



EUROPEAN CENTRAL BANK

EUROSYSTEM

Status update on T2S Change and Release management

AMI-SeCo



02-03 December 2020

Market Infrastructure Development
DG Market Infrastructures and Payments

Overview

- 1 Releases 4.x
- 2 Releases 5.x
- 3 Releases 6.x
- 4 Releases 7.x
- + Appendix (Approved/proposed scope for upcoming releases)

Releases 4.x (June 2020 – June 2021)

- Release 4.2
 - Deployed on 21 November 2020
 - CR scope : 14 CRs allocated + 14 Production problems + 1 editorial CR
 - CSDR Penalty mechanism (CR-654, CR-715, CR-718, CR-727, CR-728, CR-730)
 - Upgrade of T2S messages to ISO 20022 Maintenance Release 2019 (CR-713) + other CRs with message impacts (CR-684 & CR-695)
 - 4 T2S CRs related to T2-T2S Consolidation (CR-702, CR-703, CR-698, CR-721)
 - Editorial aspects of CR-691 (Recycling period of 60 days for matched instructions)
 - 1 Editorial CR (CR-736)
- Release 4.3
 - Deployment 20 February 2021
 - Scope: 12 Production problems

Releases 5.x (June 2021 – June 2022)

- Release 5.0
 - Deployment 12 June 2021
 - CR scope: 19 CRs approved + 2 CRs under detailed assessment + 10 PPs + 2 editorial CRs
 - 2 CRs (CR-746 and CR-747) introducing new tools as follow-up to the 26th May incident (under detailed assessment)
 - Enhancements to T2S message contents (status updates, reports, allegations, cancellation instructions) (CR-503, CR-615, CR-688, CR-690)
 - Enhancements to T2S cash forecast (CR-556, CR-629, CR-630)
 - 6 CRs related to T2-T2S Consolidation, including CR-710 ‘Daily maintenance window only for urgent changes’ (CR-696, CR-704, CR-708, CR-709, CR-710, CR-729)
 - 3 CRs related to the T2S penalty mechanism (CR-692 (Send status update message upon transition to ‘Failing’), CR-717 (Exemption from Late Matching penalties on settlement instructions created as a result of partially successful buy-ins), CR-738 (Bypass check on issuance account for PFODs on a multi-issued ISIN))
 - CR-383 (Possibility of submitting already matched cross-CSD settlement instructions)
 - CR-681 (T2S should allow updates of securities data with an issue date lower than current date)
 - CR-722 (Upgrade of non-repudiation of origin service for U2A)
 - 2 editorial CRs (CR-743, CR-744)

Releases 5.x (June 2021 – June 2022) (continued)

- Release 5.1
 - Deployment 18 September 2021
 - Scope: 1 Production problem
- Release 5.2
 - Deployment 20 November 2021
 - CR scope: 8 CRs + 2 CRs currently under detailed assessment
 - 1 CR related to the T2S Penalty Mechanism (CR-745) under detailed assessment
 - 7 CRs related to auto-collateralisation and ECMS (CR-384, CR-436, CR-530, CR-572, CR-574, CR-680, CR-714)
 - 2 CRs related to the T2-T2S Consolidation Project (CR-697, and CR-734 (under detailed assessment)
- Release 5.3
 - Deployment 19 February 2022
 - Scope: Fixes for production problems

Releases 6.x (June 2022 – June 2023)

- Release 6.0
 - Deployment 11 June 2022
 - With R6.0, T2S will start using the 6 common components (i.e. software components that are or will be used also by other TARGET Services):
 - ESMIG (connectivity later)
 - CRDM (reference data)
 - BILL (billing)
 - BDM (business day manager)
 - DWH (data warehouse)
 - LEA (legal archiving)
 - CR scope potentially includes (tbc by detailed assessments):
 - 7 CRs related to T2-T2S Consolidation, including the migration of T2S to the new connectivity layer ESMIG (CR- 699, CR-700, CR-701, CR-705, CR-706, CR-707, CR-720)
 - 3 CRs enhancing the elements available in T2S messages/screens (CR-611, CR-620, CR-726)
 - 3 CRs enhancing the processing of instructions sent to T2S (CR-557, CR-741, CR-742)
 - CR-720 (Optional inbound liquidity transfer in case of negative NCB account balance at liquidity cut-off)
- Release 6.1
 - Deployment September 2022
 - Scope: Fixes for production problems

Releases 6.x (June 2022 – June 2023) (continued)

