EUROPEAN CENTRAL BANK

EUROSYSTEM

General Information (Origin of Request) ☐ User Requirements (URD) ☒ Other User Functional or Technical Documentation (SYS)		
Request raised by: OMG	**Institute:** 4CB	**Date raised:** 12/02/2021
Request title: T2S Penalty Mechanism: Updates and optimisations on the schedule of activities		**Request ref. no:** T2S 0755 SYS
Request type: Common	**Classification:** Operational / Corrective Maintenance	**Urgency:** Fast Track
1. Legal/business importance parameter[1]: High	**2. Market implementation efforts parameter[2]:** Low	
3. Operational/Technical risk parameter[3]: Low	**4. Financial impact parameter[4]:** No financial impact	
Requestor Category: 4CB	**Status:** Implemented	

Reason for change and expected benefits/business motivation:

The T2S Penalty Mechanism's (introduced with CR-654) provides the daily calculation and reporting of cash penalties for settlement fails, a monthly reporting of the aggregated amounts of cash penalties computed for a given month as well as the operational tools which are necessary for T2S Actors.

Non Functional Tests revealed that the time required to process penalty reference data (daily prices), in T2S, exceeds the timeframe for their provision according to the latest information. Therefore, CR-654 detail assessment assumptions cannot be met.

The processing of daily prices will finish after the currently foreseen 8:30 a.m., hence delaying the subsequent calculation, recalculation and reporting of penalties.

As a consequence, it was agreed by the OMG to raise this change request to fine tune the schedule of activities as proposed by the 4CB, which allows meeting the business and operational needs, but avoids to purchase additional processing power and, consequently, its additional costs.

The description of the updates and optimizations of the schedule of activities is provided below.

Description of requested change:

The following updates and optimizations in the schedule of activities are proposed:

- To postpone 75 minutes, the expected completion time for the processing of reference data:
  - Processing and preparation of reference data submitted before the deadline: To be completed by 9:45 *(now 8:30)*
- To postpone, accordingly, the start and expected completion times of the following activities due to the new completion time of the processing of reference data:
  - New start of the Calculation of penalties expected at 9:45 *(now 8:30)*

    Note that 9:45 is the latest time by when the Calculation process is expected to start, but the related event will be scheduled at 9:15 so it starts as soon as possible (as soon as previous processes have finished)
  - New time for expected completion of the Recalculation (plus End of appeal period process on the 13th business day of the month), that triggers the restart of the screens to query and modify penalties: At the latest at 12:15, normally, at 12:25 on the 13th *(now 11:00)*
  - Completion of the daily reporting:

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1 Legal/business importance parameter was set to High because fine tuning the scheduled activities will allow to meet business and operational needs of the T2S Penalty Mechanism

2 Market implementation effort parameter was set to Low because the CR does not modify T2S functionalities, but only their timing, hence only limited adaptations are expected for T2S users.

3 Operational/technical risk parameter was set to Low because the fine tuning of scheduled activities was agreed in the OMG and is not expected to negatively interfere with T2S operations

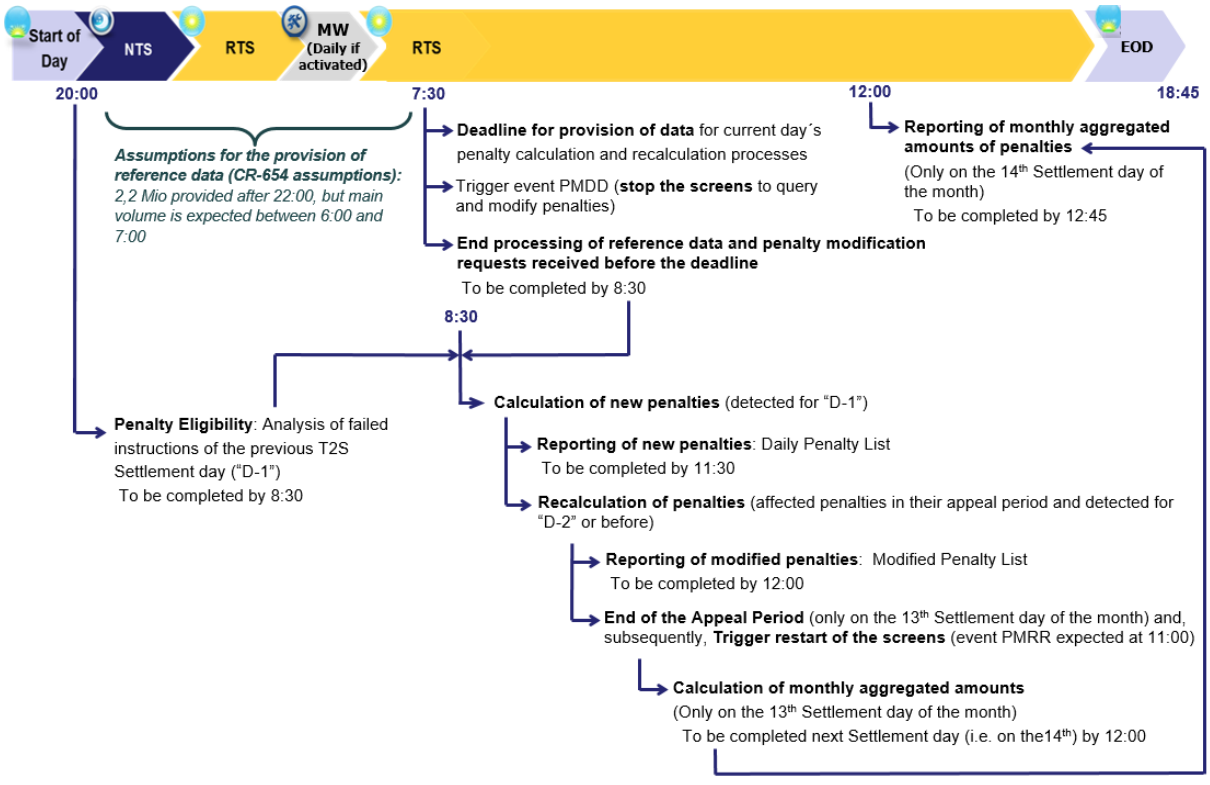
4 No additional costs are expected from the CR

        - Daily penalty list report: To be completed by 12:25 (now 11:30[5])
        - List of modified penalties report: To be completed by 12:45 (now 12:00)
- To offset the impact on the penalty related screens availability (due to the later completion of recalculation and End of appeal period processes, after which related screens become available again) it is proposed:
    - To separate the deadline for provision of reference data, from the deadline for provision of penalty modification requests and stop screens to query and modify penalties (currently same deadline) and set it at a later point in time. I.e.:
        - New ad-hoc deadline for provision of A2A penalty modification requests and stop screens to query and modify penalties: 9:00 (now 7:30)
    - To no longer stop the screen "Monthly Net Penalty Amounts - Search/List" during the daily processing of penalties (because there is no need to stop it, as this screen can be available during these processes).
- To perform the monthly reporting at an earlier time (in parallel with reference data processing), hence avoiding the delay of the monthly reporting because of the abovementioned updates:
    - Monthly aggregated amounts report:

