

# SCoREBOARD

## Corporate Actions – H2 2021


### Italian NSG

The Single Collateral Management Rulebook for Europe (SCoRE) contains 15 Standards related to the processing of corporate actions (published as the [SCoRE Standards for Corporate Actions](#)). Implementation progress is monitored twice per year. This summary report presents the results of the H2 2021 monitoring exercise conducted by the Italian NSG with the involvement of the following stakeholders:

- 1 CSD – Monte Titoli
- 7 Custodians
- 1 Issuer association
- 2 Issuers

11 entities are monitored in the Italian market

The SCoRE Overview provides a high-level summary of the H221 monitoring exercise.

 <small>SINGLE COLLATERAL MANAGEMENT RULEBOOK FOR EUROPE</small>	 <b>Response Rate</b>	 <b>Implementation Status</b>	 <b>Milestone achieved?</b>	 <b>Implemented on Time?</b>
Custodians	86%	Implemented 51.5% Analysis started 25.5% Implementation started 7.30%	43%	100%
Issuers	100%	Yes 87.7% No 12.2%	n/a	n/a
CSD - Monte Titoli	100%	Implemented 33.8% Analysis started 40.2% Implementation started 0%	No	Yes

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 received per Entity Type i.e. CSD, TPA, Custodian etc. 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

Activities regarding the Corporate Action standards in the Italian market are on track.<sup>1</sup>

Implementation of Corporate Actions Standards in the Italian market is on track.

Regarding Standard 6: Business Day Rule, the Italian NSG is actively raising awareness of this standard among all stakeholders and issuers, in collaboration with Italian industry associations. For ISO 20022 Corporate Actions messages, some custodians have stressed that their implementation is requested in Wave 2 (i.e. 2025).

The majority of the reporting entities responded to the survey. This section presents the key findings of the survey for each entity type.

### CSD – Monte Titoli

Monte Titoli adaptation activities are ongoing.

Monte Titoli's adaptation activities are ongoing: 33.8 % of the standards are already implemented while analysis has started for 40.2 % of the standards.

Adaptations are related to Standard 1A-1F, Standard 5: Negative Cash Flows, Standard 6: Business Day Rule, Standard 8: Payment Time,<sup>2</sup> Standard 10: Blocking, Standard 11: Default Options, Standard 12: Handling of Fees, Standard 14: Foreign Currency, and Standard 15: ISO 20022. Some adaptations are needed for Standard 1: Business Processes and Workflows – as for the 'Meeting' segment (i.e. 1F, 1G, 1H), Monte Titoli confirmed that they will implement only the 'Notification' (i.e. 1F). For Corporate Action events related to non-debt instruments, analysis has not started yet as the final implementation date will be November 2025 (explaining the low compliance status for Standards 2 and 3).

### Custodians

There was a high response rate among custodians. Almost all custodians have responded to the survey (86% response rate); at the aggregate level, about 51.5% of the standards are already implemented, 25.5% of them have started the analysis for adaptation of the standards, while 7% have started implementation.

The standards under analysis are similar to those reported by the CSD; most of the ongoing implementation is related to Standard 3: Consistency of Information and Standard 1: Business Processes and Workflows, in particular for meeting events.

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<sup>1</sup>Implemented on time reflects the entity's expected ability to achieve the final milestone on time

<sup>2</sup> For simultaneous settlement of cash and security movements.

## Issuers

The questionnaire for issuers was sent to ASSONIME, the Association of Italian Joint Stock Companies, and two financial issuers.

It was confirmed that issuers can act according to almost all the standards (87.7%); Standard 1F: Meeting Event Notifications was not confirmed as the Italian issuers do not provide the Issuer CSD with all information among those listed in the standard itself. Moreover, Standard 5: Negative Cash Flow has to be further assessed by issuers.

The Italian NSG is actively raising awareness of the Standards amongst issuers.

Regarding Standard 6: Business Day Rule, it was confirmed that new securities issuances (as of November 2023) will be in accordance with the standard. On this point, the Italian NSG is actively raising awareness of this standard among all stakeholders and issuers, in collaboration with Italian industry associations.

## NCB

Banca d'Italia is on track to adopt the SCoRE Standards by November 2023

Banca d'Italia is on track to adopt the SCoRE Standards for Corporate Actions for its collateral management activities by November 2023.

## SCoREBOARD

This section presents the overall compliance status in the market. CSDs and TPAs are monitored on an individual basis and are assigned a colour-code status in accordance with the methodology outlined in Box 1<sup>3</sup>. Custodians and Issuers are monitored on an aggregated basis and assigned a percentage compliance status.

