



EUROPEAN CENTRAL BANK

EUROSYSTEM

# Update on post-trade harmonisation

Joint AMI-SeCo / AMI-Pay meeting,  
item 6

20 November 2018

# Main findings of the 9th Harmonisation report

- Further progress identified in the 9<sup>th</sup> (milestone) HPR in T2S markets' compliance with T2S harmonisation standards
- Overall, 85 % compliance ratio has been maintained since last report with improvements in individual cases and standards.
- Key area of non-compliance continues to be T2S corporate action standards but improving degree of compliance at individual markets level
- Existing non-compliance cases continue to be closely monitored by the AMI-SeCo

# Key developments in post-trade harmonisation

Significant developments in the definition of standards in the fields of

- **withholding tax:** EC issued WHT code of conduct in 2017 – first meeting with Member States took place in June 2018
- **conflicts of laws:** EC issued communication on interpretation of existing conflict of law rules
- **settlement discipline:** CSDR settlement discipline package finalised and adopted in September 2018

# Compliance by T2S markets and standards

| T2S markets  | Priority 1                        |                                |  |  |   |                          |  |                                       |  |   |                           |  |  |                                       |                                 | Priority 2                              |                                    |
|--------------|-----------------------------------|--------------------------------|--|--|---|--------------------------|--|---------------------------------------|--|---|---------------------------|--|--|---------------------------------------|---------------------------------|---|------------------------------------|
|              | 1<br>T2S<br>messages<br>ISO 20022 | 2<br>T2S<br>matching<br>fields | 3<br>Interaction<br>with T2S<br>(registration<br>) | 4<br>Interaction<br>with T2S<br>(tax<br>procedure) | 5<br>Schedule<br>for the<br>settlement<br>day | 6<br>T2S CA<br>standards | 7<br>T2S<br>settleme<br>nt finality<br>I | 8<br>T2S<br>settlement<br>finality II | 9<br>T2S<br>settlement<br>finality III | 10<br>Outsourcing<br>IT<br>(settlement)<br>services | 12<br>Settlement<br>cycle | 13<br>Availabilit<br>y of<br>omnibus<br>accounts | 14<br>Restriction<br>s on<br>omnibus<br>accounts | 15<br>Securities<br>account<br>number | 16<br>Cash<br>account<br>number | 18<br>CA market<br>standards<br>(CAJWG) | 23<br>Securities<br>amount<br>data |
| AT           | B                                 | B                              | B  | B  | Blank   | R-?                      | B  | B                                     | B                                      | B   | B                         | B  | B  | B                                     | B                               | G                                       | B                                  |
| BE Euroclear | B                                 | B                              | B  | B  | Blank   | R-?                      | B  | B                                     | B                                      | B   | B                         | B  | B  | B                                     | B                               | G                                       | B                                  |
| BE – NBB-SSS | B                                 | B                              | B  | B  | Blank   | B                        | B  | B                                     | B                                      | B   | B                         | B  | B  | B                                     | B                               | G                                       | B                                  |
| CH           | B                                 | B                              | B  | B  | Blank   | B                        | B  | B                                     | B                                      | B   | B                         | B  | B  | B                                     | N/A                             | G                                       | B                                  |
| DE           | B                                 | B                              | B  | B  | Blank   | R-?                      | B  | B                                     | B                                      | B   | B                         | B  | B  | B                                     | B                               | R-No info                               | B                                  |
| DK           | B                                 | B                              | B  | B  | Blank   | R-?                      | B  | B                                     | B                                      | B   | B                         | B  | B  | B                                     | B                               | G                                       | B                                  |
| EE           | B                                 | B                              | B  | B  | Blank   | B                        | B  | B                                     | B                                      | B   | B                         | B  | B  | B                                     | B                               | G                                       | B                                  |
| ES           | B                                 | R-?                            | B  | B  | Blank   | B                        | B  | B                                     | B                                      | B   | B                         | B  | B  | B                                     | B                               | G                                       | B                                  |
| FI           | N/A                               | N/A                            | N/A  | N/A  | N/A   | N/A                      | N/A                                      | N/A                                   | N/A                                    | N/A   | N/A                       | N/A  | N/A  | N/A                                   | N/A                             | N/A                                     | N/A                                |
| FR           | B                                 | B                              | B  | B  | Blank   | R-Dec 2018               | B  | B                                     | B                                      | B   | B                         | B  | R-?  | B                                     | B                               | G                                       | R                                  |
