



T2S CHANGE REVIEW GROUP

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Outcome

Meeting of the T2S Change Review Group (CRG)

5 December 2024 from 09:30 to 13:00 CET (held remotely)

1. Introductory remarks and approval of the agenda

Background documentation

- Recent resolutions on CRs since last meeting.

Outcome

Recent resolutions on CRs since last meeting

The CRG chairperson, Karen Birkel, welcomed the participants and introduced the meeting, held via Microsoft Teams. The CRG Chairperson also introduced the new CRG alternate from the Deutsche Bundesbank, Fabian Konka.

The CRG took note of the updated status of the following change requests:

- CRs under implementation:
 - T2S-0812-URD 'Party hold' as a new category of restriction type case one rules. The CRG approved the additional SDD updates for CR-0812 on 29 November 2024.
 - T2S-0825-SYS Uprunning and formatting of Collateral References The T2S Steering Level approved the implementation of CR-0825 with R2026.JUN on 29 October 2024.
 - T2S-0820-SYS CRDM Certificate DN management restrictions. Two CSG members objected to the inclusion of CR-0820 in R2025.JUN and proposed to scope it in the earliest next possible release. The T2-WG approved the de-scoping and agreed to request a detailed re-assessment in view of R2025.NOV.
- CRs already authorised/ under detailed assessment (DA):
 - T2S-0831-SYS T2S should enable PFOD as parameter for case 2 restrictions on securities. The T2S Steering Level authorised CR-0831 on 4 November 2024.
 - T2S-0837-URD New Mechanism for handling queries and access rights management for Direct Holding Markets. The T2S Steering Level authorised CR-0837 on 4 November 2024 and the PMG requested the DA in view of R2026.NOV on 16 October 2024.
- CRs not yet authorised at T2S Steering Level
 - T2S-0798-SYS T2S COSD logic should support partial release of instructions subject to COSD and partial COSD release. The MIB written procedure for the authorisation of CR-0798 is on-going.
 - T2S-0841-SYS Upgrade of T2S messages to ISO MR 2025. The MIB written procedure for the authorisation of CR-0841 is on-going.



2. Outcome of previous meetings

Background documentation:

- Outcome of the CRG meeting on 16 October 2024
- Outcome of the CRG Workshop on 13 November 2024

Outcome

Outcome of the CRG meeting on 16 October 2024

The CRG members approved the outcome of the CRG meeting on 16 October 2024.

Outcome of the CRG Workshop on 13 November 2024

The CRG members approved the outcome of the CRG Workshop on 13 November 2024.

Follow-up actions

- *ECB team to publish in the ECB Webpage the outcomes of the CRG meeting on 16 October 2024 and the CRG workshop on 13 November 2024 [19 December 2024].*

3. Analysis of change requests

3.1 Change requests under implementation

Background documentation: none.

3.2 Change requests already authorised at T2S Steering Level (not yet under implementation)

Background documentation

- T2S-0826-SYS T2S should use Pending Processing status to report hold on unmatched instructions.

Outcome

T2S-0826-SYS T2S should use Pending Processing status to report hold on unmatched instructions

The CRG took note that three alternatives had been discussed in the TFOS meeting at the end of October to address the blocking issue identified during the DA of CR-0826. It was noted that the TFOS opted for option I, which involves raising an editorial ISO CR to update the definition of the “Pending Processing” status. With this update, the “Pending Processing” status will imply that the message has been accepted first and is pending processing. Consequently, the “Acknowledged Acceptance” message will be dropped. This will apply to the processing of un-matched settlement instructions only.

The new editorial ISO CR will be presented at the SMPG January 2025 meeting. Following the SMPG approval of the new editorial ISO CR, the scope of T2S CR-0826 will be updated and the corresponding DA will be resumed.

One CRG participant asked if there is a need to change the current T2S legal agreements to clarify the definition and description of the SF1 timestamp. The CRG agreed to open a new action point to assess the need to update the legal frameworks.

