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Outcome

Meeting of the T2S Change Review Group (CRG)

28 February 2022, from 09:30 to 13:00 CET (held remotely)

1. Introductory remarks and approval of the agenda

Outcome

The CRG chairperson, Karen Birkel, welcomed the participants and introduced the meeting, held remotely due to COVID-19 precautionary measures.

The CRG members approved the agenda of the meeting on 28 February 2022.

The CRG members took note that Olivier Leveque will step down as Secretary of the CRG and that Darío García will take the role as CRG Secretary.

The CRG took note that Jacob Z. Jensen will leave the CRG Secretariat by end March 2022.

The CRG members took note that as a follow-up of the last CRG Meeting on 17 January 2022, CR-531¹ was withdrawn via a written procedure.

The CRG members took note of the on-going discussions at PMG level related to the possibility of delaying the UTEST and PROD go-live dates of R6.0 due to the low progress of the EAC testing.

Follow-up actions:

- ECB to publish an updated CRG member list in the ECB Website. [28 April 2022]

2. Outcome of previous meetings

Background documentation

- Outcome of the CRG meeting on 17 January 2022.

Outcome

The CRG members approved the outcome of the CRG meeting on 17 January 2022.

3. Analysis of change requests

3.1 Change requests under implementation

Background documentation

- T2S-0705-SYS (CRDM Business Interface Impact on T2S).

¹ CR-0531-“Digital signature at application level for flat file reports”

- T2S-0699-SYS (Decommissioning LTSI, scope and definition of queries and reports and access specifications to Data Warehouse functionalities) and its annexes.

Outcome

T2S-0705-SYS (CRDM Business Interface Impact on T2S)

The CRG members were informed that due to the high workload, CR-705 with wording updates was foreseen to be delivered on 2 March 2022. It was agreed to launch a written consultation until 11 March 2022 so that the CRG could review the changes and approve them.

The CRG members were informed about the three possible options of how user instructions (T2S UHB) will look like as of R6.2. These options are as follows:

- Draft new “user instructions” chapters based on the new CRDM screens*
- Mix of options “Re-introducing the missing chapters as featured in the previous T2S UHB, with a disclaimer stating that they refer to obsolete screens” and “Draft new “user instructions” chapters based on the new CRDM screens”*
- Neither including nor referencing “user instructions” parts in the T2S UHB for R6.2.*

The CRG members agreed that a new written procedure should be launched in order to decide which is the preferred option for the T2S UHB as of R6.2.

Follow-up actions:

- *ECB to launch a written procedure to review and approve CR-705 with wording updates once it is delivered by 4CB. [2 March 2022]*
- *ECB to launch a written procedure to decide which is the preferred option on how user instructions should look like as of R6.2. in T2S UHB. [1 March 2022]*
- *ECB to inform the OMG of the preferred option for T2S UHB as of R6.2 and confirm this approach. [11 March 2022]*

Outcome

T2S-0699-SYS (Decommissioning LTSI, scope and definition of queries and reports and access specifications to Data Warehouse functionalities) and its annexes.

The CRG members took note that the MIB approved the de-scoping of CR-699 from R6.0 based on CSG recommendation which should be made by the CSG meeting on 2nd March 2022.

The CRG members agreed to recommend to the PMG the implementation of CR-699 in R6.2 based on the detailed re-assessment for the new scoping provided by 4CB.

The CRG members took note of the work-around foreseen from June 2022 until November 2022 (i.e. the LTSI reports will be delivered by the T2S service desk on demand because LTSI is not reachable via ESMIG).

