General Information (Origin of Request)		
☐ User Requirements (URD)		
☒ Other User Functional or Technical Documentation (SYS)		
Request raised by: Deutsche Bundesbank on behalf of the German NUG	**Institute:** Central Bank	**Date raised:** 24/07/2015
Request title: Alignment of U2A and A2A cash forecast information		**Request ref. no:** T2S 0540 SYS
Request type: Common	**Urgency:** Normal	
1. Legal/business importance parameter: High	**2. Market implementation efforts parameter:** Medium	
3. Operational/Technical risk parameter: Low	**4. Financial impact parameter:** Medium	
Requestor Category: Central Bank	**Status:** Authorised at steering level	

Reason for change and expected benefits/business motivation:

The U2A cash forecast separately displays the sum of the pending cash movements which debit a T2S DCA of the party and those that credit a T2S DCA of the party.

This is reflected in the chapters 2.3.1.1 (Cash Forecast – Search/List Screen) and 2.3.1.2 (Cash Forecast – Details Screen) of the UHB v2.0: On these screens,

- the position "Impacted – to be debited" shows the sum of the pending cash movements which debit a T2S DCA of the party and have an intended settlement date earlier than or equal to the intended settlement date used for the calculation of the cash forecast and

- the position "Impacted – to be credited" shows the sum of the pending cash movements which credit a T2S DCA of the party and have an intended settlement date earlier than or equal to the intended settlement date used for the calculation of the cash forecast.

The separate display of the sum of pending cash movements that debit and credit a DCA is valuable information for the Payment Banks with regard to their liquidity management.

The A2A cash forecast – both camt.004 as Cash Forecast Query Response and camt.052 as Current Settlement Day Cash Information Report or Following Settlement Day Cash Forecast Report – only displays the sum of pending cash movements in general without separately displaying the sum of debits and credits. This is in line with the user requirement T2S.14.890 ("Cash forecast query") which states that per T2S DCA "the sum of liquidity transfer orders" should be calculated.

The U2A and A2A cash forecast information should be aligned. Payment Banks would considerably profit from getting consistent cash forecast information in U2A and A2A, i.e. it would be very beneficial for the Payment Bank's liquidity management to separately display the sum of pending cash movements that debit and credit a DCA also in A2A.

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Description of requested change:

Align the U2A and A2A cash forecast information with regard to the display of pending cash movements: As implemented for the U2A cash forecast, the A2A cash forecast should also separately display the sum of pending cash movements that debit and credit a DCA.

In case it is possible to update the A2A message accordingly it is the preferred option to include the information of the cash forecast in the following pieces:

- "to be debited (LT)"
- "to be debited (SI)"
- "to be credited (SI)"

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Submitted annexes / related documents:

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Proposed wording for the Change request:

<u>**UDFS:**</u>
For Liquidity Management:
1.6.2.7.3 Liquidity monitoring process (page 631 f):
(…)
Current Settlement Day Cash Information Report:
change text: "(…) <u>debiting</u> liquidity transfer orders and <u>debiting and crediting</u> Settlement Instructions still to be settled (aggregated over all restriction types) (…)

For Query Management:
3.3.3.2.3 camt.004 - The message in business context:
Message usage: Cash Forecast Query Response (page 1066 ff)

In section "For each T2S Dedicated Cash Account information on cash balance, on the T2S Dedicated Cash Account:" change the following bullet point:

- <u>Debiting</u> Liquidity transfer orders <u>as well as debiting</u> and <u>crediting</u> Settlement Instructions, which are accepted, matched and not cancelled but unsettled, which would be effective on the cash balance on the T2S Dedicated Cash Account;

Specific message requirements
Balance type code specifying the nature of the balance: CRAC, LTCA, PCCA, SICA, SUPA, TCCA,<u> SIDA</u>