- Release 6.2
 - Deployment November 2022
 - Context: The go-live of the T2-T2S Consolidation project is now scheduled in November 2022
 - The changed timeline of the T2-T2S Consolidation project had only minor impacts on T2S release planning
 - Reallocation of CR-697 from R5.0 to R5.2, modified sequence of migration to BILL common component
 - CR-701 (ESMIG) modified for communication between TARGET2 and T2S from June to November 2022
 - As planned, T2S will have started using all common components from June 2022
- Release 6.3
 - Deployment February 2023
 - Scope: Fixes for production problems

Releases 7.x (June 2023 – June 2024)

- Release 7.0
 - Deployment June 2023

- Release 7.1
 - Deployment September 2023
 - Scope: Fixes for production problems

Releases 7.x (June 2023 – June 2024) (continued)

- Release 7.2
 - Deployment November 2023
 - Context: The go-live of the ECMS project is now scheduled in November 2023

- Release 7.3
 - Deployment February 2024
 - Scope: Fixes for production problems

Appendix

Background information

Background information

- Last published ranking of authorised Change Requests
 - https://www.ecb.europa.eu/paym/target/t2s/governance/pdf/crg/t2s_cr_ranking.pdf
- Last published versions of T2S Change Requests
 - <https://www.ecb.europa.eu/paym/target/t2s/governance/html/changerequests.en.html>
- Approved/proposed scope for upcoming T2S releases (CRs only)
 - Next slides
- Overview of deployment of T2S CRs related to T2-T2S Consolidation
 - Slide 19

Release 4.2 Deployed to Production on 21/11/2020

- Approved CRs

CR	Title
T2S-0654-URD	T2S Penalty Mechanism
T2S-0684-SYS	Handling for outbound messages with amounts exceeding 15 digits
T2S-0691-URD	Recycling period of 60 days for matched instructions
T2S-0695-SYS	Trade date to become mandatory within a settlement instruction (sese.023)
T2S-0698-SYS	T2-T2S Consolidation Business Day Management
T2S-0702-SYS	T2-T2S Consolidation will require an internal communication within the consolidated platform
T2S-0703-SYS	Camt.050 exchanged between T2S and CLM
T2S-0713-SYS	Alignment of T2S Messages with ISO Standards Release 2018 – 2019 and migration to ISO registered versions

CR	Title
T2S-0715-URD	Optimisations to the T2S Penalty Mechanism's (CR654) user requirements
T2S-0718-URD	Daily provision of Euro Foreign Exchange Rates for the penalty mechanism
T2S-0721-SYS	Common Reference Data Management for T2-T2S Consolidation – Reused Objects
T2S-0727-URD	Removal of ISO transaction code "REDM" as exemption from the T2S Penalty Mechanism (CR654) T2S must be able to identify, store, and report settlement information related to settlement instructions created as a result of partially successful buy-in
T2S-0728-SYS	
T2S-0730-SYS	Securities Subject to Penalties: allow setting Valid To equal to the current business day -1
T2S-0736-SYS	Multiplex Editorial Change Request on UDFS and UHB (for R4.2)

Release 5.0

- Approved CRs

CR	Title
T2S-0383-URD	Possibility of submitting already matched cross-CSD settlement instructions
T2S-0503-SYS	T2S Actor Reference and T2S Reference of counterparty's settlement instruction should be included in T2S messages sese.024, sese.025 and sese.032 after matching
T2S-0556-SYS	Modification of cash forecast for the current and following business day after DVP cut-off
T2S-0615-SYS	Enrich values in "Transaction activity field" of the "Securities Transaction Posting Report (semt.017)", of the "Securities Transaction Pending Report (semt.018)" and in "Bank Transaction Code" in the "End of Day Account Statement (camt.053)" with all ISO20022 codes
T2S-0629-SYS	Enhance Cash Forecast Query and Report to display CORP related cash movements separately
T2S-0630-SYS	Cash forecast: skip cash closing days and introduce breakdown per Hold/Released status
T2S-0681-SYS	T2S should allow updates of securities data with an issue date lower than current date
T2S-0688-SYS	Enhanced reporting of cancellation reason codes
T2S-0690-SYS	Unprune fields in settlement allegements