3.2 Change requests already authorised at T2S Steering Level (not yet under implementation)

Background documentation

- Summary of DAs CR-551, CR-740, CR-762, CR-763, and CR-764
- Additional DA CR-762 presentation 4CB
- T2S-0762-URD - New option for opening T2S during the weekend
- Additional DA presentation for CR-551 (4CB)

- T2S-0551-SYS - Reporting of Restriction References for COSD blocked positions in the Statement of Holdings (semt.002)
- Additional DA presentation for CR-740, CR-763, and CR-764 (4CB)
- T2S-0740-SYS - No check of the Minimum Settlement Unit upon revalidation of partially settled instructions and partially settled settlement restrictions
- T2S-0764-SYS - No intraday update of the Negative Position flag
- T2S-0763-SYS - T2S Multi-Criteria Settlement Optimisation

Outcome

T2S-0762-URD - New option for opening T2S during the weekend

The CRG members took note of the high operational costs of CR-762, that they will be calculated on a flat rate and that they will be reviewed after three years (i.e. 2026) depending of the usage.

The CRG members also took note that this CR will have to be deployed with CR-T2-105 as the T2 Maintenance Window will be change when this procedure is activated.

The CRG members took note that there were outstanding functional questions that had not yet been answered and agreed to recommend to the PMG the implementation of CR-762 within R7.0 via a new written procedure, once this questions had been clarified.

Outcome

T2S-0551-SYS - Reporting of Restriction References for COSD blocked positions in the Statement of Holdings (semt.002)

The CRG members took note of the results of the detailed assessment of CR-551.

The CRG members agreed to recommend to the PMG the implementation of CR-551 within R7.0

Outcome

T2S-0740-SYS - No check of the Minimum Settlement Unit upon revalidation of partially settled instructions and partially settled settlement restrictions

The CRG members took note of the results of the detailed assessment of CR-740

The CRG members agreed to recommend to the PMG the implementation of CR-740 within R7.0

Outcome

T2S-0764-SYS - No intraday update of the Negative Position flag

The CRG members took note of the results of the detailed assessment of CR-764

The CRG members agreed to recommend to the PMG the implementation of CR-764 within R7.0

Outcome

T2S-0763-SYS - T2S Multi-Criteria Settlement Optimisation

The CRG members took note of the results of the detailed assessment of CR-763

The CRG members agreed to recommend to the PMG the implementation of CR-763 within R7.0

3.3 Change requests not yet authorised at T2S Steering Level

3.3.1 Change requests under preliminary assessment

Background documentation

- Summary slides on CR-525, CR-541, CR-580, CR-623, CR-634
- T2S-0525-SYS (Provide Restriction Type name and description in reason code due to Market Specific Restriction Types)
- T2S-0541-URD (Bulk-release functionality (U2A) for settlement instructions)
- T2S-0580-URD (Additional automatic intraday reimbursement of NCB auto collateralisation instructions)
- T2S-0623-SYS (Standing rebalancing of securities positions)
- T2S-0634-SYS (New code to report that settlement information is not available in T2S during the start of day)
- T2S-0735-SYS (T2S to provide the CSDs the possibility to receive message transmission information grouped by Securities Account)

Outcome

T2S-0525-SYS (Provide Restriction Type name and description in reason code due to Market Specific Restriction Types)

The CRG members agreed to recommend CR-525 for authorisation by the T2S Steering Level, with the following justification of the CR parameters:

- *Legal/business importance: High because this new functionality will imply an important reduction of operational effort from the market when identifying the rule why settlement instructions/settlement restrictions have been rejected.*
- *Market implementation efforts: Low because the nature of this change does not require to invest important resources in a testing campaign on the side of Participating CSDs, CBs and their communities*
- *Operational technical risk: Low because this change will only add additional information to an already reporting functionality, well tested so far.*
- *Financial impact: To be defined in the detailed assessment.*

Outcome

T2S-0541-URD (Bulk-release functionality (U2A) for settlement instructions)

The CRG members agreed to contact the CR raiser who was not present in the meeting and based on the feedback, run a written procedure to authorise CR-541.

The CRG members agreed the CR-0541 to have the following justification of the CR parameters:

- *Legal/business importance: High because this new functionality will reduce operational effort when there is the need of releasing an important number of pending instructions regardless the hold type.*
- *Market implementation efforts: Low because it is supposed that all participating CSD and NCBs should perform a testing campaign to check the correctness of the change.*
- *Operational technical risk: Low because this CR will not entail a change on a critical operational functionality*
- *Financial impact: To be defined in the detailed assessment.*

Outcome

T2S-0580-URD (Additional automatic intraday reimbursement of NCB auto collateralisation instructions)

The CRG members took note of the suggested parameter justifications of CR-580, and a parameter update was suggested by Banca d'Italia to amend the "Legal/business importance" to "Low" and the "Operational/technical risk" to "High". Furthermore, multiple organizations raised concerns on the CR and its business value.