      To start at 8:30 *(now at 12:00)* and to be completed by 9:30 *(now 12:45)*

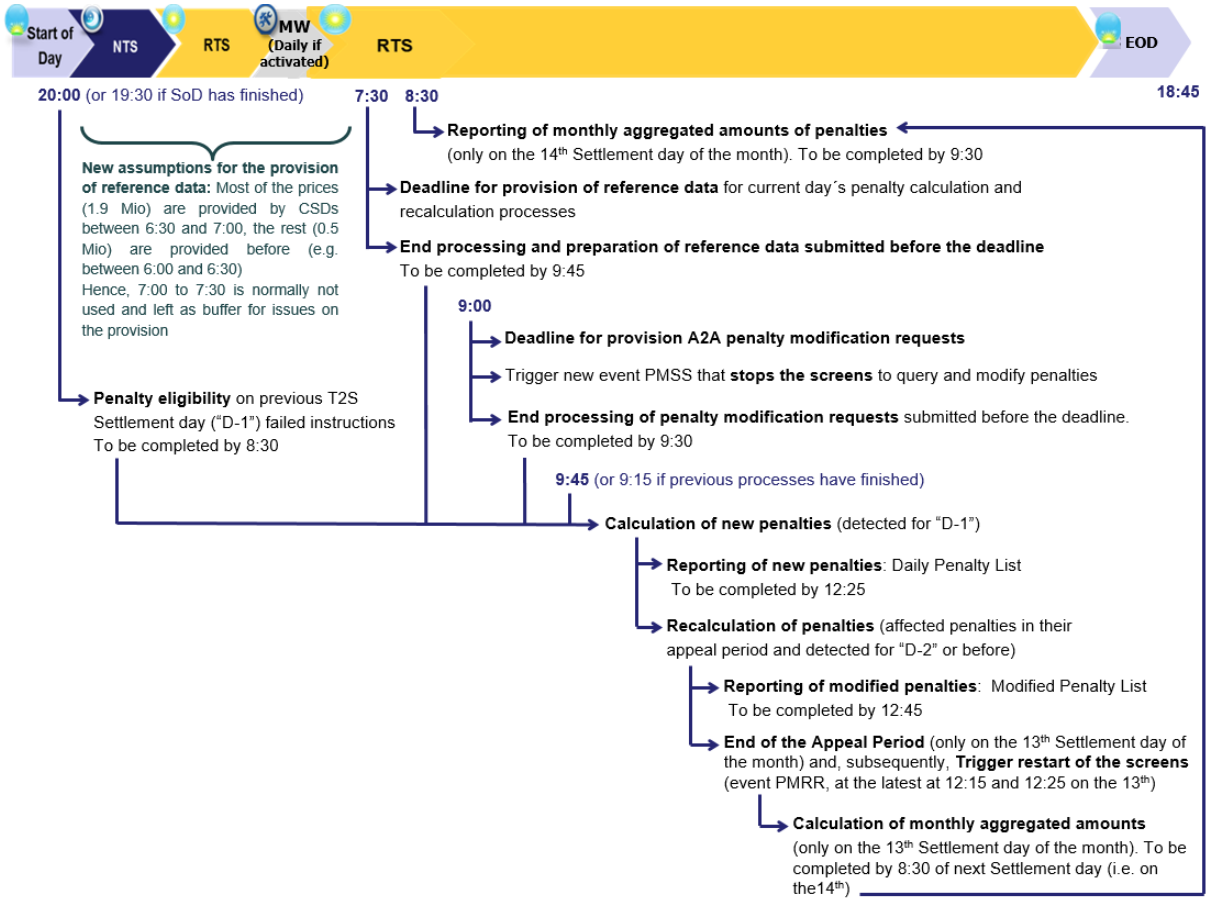
As a consequence, the schedule of activities will be updated as shown in the following diagrams:

Current schedule of activities



Updated schedule of activities

[5] 11:30 according to CR-654 (there is now a typo on the UDFS v5.2, where it reads 12:00).



Submitted annexes / related documents:

Proposed wording for the Change request:

UDFS

Section 1.4 Settlement Day

1.4.3.2 Settlement day high level processes

The settlement day in T2S runs along the timing illustrated in the table below.

Table 1 - Settlement day high level processes

T2S TIMELINE	T2S PERIODS	HIGH LEVEL DESCRIPTION
5:00 a.m. (or after NTS if NTS ends before 3:00 a.m.) – 6:00 p.m.	Real-time settlement (RTS)	The real-time settlement period including: • The real-time settlement preparation; • Penalty mechanism processing: – At 7:30 a.m., a final deadline for provision to accept penalty reference data to be used in current day´s penalty calculation and recalculation processes: ▪ Securities subject to penalties information; ▪ ~~Penalty modification requests;~~ ▪ Updated historic (former) prices for penalties; ▪ Daily prices for penalties. – At 7:30 a.m., start of the penalty reference data preparation processing[6]; – At 8:30 a.m., a final deadline for completing the penalty eligibility[7] (starting at ~~8 p.m.~~7:30p.m or after the end of the Start of Day processes if they are completed afterwards); – At 8:30 a.m. of the 14th business day of the month, start of the monthly reporting of aggregated amounts of penalties (to be completed by 9:30 p.m.); – At 9:00 a.m., a final deadline for provision of penalty modification requests to be considered in current day´s penalty processes; – After the completion of the penalty reference data preparation, the processing of penalty modification requests submitted before the deadline, and the penalty eligibility, but not before 9:15 ~~At 8:30~~ a.m., start of the Calculation, Recalculation and reporting of new and modified penalties; – ~~At 12:00 p.m. of~~ On the 13th business day of the month, after the Recalculation is completed, start the end of appeal period process followed by ~~of~~ the calculation of monthly aggregated amounts of penalties (to be completed by ~~12:00 p.m.~~ 8:30 a.m., on the next business day); – ~~At 12:00 p.m. of the 14th business day of the month, start of the monthly reporting of aggregated amounts of penalties (to be completed by 12:45 p.m.);~~ • The real-time settlement with 5 partial settlement windows; • The real-time settlement closure.

[6] Preparation processing is comprised of Static data processing of reference data for the penalty calculation and recalculation ~~and LCMM processing of Penalty Modification requests received but not yet processed.~~

[7] Penalty eligibility is comprised of an analysis of failed matched settlement instructions from the previous business day to determine their eligibility for penalties.