### Box 1

#### SCoREBOARD – Implementation Phase

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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

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For custodians and issuers, progress is monitored and reported as a percentage; for example the % of custodians in a given market who have started internal adaptation of IT systems.

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<sup>3</sup> For further details please refer to the [AMI-SeCo Monitoring Framework](#)

**Table A**  
**SCoREBOARD**

STANDARD	Custodians	Issuers	CSD - Monte Titoli
1A: Notification	94%	60%	Y
1B: Instruction	90%		Y
1C: Advise	94%		Y
1D: Confirmation	94%		Y
1E: Reversal	90%		Y
1F: Meeting Notification	79%	33%	Y
1G: Meeting Instruction	79%		N/A
1H: Meeting Results	80%		N/A
2: Calculation of Proceeds	89%	33%	Y
3: Consistency of Information	89%	67%	Y
4: Rounding Rule 1	100%	100%	B
4: Rounding Rule 2	100%	100%	B
4: Rounding Rule 3	86%	100%	B
4: Rounding Rule 4	100%	100%	B
4: Rounding Rule 5	100%	100%	B
5: Negative Cash Flows	100%	33%	Y
6: Business Day Rule		100%	Y
7: Securities Amount Data Rule 1		100%	B
7: Securities Amount Data Rule 2		100%	B
7: Securities Amount Data Rule 3		100%	B
7: Securities Amount Data Rule 4		67%	B
8: Payment Time Rule 1		100%	B
8: Payment Time Rule 2		100%	Y
8: Payment Time General Principle 3		67%	B
9: Processing Status	100%	100%	B
10: Blocking Rule 1	100%		Y
10: Blocking Rule 2	86%		N/A
10: Blocking Rule 3	86%		N/A
10: Blocking Rule 4	86%		Y
10: Blocking Rule 5	86%		N/A
11: Default Option	100%	100%	Y
12: Handling of Fees	100%		Y
13: Reversal	100%	100%	Y
14: Foreign Currency			Y
15: ISO 20022 Messaging	63%		Y

Notes:

- For CSDs and TPAs the colour-code reflects the current implementation status of each Standard in accordance with the methodology outlined in Box 1 above.
- TPAs are using custody services provided by CSDs or Custodians in order to disseminate CA information to Collateral Givers and Collateral Takers. Monitoring of TPAs thus focuses on the implementation of triparty specific workflows described in Standard 1.
- For custodians the % indicates that the standard has either already been implemented, or that implementation is on track i.e. at a minimum that analysis has already started or that implementation has started per Standard.
- Issuers were asked to confirm awareness of their obligation to provide all relevant information to the Issuer CSD (on a Yes/No basis). The % reflects the number of issuers who responded yes to the survey.
- Percentages are calculated on the basis of expected respondents, i.e. number of entities monitored in the market.
- 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	<b>Analysis Started:</b> 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	<b>Initial Communication:</b> Has initial high-level communication with external stakeholders on the changes introduced by SCoRE commenced?	01/03/2021
M3	<b>Analysis Completed:</b> Have you completed an in-depth analysis of all applicable SCoRE Standards?	31/07/2021
M4	<b>Documentation Completed:</b> 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	<b>Detailed External Communication:</b> 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	<b>SCoRE Adaptation Started:</b> Have you started to adapt/develop the processes and procedures in order to comply with the SCoRE Standards?	01/01/2022
M7	<b>SCoRE Adaptation Complete:</b> Have you completed the necessary adaptations/developments for the processes and procedures in order to comply with the SCoRE Standards?	30/06/2022
M8	<b>Internal Testing Started for SCoRE:</b> 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	<b>Internal Testing Complete for SCoRE:</b> Have you completed the necessary internal testing?	02/12/2022
M10	<b>External Testing Started for SCoRE:</b> 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	<b>Final External Communication on SCoRE:</b> 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	<b>External Testing Completed for SCoRE:</b> 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	<b>SCoRE Standards Implemented:</b> 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

	Custodians	CSD - Monte Titoli
Milestone 1 June 2020	57%	Yes
Milestone 2 March 2021	57%	Yes
Milestone 3 July 2021	43%	03/22
Milestone 4 December 2021	43%	03/22
Milestone 5 December 2021	57%	03/22
Milestone 6 January 2022	14%	03/22
Milestone 7 June 2022	29%	02/23
Milestone 8 July 2022	43%	02/23
Milestone 9 December 2022	57%	05/23
Milestone 10 December 2022	57%	05/23
Milestone 11 April 2023	71%	Yes
Milestone 12 October 2023	86%	10/23
Milestone 13 November 2023	100%	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

Regarding Monte Titoli's planning, a yellow status is assigned to the current Milestone 3 (Analysis Completed) and to several prospective milestones. Internal planning has been postponed as there are still ongoing discussions on few SCoRE Corporate Actions standards.