The CRG members agreed to inform the raiser of CR-580, who was not present in the meeting, and come back to the CRG with a proposal of the way-forward, either recommend it for T2S authorisation or withdraw it.

Follow-up actions:

- ECB to include CR-580 for discussion in the forthcoming CRG Meeting in April. [25 April 2022]

Outcome

T2S-0623-SYS (Standing rebalancing of securities positions)

The CRG members agreed to recommend CR-623 for authorisation by the T2S Steering Level, with the following justification of the CR parameters:

- *Legal/business importance: Low because the most of the CSDs have already implemented specific developments to meet this need*
- *Market implementation efforts: Low because the nature of this change does not require to invest important resources in a testing campaign on the side of Participating CSDs, CBs and their communities*
- *Operational technical risk: Low because the addition of this functionality is not deemed to imply significant operational or technical risks.*
- *Financial impact: To be assessed during DA*

Outcome

T2S-0634-SYS (New code to report that settlement information is not available in T2S during the start of day)

The CRG members took note that prior to start the withdrawal process of CR-634, the raiser will check internally and confirm this preferred decision. A new written procedure will be launched to agree on a way forward for CR-634.

Outcome

T2S-0735-SYS (T2S to provide the CSDs the possibility to receive message transmission information grouped by Securities Account)

The CRG members took note of the new preliminary assessment delivery date on 17 June 2022 based on the clarified requirements.

3.3.2 Candidates for preliminary assessment / Newly raised CRs

Background documentation

- T2S-0783-URD (RTS Improvement of the optimization process high volume of CA)

Outcome

T2S-0783-URD (RTS Improvement of the optimization process high volume of CA)

The CRG agreed to recommend CR-783 for authorisation by the T2S Steering Level, following a fast-track procedure as it is to be tested in the context of Euroclear Finland migration in September 2023.

The CRG agreed with the following justification of the CR parameters:

- *Legal/business importance: High because it will improve the stability of T2S in case of peaks in settlement volume.*
- *Market implementation efforts: Medium as it would require implementation efforts only for a minority of T2S actors.*
- *Operational/technical risk: Medium because even if the changes are made on the T2S settlement module, they apply only in very specific scenarios (exceptionally high volumes of settlement instructions).*
- *Financial impact parameter: To be provided in the detailed assessment.*

Follow-up actions:

- ECB to launch a written procedure to collect the business values of CR-783 in view of the ranking. [4 March 2022]

3.4 Editorial CRs

Background documentation: none.

4. Clarification notes

Background documentation

- “Unicity constraint on the Party BIC of cash parties”
- L2-SDD-CN-PBR-061 PBI-220271-Duplicate party BIC
- T2S-ICN-0012 for CSLD SDD-PBR-058 (Changes of CRDM (Standing/Predefined Liquidity Transfer Order))
- “DCA linkage out of T2 migration playbook”

Outcome

“Unicity constraint on the Party BIC of cash parties”

“SDD-CN-PBR-0061 – PBI220271-Duplicate party BIC”

The CRG members took note of the information related to the BIC unicity constraint.

The CRG members (NCB representatives) agreed to coordinate with their TSWG representatives the verification of the CRDM parties configuration before T2S and T2 are interconnected, in the test and production environments.

Such verification should cover the parties representing the NCB themselves, but also the payment banks and ancillary systems belonging to their community. To this aim, a comprehensive list of BIC under this situation in production and test environment will be provided by 4CB.

The CRG members agreed to approve clarification note SDD CN61.

