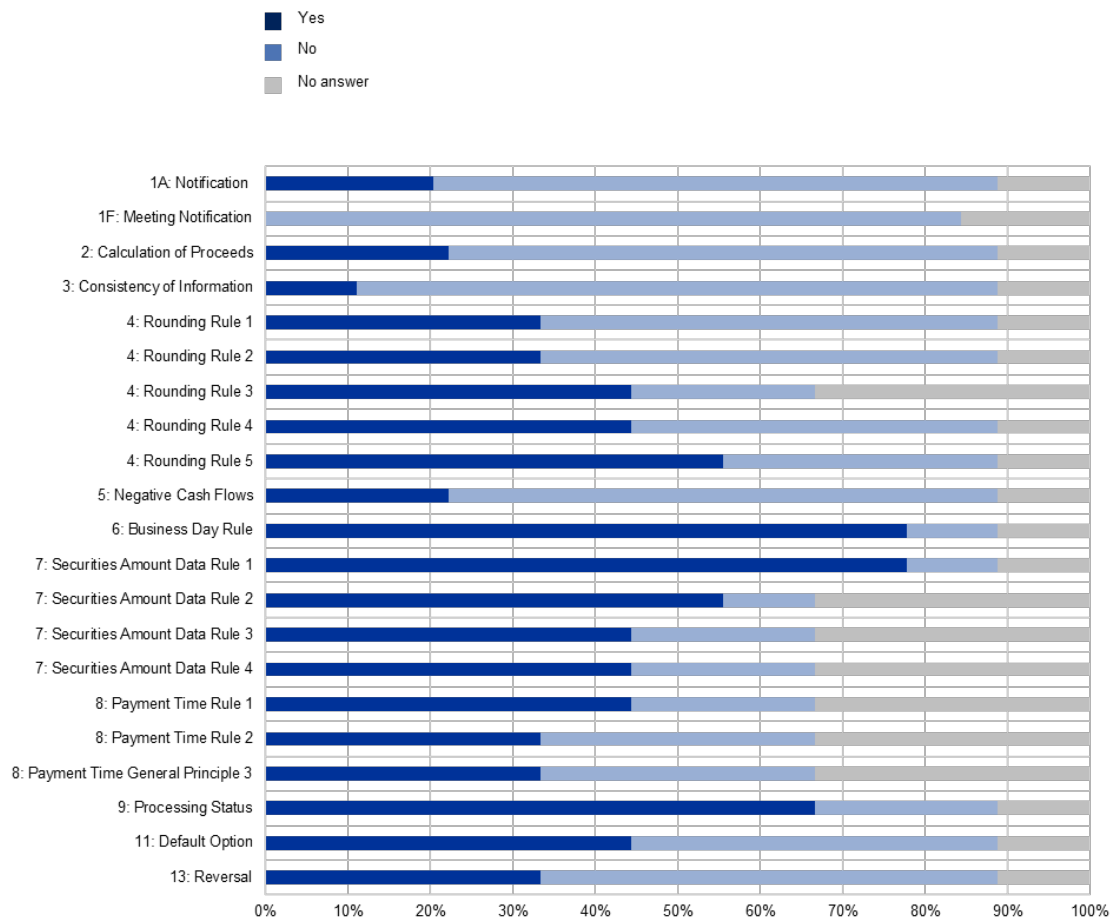
Implementation status per SCoRE Standard



Notes
N/A

Issuers

Fulfilment of obligations 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).