Follow-up actions



- *CRG Secretariat to open a new action point to confirm the need to update the legal frameworks, if the new editorial ISO CR (related with T2S CR-0826) is accepted, to clarify the definition of the SF1 timestamp [23 January 2025].*

3.3 Change requests not yet authorised at T2S Steering level

3.3.1 Change requests under preliminary assessment

Background documentation: none.

3.3.2 Candidates for preliminary assessment / Newly raised CRs

Background documentation

- Presentation on T2S Strategic Evolution status update.
- T2S-0844-SYS T2S should process settlement instructions with ISD in the future outside the Start of Day period.
- T2S-0845-SYS RTS Enhancements: Optimisation process, reduce coupling and stop sending internal messages.

Outcome

Presentation on T2S Strategic Evolution status update.

The CRG members took note of the status of the functional enhancement proposals and the proof of concepts for new APIs, architectural and GUI enhancements. The CRG noted that the functional enhancement proposals resulted in three minor changes (PBI-233943 already implemented, PBI-234483 and PBI-234487), four new Change Requests (CRs-0835¹, CR-0837², CR-0844 and CR-0845) and one last-level intervention. Regarding the external APIs, the CRG was informed that a call for interest will be opened via the CSG for the testing of the first external API use case. Additionally, CSDs will be invited to provide input for additional external API use cases to extend the current proof-of-concept.

Outcome

T2S-0844-SYS T2S should process settlement instructions with ISD in the future outside the Start of Day period.

The CRG was presented with draft CR-0844 raised by the 4CBs to address proposal 1.18 from the T2S Strategic Evolution Report. This new CR aims to defer the processing of future dated transactions until after the SoD period with a view to decrease the CPU consumption and prevent peaks that could potentially impact the Service Level Agreement (SLA) during this critical time. Transactions with a future intended settlement date, i.e., which are not eligible for settlement in a given business day, will have their revalidation postponed to a later period. Consequently, reporting on these transactions to users will also be delayed. The 4CBs agreed to clarifying the available options for rescheduling the processing of future-dated transactions during the CR's preliminary assessment (PA). The CRG took note and agreed to start a written consultation to review the CR, analyse further its potential impacts, and request the CR's PA.

Follow-up action

¹ T2S-0835-SYS T2S should streamline business validations for intended settlement date in the past

² T2S-0837-URD New Mechanism for handling queries and access rights management for Direct Holding Markets



- CRG Secretariat to launch a written procedure for the CRG review of CR-0844 and request the PA [31 December 2024].

Outcome

T2S-0845-URD RTS Enhancements: Optimisation process, reduce coupling and stop sending internal messages.

The CRG was presented with draft CR-0845 raised by the 4CBs to address proposal 1.14, 1.16 and 1.17 from the T2S Strategic Evolution Report. This new CR aims to separate cash and securities optimisation processing in RTS and defer cash optimisation to occur at a pre-defined periodicity. Additionally, the CR aims to reduce dependencies between SETT and LCMM during RTS, particularly for sending status updates and internal messages. The main objectives are to enhance T2S's capacity to handle additional volumes and to reduce CPU consumption during RTS period. The 4CB agreed to clarify the optimal periodicity for cash optimisation during the PA. Additionally, CRG members requested a new action point to clarify in the T2S scope defining documents (SDDs) the current T2S logic for cash and settlement optimisations and requested this information to be included in the next editorial CR. This will clarify the change to the baseline that will be introduced by CR-0845 in the SDDs, notably in the General Functional Specification (GFS).

Follow-up action

- CRG Secretariat to launch a written procedure for the CRG review of CR-0845 and request the related PA [20 December 2024].
- CRG Secretariat to open a new action point for the 4CB to clarify in the T2S scope defining documents (SDDs) the current functioning of the optimisation processes for securities and cash with a view to include this information in the next editorial CR [23 January 2025].

3.3.3 Change requests raised in other TARGET Services

Background documentation: none

3.4 Editorial CRs

Background documentation:

- T2S-CRG-CN on external CSD scenario

Outcome

T2S-CRG-CN on external CSD scenario.