1.4.4.4 Real-time settlement (RTS)

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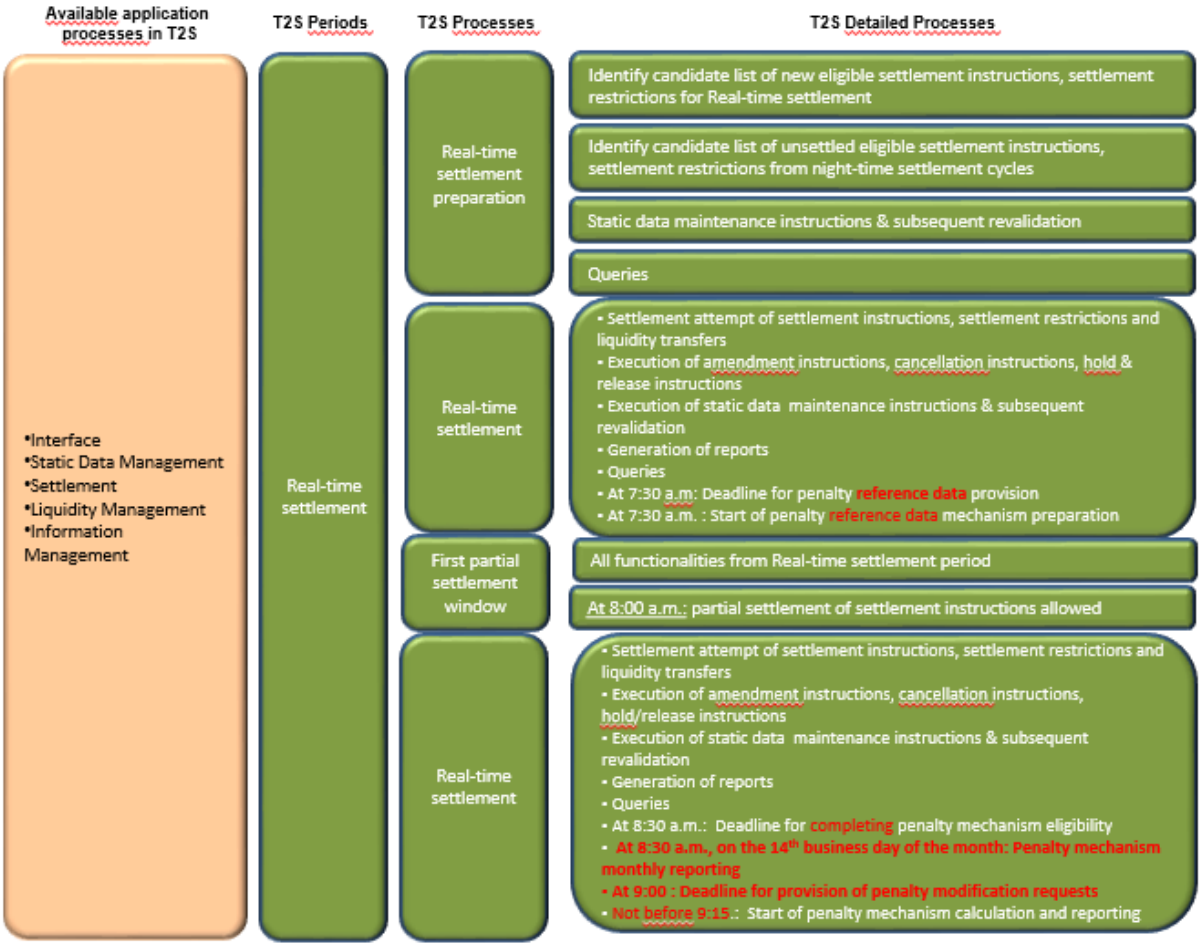
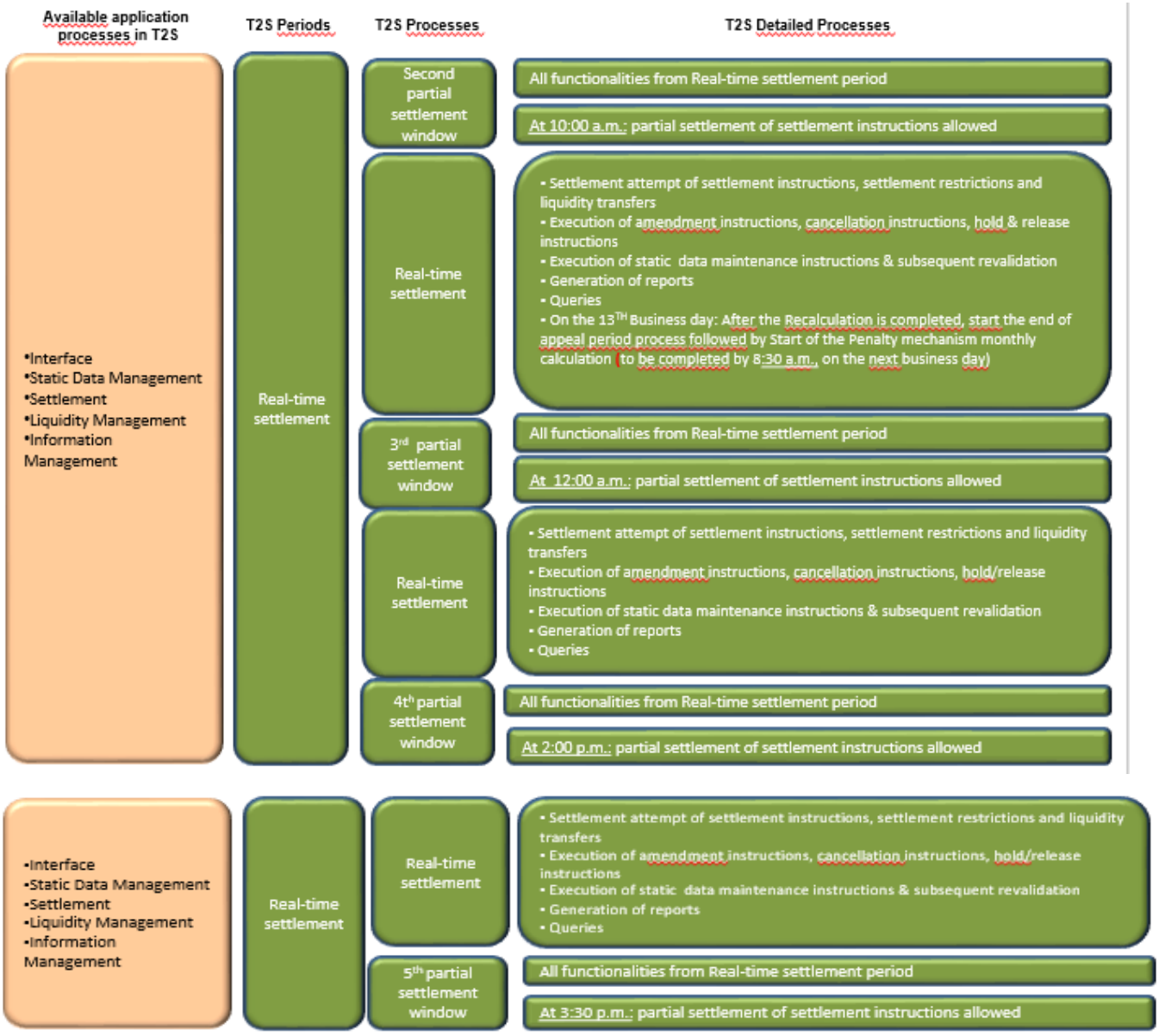
DIAGRAM 1 - **REAL-TIME SETTLEMENT SCHEDULE**

1.4.4.4.2 Real-time settlement schedule

The diagram below shows the different processes occurring during the real-time settlement of the real-time settlement period along with the list of available application processes.

