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 T2 and T2S NUG	**Institute:** Central Bank	**Date raised:** 24/07/2015
Request title: Enrich the Bank To Customer Debit/Credit Notification (camt.054) with data elements securities account Owner Parent BIC and securities account Owner Party BIC		**Request ref. no:** T2S 0542 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:** Low
Requestor Category: Central Bank		**Status:** Allocated to a release

Reason for change and expected benefits/business motivation:

A camt.054 (BankToCustomerDebitCreditNotification) is sent by T2S in A2A to Central Banks, Payment Banks or any parties authorised by them to confirm the credit or debit of a certain amount on one of their T2S Dedicated Cash Accounts (see UDFS v2.0, chapter 3.3.3.17).

In particular for Payment Banks it evidences in a structured form and in real-time mode that transactions, which could be

- Liquidity Transfers,
- Securities Settlements,
- Corporate action related transactions,

are settled on the DCA, resulting in a debit or credit.

Depending on the account set-up a DCA could be used to support the business

- of one or more entities,
- related to one or more CSDs,
- related to one or more SACs.

In its present shape the camt.054 used by T2S does not include the related CSD (SAC Owner Parent BIC) and the SAC owner (SAC Owner Party BIC). Therefore the Payment Bank cannot identify the CSD Participant for whom the settlement was performed.

By contrast the camt.053 (BankToCustomerStatement) reports these elements in

- /Document/BkToCstmrStmt/Stmt/Ntry/NtryDtls/TxDtls/RltdPties/Prtry/Tp
- /Document/BkToCstmrStmt/Stmt/Ntry/NtryDtls/TxDtls/RltdPties/Prtry/Pty.

The camt.054 is the right instrument to comply with the Basel III reporting requirements for intraday liquidity, for which real-time information from clearing systems are necessary.

The camt.054 could be used - if enriched by the above mentioned data elements -

- to determine entries in the DCA in the context of the Payment Bank managing its own liquidity by processing these messages in a liquidity management tool;
- to in turn reflect – under Basel III obligations – the cash to be included into the banks own reporting;

- to reflect towards its clients, how the intraday liquidity position of the client (in the clients' accounts with the Payment Bank) changes due to movements in the DCA. In turn that would be required by clients of the Payment Bank for them to fulfil their reporting requirements towards their regulators;
- to facilitate intraday reconciliation procedures.

These multiple scenarios require for each movement reported with camt.054 that an identification of the client / own entity and business is possible.

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Description of requested change:

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Enrich the camt.054 (BankToCustomerDebitCreditNotification) with data elements Securities Account Owner Parent BIC and Securities Account Owner Party BIC so that the same information is provided as in the account statement.

In the design of the camt.054 (according to the ISO-standards) the same tags are foreseen which are used in the camt.053, i.e.

- /Document/BkToCstmrDbtCdtNtfctn/Ntfctn/Ntry/NtryDtls/TxDtls/RltdPties/Prtry/Tp
- /Document/BkToCstmrDbtCdtNtfctn/Ntfctn/Ntry/NtryDtls/TxDtls/RltdPties/Prtry/Pty.

These should be used in the camt.054 to provide the SAC Owner Parent BIC and the SAC Owner Party BIC.

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Submitted annexes / related documents:

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Proposed wording for the Change request:

UDFS:
For messages:

3.3.3.17.3 camt.054 - The message in business context
Message usage: Cash Posting Notification – (Credit or Debit Notification) (page 1110 ff)
Specific message requirements
In the Rules and further descriptions regarding the Cash Posting Notification the confirmation contains the exact amount and the reason for the credit or debit:

MESSAGE ITEM	DATA TYPE/ CODE	UTILISATION
ProcessingIdentification Docu- ment/BkToCstmrDbtCdtNtfctn/Ntfctn/Ntry/Ntry Dtls/TxDtls/Refs/PrcgId	RestrictedFINXMax16Text	Third Party Reference of the underlying settlement in- struction
Type Docu- ment/BkToCstmrDbtCdtNtfctn/Ntfctn/Ntry/Ntry Dtls/TxDtls/RltdPties/Prtry/Tp	RestrictedFINXMax35Text	"CSD" or "Participant"
AnyBIC Docu- ment/BkToCstmrDbtCdtNtfctn/Ntfctn/Ntry/Ntry Dtls/TxDtls/RltdPties/Prtry/Pty/Id/OrgId/AnyBI	AnyBICIdentifier	BIC of the CSD or CSD Participant owning the Securities Account

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Impact on message documentation on MyStandards / Schemas:

Un-prune the element camt.054.001.03/Notification/Entry/EntryDetails/TransactionDetails/RelatedParties/
Proprietary (Repeatability[0..2])
- targetTypeName:
ProprietaryParty3
- T2S-Use:
Identification of the related securities account owner via the usual couple of BICs.
Identification is only present if the respective T2S Dedicated Cash Account was credited/debited in case of a
settled settlement instruction.