| GR – BOGS    | B                                 | B                              | B  | B  | Blank   | B                        | B  | B                                     | B                                      | B   | B                         | B  | B  | B                                     | B                               | B                                       | B                                  |
| HU           | N/A                               | R-?                            | B  | B  | Blank   | R-Dec 2020               | B  | B                                     | B                                      | B   | B                         | B  | B  | B                                     | N/A                             | R                                       | B                                  |
| IT           | B                                 | B                              | B  | R-?  | Blank   | B                        | B  | B                                     | B                                      | B   | B                         | B  | B  | B                                     | B                               | G                                       | B                                  |
| LT           | B                                 | B                              | B  | B  | Blank   | B                        | B  | B                                     | B                                      | B   | B                         | B  | B  | B                                     | B                               | G                                       | B                                  |
| LU – LUX CSD | B                                 | B                              | B  | B  | Blank   | R-Dec 2018               | B  | B                                     | B                                      | B   | B                         | B  | B  | B                                     | B                               | G                                       | B                                  |
| LU – VP LUX  | B                                 | B                              | B  | B  | Blank   | B                        | B  | B                                     | B                                      | B   | B                         | B  | B  | B                                     | B                               | G                                       | B                                  |
| LV           | B                                 | B                              | B  | B  | Blank   | B                        | B  | B                                     | B                                      | B   | B                         | B  | B  | B                                     | B                               | G                                       | B                                  |
| MT           | B                                 | B                              | B  | B  | Blank   | B                        | B  | B                                     | B                                      | B   | B                         | B  | B  | B                                     | B                               | G                                       | B                                  |
| NL           | B                                 | B                              | B  | B  | Blank   | R-?                      | B  | B                                     | B                                      | B   | B                         | B  | B  | B                                     | B                               | G                                       | B                                  |
| PT           | B                                 | B                              | B  | B  | Blank   | B                        | B  | B                                     | B                                      | B   | B                         | B  | B  | B                                     | B                               | R-No info                               | B                                  |
| RO           | B                                 | B                              | B  | B  | Blank   | B                        | B  | B                                     | B                                      | B   | B                         | B  | B  | B                                     | B                               | G                                       | B                                  |
| SI           | B                                 | B                              | B  | B  | Blank   | B                        | B  | B                                     | B                                      | B   | B                         | B  | B  | B                                     | B                               | B                                       | B                                  |
| SK (CDCP)    | B                                 | R-Mar 2019                     | B  | B  | Blank   | R-?                      | B  | B                                     | B                                      | B   | B                         | B  | B  | B                                     | B                               | R-No info                               | B                                  |
| SK (NCDCP)   | B                                 | R-Mar 2019                     | B  | B  | Blank   | R-?                      | B  | B                                     | B                                      | B   | B                         | B  | B  | B                                     | B                               | R-No info                               | B                                  |

# Adapting the harmonisation framework

- The AMI-SeCo is adapting its harmonisation monitoring framework to take into account the new era reached by completing T2S migration:
  - Streamlined reporting
  - Reactive monitoring on already blue standards
  - Preserving well-established methodology
- Key new harmonisation activity - **collateral management** harmonisation (fitting into new framework):
  - Harmonisation proposals already adopted on corporate actions and tri-party collateral management
  - Work continues in other coll. man. areas (e.g. equities, non-euro collateral)
  - Objective: single rulebook for post-trade coll. man. processes