

SUMMARY OF THE 30TH MEETING OF THE DCP GROUP

Thursday, 18 June 2019, 14:30 – 16:00
The meeting was held by conference call

1. Welcome by the Chairperson

The Chairperson, Marcello Topa, welcomed the participants to the 30th T2S DCP Group (DCPG) conference call meeting. A representative of the CSG Chair Office (CO) proposed a change in the structure of the meeting agenda, such as that the debriefing of the DCPG on the work of the T2S groups is done under one agenda point. i.e. combine topics 3.1 to 4.1 into one. The aim is to avoid redundancies across the agenda items and let the CSG CO debrief on specific topics of interest for the DCPs. In addition, the CSG CO invited the DCPs to address them before each conference call any topic or question they may want to clarify or discuss during the conference call. The chairperson also recalled the proposal to have a DCPs preparation call before the DCPG meeting. All these proposals will be discussed internally amongst DCPs and then reviewed with the CSG CO ahead of the next DCPG meeting (**action point**). All participants agreed with this way forward. No ad-hoc items were added.

2. Review and update of recent issues

The Chairperson presented the Summary document of the 29th DCPG meeting, held on 11 April 2019, and invited the DCPG members to approve it. The Summary document was approved without any objection and will be published on the DCPG webpage.

2.1 Directly Connected participants consolidated list

The members of the DCPG were informed that no changes have been reported to the DCPs' consolidated list since the last DCPG meeting in February 2019. The latest DCP declaration was registered on the 19 November 2018 and the total number of CSD and NCB declared institutions is now 166 with 243 DCPs. In case of interest, the DCPG members can consult the list of participants on the [DCPG website \(link\)](#).

3. Debriefing on regular agenda topics

The DCPG members took note of the information originating from the T2S technical groups and the T2S Steering level that are relevant for the DCPs.

3.1 T2S Operational Status, OMG update

The members of the DCPG were debriefed on the T2S Operational status from the last OMG meeting on the 22 May 2019 with a particular focus on the deployment of the release 3.0. It was highlighted that the R3.0 deployment weekend ran according to plan and the first days of operation were without issues. The OMG will discuss the lessons learned from the R3.0 experience in their next meeting.

The only remark expressed by one DCP representative was related to the communication process before the release weekend between the relevant CSDs and the DCPs. In particular the DCPs need:

- Before the deployment, to receive details about the deployment path that are relevant for DCPs as soon as available. In this respect, the CSG CO clarified that the release deployment playbook of T2S, once received, needs to be customised by each CSD, in order to reflect the peculiarities of internal processes and procedures of the CSDs. DCPs are aware of this, but reiterate the request that any such peculiarities added to the playbook by a CSD should be clearly noted and highlighted in the local market communications by that CSD.
- During the deployment, it is important for the DCPs to receive the information on the status of the milestones reached on a timely basis so that they can perform their internal deployment activities. One CSD pointed out that the communication during the weekend is subject to the planning each of the CSDs and all information should be sourced via the competent CSDs and that the CSDs cannot be synchronised. In addition, the DCPs were reassured that all efforts are being performed to provide accurate information about any release deployment to the DCPs as soon as possible.

Upon the CSDs proposal, the DCPs were invited to consolidate a list of possible missing information that was not communicated to them prior to the release, and to communicate this request to the CSDs (**action point**).

3.2 CRG update

Regarding the current status of the CRG activities (CRG meeting 21 May 2019), CSG CO debriefed on a workshop that took place early June to review the expectations of CSDs and NCB for T2S evolution over 2020-2022..

[Please find below the ECB website link to all T2S CRs for your convenience]:

<https://www.ecb.europa.eu/paym/target/t2s/governance/html/changerequests.en.html>

3.3 T2S Release Management process

The CSG CO briefly presented to the DCPs the CRs scoped and proposed for R3.2 and R4.0

4. Additional topics

4.1 CSG meeting update

The CSDs representatives debriefed the DCPG members of the CSG meeting held on 13-14 June 2019 with a particular focus on:

- The CSG approved the STP for R3.1 v 0.8, R 3.2 v1.5, R 3.3 v0.3, R 4.0 v0.3, R 4.2 v0.4 as baseline, acknowledging that scope changes might be proposed in the future

- The T2S financial statements for 2018 have been approved by the Governing Council, slightly earlier than in 2017.
- The DCPG were informed about the ongoing analysis on the GDPR implementation for T2S. The CSDs will clarify with the ECB which could be the potential involvement of the DCPs in the process. Once clarified it will be reported back to the DCPs.

4.1.1 Market Settlement Efficiency

The CSDs presented the summary of the 3rd workshop on market settlement efficiency. The participants acknowledged the fruitful discussions in the workshop on settlement efficiency and the need for the CSDs and market participants to initiate/continue analysis and dialogue on late matching and continue to take action to clean-up the aged settlement transactions. It was reiterated that this clean-up work will be of particular importance ahead of the go-live of CSDR settlement discipline measures in Sep 2020.

4.1.2 CSDR Taskforce update: T2S Penalty mechanism update

The CSDs updated the members of the DCPG on the development of the T2S penalty mechanism with a focus on the status of the CR654 and the CR715 currently in the scope of the R4.2. It was also added that besides the CR654 and CR715 the CR717 has been raised without fast-track process. The purpose of the CR is to have an automated exemption from LMFP on settlement instructions created as a result of partially successful buy-ins.

4.2 AMI-SeCo

The members of the DCPG were debriefed on the AMI-SeCo ongoing activities, with a particular focus on the Eurosystem Collateral Management System (overview of the current status) and on the HSG proposal to consolidate the monitoring of the CA standards owned by the T2S CASG, CAJWG and CMH-TF respectively, with a view to exploit synergies and maximise efficiency.

4.3 Information from DCP

No specific topic further than those discussed were shared with the group.

5. Open Issues Register

The members of the DCPG reviewed the list of open issues of relevance for the DCPs and directly connected DCA Holders; and were invited to add any point that they think relevant in this context. The DCPG members agreed to close the action point B.1 of settlement finality and insolvency procedures and to maintain the remaining action points open, until further developments are presented. The updated list will be published on the ECB – DCPG webpage.

6. Any other business

Members of the DCPG were invited to raise any other issues that needed to be discussed during this meeting. No additional topics were discussed.

7. Next steps: future DCPG meetings

The members of the DCPG were invited to discuss and agree on the future DCPG meetings and were asked for preferences on the dates of the next call. It was agreed to have a conference call after the October CSG meeting planned on 24/25 October 2019. The DCPG secretariat will provide an exact date in due course. The Chairperson informed the DCPs that if needed, a DCPG conference call could be organised before October.