The CRG took note that the clarification note requested in the October 2024 meeting for OMG and CRG review will be provided in the next days. The editorial changes should be included in the scope of the editorial CR for R2025.JUN. Additionally, as agreed in the October meeting, to prevent a recurrence of the external CSD scenario, a new change request will be raised. The ECB team will start the drafting and share it with the relevant CRG members that provided input on the topic, before sharing the final version with the whole group.



4.

5. 4CB proposal release allocation of change requests

Background documentation

- Updated planning on 4CB detailed assessments.

Outcome

Updated planning on 4CB detailed assessments.

The CRG members took note of the 4CB prioritisation proposal to perform the DAs for authorised CRs.

The CRG took note that the DAs for CR-0784³, CR-0798⁴, and part of Package 2 of the 4CB planning, had been started. It was acknowledged that 4CB had started the DA of some change requests that had not yet been formally authorised due to its urgency and in order to speed-up the timely delivery. The CRG also took note that the delivery of the DAs for CR-0793⁵ and CR-0813⁶ are of lower priority and can be moved to a later package. It was highlighted that the pending PAs for CR-0834⁷ and CR-0835⁸ and CR-0828⁹, requested in the October meeting, should be provided as soon as possible. Finally, the CRG remarked the importance of including information not only on the CRs under DA, but also on those CRs for which PA was requested in this presentation.

6. Clarification notes

Background documentation:

- T2S-CRG-CN 4CB presentation on the reason why a CR is needed to implement the reporting of 'PRSY' and 'PATD' in semt.022 in the context of ISO-MR2025.

Outcome

T2S-CRG-CN 4CB presentation on the reason why a CR is needed to implement the reporting of 'PRSY' and 'PATD' in semt.022 in the context of ISO-MR2025.

The CRG was invited to discuss a presentation by the 4CBs to follow-up on a question raised during the CRG November workshop on the ISO MR2025 regarding the need for a new functional CR to implement the new reason codes 'PADT' and 'PRSY' in the semt.022 report. The 4CB informed that a new functional CR would indeed be needed in addition to the technical CR to include the new codes in the semt.022 message.

These clarifications were deemed as not sufficient by some CRG members who questioned the real need for a new functional CR. Their understanding was that, if CR-0823 and CR-0807 would implement the logic to report these reason codes in the outbound messages then there should not be the need to develop a new logic for the semt.022 because these reason codes would already be retrieved when building this report. The CRG agreed to request the 4CBs to

³ T2S-0784-SYS Update in the Credit Memorandum Balance configuration to allow leveraging on the CCBM model

⁴ T2S-0798-SYS T2S COSD logic should support partial release of instructions subject to COSD and partial COSD release

⁵ T2S-0793-URD Introduce party type Ancillary System in T2S

⁶ T2S-0813-SYS Cash Sweep for closed accounts with remaining Liquidity

⁷ T2S-0834-SYS Un-prune additional attributes in T2S settlement messages to enhance STP processing

⁸ T2S-0835-SYS T2S should streamline business validations for intended settlement date in the past

⁹ T2S-0828-URD T2S should no longer release cash restrictions related to COSD blocking at real-time closure



provide feedback on whether the semt.022 would report the new fields when CR-0807 and CR-0823 were implemented (R2026.JUN) if no functional change request would be raised for this purpose.

In case the outcome of this check was negative there would be the need to seek for volunteers to raise the functional change request since the CRG representative that ask the question informed that this report was not used by their institution. The CRG agreed to open a new action point, in case a CR is needed, to liaise with CSD/s who use the sese.022 in order to raise the CR,

Follow-up action

- The 4CB to provide feedback on whether the 'PATD' and 'PRSY' reason codes would be reported in the semt.022 if no functional change request would be raised and the message would only be upgraded to the ISOMR 2025 version. [23 January 2025].
- The CRG Secretariat to seek for volunteers using the semt.022 so that in case a functional CR was needed to implement the new codes, they could be the CR initiators. [22 February 2025].

7. CRG action points

Background documentation

- List of CRG Action Points

Outcome

List of CRG action points

AP-4088 (ECB team to follow-up on the topic related to T2S not computing Late Matching Fail Penalties in a consistent way for days more than 40 business days in the past and to report to the CRG about the outcome from the Regulators). There was still no final resolution by ESMA. The CRG agreed to keep AP-4088 open and update the due date to Q1 2025.