Message usage example: camt.004.001.05_T2S_CashForecastQueryResponse_Example.xml
This example illustrates a Cash Forecast Query Response which reports on balances of available cash on the T2S Dedicated Cash Account, Outstanding Intraday Credit and liquidity transfer orders and settlement instructions which would be effective on the available cash balance on the T2S Dedicated Cash Account, with the following values:
- ~~TCCA (available balance): 6.000.000 (Credit)~~
- ~~CRAC (outstanding credit): 70.000.000 (Debit)~~
- ~~LTCA (sum of all liquidity transfer orders): 20.000.000 (Debit)~~
- ~~SICA (sum of all settlement instructions): 30.000.000 (Credit)~~
- ~~PCCA (projected balance): TCCA+LTCA+SICA: 16.000.000(Credit)~~
- ~~SUPA (Sum of projected balance + amount of outstanding intraday credit from auto-collateralisation)~~
- ~~SUPA=PCCA+CRAC: 16.000.000-70.000.000=54.000.000 (Debit)~~

- TCCA (available balance): 6.000.000 (Credit)
- CRAC (outstanding credit): 70.000.000 (Debit)
- LTCA (sum of all <u>debiting</u> liquidity transfer orders): 20.000.000 ~~(Debit)~~
- SICA (sum of all <u>crediting</u> settlement instructions): 30.000.000 ~~(Credit)~~
- <u>SIDA (sum of all debiting settlement instructions): 10.000.000</u>
- PCCA (projected balance): TCCA+SICA-LTCA-SIDA: 6.000.000 (Credit)
- SUPA (Sum of projected balance + amount of outstanding intraday credit): 64.000.000 (Debit)

For Report Management:
3.3.3.15 BankToCustomerAccountReportV03 (camt.052.001.03)
Message usage: Current Settlement Day Cash Information Report (page 1130 ff)
The following fields can be provided by the Current Settlement Day Cash Information Report:
- <u>Debiting</u> Liquidity transfer orders <u>as well as debiting</u> and <u>crediting</u> Settlement Instructions, which are accepted, matched but unsettled, and which would be effective on the cash balance on the T2S Dedicated Cash Account on the current settlement day,

Message usage example: camt.052.001.03_T2S_CurrentSettlementDayCashInformationReport_Example.xml
In this example a Current Settlement Day Cash Information Report is sent to a CB (NCBBICTS) or Payment bank

(TSSPARTYA20). The T2S Dedicated Cash Account (T2S30000099) is nominated in EUR, the current settlement day is: 2013-10-13~~., the available cash balance: 1.000.000,00 EUR, the amount of outstanding intraday credit: 300.000,00 EUR, sum of projected cash balance on the T2S dedicated cash account: 900.000.00 EUR, liquidity transfer orders which are accepted but unsettled and which would be effective on the available cash balance on the T2S dedicated cash account: 400.000,00, Settlement Instructions which are accepted, matched and not cancelled but unsettled and which would be effective on the available cash balance on the T2S dedicated cash account: 500.000,00 EUR.~~

- CASH (cash balance): 1.000.000 (Credit)
- PCAS (projected cash balance): 100.000 (Credit)
- AOIC (amount of outstanding intraday credit): 300.000 (Debit)
- SPCA (total sum projected cash balance and outstanding intraday credit): 200.000 (Debit)
- AVLD (available liquidity transfers): 400.000 (Debit)
- AVSC (available settlement instructions crediting): 250.000
- AVSD (available settlement instructions debiting): 750.000

Message usage: Following Settlement Day Cash Forecast Report
The following fields can be provided by the Following Settlement Day Cash Forecast Report:

- Debiting Liquidity transfer orders as well as debiting and crediting Settlement Instructions which are accepted, matched and not cancelled but unsettled, and which would be effective on the cash balance on the T2S Dedicated Cash Account on the following settlement day,

In this example a Following Settlement Day Cash Forecast Report is sent to a CB (NCBBICTS) or Payment Bank (TSSPARTYA20). The T2S Dedicated Cash Account (T2S30000099) is nominated in EUR, the current settlement day is: 2013-10-14~~., available cash balance: 0,00 EUR, the amount of outstanding intraday credit: 0,00 EUR, sum of projected cash balance on the T2S dedicated cash account: 900.000,00 EUR, liquidity transfer orders which are accepted but unsettled and which would be effective on the available cash balance on the T2S dedicated cash account: 400.000,00, Settlement Instructions which are accepted, matched and not cancelled but unsettled and which would be effective on the available cash balance on the T2S dedicated cash account: 500.000,00 EUR~~