DIAGRAM 2 - **REAL-TIME SETTLEMENT SCHEDULE**

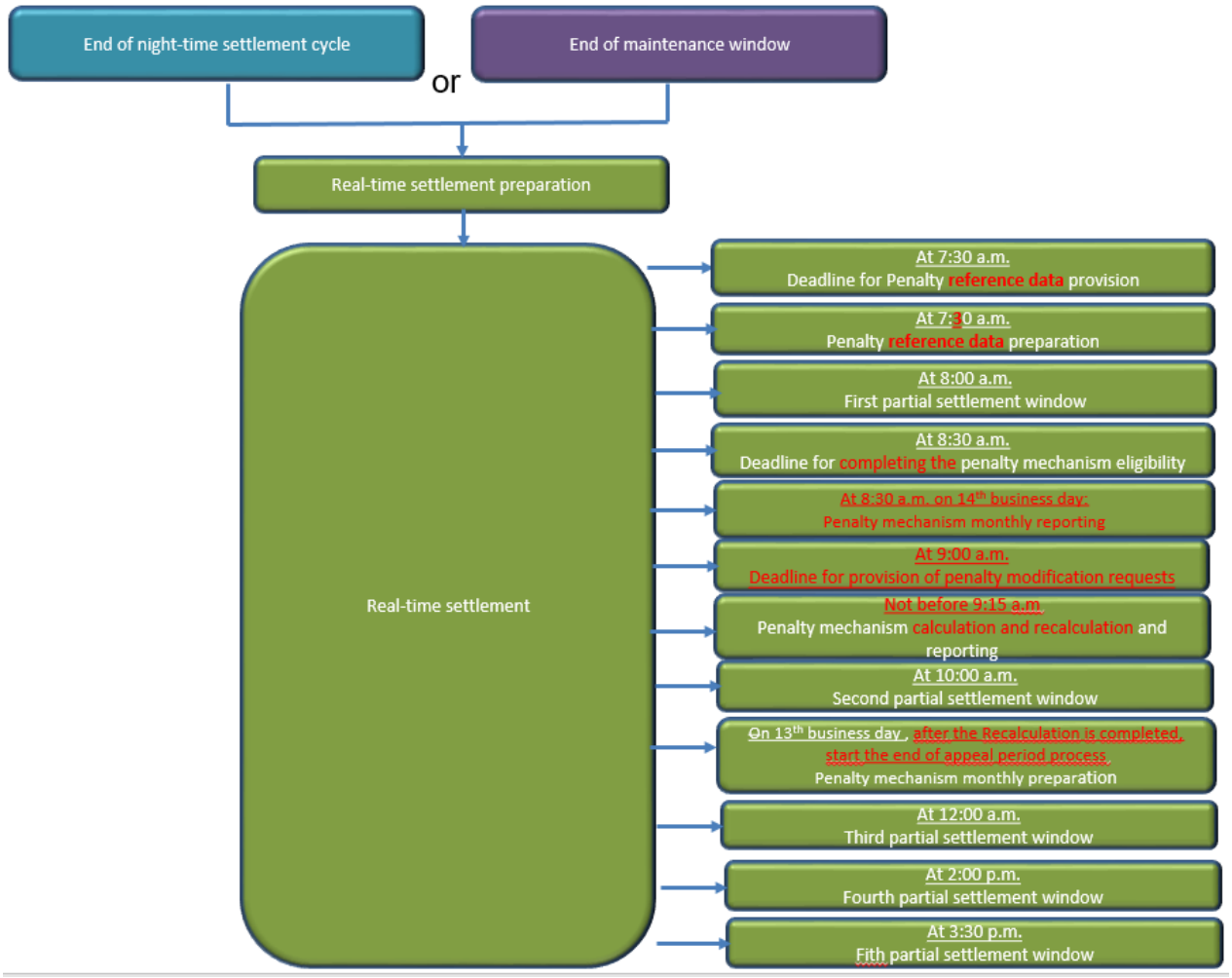



Available application processes in T2S
T2S Periods
T2S Processes
T2S Detailed Processes
•Interface
•Static Data Management
•Settlement
•Liquidity Management
•Information Management
Real-time settlement
Second partial settlement window
All functionalities from Real-time settlement period
At 10:00 a.m.: partial settlement of settlement instructions allowed
Real-time settlement
• Settlement attempt of settlement instructions, settlement restrictions and liquidity transfers
• Execution of amendment instructions, cancellation instructions, hold & release instructions
• Execution of static data maintenance instructions & subsequent revalidation
• Generation of reports
• Queries
• On the 13TH Business day: After the Recalculation is completed, start the end of appeal period process followed by Start of the Penalty mechanism monthly calculation (to be completed by 8:30 a.m., on the next business day)
3rd partial settlement window
All functionalities from Real-time settlement period
At 12:00 a.m.: partial settlement of settlement instructions allowed
Real-time settlement
• Settlement attempt of settlement instructions, settlement restrictions and liquidity transfers
• Execution of amendment instructions, cancellation instructions, hold/release instructions
• Execution of static data maintenance instructions & subsequent revalidation
• Generation of reports
• Queries
4th partial settlement window
All functionalities from Real-time settlement period
At 2:00 p.m.: partial settlement of settlement instructions allowed
•Interface
•Static Data Management
•Settlement
•Liquidity Management
•Information Management
Real-time settlement
Real-time settlement
• Settlement attempt of settlement instructions, settlement restrictions and liquidity transfers
• Execution of amendment instructions, cancellation instructions, hold/release instructions
• Execution of static data maintenance instructions & subsequent revalidation
• Generation of reports
• Queries
5th partial settlement window
All functionalities from Real-time settlement period
At 3:30 p.m.: partial settlement of settlement instructions allowed

1.4.4.4.3 Real-time settlement dependencies

During the real-time settlement of the real-time settlement period, T2S performs the following detailed processes based on the specified dependencies.

***DIAGRAM 3 -* REAL-TIME SETTLEMENT DEPENDENCIES**



The following table describes the different dependencies between processes occurring during the real-time settlement of the real-time settlement period.

