

SCoREBOARD

Triparty Collateral Management – H2 2021

French NSG






The Single Collateral Management Rulebook for Europe (SCoRE) contains 17 Standards related to triparty collateral management (published as the [SCoRE Standards for Triparty Collateral Management](#)). Implementation progress is monitored twice per year. This summary report presents the results of the H2 2021 monitoring exercise conducted by the French NSG with the involvement of the following stakeholders:

There are two TPAs monitored in the French market

- 2 TPAs – BNP Paribas and Euroclear France

The SCoRE Overview provides a high-level summary of the H2 2021 monitoring exercise.

SCoRE Overview

 <small>SINGLE COLLATERAL MANAGEMENT RULEBOOK FOR EUROPE</small>	 Response Rate	 Implementation Status	 Milestones achieved?	 Implemented on Time?
TPA - BNP Paribas	100%	Implemented 8.57% Analysis started 62.8% Implementation started 14.2%	Yes	Yes
TPA - Euroclear France	100%	Implemented 22.8% Analysis started 51.4% Implementation started 25.7%	No	No

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. 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 two reporting entities fully responded to the survey in a timely manner. The French NSG secretariat continues its close follow-up on triparty standards for the months to come in order to ensure the timely implementation of future milestones.

This section presents the key findings of the survey for each entity type.

TPA – BNP Paribas

BNP Paribas (BNPP) has fully completed the monitoring survey in a timely manner. 8.57% of the TPA standards have already been implemented, and 14.2% are under implementation, while analysis has started for 62.8% of them. Out of the 17 sets of standards gathered in the SCoREBOARD, 3 have been fully implemented (blue), 5 are on schedule for implementation (green) and 6 are behind schedule (orange). The 3 remaining standards are deemed non-applicable to BNPP as this triparty agent is not involved in the collateralisation of Eurosystem central bank credit operations.

In addition, BNPP expects to meet all the next implementation milestones on time.

As a result, BNPP is expected to be fully compliant with the standards by November 2023.

TPA – Euroclear France

Euroclear France has completed the monitoring survey in a timely manner. 22.8% of the TPA standards have already been implemented and 25.7% are under implementation. For 51.4% analysis has started. Euroclear France has reported during the previous monitoring that adaptations are still required to support the new ISO 20022 messaging format for Triparty collateral management and certain Triparty processes specific to central banks.

Out of the 17 sets of standards gathered in the SCoREBOARD, 5 have been adopted (blue), 2 are on schedule for implementation (green) while 10 are not on schedule (yellow). This is a significant update as compared to H1 2021 where 3 standards were fully implemented and 12 were deemed on schedule. Indeed, for standards 2 to 11 to be assigned full compliance/on track, all the data elements and the ISO 20022 messaging need to be implemented.

During the H1 2021 monitoring, Euroclear France explained its decision to prioritise all the necessary adaptations to secure the continuity of its Floating Collateral Management service by November 2023. Given its operational dependency to Euroclear Bank, and in the light of the forthcoming connection of the latter to T2S,

Implementation of the Triparty Collateral Management Standards in the French Market is generally on track

BNP Paribas implementation is on schedule. This entity expects to meet all dates of future implementation milestones by November 2023.

Euroclear France is not on track to complete all the milestones; compliance with the Single Triparty Model will be achieved after November 2023.

Euroclear France will not implement the Single Triparty Collateral Management model (STM) by November 2023. It plans to provide a detailed adaptation plan for the latter by 2023.

CCPs

LCH SA, the French CCP, has not already started adaptations to relevant triparty standards

CCPs are monitored in their role as users of Triparty Collateral Management Services. As such, they are assessed on their ability to communicate with their TPAs using ISO 20022 messaging. Hence, in 2021, the Banque de France Oversight division questioned LCH SA regarding its expected adaptation to the ISO 20022 messaging format. While LCH SA is aware of the existence of triparty standards and has initiated talks with Euroclear France on the topic, the CCP confirmed that it has not yet started the related adaptations in 2021.

NCB

Banque de France will adopt the Single Triparty Model in November 2023,

Banque de France is on track to implement the SCoRE standards for Triparty Collateral Management by November 2023.

SCoREBOARD

This section presents the overall compliance status in the market. TPAs are monitored on an individual basis and are assigned a colour-code status in accordance with the methodology outlined in Box 1¹.

Box 1

SCoREBOARD – Implementation Phase



SINGLE COLLATERAL MANAGEMENT RULEBOOK
FOR EUROPE

- 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
-

Notes N/A

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

Table A
SCoREBOARD

STANDARD	TPA - BNP Paribas	TPA - Euroclear France
1: ISO 20022 messaging	Y	G
2: Initiation	G	Y
3: Increase	G	Y
4: Decrease	Y	Y
5: Revaluation	G	Y
6: Cancellation	Y	Y
7: Unilateral removal	Y	Y
8: Reporting on flows	G	Y
9: Reporting on stocks	G	Y
10: Closure	Y	Y
11: Handling of CA	N/A	Y
12: Partial settlement	B	B
13: Reference data	Y	G
14: Usage of baskets	B	B
15: Future dated	B	B
16: Operating hours	N/A	B
17: Cut-off Times Rule 1	N/A	B
17: Cut-off Times Rule 2	N/A	B
17: Cut-off Times Rule 3	N/A	B
17: Cut-off Times Rule 4	N/A	B

Notes:

- For TPAs the colour-code reflects the current implementation status of each Standard in accordance with the methodology outlined in Box 1 above.
- 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 AMI-SeCo.