- CASH (cash balance): 1.000.000 (Credit)
- PCAS (projected cash balance): 100.000 (Credit)
- AOIC (amount of outstanding intraday credit): 0,00
- SPCA (total sum projected cash balance and outstanding intraday credit): 100.000 (Credit)
- AVLD (available liquidity transfers): 400.000 (Debit)
- AVSC (available settlement instructions crediting): 250.000
- AVSD (available settlement instructions debiting): 750.000

For messages:
4.2.2 T2S proprietary codes (page 2054 f)
T2SCashBalanceCodes_T2S_1

CODE: SICA
NAME: Sum of all crediting settlement instructions
DEFINITION: Sum of all crediting settlement instructions

CODE: SIDA
NAME: Sum of all debiting settlement instructions
DEFINITION: Sum of all debiting settlement instructions

RestrictedFINXMax35Text_T2S_1

CODE: AVL~~I~~D
NAME: Available Debiting Liquidity Transfers
DEFINITION: Debiting Liquidity transfer orders which are accepted but unsettled and which would be effective on the available cash balance on the T2S dedicated cash account during the respective settlement day.

~~CODE: AVSI~~
~~NAME: Available Settlement Instructions~~
~~DEFINITION: Settlement instructions which are accepted, matched and not cancelled but unsettled and which would be effective on the available cash balance on the T2S dedicated cash account during the current settlement day.~~

CODE: AVSC
NAME: Available Settlement Instructions Crediting
DEFINITION: Crediting Settlement instructions which are accepted, matched, not cancelled and not finally settled and which would be effective on the available cash balance on the T2S dedicated cash account during the respective settlement day.

CODE: AVSD
NAME: Available Settlement Instructions Debiting
DEFINITION: Debiting Settlement instructions which are accepted, matched, not cancelled and not finally settled and which would be effective on the available cash balance on the T2S dedicated cash account during the respective settlement day.

Impact on message documentation on MyStandards / Schemas:

The update of code type T2SCashBalanceCodes_T2S_1 affects
camt.004.001.05/ReportOrError/AccountReport/AccountOrError/Account/MultilateralBalance/
Type/Proprietary

The update of code type RestrictedFINXMax35Text_T2S_1 affects
camt.052.001.03/Report/TransactionsSummary/TotalEntriesPerBankTransactionCode/BankTransactionCode/Proprietary/Code

UHB:

2.3.1.1 Cash Forecast – Search/List Screen (page 264 f)

Cash Forecast - List	
…	
Impacted – Debiting Liquidity Transfer Orders	Shows the sum of the debiting liquidity transfer orders which debit a T2S dedicated cash account of the party and which would be effective during the date used for the calculation of the cash forecast. Provision of '99999...99' in case oversizing occurs in the integer part. Truncation of decimals in case oversizing occurs in the decimal part.
Impacted – Crediting Settlement Instructions ~~To be Credited~~	Shows the sum of ~~the pending~~ accepted, matched, not cancelled and not finally settled ~~cash movements~~ settlement instructions which credit a T2S dedicated cash account of the party and have an intended settlement date earlier than or equal to the intended settlement date used for the calculation of the cash forecast. Provision of '99999...99' in case oversizing occurs in the integer part. Truncation of decimals in case oversizing occurs in the decimal part.
Impacted – Debiting Settlement Instructions ~~To be Debited~~	Shows the sum of ~~the pending~~ accepted, matched, not cancelled and not finally settled ~~cash movements~~ settlement instructions which debit a T2S dedicated cash account of the party and have an intended settlement date earlier than or equal to the intended settlement date used for the calculation of the cash forecast. The pending reverse collateral movements are excluded from this sum. Provision of '99999...99' in case oversizing occurs in the integer part. Truncation of decimals in case oversizing occurs in the decimal part.
…	
Projected	Shows the projected cash balance. The figure consists of the sum of the actual cash balance and the impacted settlement instructions ~~cash balance~~ to be credited minus the sum of the impacted liquidity transfer orders and settlement instructions ~~cash balance~~ to be debited and the impacted collateral movements ~~cash balance~~ to be reimbursed: • Actual cash balance + impacted settlement instructions ~~cash balance~~ to be credited – (impacted liquidity transfer orders and settlement instructions ~~cash balance~~ to be debited + impacted collateral movements ~~cash balance~~ to be reimbursed) Provision of '99999...99' in case oversizing occurs in the integer part. Truncation of decimals in case oversizing occurs in the decimal part.