AP-4097 (ECB team to approach the MIPC with the agreed policy related questions on behalf of the CRG regarding CR-0784). The CSG had agreed in its meeting on 13 June 2024 to move forward with the CR and the PMG agreed to request the detailed re-assessment in view of R2026.JUN on 8 July 2024. The 4CB included it in the Package 2 of the 4CB plan for delivery of CRs with an expected delivery date by 21 March 2025. The CRG agreed to close AP-4097 after sharing the feedback from the MIPC.

AP-4163 (The CRG Secretariat to follow-up with 4CB and provide an updated version of the detailed assessment of CR-0800, including the editorial changes to the T2S URDs to reflect the impact in both the dedicated cash accounts and the Central Bank accounts). The assessment validated that no URD impacts would apply for CR-0800. The CRG agreed to close AP-4163.

AP-4167 (The CRG to closely monitor CRs impacting the Penalty Mechanism and report it to the PMG, in order to assess whether CR-0806 could be implemented at the same time). On 7 October 2024, the T2S Steering Level had approved the inclusion of CR-0806 in the scope of R2025.JUN. The CRG agreed to close AP-4167.

AP-4181 (The 4CB to provide during the detailed assessment of CR-0812 an explanation on why the Restriction types could only be set-up with 'Valid from' equal 'Current calendar day' plus two days). The CRG discussed this topic in the CRG Meeting on 3 September 2024 where the 4CB informed that the T2S Operator, in contingency scenarios could set-up the 'Valid from' with 'Current calendar day' plus one day, instead of two. The CRG agreed to close AP-4181.

AP-4184 (The 4CB clarified in the CRG Meeting on 29 May 2024 that INC-402456 "T2S penalties data request for T2S Annual Report 2023" had been closed and PBI-231911 had been raised on 04 March 2024. This PBI had



been deployed to T2S EAC/ T2S UTEST on 12 April 2024 as minor change). The 4CB confirmed that this PBI was open by mistake. The CRG agreed to close AP-4184.

AP-4185 (The CRG requested additional data from 4CB on the number of instructions that are rejected in T2S due to the revalidation checks at ISD and CBD to better understand the potential business impact of such change in production). CR-0835 was raised and is under PA. The CRG agreed to close AP-4185.

AP-4186 (Specifically, regarding business validations on T2S DCAs, CRG members were asked to check if such a scenario could occur in practice, i.e. if CSDs or DCPs could send instructions with ISD in the past but containing a DCA which would only be open in the future). CR-0835 was raised and is under PA. The CRG agreed to close AP-4186.

AP-4187 (The CRG requested the 4CB to clarify the lack of efficiency in cash optimisation). The CRG agreed to review the scope of CR-845 and request its PA via written procedure. The CRG agreed to close AP-4187.

AP-4188 (The CRG requested the 4CB to provide figures regarding the number of transactions potentially affected by this proposal). The CRG agreed to review the scope of CR-845 and request its PA via written procedure. The CRG agreed to close AP-4188.

AP-4189 (The CRG requested the 4CB to provide figures regarding the number of transactions that, on average, are submitted with a future ISD and could be subject to this enhancement). The CRG agreed that no new CR would be needed to implement proposal 1.15 related to Start-of-Day (SoD) performance improvements. Instead, such improvements will be implemented via the Minor Change PBI-234487. The CRG agreed to close AP-4189.

AP-4190 (The CRG members were asked to confirm if there are any business impacts stemming from the removal of the last timestamp of a failing status on the GUI, or else, if the timestamp of the first failing status on the GUI is sufficient from their perspective). The CRG took note that Proposal 1.16: [LCMM/SETT interface] Internal messages had been included under the scope of CR-0845. The CRG agreed to close AP-4190.

AP-4191 (The CRG requested the 4CB to provide figures regarding the number of instructions potentially affected by this proposal, as well as more information on potential impacts, to attest the need for the change). The CRG took note that Proposal 1.16: [LCMM/SETT interface] Internal messages had been taken into account under the scope of CR-0845. The CRG agreed to close AP-4191.