Table 23 - Dependencies between processes during the real-time settlement

T2S DETAILED PROCESSES	DEPENDENCIES	
	TYPE OF DEPENDENCY	DESCRIPTION
...	...	...
Deadline for penalty reference data ~~Penalty mechanism~~ provision	Time: 7:30 a.m.	This deadline determines the end of the period whereby ~~P~~penalty reference data related information is accepted for current business day´s calculation and recalculation processes.
Penalty ~~mechanism~~ reference data preparation	Time: 7:30 a.m.	This process does not start before 7:30 a.m.
First partial settlement window	Time: 8:00 a.m.	This process does not start before 8:00 a.m.
Deadline for completing ~~Penalty mechanism~~ penalty eligibility	Time: 8:30 a.m.	This deadline determines the time by when ~~end of~~ the process to analyse the eligibility ~~period~~ for penalties should be finished.
Penalty mechanism monthly reporting	Time: 8:30 p.m.	This process starts at 8:30 a.m. on the 14th business day of the month.
Deadline for provision of penalty modification requests	Time: 9:00 a.m.	This deadline determines the end of the period whereby penalty modifications are accepted for current business day´s penalty processes. It triggers the processing of penalty modification requests submitted before the deadline but not yet processed
Penalty mechanism Calculation, Recalculation and reporting	Penalty reference data preparation completed, and Deadline for provision of penalty modification requests completed, and Penalty eligibility completed Time: ~~8:30~~ 9:15 a.m.	This process starts after the completion of i) the Penalty reference data preparation, ii) the processing of penalty modification requests submitted before the deadline but not yet processed and iii) the penalty eligibility. This process does not start before ~~8:30~~ 9:15 a.m. ~~and the completion of the Penalty mechanism preparation.~~
Second partial settlement window	Time: 10:00 a.m.	This process does not start before 10:00 a.m.

T2S DETAILED PROCESSES	DEPENDENCIES	
	TYPE OF DEPENDENCY	DESCRIPTION
Penalty mechanism monthly ~~calculation~~ preparation	Recalculation completed ~~Time: 12:00 p.m.~~	This process starts after the completion of the Recalculation ~~at 12:00 p.m.~~ on the 13th business day of the month.
~~Penalty mechanism monthly reporting~~	~~Time: 12:00 p.m.~~	~~This process starts at 12:00 p.m. on the 14th business day of the month.~~
Third partial settlement window	Time: 12:00 p.m.	This process does not start before 12:00 p.m.
Fourth partial settlement window	Time: 2:00 p.m.	This process does not start before 2:00 p.m.
Fifth partial settlement window	Time: 3:45 p.m.	This process does not start before 3:45 p.m.

1.4.4.4.4 Real-time settlement processes

During the real-time settlement, T2S performs the processes as detailed in the below table.

Table 3 - Processes during the real-time settlement

T2S PROCESSES	DESCRIPTION OF THE PROCESSES
...	...

Deadline for penalty reference data ~~Penalty mechanism~~ provision	All the processes available during the real-time settlement period are also available.
	Additionally:
	- At 7:30 a.m., final deadline[8] for provision to accept penalty reference data for current day´s calculation and recalculation processes:
	  – Securities subject to penalties information;
	  – ~~Penalty modification requests;~~
	  – Updated historic (former) prices for penalties;
	  – Daily prices for penalties.

Penalty reference data ~~mechanism~~ preparation	All the processes available during the real-time settlement period are also available. Additionally:

[8] Any data or prices submitted after the deadline will not be considered in this business day's penalty computations and recalculations.

T2S PROCESSES	DESCRIPTION OF THE PROCESSES
	▪ Extraction and preparation of penalty related Static Data Reference data for the calculation and recalculation of penalties[9] .~~;~~ ▪ ~~Processing of remaining penalty modification requests[10].~~
Deadline for provision of penalty modification requests	All the processes available during the real-time settlement period are also available. Additionally: ▪ At 9:00 a.m., final deadline for provision of penalty modification requests for current day´s processing ▪ Processing of remaining penalty modification requests received before the deadline[11].
First partial settlement window	All the processes available during the real-time settlement period are also available. Additionally: ▪ Partial settlement of new Settlement Instructions arriving into T2S in this period and eligible to partial settlement; ▪ Settlement of previous unsettled or partially settled Settlement Instructions which are eligible to partial settlement.
Deadline for completion of p~~P~~enalty ~~mechanism~~ eligibility	All the processes available during the real-time settlement period are also available. Additionally: ▪ At 8:30 a.m., final deadline for completing eligibility for ~~to~~ penalties [12] ~~and for preparation processing[13].~~
Penalty mechanism Calculation, Recalculation and reporting	All the processes available during the real-time settlement period are also available. Additionally: ▪ Calculation of new penalties; ▪ Re-calculation of previously calculated penalties; ▪ Reporting of new penalties; ▪ Reporting of modified penalties.
Second partial settlement window	All the processes available during the real-time settlement period are also available. Additionally:

[9] Processing for extracting and preparing the reference data for penalties (received before deadline) must be finished to start this business day's penalty computations and recalculations.

[10] ~~Penalty modification requests are processed as received except for those queued during the maintenance window and during the computation periods.~~

[11] Penalty modification requests are processed as received except for those queued during the maintenance window and during the processes between the Deadline for provision of Penalty Modification Requests and the completion of the End of appeal period process.

[12] Analysis of failed matched settlement instructions from the previous business day to determine their eligibility for penalties must be finished to start this business day's penalty computations and recalculations.

[13] ~~Processing for extracting and preparing the reference data for penalties (received before deadline) must be finished to start this business day's penalty computations and recalculations~~.

T2S PROCESSES	DESCRIPTION OF THE PROCESSES
	l Partial settlement of new Settlement Instructions arriving into T2S in this period and eligible to partial settlement; l Settlement of previous unsettled or partially settled Settlement Instructions which are eligible to partial settlement.
Penalty mechanism monthly ~~calculation~~ preparation	All the processes available during the real-time settlement period are also available. Additionally, (solely on the 13th business day of the month): l End of appeal period process; l Calculation of monthly aggregated amounts.
Penalty mechanism monthly reporting	All the processes available during the real-time settlement period are also available. Additionally (solely on the 14th business day of the month): l Reporting of monthly aggregated amounts.
Third partial settlement window	All the processes available during the real-time settlement period are also available. Additionally: l Partial settlement of new Settlement Instructions arriving into T2S in this period and eligible to partial settlement; l Settlement of previous unsettled or partially settled Settlement Instructions which are eligible to partial settlement.
...	...

