

02 March 2017

18th MEETING OF THE T2S DCP GROUP AGENDA 1 March 2017, 16:00 – 18:00

*European Central Bank, meeting room C2.05, Sonnemannstraße 20,
60314 Frankfurt am Main*

0. Welcome and approval of the agenda

Mr. Topa (Chairperson) welcomed the participants who subsequently approved the agenda for the meeting.

1. Review and update of recent issues

1.1 DCP consolidated list

The members of the DCPG were informed that the DCP's consolidated list (including the list of DCP declarations) had not been changed since the last deadline for DCP declarations of U2A DCP declarations for the Final Wave (13 December 2016). Therefore the list could be considered as complete.

The outcome of the ongoing discussion as reported under agenda item 2.3.3 will need to be reflected into the list once this discussion has been finalised.

1.2 CRG update

The DCPG members were debriefed on the current status of the CRG activities (last CRG meeting 28 February 2017), including the prioritisation of relevant CRs for future releases.

Mr Del Campo (ECB CRG) debriefed the DCPG members on the current status and discussions:

- Release 1.3: Comprises in total now 20 CRs, the following new CRs were now included into the scope: CR534, CR625, CR 637. The CRG recommended the CR651 as well, on which the Steering Level will be approached shortly.

When asked, it was clarified that the XSD files for the CR635 and CR637 will be made available on 20 March 2017.

- The Specification Documents for the Change Requests for the Release 1.3 were published on 20 February 2017. Since some CRs were approved relatively late, their related documentation update will be included into the documentation update for the Rel. 2.0.
- Fixes continue to be deployed, after the respective information/consultation.
- Future releases:
 - For Rel. 2.0 or potentially earlier: CR 641 and CR 646 are currently under consideration.
 - Rel. 2.0: So far, 13 CRs have been identified as potential scope for Rel. 2.0.
 - Rel. 3.0: The scoping discussions have started. DCPG participants stated that they need to get involved in these discussions at an earlier stage.

2. Information from other T2S groups, CBs and CSDs

The DCPG members are invited to take note of the information provided in this section, originating from other T2S groups, CBs and CSDs activities on items that are also relevant for the DCPs.

2.1 Information from the Harmonisation Steering Group

The DCPG members will be debriefed on the current status of the HSG/XMAP, including the version of the Catalogue of restriction rules.

The catalogue will be published after the AMI-SeCo meeting. It was clarified that anyway, the catalogue is a living document and amendments will be incorporated in the future as they emerge.

2.2 Information from Central banks

No further information was provided in this meeting.

2.3 Information from CSDs

CSDs representative will share with the DCPG members relevant recent developments.

2.3.1 DCPs behaviour during End-of-Day processing in T2S

The provided T2S Punctuality Report was presented and discussed. It was noted that punctuality in EOD/SOD had improved as at end of year 4CB implemented further improvements. DCPs were informed that the bundling of instructions into files was not necessarily required any more for the stability of the platform, but it was noted that this could be in the interest of the DCP anyway.

Participants noted that a discussion needs to be started on how to limit the volume of outgoing messages, and how to adapt these volumes via the subscription service of T2S.

2.3.2 Wave 4 migration weekend

The CSDs shared with the DCPG members the experience during the weekend of the fourth migration wave. The Point of no return (PONR) was reached 3.5 hours ahead of schedule, and the platform has been running stable since the migration. In total, 1.437 Mio instructions were migrated. The objectives set for the post-migration stabilisation period were reached two weeks earlier than planned, and the stabilisation period was already closed on 20th February 2017.

2.3.3 DCP Set-up options

The CSDs informed the DCPG members of the DCP set-up options concerning the difference between DCP/ICP and the operated/intermediated securities accounts.

Iberclear explained that from their perspective, they consider any of their participants not sending instructions through Iberclear's infrastructure to T2S as a DCP, and not as an ICP. They stated that discussions are still ongoing with the ECB, and that a new list will be sent once these discussions are finalised.

Through the discussions in the DCPG it became clear that the issue are those participants who have their accounts being operated by a DCP, without themselves having a direct technical connection to T2S, but using the direct technical connection of the DCP operating their account.

It was discussed that in previous meetings, workshops and publications it had always been stated that a DCP is an entity with a direct technical connection to T2S, and this did not include an entity whose instructions are being sent through the infrastructure of a DCP.

The participants agreed that there is a need to urgently clarify this issue, and asked for the ECB to provide the necessary clarification.

3. Information from DCPs

The DCPG members are invited to take note of the information provided in this section, originating from other DCPs activities on items that are also relevant for all DCPs.

3.1 Recent DCP consultations

During the month of January the DCPs participated in the following consultations:

- CBF setup options for participant local codes vs BIC identification. Ms. Amend will inform the DCPG members on the latest update on the topic.
CBF clarified that they require the BIC11 code, but are under the legal obligation to not disclose the BIC11 if the account holder so requires. Any instruction arriving with the BIC11 will be rejected. It was recommended to ask in bilateral discussions between the banks that all authorize CBF to publish the BIC11 codes (with at least the minimal level of data that is required in order to adequately support the processing of T2S settlement instructions for all T2S actors, both in ICP and in DCP mode). This need for publication will be discussed within the next German NUG meeting and then reported back to the DCPG.
- T2S liquidity and cash management reporting on the liquidity usage during NTS and RTS on DCA via GUI on real-time.
This needs to be discussed as well in the German NUG, and the DCPG will be informed thereafter.

3.2 DCPG involvement in future release deployment activities

Members of the DCPG discussed the DCPG involvement with future T2S release deployment activities. The participants voiced clearly that they believe they need to be involved in the discussions regarding the scoping, the timing and the testing of the new / future releases, in order to ensure that all aspects impacting the DCP user community are given full and adequate consideration. They were informed that the current planning foresees one major and one minor release per year, and one time window to fix identified defects not candidate for hot fixes. As part of the approved governance structure, users participate in the CRG and the DCPs are consulted on the CRs.

Regarding the New Joiners' Process now under consideration, the DCPs stated that they will need to be involved in the relevant planning and communications from the very start of any such process.

The DCPG agreed to raise this request to the attention of the AMI-SeCo.

4. Open Issues Register

Members of the DCPG were invited to: i) review the list of open issues of relevance for the DCPs and directly connected DCA Holders; ii) add any point that they think relevant in this context; and iii) agree on the opportune actions or next steps for each item.

It was clarified that most of the still open issues can be closed now as Wave 4 successfully migrated, with a few still being open until the Final Wave will have migrated as well.

5. Miscellaneous

5.1 Any Other Business

The presentation to the AMI-SeCo will be sent to the DCPG when available.

5.2 Future DCPG meetings (suggested dates with CSG)

- 25 April (CSG - ECB)
- 13-14 June (CSG - ECB)
- 10-11 October (CSG - tbc)
- 22-23 November (CSG - ECB)