Table B
Milestones

	TPA - BNP Paribas	TPA - Euroclear France
Milestone 1 June 2020	Yes	/
Milestone 2 March 2021	Yes	/
Milestone 3 July 2021	Yes	/
Milestone 4 December 2021	Yes	/
Milestone 5 December 2021	Yes	/
Milestone 6 January 2022	Yes	/
Milestone 7 June 2022	Yes	/
Milestone 8 July 2022	Yes	/
Milestone 9 December 2022	Yes	/
Milestone 10 December 2022	Yes	/
Milestone 11 April 2023	Yes	/
Milestone 12 October 2023	Yes	/
Milestone 13 November 2023	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

BNP Paribas have met all expected milestones to-date, and plan to reach all future ones on-time in line the ECMS go-live in November 2023.

As explained in the executive summary, Euroclear France will not implement the Single Triparty Model by the November 2023 deadline due to its operational dependency on Euroclear Bank. The dates upon which Euroclear France will meet the SCoRE milestones, including a potential final implementation date, are unknown until its updated implementation plan is issued.

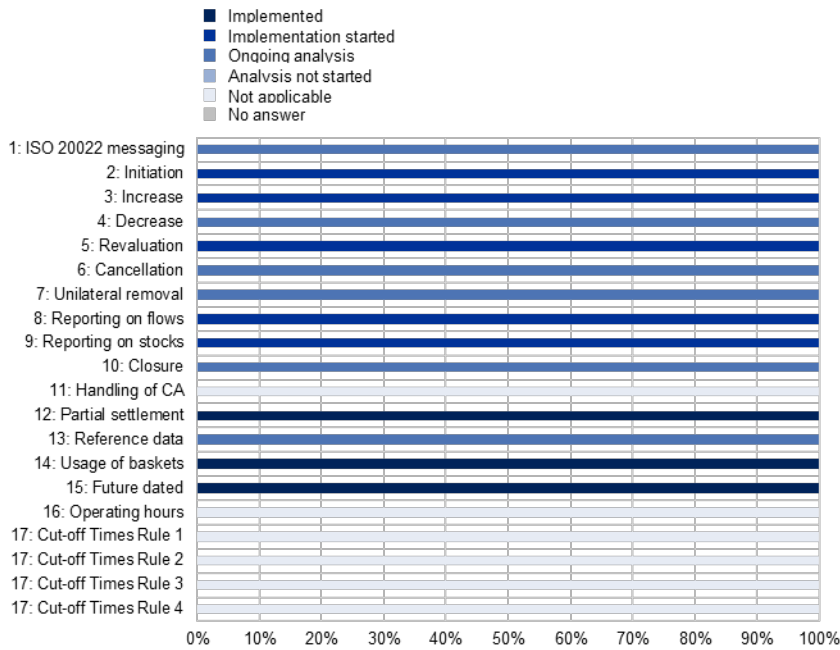
3

Implementation status per SCoRE Standard

This section presents the implementation status of each Standard.

TPA - BNP Paribas

Implementation status per SCoRE Standard

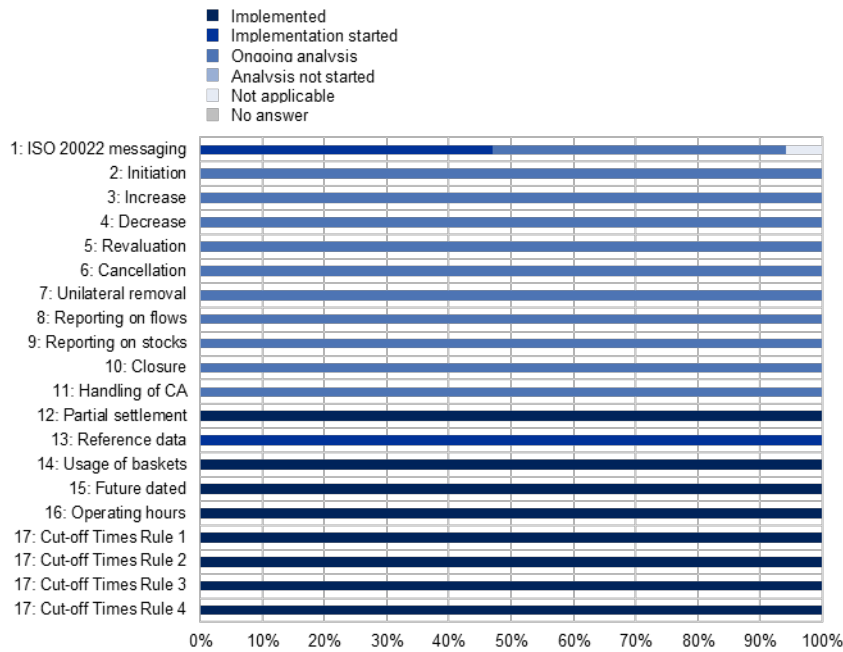


Notes

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

TPA - Euroclear France

Implementation status per SCoRE Standard



Notes

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

© European Central Bank, 2022

Postal address 60640 Frankfurt am Main, Germany
Telephone +49 69 1344 0
Website www.ecb.europa.eu

All rights reserved. Reproduction for educational and non-commercial purposes is permitted provided that the source is acknowledged.

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).