



17 October 2017

SUMMARY OF THE 21th MEETING OF THE T2S DCP GROUP

Held in Bolsa de Madrid, Plaza de la Lealtad, 1, 28014 Madrid, 10 October 2017

0. Welcome and approval of the agenda

Mr. Topa (Chairperson) welcomed the participants who subsequently approved the agenda for the meeting.

1. Review and update of recent issues

1.1 DCP consolidated list

Mr. Topa informed the members of the DCPG that the DCP's consolidated list of DCP declarations was stable after the migration of the final wave. He further mentioned that the list could be considered as complete, waiting for the inclusion of DCPs with the migration of the Danish National Bank with the Danish Krone.

1.2 DCPG Mandate

Mr. Topa introduced the DCPG Mandate topic and opened the discussion with the DCPG members on the amendment of the DCPG Mandate. There was general consensus to extend the DCPG Mandate beyond the end of the T2S migration phase and, consequently, the DCPG members agreed to amend the DCPG Mandate to include further DCPG participation on T2S operational issues and communication channels. It was further agreed to provide the revised version of the DCPG Mandate to the upcoming CSG meeting in November 2017 and shortly after to the AMI.SeCo and the Market Infrastructure Board for T2S, for their endorsement.

Follow-up: *The DCPG agreed to provide comments to the draft of the revised DCPG Mandate by close of business 30 October 2017 to the DCPG Chairperson, Mr Topa, and the DCPG mailbox.*

2. Information from other T2S groups, CBs and CSDs

The DCPG members are invited to take note of the information provided in this section, originating from other T2S groups, CBs and CSDs activities on items that are also relevant for the DCPs.

2.1 CRG update

Mr Weidner (ECB CRG) debriefed the DCPG members on the outcome of the CRG discussions in the teleconference on 27 September 2017 and informed that no changes on the baseline scope for release 2.0 for deployment in June 2018 were confirmed since the last report to the DCPG. He further mentioned that release 3.0 will include a large block of CRs related to CSDR and the upgrade of T2S messages to a newer ISO20022 version; finally he noted that the 4CB have provided four detailed assessments which will be discussed in the next CRG meeting.

In the CRG teleconference a discussion was held about which CRs in the back log should be sent to 4CB for their detailed assessment. DCPG was informed that within this context the 4CB indicated that for a second set of CRs potentially to be considered for R3.0 they would only have capacity to assess and implement CRs which do not impact certain modules of T2S. Although the CRG members recognised the constraints currently faced by the 4CB team, they were of the view that as a matter of principle and also in line with the CR ranking methodology, CRs should be assessed as per the ranking assigned by the CRG members.

The following information was provided to the DCPG regarding other CRs:

- CR613 RTS outbound message bundling, the 4CB will present in the next CRG meeting some background information from a technical perspective.
- CR664 population of the Legal Entity Identifier (LEI) in the field in T2S. Due to diverging views in the CRG on the LEI market practice defined by the AMI-SeCo, further discussions are needed in the XMAP (CR initiator).
- CR667 T2S to send a camt.019 final message after the night-time settlement file bundling shall report zero files, the detailed assessment of the CR will be discussed in the next CRG meeting with the aim of inclusion into R2.0 potentially.

Mr Weidner informed that the issue on INC204308 (Back-to-back transactions in partial settlement) is still open and that discussions will be continued in the CRG as soon as the initiator of the issue has provided further information. DCPG was also informed that in the next CRG meeting (23 October) they will discuss how the issue of low performance of the T2S GUI shall be documented, as it appears that the GUI was not prepared for the high use. In view of the 4CB the User Handbook should be amended with a chapter on the limitations on the high usage of the GUI.

2.2 Information from the Harmonisation Steering Group

The DCPG members were debriefed by Mr Terol that a new version of the Catalogue of restriction rules will be provided and that, since there are market practices that cannot be valued with the current indicators, the cross-CSD activity report will be modified to include an expanded range of cross-CSD activity indicators. .

Mr Terol informed the DCPG members that the Harmonisation Steering Group discussed the need to indicate a “red” status on the harmonisation standards on opening days in T2S, if the markets are open on Good Friday, Easter Monday and May 1st. The Eurosystem is reviewing a possible non-harmonisation issue between T2S and T2 opening days.

2.3 Information from Central banks

The Central Bank representatives had no comments to share with the DCPG members.

2.4 Information from CSDs

CSDs representatives will share with the DCPG member's information about relevant recent developments.

2.4.1 T2S Release Management process

Due to time constraints the CSDs could not present this agenda item. However, they will inform the DCPG members on the release deployments procedure, including a presentation on the release management process in the next DCPG meeting in November.

2.4.2 CSD communication to the DCPs on T2S Issues

Mr Topa invited the DCPG member to discuss the communication topic between the CSDs and DCPs on T2S issues that are relevant to DCPs. Ms Amend proposed to have monthly conference calls between CSDs and DCPs to discuss relevant items with the intention of optimising the communication flow and avoid any possible misunderstandings and miscommunications that could have occurred so far, which was agreed. Mr Pattyn also suggested sharing information that is sent to the CSG with the DCPs.

Mr Topa further suggested that there should be two DCP representatives (him and another person) in the conference calls and invited the DCPs to propose the other person.

The DCPG representatives appreciated and thanked the CSDs on such a constructive approach.

Follow-up: *The DCPs are invited to propose a person that will join Mr Topa in the conference calls with the CSDs.*

2.4.3 Re-certification and re-authorisation of DCP actors

Due to time constraints the members of the DCPG were not able to discuss and review the future requirements for re-certification and re-authorisation of DCP actors (harmonised definitions for all CSDs and NCBs). The DCPG members will discuss this agenda item in the next DCPG meeting in November 2017.

3. Information from DCPs

The DCPG members are invited to take note of the information provided in this section, originating from other DCPs activities on items that are also relevant for all DCPs.

4. Open Issues Register

Mr Topa informed the DCPG members that based on a request from ABN AMRO concerning a single communication, the DCPG members agreed to open a new item "A.14" in the DCPG Open Issue Register as follows: A.14 - *Communication enhancements between CSDs/NCBs (T2S) and DCPs/DCAHs on topics that are of specific interest for the DCPs.* With this open issue the DCPG should find a way to improve the communication for the DCPs, topic which is in line with agenda item 2.4.2 – "CSD communication to the DCPs on T2S Issues". Mr Topa further informed the DCPG members that we are at

the end of the T2S migration phase and some category "B" items of the open issues are completed and can be closed, such as:

- B.11 Publication of pricing
- B.14 Bulk-release functionality for pending auto-collateralisation instructions

The open issues that remain open are the following:

- A.13 (pending discussion in next DCPG meeting in November 2017 as per agenda item 2.4.3 above) - Definition of the T2S re-certification process for DCPs
- A.14 (New referenced above agenda item 4) Communication enhancements between CSDs/NCBs (T2S) and DCPs/DCAHs on topics that are of specific interest for the DCPs
- B.1 Settlement finality and Insolvency Procedures
- B.2 Settlement Discipline
- B.5 Portfolio transfers

The register will be updated and published on the ECB website

5. Miscellaneous

5.1 Any Other Business

Mr Topa mentioned that the next DCPG meeting will be held after the CSG meeting in November 2017.

5.2 Future DCPG meetings (suggested dates with CSG)

- 29 November 2017 (CSG - Tallinn)