camt.054.001.03/Notification/Entry/EntryDetails/TransactionDetails/RelatedParties/Proprietary/
Type (Repeatability[1..1]
- targetTypeName:
RestrictedFINXMax35Text
- T2S-Use:
Carry the value "CSD" or "Participant".

camt.054.001.03/Notification/Entry/EntryDetails/TransactionDetails/RelatedParties/Proprietary/
Party/Identification/OrganisationIdentification/AnyBIC (Repeatability[1..1])
- targetTypeName:
AnyBICIdentifier
– T2S-Use:
BIC of the CSD or CSD Participant.

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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.

* CRG meeting of 6/7 July 2016: The CRG recommended the Change Request for preliminary assessment

* CRG meeting of 06 September 2016: The CRG took note of the T2S functionalities/modules impacted by the Change Request following the 4CB preliminary assessment.

* CRG on 21 December 2017: During a written procedure from 19 to 21 December 2017, the CRG and RMSG agreed to launch the detailed assessment on CR-0520, CR-0590, CR-0587 and CR-0542 in view of the T2S Release 3.0.

* Advisory Group on 02 January 2018: In a written procedure from 21 December 2017 to 02 January 2018, the Advisory Group was in favour of launching the detailed assessment on the Change Request in view of the T2S release 3.0.

* CSD Steering Group on 03 January 2018: In a written procedure from 22 December 2017 to 03 January 2018, the CSD Steering Group was in favour of launching the detailed assessment on the Change Request in view of the T2S release 3.0.

* CRG on 26 March 2018: the CRG agreed to recommend to the T2S Steering Level the approval of these CRs and their inclusion in T2S release 3.0

* PMG/RMSG on 12 April 2018: the PMG proposed the allocation of the CR to T2S release 3.0

* OMG written procedure ended 26 April 2018: the OMG did not identify any operational impact in the Service Transition Plan 3.0 because of the inclusion of the CR.

* Advisory Group on Market Infrastructures for Securities and Collateral (AMI-SeCo) on 30 April 2018: Following a written procedure from 23 to 27 April 2018, the AMI-SeCo was in favour of approving the Change Request and its inclusion in T2S Release 3.0

* CSD Steering Group on 30 April 2018: Following a written procedure from 23 to 27 April 2018, the CSG was in favour of approving the Change Request and its inclusion in T2S Release 3.0

Preliminary assessment:

- Impacted functionality/module: A2A, LCMM.
- 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**	
	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
			x	Status management
	Operational services			Instruction matching
	Data Migration			Instructions maintenance
	Scheduling		**Statistics, queries reports and archive**	
	Billing			Report management
	Operational monitoring			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	3.3.3.17 BankToCustomerDebitCreditNotificationV03 (camt.054.001.03) Message usage: Cash Posting Notification		Update table with the new fields
Additional deliveries for Message Specification	Message documentation for camt.054		Update of the schema and the Cash Posting Notification message usage example Upload to MyStandards
UHB			
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			
In the camt.054 the already existing field Notification/Entry/EntryDetails/TransactionDetails/RelatedParties/ Proprietary will be un-pruned. Via the respective sub-fields the message will be enriched with the data elements Securities Account Owner Parent BIC and Securities Account Owner Party BIC.			

Main cost drivers:

LCMM:

The impact is limited to the camt.054 creation process and the related communication between LCMM and INTF. It is required to update the specific flow linked to the camt.054 message in order to transport the new attributes that will contain the relevant BICs (Parent of the SAC owner and Party owner of the SAC).
There is a need to design and execute Test Cases to ensure that the outbound messages are reported adequately, with the new information: the SAC Owner Parent BIC and the SAC Owner Party BIC. The Testing campaign has to include a wide combination of SAC owners, business scenarios and combinations of SACs and DCAs.
It is needed to update and adapt the already existing regression Test-Cases due to the change in the message schema and a Regression Testing Campaign need to be executed.

INTF:
To test the changes in Interface it is necessary to draft and execute test cases for A2A. The test cases will check the correct implementation of the camt.054.
Existing regression test cases need to be updated to incorporate the changes resulting from the implementation of the CR.

Summary of project risk
None.

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

16 March 2018

Cost assessment on Change Requests

T2S-542-SYS – Enrich the Bank To Customer Debit/Credit Notification (camt.054) with data elements securities account Owner Parent BIC and securities account Owner Party BIC			
One-off	Assessment costs* - Preliminary - Detailed	2,000.00 10,000.00	Euro Euro
One-off	Development costs	98,165.28	Euro
Annual	Operational costs - Maintenance costs - Running costs	 8,116.69 0.00	 Euro 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).