Monte Titoli will complete the analysis at the beginning of March 2022 and, at the same time, will start the software adaption (Milestone 6) and the detailed external communication (Milestone 5). The milestones related to external testing activities have been postponed: testing will start in May 2023 (instead of December 2022) and it will end by October 2023. The go-live is confirmed by the November 2023 deadline.

Half of custodians have completed the current milestones (the remaining entities will complete them over the course of 2022); regarding future milestones the lowest percentage of compliance - 14% - is for Milestone 6 (Adaptation started) which will be met by almost all custodians by June 2022.

All custodians confirmed that they will implement the SCoRE standards by November 2023 (Wave 1), except for ISO 20022, which will be met by Wave 2 (i.e. 2025).

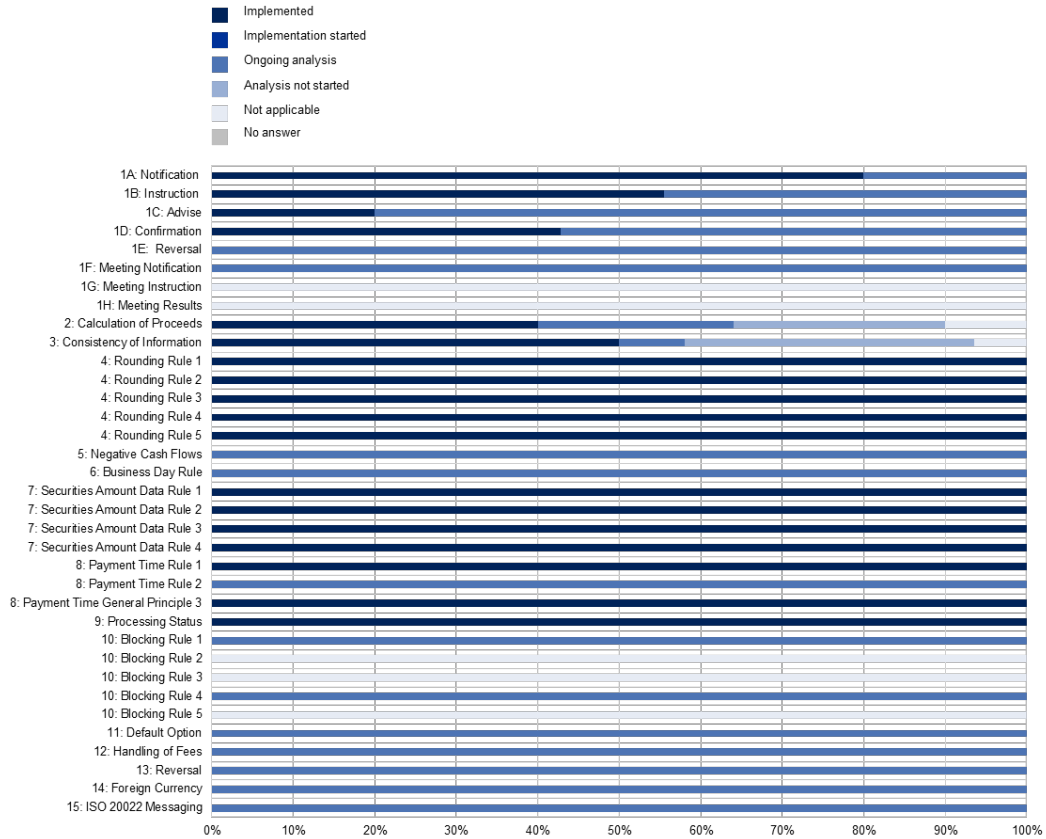
### 3

## Implementation status per SCoRE Standard

This section presents the implementation status of each Standard per entity type.