AP-4192 (The CRG requested the 4CB to provide more concrete examples on the reference data updates to attest the need for the change). The CRG took note of the examples provided and agreed to close AP-4192.

AP-4193 (The CRG requested the 4CB to provide concrete examples on harmonisation management of calendar days between CRDM and SETT). The CRG took note of the example provided and agreed to close AP-4193.

AP-4194 (The CRG requested the 4CB to provide concrete examples to attest the need for the change the management of intraday static data updates for auto-collateralisation). The CRG took note of the examples provided and agreed to close AP-4194.

AP-4197 (The ECB team to report to the TFOS Secretary that 4CB had identified a blocking issue in the detailed assessment of CR-0826 so that the feedback could be discussed in the next CRG meeting on 3 July 2024. To be further discussed in the TFOS Meeting in September 2024). The CRG took note that the TFOS had discussed the topic in the September meeting and agreed to close this action point and raise a new one to track the progress on the editorial ISO change request that could be raised to address the blocking issue identified in the detailed assessment of CR-0826.

AP-4198 (The CRG secretariat to align internally the planning proposal for SDD review for R2025.JUN and R2025.NOV with T2, TIPS and ECMS and to share it with the CRG). The CRG agreed on the planning proposal for SDD review for R2025.JUN and R2025.NOV in the CRG Meeting on 3 July 2024. The CRG agreed to close AP-4198.



AP-4199 (The 4CB to provide an update to the presentation on Proposal 1.16 [LCMM/SETT interface], including clarification on the conditions for when the timestamp on the GUI would not be refreshed with the last failing settlement attempt). The CRG took note that CR-0845 had been raised where it was stated that the first and last timestamp of each business day would be reported in the GUI. The CRG agreed to close AP-4199.

AP-4200 (The Eurosystem to provide a package per highly ranked proposal, including proposal 1.16. The package should contain the proposal's business ranking, a description of the changes, the benefits expected, the impacts on the market, the comments received from CRG members and their clarifications). The CRG agreed on the proposal in the CRG Meeting on 16 October 2024. The CRG agreed to close AP-4200.

AP-4201 (The ECB to organise a follow-up workshop on the T2S Strategic Evolution in the last week of August, to further elaborate on the benefits and impacts of the highest ranked proposals with a view to define the way forward). The CRG members participated in the meeting on 28 August 2024 and agreed to incorporate the topic on T2S Strategic Evolution as an agenda item for the next CRG Meetings. The topic was again discussed in the meeting on 16 October 2024. The CRG agreed to close AP-4201.

AP-4202 (Clearstream to draft a new change request to cover the proposal 1.7 [LCMM] "Reduction of business validations" and present it in the next CRG meeting). The CRG agreed to request the PA of CR-0835 in the CRG Meeting on 16 October 2024. The CRG agreed to close AP-4202.

AP-4203 (4CB to provide an additional clarification on the decommissioning of the category ED within the implementation of CR-0792 and the CRG to review the feedback via a written procedure). The 4CB has clarified that the removal of the Second attribute for the category 'Equities' should be removed from the change request. The correction has been made in the updated version of the CR and the CRG approved the updates via a written procedure on 2 August 2024. The updated version has been published on the ECB Website. The CRG agreed to close AP-4203.

AP-4204 (The 4CB to provide clarity on whether Market-specific attribute on account level will be a possible parameter for the new Restriction type rule 'Party Hold'). On 6 September 2024, the 4CB provided an updated version of the detailed assessment of CR-0812, removing the part stating that Market-specific attribute on account level would not be a possible parameter for the new restriction type rule 'Party hold'. The CRG agreed to close AP-4204.

AP-4205 (The CRG to re-discuss the CR-0834 in the next CRG meeting on 16 October 2024, after the TFOS has approved the updated scope of T2S-0834 in the next TFOS meeting on 10 September 2024). The CRG agreed to request the PA of CR-0834 in the CRG Meeting on 16 October 2024. The CRG agreed to close AP-4205.