2.3.1.2 Cash Forecast Details Screen (page 269 f)

Global Cash Forecast	
Impacted – Debiting Liquidity Transfer Orders	Shows the sum of the debiting liquidity transfer orders which debit a T2S dedicated cash account of the selected party and which would be effective during the date used for the calculation of the cash forecast. Provision of '99999...99' in case oversizing occurs in the integer part. Truncation of decimals in case oversizing occurs in the decimal part.
Impacted – Debiting Settlement Instructions ~~To be Debited~~	Shows the sum of ~~the pending~~ accepted, matched, not cancelled and not finally settled ~~cash movements~~ settlement instructions which debit a T2S dedicated cash account of the selected party and have an intended settlement date earlier than or equal to the date used for the calculation of the cash forecast. The pending reverse collateral movements are excluded from this sum. Provision of '99999...99' in case oversizing occurs in the integer part. Truncation of decimals in case oversizing occurs in the decimal part.
Impacted – Crediting Settlement Instructions ~~To be Credited~~	Shows the sum of ~~the pending~~ accepted, matched, not cancelled and not finally settled ~~cash movements~~ settlement instructions which credit a T2S dedicated cash account of the selected party and have an intended settlement date earlier than or equal to the date used for the calculation of the cash forecast. Provision of '99999...99' in case oversizing occurs in the integer part. Truncation of decimals in case oversizing occurs in the decimal part.
Projected	Shows the projected cash balance. The figure consists of the sum of the actual cash balance and the impacted settlement instructions ~~cash balance~~ to be credited minus the sum of the impacted liquidity transfer orders and settlement instructions ~~cash balance~~ to be debited and the impacted collateral movements ~~cash balance~~ to be reimbursed: • Actual cash balance + impacted settlement instructions ~~cash balance~~ to be credited – (impacted liquidity transfer orders and settlement instructions ~~cash balance~~ to be debited + impacted collateral movements ~~cash balance~~ to be reimbursed) Provision of '99999...99' in case oversizing occurs in the integer part. Truncation of decimals in case oversizing occurs in the decimal part.
Cash Forecast per T2S Dedicated Cash Account	
Impacted – Debiting Liquidity Transfer Orders	Shows the sum of the debiting liquidity transfer orders which debit the T2S dedicated cash account and which would be effective during the date used for the calculation of the cash forecast.
Impacted – Debiting Settlement Instructions ~~To be Debited~~	Shows the sum of ~~the pending~~ accepted, matched, not cancelled and not finally settled settlement instructions ~~cash movements~~ which debit the T2S dedicated cash account and have an intended settlement date earlier than or equal to the date used for the calculation of the cash forecast. The pending reverse collateral movements are excluded from this sum.
Impacted – Crediting Settlement Instructions ~~To be Credited~~	Shows the sum of ~~the pending~~ accepted, matched, not cancelled and not finally settled settlement instructions ~~cash movements~~ which credit the T2S dedicated cash account and have an intended settlement date earlier than or equal to the date used for the calculation of the cash forecast.
…	
Projected	Shows the projected cash balance. The figure consists of the sum of the actual cash balance and the impacted settlement instructions ~~cash balance~~ to be credited minus the sum of the impacted liquidity transfer orders and settlement instructions ~~cash balance~~ to be debited and the impacted collateral movements ~~cash balance~~ to be reimbursed: Actual cash balance + impacted settlement instructions ~~cash balance~~ to be credited – (impacted liquidity transfer orders and settlement instructions ~~cash balance~~ to be debited + impacted collateral

	movements ~~cash balance~~ to be reimbursed)

2.4.1.3 Available Report - Current Settlement Day Cash Information (Following Settlement Day Cash Forecast) Report - Details Screen: (page 391 ff)

Expected Postings **Repetitive Block For Each Reported Dedicated Cash Account**	
Posting Type	Shows the type of posting to be settled until end of day (or to be effective for the forecast day) from possible values: • Debiting ~~V~~valid and eligible <u>settlement</u> instructions (i.e. matched and ready for settlement) • <u>Crediting valid and eligible settlement instructions (i.e. matched and ready for settlement)</u> • <u>Debiting</u> Liquidity Transfer Orders

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High level description of Impact:

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Outcome/Decisions:

*CRG meeting of 17-18 September 2015: The CRG agreed to put the Change Request on hold and indicated that the Change Request is a potential candidate for Release 2. The CRG also agreed to discuss the Change Request in the next meeting after the CRG member's input on the requirements for the cash forecast report.