### CSD – Monte Titoli

#### Implementation status per SCoRE Standard



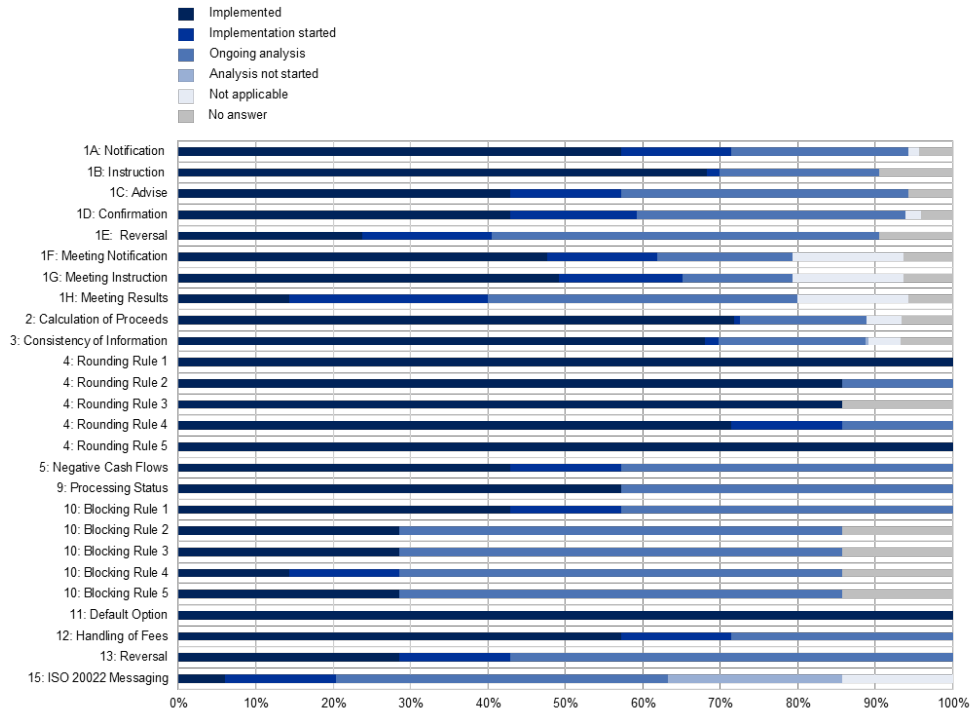
#### Notes

A plausibility check was performed by the CMH-TF.



## Custodians

### Implementation status per SCoRE Standard

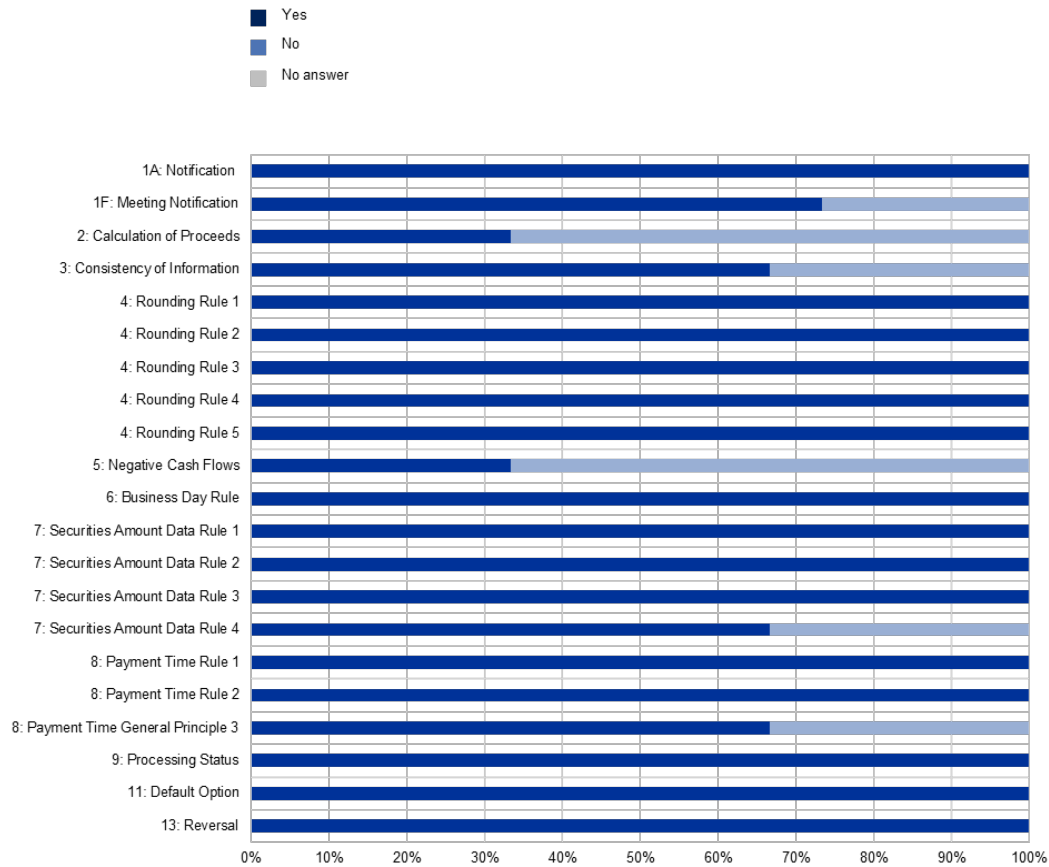


#### Notes

N/A

## Issuers

### Fulfilment of obligations per SCoRE Standard



Notes  
N/A

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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).