t2s TARGET2-SECURITIES

General Information (Origin of Request)		
☐ User Requirements (URD)		
☒ Other User Functional or Technical Documentation (SYS)		

Request raised by: Project Managers Group	**Institute:** ECB	**Date raised:** 17/09/2014
Request title: Statement of Holdings, Statement of Transactions and Statement of Pending Instructions should include all the Securities Accounts for the specified T2S Actor in a single message.		**Request ref. no:** T2S 0474 SYS

Request type: Common	**Urgency:** Normal
1. Legal/business importance parameter: Medium	**2. Market implementation efforts parameter:** High
3. Operational/Technical risk parameter: Low	**4. Financial impact parameter:**
Requestor Category: T2S Sub-group	**Status:** Rejected at Steering Level

Reason for change and expected benefits/business motivation:

Several workshops on volumetric assumptions and the timeline of end-of-day (EOD) and start-of-day took place in late 2013 and 2014. These workshops confirmed the assumption that CSDs will subscribe to the following reports in the EOD period.

- semt.002: Statement of Holdings
- semt.017: Statement of Transactions
- semt.018: Statement of Pending Instructions

When a CSD subscribes to one of the aforementioned reports for all its participants, the respective report will include all securities accounts of the CSD and of all its participants. T2S generates and sends an XML message or a file-based communication per securities account. The number of communications (messages or files) that T2S would create for each of the reports would be equivalent to the number of securities accounts in T2S. The implementation would result a significant number of messages that T2S would have to generate for these reports.

The processing of the business application header (BAH) and the signature for individual messages or files per securities account requires significantly more capacity and/or time than processing one message or file including the reporting items for all securities accounts.

The benefit would be for both T2S and CSDs that T2S does not process very high number of message-based and/or file-based communications in the SOD/EOD critical time period. This reporting of multiple securities accounts in a single message via a message-based or a file-based communication depending on the size of the message would also ensure that the completeness of the reporting information.

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Description of requested change:

In order to minimise the number of message-based and/or file-based communications to optimise the processing of reports, the XML reporting items for all securities accounts for the reports (semt.002, semt.017 and semt.018) are to be reported into one message-based or one file-based communication.

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Submitted annexes / related documents:

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Proposed wording for the Change request:

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High level description of Impact:

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Outcome/Decisions:

* CRG Telco of 24 September 2014: The CRG decided to put the Change Request on hold until the next meeting of the CRG on 24 October 2014.

* CRG meeting of 24 October 2014: The CRG decided to put the Change Request on hold.

* CRG meeting of 17 November 2014: The CRG decided to put the Change Request on hold. The 4CB/ECB confirmed to provide the technical details of the flat file solution for T2S auto-collateralisation and first ideas regarding its use for reports at EOD and will present them in a CRG Telco as soon as they are available.

* CRG Telco of 2 December 2014: The CRG agreed to keep the Change Requests on hold until the decision of the CSD Steering group (CSG) on the way forward for "Alternate communication format – flat file" for the reports at EOD.

* CRG meeting of 15 December 2014: The CRG decided to recommend the rejection of the Change Request.

* Advisory Group's advice on 20 January 2015: Following a written procedure, the AG was in favour of the rejection of the Change Request.

* CSG resolution on 21 January 2015: Following a written procedure, the CSG adopted the resolution to reject the Change Request.