*CRG meeting of 26 October 2016: The CRG agreed that the Change Request can be considered mature from a content point of view and therefore, it is ready for its preliminary assessment.

* CRG on 10 November 2016: the CRG recommended the launch of the preliminary assessment of the Change Request in a written procedure from 4 to 10 November 2016.

* OMG on 02 December 2016: During a written procedure from 11 November 2016 to 02 December 2016, the Operations Managers Group did not identify any blocking operational impact of the Change Request.

* CRG meeting on 12/13 December 2016: The CRG took note of the T2S functionalities/modules impacted by the Change Request following the 4CB preliminary assessment and that there are synergies with the Change Request T2S-0556-SYS (Modification of cash forecast for the current and following business day after DVP cut-off), T2S-0629-SYS (Enhance Cash Forecast Query and Report to display CORP related cash movements separately) and T2S-0630-SYS (Enhance Cash Forecast Query and Report to display expected aggregated cash movements, with separate status Hold or Released) therefore, a joint implementation would be favourable.

* CRG meeting on 24 January 2017: The CRG recommended to launch the detailed assessment of the Change Request and asked the 4CB to check the feasibility to deliver the Change Request in the T2S Release 2.0.

* Advisory Group on 02 February 2017: In a written procedure from 26 January 2017 to 02 February 2017, the Advisory Group was in favour of launching the detailed assessment on the Change Request.

* CSD Steering Group on 03 February 2017: In a written procedure from 26 January 2017 to 03 February 2017, the CSD Steering Group was in favour of launching the detailed assessment on the Change Request.

* Operational Mangers Group on 29 May 2017: Following a written procedure from 22 - 29 May 2017, the Operations Managers Group reconfirmed that the Change Request does not have any blocking operational impact.

* CRG meeting on 07 June 2017: The CRG recommended the approval of the Change Request and its inclusion in T2S Release 2.0. The CRG was of the opinion that the Change Request should be classified as 'evolution/enhancement'.

* Operational Mangers Group on 19 June 2017: Following a written procedure from 9 to 19 June 2017, the Operations Managers Group was in favour of adding the Change Request to the T2S Release 2.0.

* PMG on 21 July 2017: During a written procedure from 19 to 21 July 2017, the Project Managers Group was in favour of adding the Change Request to Release 2.0 from a planning perspective based on their endorsement of the Service Transition Plan v.0.7 for Release 2.0.

* Advisory Group on Market Infrastructures for Securities and Collateral (AMI-SeCo) on 27 July 2017: Following a written procedure from 21 to 27 July 2017, the AMI-SeCo was in favour of approving the Change Request and its

inclusion in T2S Release 2.0.

* CSD Steering Group on 28 July 2017: Following a written procedure from 21 to 27 July 2017, the CSG adopted the resolution to approve the Change Request and its inclusion in T2S Release 2.0.

* CRG on 12 September 2017: In a written procedure from 06 to 12 September 2017, the CRG recommended an updated version of the Change Request for approval. The updated version includes corrections on the Cash Forecast Search/List screen proposed by the 4CB for consistency reasons.

* CSD Steering Group and Advisory Group on Market Infrastructures for Securities and Collateral (AMI-SeCo) on 18 September 2017: The CSG and the AMI-SeCo were informed about the updated version of the Change Request agreed by the CRG.

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Preliminary assessment:

- **Impacted functionality/module:** U2A, A2A
- **Financial impact parameter:** High (preliminary assessed)
- **To be considered:**
  o All of the cash forecast CRs which are deemed necessary by the CRG (CR 540, CR 556, CR 629, CR 630) should be implemented in one go in order to make use of synergies.

No further functional, technical and risk related issues have been identified beyond the elements already described in the Change Request.