Release 5.0

- Approved CRs

CR	Title
T2S-0692-SYS	Send status update message upon transition to 'Failing'
T2S-0696-SYS	Common Reference Data Management for T2-T2S Consolidation – New objects
T2S-0704-SYS	CRDM Business Interface development
T2S-0708-URD	Allow Liquidity Transfers from a T2S DCA to a RTGS or TIPS DCA (including CB accounts)
T2S-0709-URD	Make the mandatory automated cash sweep at 17:45 optional
T2S-0710-URD	Daily maintenance window only for urgent changes
T2S-0717-URD	T2S penalty mechanism: exemption from LMFP on settlement instructions created as a result of partially successful buy-ins
T2S-0722-BFD	Upgrade of NRO service for U2A
T2S-0729-SYS	Extend the maximum length of references to 35 characters for T2S liquidity transfers in EUR and ensure valid cross-service LTs with camt.050 changes
T2S-0738-SYS	Bypass check on Issuance account for PFODs on a multi-issued ISIN
T2S-0743-BFD	Editorial updates to the GUI Business Functionality Document (related to CR-653, CR-654, CR-722 and CRG-PBR-0022)
T2S-0744-SYS	Multiplex Editorial Change Request on DMT, GFS, UDFS and UHB (for R5.0)

Release 5.0

- CRs under detailed assessment

CR	Title
T2S-0746-SYS	Mitigation measures for missing partial settlements and new COLGEN and AID tools for the T2S Operator
T2S-0747-SYS	NTS cash contingency cases management- new CASHGEN tool

Release 5.2

- Approved CRs

CR	Title
T2S-0384-SYS	A2A message to make securities ineligible for auto-collateralisation
T2S-0436-URD	Client-collateralisation: allow payment banks to set up their own list of close links
T2S-0530-URD	One close link database for Eurosystem NCBs and separate database per non-EUR currency
T2S-0572-SYS	A2A message to remove close links
T2S-0574-URD	Applying additional haircuts to own-used assets in T2S auto-collateralisation
T2S-0680-SYS	T2S should allow ECMS to receive flat file statement of holdings, transactions and pending instructions at the level of securities accounts
T2S-0697-SYS	Billing common component for T2S
T2S-0714-SYS	T2S should allow ECMS to receive the notifications of relocation instructions (sese.032 and sese.025)

Release 5.2

- CRs under detailed assessment

CR	Title
T2S-0734-SYS	Allow 18 digits (of which max 2 decimals) in Amount fields of messages camt.004, camt.052, camt.053
T2S-0745-URD	T2S penalty mechanism must provide increased flexibility for the penalty computation currency in case of FOP instructions

Release 6.0

- CRs under detailed assessment

CR	Title
T2S-0557-SYS	Skip validations on minimum settlement unit (MSU) and settlement unit multiple (SUM) for settlement instructions related to Market Claims and Transformations
T2S-0611-SYS	Cash Account Postings GUI Screen to include the T2S Actor References
T2S-0620-SYS	Allow CSDs to query for all positions in a given security via T2S GUI
T2S-0699-SYS	Decommissioning LTSL, scope and definition of queries and reports and access specifications to Data Warehouse functionalities
T2S-0700-SYS	Legal Archiving common component for T2S
T2S-0701-SYS	ESMIG impact on T2S

CR	Title
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-0720-URD	Optional inbound liquidity transfer in case of negative NCB account balance at liquidity cut-off
T2S-0726-SYS	No redundant status update on instructions pending due to counterparty hold
T2S-0741-SYS	Enable settlement of custody-related settlement restrictions in NTS Sequence 1
T2S-0742-SYS	Enable PFOD for external CSD settlement

T2S perspective on the T2-T2S Consolidation roll-out: overview as of 19 November 2020

R4.0 (Jun 2020) R4.2 (Nov 2020) R4.3 (Feb 2021) R5.0 (Jun 2021) R5.1 (Sep 2021) R5.2 (Nov 2021) R5.3 (Feb 2022) R6.0 (Jun 2022) R6.1 (Sep 2022) R6.2 (Nov 2022) R6.3 (Feb 2023) R7.0 (Jun 2023)

					ESMIG & CC	CSLD go-live	
ESMIG (Connectivity)					CR701		
CRDM (Reference data)	CR-719	CR-721	CR696, CR704		CR705	RTGS → CLM a/c	
BILL (Billing)				CR697	CR706		
BDM (Business day)		CR698			CR707		
DWH (Historical data)					CR699		
LEA (Legal archiving)					CR700		
T2-T2S communication		CR702, CR703	CR-729	CR734			
Liquidity management			CR629, CR708, CR709			EUR cash sweep decommissioned	
Maintenance window			CR710				