Follow-up actions:

- ECB/4CB to provide a comprehensive list of duplicate BICs in production and test environments of TARGET2 so that the NCBs can check the CRDM parties set-up before T2S and T2 are interconnected. [31March 2022]

Outcome

DCA linkage out of T2 migration playbook

The CRG members took note that the DCA linkage to old RTGS accounts removal has been dropped from the T2 migration playbook and will be updated a week after the migration, subject to OMG approval. They also took note that there is no functional impact in having outdated data in production environment.

Outcome

T2S-ICN-0012 for CSLD SDD-PBR-058 (Changes of CRDM (Standing/Predefined Liquidity Transfer Order))

The CRG members took note of the changes in two business rules to be updated and that the change will be deployed in UTEST by 8 April 2022 and confirmed that the impact described in the note is acceptable from a functional perspective.

5. CRG action points

Outcome

List of CRG action points

The CRG members took note of the updates and proposed resolutions outlined on the following action points:

AP-4040 (ECB to distribute the CR-722 and the updated annex for review via written procedure at the CRG and PMG once the updated annex is available): The CRG took note that the updated annex was shared for information with the CRG and PMG, and agreed to close the action point.

AP-4043 (ECB team Include in the list proposed changes to the OGPf a draft process applicable to changes made outside of a release and/or implementation which is independent from the changed and release management approval process): The CRG took note that the proposed change was included in the list of proposed changes to the OGPf v3.4 shared with the CRG on 21 January 2022, and agree to close the action point.

AP-4044 (The ECB team to include a link to the list of T2S change requests in the "For professional use" section of the ECB website to align website setup with TIPS): The CRG took note that this was updated on the ECB website and the T2S CRs can now be accessed via a link in the "For professional use":

<https://www.ecb.europa.eu/paym/target/t2s/profuse/html/index.en.html>, and agreed to close the action point.

Furthermore, the CRG proposed the resolution on **AP-4042 (The ECB team to include a discussion on the options to update the "user instructions" part of the T2S UHB in the February CRG Meeting.)** and agreed to close the action point, provided the discussion in agenda point 3.1 on User instructions.

6. Any other business

Background documentation

- R6.0 SDD review – written consultation until 18/02. [Oral update]
- Numbering of releases across TARGET-services.
- Communication via ASTRA/DARWIN ASTRA workflows: Pilot Feedback and way forward [Oral update]
- Delivery plan of change requests [Table document]
- 4CB Capacity monitoring
- The following CRG meetings are planned in 2022 (to be confirmed at least 4 weeks in advance)

Outcome

R6.0 SDD review – written consultation until 18/02

The CRG members were informed about the delay of CR-705 with the wording updates not officially approved by the CRG.

The CRG therefore agreed to recommend to the PMG a delay of the publication of the SDDs for R6.0 from 4 March 2022 to 16 March 2022, in accordance with the suggestion made by the 4CB. The CRG took note that in this final publication, the findings provided during the market review would be included.

Follow-up actions:

- *ECB to seek PMG approval on the suggested delay of the SDD publication for R6.0. [01 March 2022]*

Outcome

Numbering of releases across TARGET-services.

The CRG members took note that all TARGET Services would follow a harmonised release numbering, following the format RYYYY.MMM, e.g. R2023.JUN instead of R7.0. CRG members will be informed in the next CRG telco of the first release to which the new numbering will apply across target services.

Follow-up actions:

- *ECB to indicate from which release the harmonised numbering will apply. [25 April 2022]*

Outcome

Communication via ASTRA/DARWIN ASTRA workflows: Pilot Feedback

The CRG members agreed to continue with the communication via ASTRA and DARWIN-ASTRA.

Outcome

Delivery plan of change requests

The CRG members took note that the delivery plan of change requests was provided.

Outcome

4CB Capacity monitoring

The CRG members took note that the 4CB Capacity monitoring was delivered.

CRG Meeting dates

The following CRG meetings are planned in 2022 (to be confirmed at least 4 weeks in advance)

25 April 2022	09:30-13:00	Webex
30 May 2022	09:30-13:00	Webex

6 July 2022	09:30-13:00	Webex
29 August 2022	09:30-13:00	Webex
26 October 2022	10:00-16:00	ECB Main building
12 December 2022	09:30-13:00	Webex