Section 1.6.1.14 Penalty Mechanism

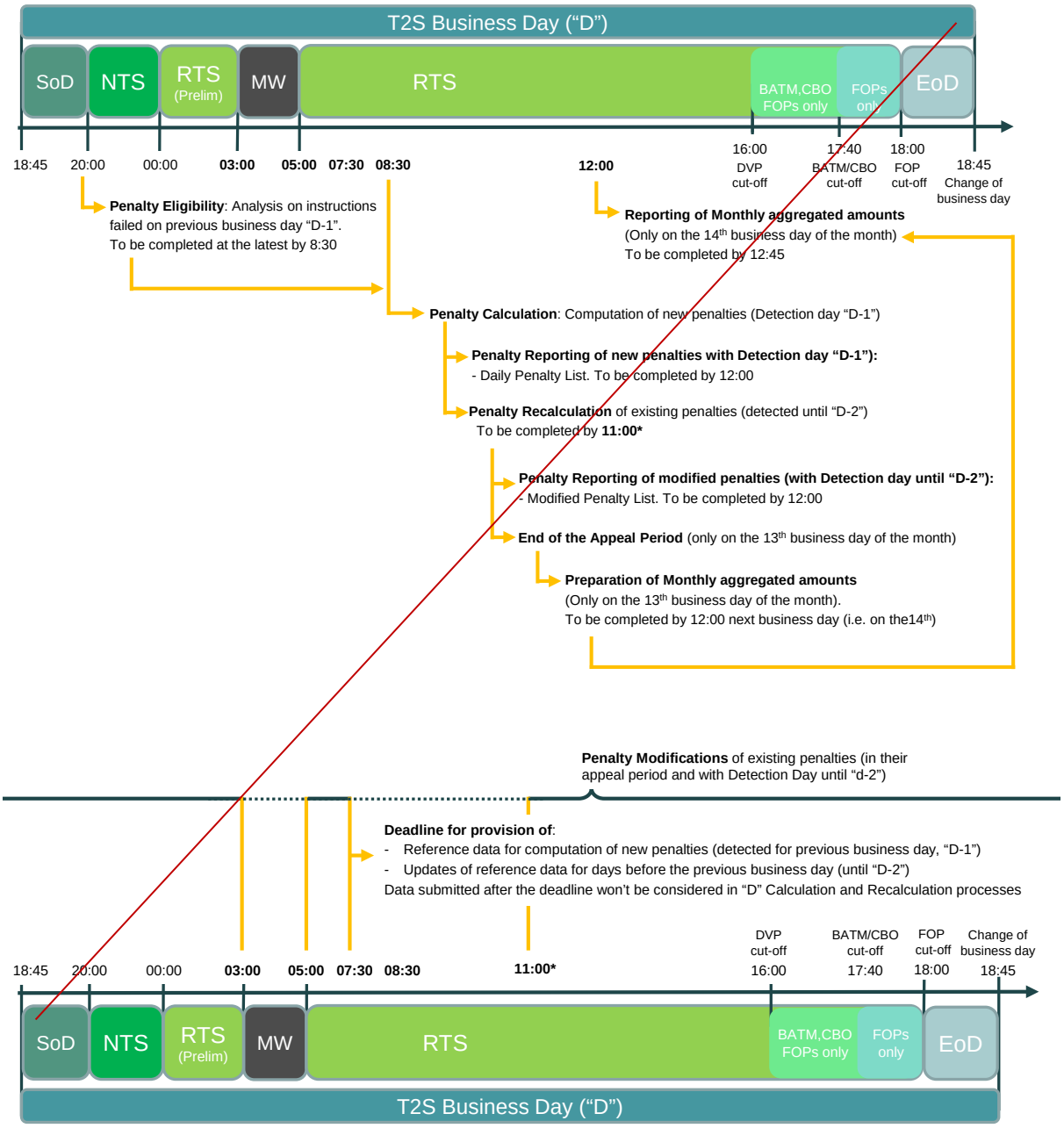
1.6.1.14.3. Overall view of the Penalty Mechanism Processes

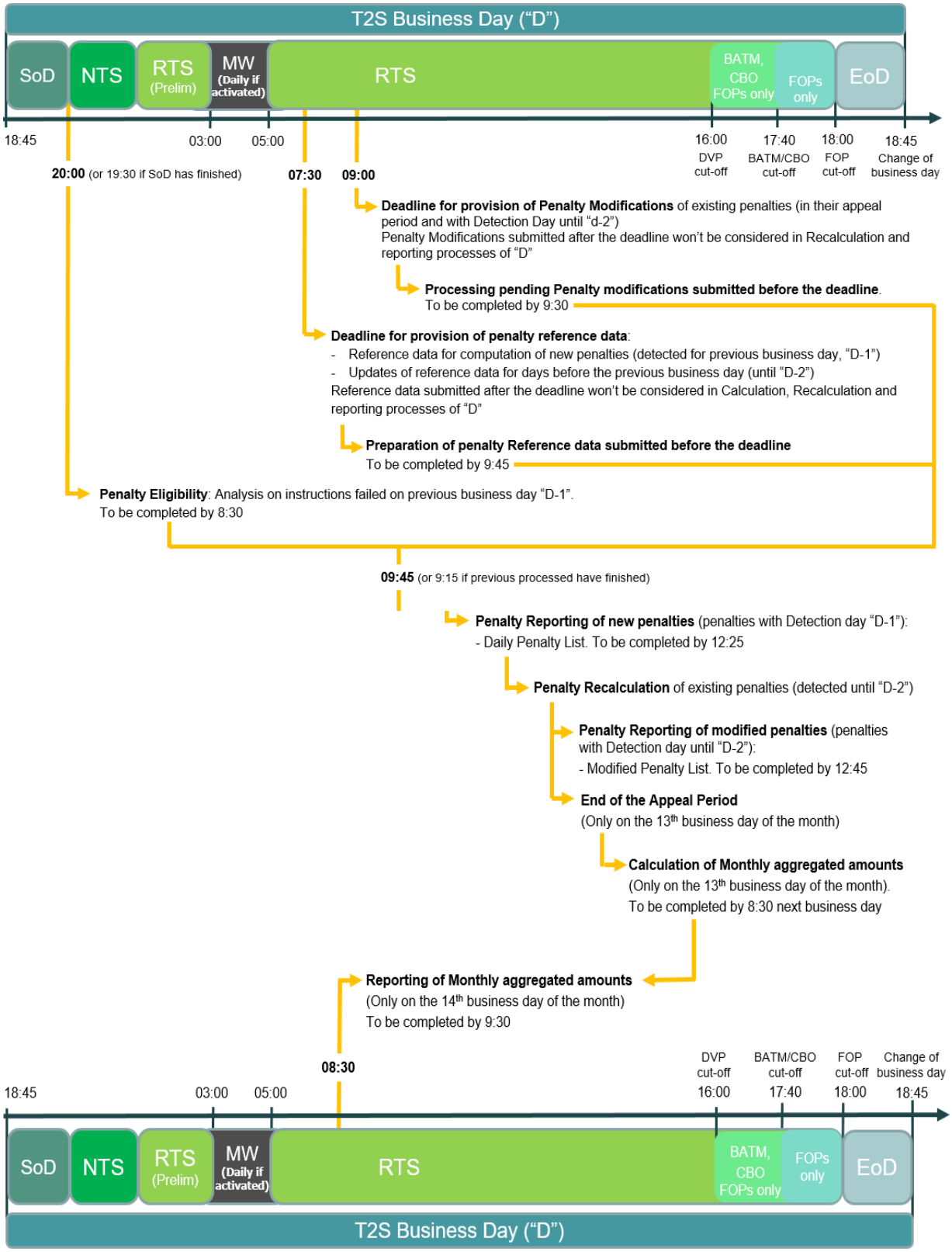
Every business day, the following Penalty Mechanism processes are performed:

- ...
- Penalty Calculation: this process calculates newly detected Penalties. It starts ~~by 8:30,~~ once the Penalty Eligibility Process, ~~and~~ the Static Data preparation for penalties and the processing of penalty modification requests submitted before the deadline have ~~has~~ finished;
- ...