AP-4206 (The CRG Secretariat to provide clarity on how the relevant T2S SDD updates from T2S ICN-0071 and T2S-ICN-0072 will be included in the editorial CR for R2025.NOV). The CRG agreed to keep AP-4206 open until the scope of the editorial CR for R2025.NOV is approved by the CRG.

AP-4207 (The 4CB to draft two T2S change requests for proposals 1.14, 1.16, 1.17, and 1.18, one for RTS improvement (proposal 1.14), and another one for SoD improvements (proposals 1.15, 1.16 and 1.18)). The CRG agreed to raise CR-0844 and CR-0845, which are under CRG review. The CRG agreed to close AP-4207.

AP-4208 (The CRG to discuss the pruning mechanism approach in an ad-hoc CRG meeting in November 2024). The CRG agreed to keep AP-4208 open until its resolution in the CRG Meeting in January.

AP-4209 (The CRG agreed to take over the work of the TFOS on ISO maintenance releases. It was agreed to seek T2S Steering Level endorsement of this proposal in the November CSG meeting). The proposal of the CRG take-over of the task of the AMI-SeCo was endorsed by the CSG on 21 November 2024. The CRG agreed to close AP-4209.

AP-4213 (The CRG asked the 4CB to also present the change request CR-837 to the OMG). The CRG agreed to keep AP-4213 open until the detailed assessment (expected on 20 December) review of the CR is completed by the OMG.



AP-4215 (ECB team to provide clarity on all the monetary policy implications and present T2S-0828-URD to the T2-WG). T2-WG took note of the impact on 3 December 2024 and a change request (T2 CR-0153) was raised. The CRG agreed to close AP-4215.

AP-4216 (The CRG Secretariat to provide an update on CR-0838 and the way forward). The CRG agreed to keep AP-4216 open until its resolution with due date in 2025.

AP-4217 (4CB to document the external-CSD settlement scenario in the T2S Scope Defining Documents for the next release R2025.JUN). The CRG agreed to keep AP-4217 open until the scope of the editorial CR for R2025.JUN is approved by the CRG.

AP-4218 (ISO 20022 CR 1364: The CRG agreed, in principle, that no new T2S CR is needed. However, in view of additional feedback from Central Banks and Payment Banks, the CRG agreed to review the proposed recommendation in written). The CRG agreed to the proposed recommendation. The CRG agreed to close AP-4218.

AP-4219 (4CB team to re-assess the need for a new T2S CR related with ISO 20022 CR 1372 and provide further clarification in written). The CRG agreed to keep AP-4216 open until 4CB clarified the real need of a functional change request, with due date in 2025.

AP-4220 (ECB team to share the list of questions and answers addressed during the PA of CR-798 with the CRG. The PMG will also be informed). The CRG agreed to recommend to the T2S Steering Level the authorisation of CR-798. The CRG agreed to close AP-4220.

Follow-up action

- The CRG Secretariat to distribute the CSG resolution on CR-0784 to the CRG. [23 January 2025].

8. Any other business

Background documentation

- End of year survey – oral update
- Delivery plan of change requests
- Upcoming releases and change requests
- Dashboard on cross-service impact of CRs
- The following CRG meetings are planned in 2025

Outcome

Any other business

The CRG took note that the annual end-of-year survey would be launched only in January and feedback would be reviewed by February 2025.

The CRG took note that the next CRG meeting will take place on 23 January 2025 and will be held remotely. Additionally, the CRG welcomed the initiative of SIX SIS to host the October 2025 meeting in Zurich, Switzerland.

23 January 2025	09:30-15:00	Teams
25 February 2025	09:30-15:00	Teams
8 April 2025	09:30-15:00	Teams
20 May 2025	09:30-15:00	Teams
1 July 2025	09:30-15:00	Teams
9 September 2025	09:30-15:00	Teams



EUROPEAN CENTRAL BANK

EUROSYSTEM

14 October 2025
2 December 2025

09:30-16:00
09:30-15:00

SIX SIS (Zurich)
ECB Main Building