EUROSYSTEM ANALYSIS – GENERAL INFORMATION				

	Static data management		**Interface**	
Impact On T2S		Party data management	X	Communication
		Securities data management		Outbound processing
		T2S Dedicated Cash account data management		Inbound processing
		Securities account data management		
		Rules and parameters data management		
	Settlement		**Liquidity management**	
	X	Standardisation and preparation to settlement		Outbound Information Management
		Night-time Settlement		NCB Business Procedures
		Daytime Recycling and optimisation		Liquidity Operations
		Daytime Validation, provisioning & booking	**LCMM**	
		Auto-collateralisation		Instructions validation
				Status management
	Operational services			Instruction matching
		Data Migration		Instructions maintenance
		Scheduling	**Statistics, queries reports and archive**	
		Billing	X	Report management
		Operational monitoring	X	Query management
				Statistical information
				Legal archiving
		All modules (Infrastructure request)		
		No modules (infrastructure request)		
		Business operational activities		
		Technical operational activities		

Impact on major documentation		
Document	**Chapter**	**Change**
Impacted GFS chapter		
Impacted UDFS chapter	1.6.2.7.3 Liquidity monitoring process (page 631 f)	Current Settlement Day Cash Information Report: change text: "(…) <u>debiting</u> liquidity transfer orders and <u>debiting and crediting</u> Settlement Instructions still to be settled (aggregated over all restriction types) (…)
	3.3.3.2.3 ReturnAccountV05 (camt.004.001.05) Message Usage: Cash Forecast Query Response (page 1066ff)	Add new xsd, pdf and example files to MyStandards, reflecting the new fields
	3.3.3.15 BankToCustomerAccountReportV03 (camt.052.001.03) (page 1130ff)	Add new xsd, pdf and example files to MyStandards, reflecting the new fields
	4.2.2 T2S proprietary codes (page 2054 f)	Add new proprietary codes to the respective tables
Additional deliveries for Message Specification	Message documentation for camt.004	Update of the T2SCashBalanceCodes Update of the message usage examples
	Message documentation for	Update of the Codes

	camt.052	Update of the message usage examples
UHB	2.3.1.1 Cash Forecast Search List Screen (page 264 f) 2.3.1.2 Cash Forecast Details Screen (page 269 f) 2.4.1.3 Available Report - Current Settlement Day Cash Information (Following Settlement Day Cash Forecast) Report - Details Screen (page 391 ff)	Replace the fields Impacted – To be debited and Impacted – To be credited by 3 new fields for debiting LT, debiting SI and crediting SI Add new fields and their description for debiting LT, debiting SI and crediting SI Update description of Projected fields to include new field in calculation.
External training materials		
Other documentations		
Links with other requests		
Links	Reference	Title	

OVERVIEW OF THE IMPACT OF THE REQUEST ON THE T2S SYSTEM AND ON THE PROJECT
Summary of functional, development, infrastructure and migration impacts

Query Management:
For the Cash Forecast Query Response in A2A (camt.004 CASF), Balance Code SICA (Sum of all Settlement Instructions) will be split in two new Balance Codes to show the sum of all debiting SI and the sum of all crediting SI.

For the Cash Forecast Query Details Screen in U2A, the field "To be debited" is split into "Liquidity Transfer Orders to be debited" and "Settlement Instructions to be debited". Field "To be credited" will be renamed to "Settlement Instructions to be credited".

Report Management:
For Current Settlement Day Cash Information Report and Following Settlement Day Cash Forecast Report (camt.052), new balance codes will be introduced in order to differentiate between the sum of all debiting liquidity transfer orders, the sum of all debiting settlement instructions and the sum of all crediting settlement instructions. (and thus replacing codes AVLI and AVSI).

Summary of project risk
None

Security analysis
No potentially adverse effect was identified during the security assessment.

19 May 2017

Cost assessment on Change Requests

T2S-0540-SYS – Alignment of U2A and A2A cash forecast information			
One-off	Assessment cost* - Preliminary - Detailed	2,000.00 10,000.00	Euro Euro
One-off	Project phase costs	152,743.35	Euro
Annual	Operational costs	14,500.64	Euro

*The relevant assessment costs will be charged regardless of whether the CR is implemented (Cf. T2S Framework Agreement, Schedule 7, par. 5.2.3).