In addition, once a month, the following Penalty Mechanism processes are performed:

- End of the Appeal Period process for Penalties detected on the previous month, which become not modifiable. This process is run on the 13th business day of the month, after the Penalty Recalculation process has finished~~, and must be finished by 11:00~~; and
- ...


T2S Business Day (“D”)
SoD
NTS
RTS (Prelim)
MW
RTS
BATM,CBO FOPs only
FOPs only
EoD
18:45
20:00
00:00
03:00
05:00
07:30
08:30
12:00
16:00 DVP cut-off
17:40 BATM/CBO cut-off
18:00 FOP cut-off
18:45 Change of business day
Penalty Eligibility: Analysis on instructions failed on previous business day “D-1”. To be completed at the latest by 8:30
Reporting of Monthly aggregated amounts (Only on the 14th business day of the month) To be completed by 12:45
Penalty Calculation: Computation of new penalties (Detection day “D-1”)
Penalty Reporting of new penalties with Detection day “D-1”): - Daily Penalty List. To be completed by 12:00
Penalty Recalculation of existing penalties (detected until “D-2”) To be completed by 11:00*
Penalty Reporting of modified penalties (with Detection day until “D-2”): - Modified Penalty List. To be completed by 12:00
End of the Appeal Period (only on the 13th business day of the month)
Preparation of Monthly aggregated amounts (Only on the 13th business day of the month). To be completed by 12:00 next business day (i.e. on the14th)
Penalty Modifications of existing penalties (in their appeal period and with Detection Day until “d-2”)
Deadline for provision of:
- Reference data for computation of new penalties (detected for previous business day, “D-1”)
- Updates of reference data for days before the previous business day (until “D-2”)
Data submitted after the deadline won’t be considered in “D” Calculation and Recalculation processes
11:00*
DVP cut-off 16:00
BATM/CBO cut-off 17:40
FOP cut-off 18:00
Change of business day 18:45
SoD
NTS
RTS (Prelim)
MW
RTS
BATM,CBO FOPs only
FOPs only
EoD
T2S Business Day (“D”)



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Section 2.30 Send Penalty Modification Requests

2.30.1. Introduction

…

Penalty Modification request Bulk Files can be sent at any time, but they will be queued during the processing of penalties and during the maintenance window. Hence, in order to have the related modifications in the Penalties reported in the current business day´s List of Modified Penalties report, the file must be se before the deadline for provision of ~~penalty data (7:30 a.m.~~ Penalty Modification requests (see section Settlement Day [☐Add page to section 1.4]). Otherwise, they will be reported in the following business day´s List of Modified Penalties report.

UHB

Section 2.2.2 Settlement

….

2.2.2.18 Settlement Instruction - Details Screen

…..	…..
Associated Penalties	... This function will not be available during the processing of penalties i.e. between the Events "PM~~DD~~SS" (Penalty Mechanism- ~~Deadline for provision of Data~~ Stop Screens and penalty modification requests) and "PMRR" (Penalty Mechanism- Restart GUI and Restart processing penalty modification requests. This function ….

2.2.2.23 Penalty – Search/List Screen

….

This screen will not be available during the processing of penalties, i.e. between the Events "PM~~DD~~SS" (Penalty Mechanism- ~~Deadline for provision of Data~~ Stop Screens and penalty modification requests) and "PMRR" (Penalty Mechanism- Restart GUI and Restart processing penalty modification requests).

….

2.2.2.24 Penalty - Details Screen

….

This screen will not be available during the processing of penalties, i.e. between the Events "PMSS" (Penalty Mechanism- Stop Screens and penalty modification requests) and "PMRR" (Penalty Mechanism- Restart GUI and Restart processing penalty modification requests).

....

2.2.2.25 Monthly Net Penalty Amounts - Search/List Screen

....

This screen is only available for CSD authorised users and T2S Operator user.

~~This screen will not be available during the processing of penalties, i.e. between the Events "PMDD" (Penalty Mechanism- Deadline for provision of Data) and "PMRR" (Penalty Mechanism- Restart GUI and Restart processing penalty modification requests).~~

....

2.2.2.26 Penalty - Removal Screen

....

This screen will not be available during the processing of penalties, i.e. between the Events "PM~~DD~~SS" (Penalty Mechanism- ~~Deadline for provision of Data~~ Stop Screens and penalty modification requests) and "PMRR" (Penalty Mechanism- Restart GUI and Restart processing penalty modification requests).

2.2.2.27 Penalty - Re-allocation Screen

....

This screen will not be available during the processing of penalties, i.e. between the Events "PM~~DD~~SS" (Penalty Mechanism- ~~Deadline for provision of Data~~ Stop Screens and penalty modification requests) and "PMRR" (Penalty Mechanism- Restart GUI and Restart processing penalty modification requests).

....

2.2.2.28 Penalty - Switch Screen

....

This screen will not be available during the processing of penalties, i.e. between the Events "PM~~DD~~SS" (Penalty Mechanism- ~~Deadline for provision of Data~~ Stop Screens and penalty modification requests) and "PMRR" (Penalty Mechanism- Restart GUI and Restart processing penalty modification requests).

....

Section 3.15.7 Monitoring of Penalties

3.15.7.1 View the Individual Penalty Details

...

This function will not be available either during the Maintenance Window or during the processing of penalties, i.e. between the Events "PM~~DD~~SS" (Penalty Mechanism- ~~Deadline for provision of Data~~ Stop Screens and penalty modification requests) and "PMRR" (Penalty Mechanism- Restart GUI and Restart processing penalty modification requests).

....

3.15.7.2 Modification of existing penalties

...

You may remove, re-include, re-allocate or switch existing penalties anytime of the day except during the Maintenance Window or during the processing of penalties, i.e. between the Events "PMSS" (Penalty Mechanism- Stop Screens and penalty modification requests) and "PMRR" (Penalty Mechanism- Restart GUI and Restart processing penalty modification requests).

...

3.15.7.3 View List of Penalties

...

This function will not be available either during the Maintenance Window or during the processing of penalties, i.e. between the Events "PM~~DD~~SS" (Penalty Mechanism- ~~Deadline for provision of Data~~ Stop Screens and penalty modification requests) and "PMRR" (Penalty Mechanism- Restart GUI and Restart processing penalty modification requests).

....

3.15.7.4 View monthly aggregated net amounts of penalties

...

This function will not be available ~~either~~ during the Maintenance Window ~~or during the processing of penalties, i.e. between the Events "PMDD" (Penalty Mechanism- Deadline for provision of Data) and "PMRR" (Penalty Mechanism- Restart GUI and Restart processing penalty modification requests)~~.

....

