

AGENDA

**FIRST MEETING OF THE ADVISORY GROUP ON MARKET
INFRASTRUCTURES FOR SECURITIES AND COLLATERAL (AMI-SeCo)**

6 and 7 March 2017

Lunch is offered from 12:00 until 13:00 CET on 6 March 2017
Meeting on 6 March 2017: 13:00 until 17:30 CET
Meeting on 7 March 2017: 9:00 until 16:30 CET

First Day Room C2.02

Second Day Room C3.08/09

European Central Bank (Main Building)

Sonnemannstrasse 20, 60314 Frankfurt am Main, Germany

0. Introductory remarks and approval of the agenda

The Chair will welcome the participants to the first meeting of the newly established Advisory Group on Market Infrastructures for Securities and Collateral (AMI-SeCo) and ask for the approval of the agenda.

The ECB will provide an update on Eurosystem market infrastructure projects which are in an investigation phase. In particular, the Eurosystem is exploring the options for consolidating different functionalities of Eurosystem market infrastructures (TARGET2/TARGET2-Securities) and it is investigating the launch of a Eurosystem Collateral Management System (ECMS).

1. AMI-SeCo mandate and working procedures

The ECB will present the AMI-SeCo mandate, the background for establishing AMI-SeCo, its objectives and working procedures and the expected interaction among AMI-SeCo members. AMI-SeCo members are invited to articulate their views on the mandate, its working procedures and any further matters related to the functioning of the AMI-SeCo.

Document:

- *Mandate AMI-SeCo*

2. Quo vadis AMI-SeCo?

Taking due account of the mandate given to the AMI-SeCo, members are invited to share their expectations with regard to AMI-SeCo's future work. In particular, members are invited to deliberate on the nature and scope of AMI-SeCo harmonisation activities in the areas of securities settlement and collateral management as well as on the potential implications these activities could have on AMI-SeCo sub-structures.

2.1 Securities settlement harmonisation

The chairman of the Harmonisation Steering Group (HSG) will introduce considerations on future work regarding the T2S harmonisation activities. The T2S harmonisation agenda is not finished and there is an expectation that AMI-SeCo will continue with this important harmonisation effort. Members are invited to give guidance as to what should be the next steps which should be taken in the field in securities settlement harmonisation.

Document:

- *7th T2S Harmonisation Progress Report (published 31 January 2017)*

2.2 Collateral management harmonisation

The chairman of the HSG will present the initial views expressed in the HSG meeting of January 2017 regarding the possible scope and methodology for collateral management harmonisation. Members are invited to give guidance as to what should be the next steps which should be taken in the field of collateral management harmonisation.

2.3 Review of AMI-SeCo sub-structures

The ECB will present an overview of sub-structures currently working on the T2S harmonisation agenda. Members are invited to consider which AMI-SeCo sub-structures should support the work of AMI-SeCo.

A revised AMI-SeCo HSG mandate will be presented to reflect that collateral management harmonisation is within its scope now. Members are invited to provide their views on the revised HSG mandate.

Document:

- *AMI-SeCo HSG Mandate*

3. AMI-SeCo post-trade harmonisation work

3.1 T2S' and EU public authorities' initiatives on post-trade harmonisation

The HSG chairman will provide a general update on the current status of the HSG's work and T2S-relevant initiatives. The Commission and ESMA are invited to provide an update on the EU initiatives relevant for harmonisation agenda. Members are invited to take note and exchange of views regarding the work.

Document:

- *Outcome of the 20th meeting of the HSG*

3.2 Impact Analysis Report on non-compliance of T2S markets

The ECB will present the Impact Analysis report (v5.0) regarding the non-compliance of T2S markets (i.e. red compliance status) with the T2S harmonisation standards. Members are invited to approve the report for further distribution to the Market Infrastructure Board (MIB) for its next meeting.

Documents:

- *Impact Analysis Report on non-compliance with T2S harmonisation standards (v.5.0)*

3.3 Restriction Rules Catalogue

The chairman of Cross-border Market Practices sub-group (XMAP) will present the updated version of the Restriction Rules Catalogue (with an analysis of all T2S CSDs) Restriction rules are implemented by CSDs whenever controls in the form of additional validations in T2S are required. Members are invited to approve its publication.

Documents:

- *Catalogue of CSDs' restriction rules and their cross-border impact assessment (v1.0)*

4. Eurosystem deliberations on taking collateral in Eurosystem credit operations

In the context of the Eurosystem investigation on the prospects of an ECMS and the analysis of making its collateral management arrangements more efficient and effective (and considering that T2S is in place), the Eurosystem (as a large user of (I)CSDs' and triparty agents' services) has launched discussions on how counterparties' mobilisation of marketable assets for use in Eurosystem credit operations could be improved while, at the same time, leveraging on the ICSDs' service offerings. The ECB will inform about the Eurosystem's initial deliberations and invite Members to express their views.

5. T2S

5.1 T2S Operations

The AMI-SeCo will receive an update on the latest developments of T2S in operations. In addition the Eurosystem will provide a debriefing on relevant activities of the Operations Managers Group (OMG). The OMG is composed of operations experts from the CSDs, the European Central Bank, national central banks (NCBs) of the Eurosystem, non-euro area NCBs and the 4CB (Banque de France, Banca d'Italia, Banco de España and Deutsche Bundesbank).

Documents:

- *T2S Operations Reports – January 2017*

5.2 T2S volume developments

The T2S financials team will report on the aggregate CSD volumes up to the end of 2016. In this context, members will be invited to consider what have been the developments since then and how their expectations for future volumes in T2S have evolved.

Documents:

- *AMI-SeCo survey on expectations on future volumes*

5.3 T2S Programme Status

5.3.1 T2S Programme status – reporting by the Eurosystem

The ECB and 4CB will provide a summary of the project status.

Document:

- *T2S Programme - status as at mid-2017*

5.3.2 T2S Programme status – reporting by CSDs

The CSDs not migrated to T2S will be invited to provide written contributions on the status of their readiness to migrate to T2S.

5.4 T2S governance - reporting and debriefing

5.4.1 Market Infrastructure Board

The Chairman of the MIB in T2S composition will report on the relevant MIB Board topics discussed during the latest meetings.

5.4.2 CSD Steering Group

The CSG Chairman will report on the outcome of recent CSD Steering Group (CSG) meetings.

5.4.3 Change Review Group (CRG)

The T2S Programme Office (PO) will provide a report on the activities of the CRG and an overview of the status of the change requests that have been approved or have arisen since the last AG meeting.

5.4.4 Directly Connected Parties (DCPs) Group

The DCPG Chairperson will update AMI-SeCo on the latest DCPG meeting outcome.

5.4.5 CSDR Taskforce

The Chairman of the CSDR-TF will provide an update on the activities of the CSDR-TF.

6. Cyber security and cyber resilience: Initiatives of European and international authorities

The ECB will present an overview of the international and European legal and regulatory initiatives on cyber security and resilience, as relevant for financial market infrastructures. Members are invited to take note and exchange views on cyber security and cyber resilience.

Document:

CPMI IOSCO "Guidance on cyber resilience for financial market infrastructures" (published 29 June 2016)

7. Any other business

Next meetings

4-5 July 2017 AMI-SeCo

7-8 December 2017 AMI-SeCo