Outcome/Decisions:

*CRG on 19 February 2021: the CRG agreed to recommend CR-755 for authorisation by the T2S Steering Level.
* AMI-SeCo on 1 March 2021: the AMI-SeCo agreed to recommend CR-755 for authorisation by the T2S Steering Level.
* CSG on 1 March 2021: the CSG agreed to authorise CR-755.
* NECSG on 1 March 2021: the NECSG agreed to authorise CR-755.
* PMG on 5 March 2021: the PMG launched the detailed assessment of CR-755 in view of release 5.0.
* CRG on 12 March 2021: the CRG agreed to recommend to the PMG the inclusion of CR-755 in R5.0.
* OMG on 12 March 2021: the OMG identified an operation impact from the inclusion of CR-755 in R5.0 and highlighted that the integration of this CR in R5.0 will be a benefit in the context of the dry run in September.
* PMG on 12 March 2021: the PMG agreed to the inclusion of CR-755 in the scope of R5.0.
* MIB on 15 March 2021: the MIB agreed to authorise CR-755.
* CSG on 24 March 2021: the CSG agreed to include CR-755 in the scope of R5.0.
* NECSG on 24 March 2021: the NECSG agreed to include CR-755 in the scope of R5.0.
* MIB on 22 April 2021: the MIB agreed to include CR-755 in the scope of R5.0.

Preliminary assessment:

- **Not performed**
- **Fast Track. Earliest release possible**

Detailed assessment:

EUROSYSTEM ANALYSIS – GENERAL INFORMATION

T2S Specific Components		Common Components
LCMM		
	Instructions validation	
	Status management	
	Instruction matching	
	Instructions maintenance	
X	Penalty Mechanism	
Settlement		
X	Standardisation and preparation to settlement	
X	Night-time Settlement	
	Daytime Recycling and optimisation	
	Daytime Validation, provisioning & booking	
	Auto-collateralisation	
Liquidity Management		
	Outbound Information Management	
	NCB Business Procedures	
	Liquidity Operations	
T2S Interface *(as of June 2022 without Static Data Management, Communication for SDMG, Scheduler, Billing)*		
	Communication	
	Outbound Processing	
X	Inbound Processing	
Static Data Management *(until June 2022)*		**Common Reference Data Management** *(from R6.0 June 2022)*
	Party data management	Party data management
	Securities data management	Securities data management
	Cash account data management	Cash account data management
	Securities account data management	Securities account data management
	Rules and parameters data management	Rules and parameters data management

Statistics and archive		**Statistics and archive**	
X	Statistical information (until June 2022)		Short term statistical information
X	Legal archiving (until June 2022)		Legal archiving (from R6.0)
			Data Warehouse (from R6.0)
Information *(until June 2022 containing reference data)*		**CRDM business interface** *(from R6.0 June 2022)*	
	Report management		Report management
	Query management		Query management
			Communication
			Outbound Processing
			Inbound Processing
Operational Services			
	Data Migration (T2S DMT)		Data Migration (CRDM DMT, from R6.0)
X	Scheduling (until June 2022)		Business Day Management (from R6.0)
			Business Day Management business interface (from R6.0)
	Billing (until June 2022)		Billing (from R6.0)
			Billing business interface (from R6.0)
	Operational Monitoring		Operational and Business Monitoring
	MOP Contingency Templates		

Impact on major documentation		
Document	**Chapter**	**Change**
Impacted GFS chapter		
Impacted UDFS chapter	1.4.3.2 Settlement day high level processes 1.4.4.4 Real-time settlement (RTS) 1.4.4.4.2 Real-time settlement schedule 1.4.4.4.3 Real-time settlement dependencies 1.4.4.4.4 Real-time settlement processes 1.6.1.14.3 Overall view of the Penalty Mechanism Processes 2.30.1 Introduction (2.30 Send Penalty Modification Requests)	Update table 95 “Settlement Day high level processes” with the new schedule. Updates for the new schedule of the Penalty mechanism related Activities (modify timing, modify diagram 63 and 64) Updates for the new schedule of the Penalty mechanism related Activities. Updates to remove description of the timing and add link to settlement day section instead.
Additional deliveries for Message Specification (UDFS, MyStandards, MOP contingency templates)		
UHB	2.2.2.18 Settlement Instruction - Details Screen 2.2.2.23 Penalty – Search/List Screen 2.2.2.24 Penalty - Details Screen 2.2.2.26 Penalty - Removal Screen 2.2.2.27 Penalty - Re-allocation Screen	Update screens and User Instructions Part to refer to “PMSS” (Penalty Mechanism- Stop Screens and penalty modification requests) instead of “PMDD” (Penalty Mechanism-Deadline for provision of Data) for unavailability of related screens/functions

	2.2.2.28 Penalty - Switch Screen 3.15.7.1 View the Individual Penalty Details 3.15.7.2 Modification of existing penalties 3.15.7.3 View List of Penalties 2.2.2.25 Monthly Net Penalty Amounts - Search/List Screen 3.15.7.4 View monthly aggregated net amounts of penalties	Update the screen and User Instructions Part to remove the reference to the unavailability of the monthly related screen during the processing of penalties.

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

Settlement day

Changes of the schedule as described above.

A new event "PMSS - Penalty Mechanism- Stop Screens and penalty modification requests" is created in order to separate the Penalty Mechanism Deadline for provision of data (signalled by event "PMDD") from the deadline to provide Penalty Modification Requests. This will improve the availability of penalty related screens, currently unavailable between events "PMDD" and "PMRR", which, after the change, will be unavailable between "PMSS" and "PMRR".

To further improve the availability of screens, the "Monthly Net Penalty Amounts - Search/List" screen will be available during the daily processing of penalties as there is not needed to stop it during this processes.

A new event "SVDF - Penalty Mechanism- Save Delta Files" is created in order to allow the definition of the contingency processes requested to skip the Recalculation in case of need and to recover it at a following business day. It will also trigger in LCMM the storage of the Delta Files.

Penalty Mechanism

- Update the Penalty Mechanism documentation according to the new schedule of activities
- Use new event "PMSS - Penalty Mechanism- Stop Screens and penalty modification requests" to start queueing A2A Penalty Modification Requests (instead of "PMDD").
- Update the relevant penalty screens to define the new event "PMSS - Penalty Mechanism- Stop Screens and penalty modification requests" to make them not available (instead of "PMDD").
- To further improve the availability, screens "Monthly Net Penalty Amounts - Search/List" will no longer be stopped and will be available during the processing of penalties

Event for A2A penalty modification requests and stop screens to query and modify penalties needs to be updated from PMDD into PMSS. Blocking of Monthly Net Penalty Amounts - Search/List should be removed.

Impact on other TARGET Services and projects

ECMS: no impact
TIPS: no impact
CSLD: no impact
TARGET2: no impact
DWH: No impact on DWH since only the penalty processing will be changed, the structure and the content of the file delivery from T2S modules to DWH remains unchanged.

Summary of project risk

None.

Security analysis

No potentially adverse effect was identified during the security assessment.