



EUROPEAN CENTRAL BANK

EUROSYSTEM

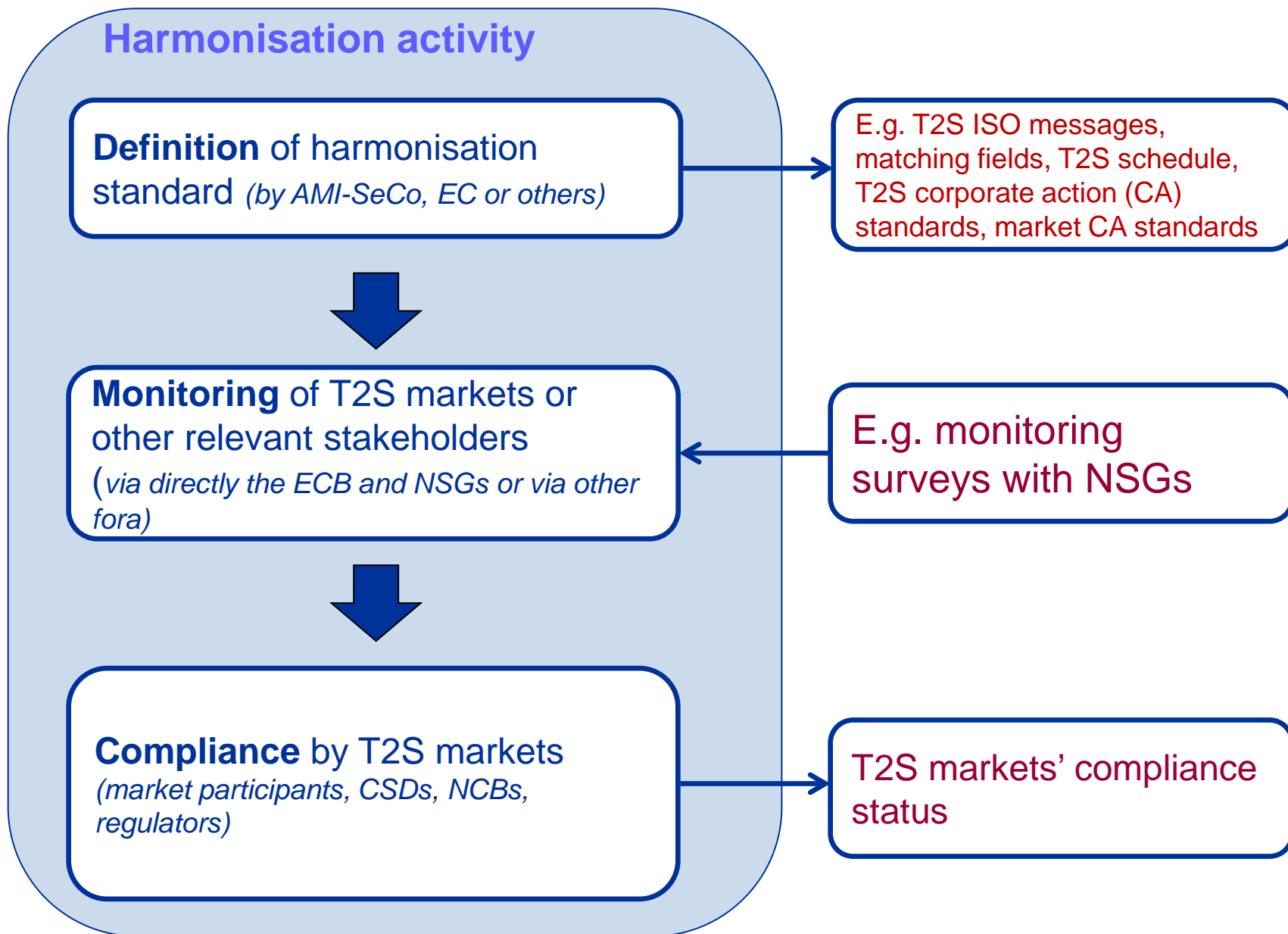
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T2S harmonisation progress monitoring – overview of methodology

CMH-TF meeting

Frankfurt am Main, 25 September 2018



T2S harmonisation monitoring dashboard (20/07/2018)

ECB Unrestricted

ACTIVITIES – CORE T2S SETTLEMENT (FORMER PRIORITY 1)			DEFINITION	MONITOR	COMPLIANCE
1	T2S MESSAGES	T2S ISO 20022 messages	G	G	B
2		T2S matching fields	G	G	R (3)
3		Interaction for registration	G	G	B
4		Interaction for tax info	G	G	R (1)
5	SCHEDULE OF SETTLEMENT DAY		G	G	Blank
6	T2S CORPORATE ACTIONS STANDARDS		G	G	R (9)
7	LEGAL HARMONISATION	Settlement finality I (moment of entry)	G	G	B
8		Settlement finality II (irrevocability of transfer order)	G	G	B
9		Settlement finality III (irrevocability of transfers)	G	G	B
10		Outsourcing IT services	G	G	B
11	SETTLEMENT DISCIPLINE REGIME		G	X	X
12	SETTLEMENT CYCLES		G	G	B
13	CSD ACCOUNT STRUCTURES	Availability of Omnibus Accounts	G	G	B
14		Restrictions on Omnibus Accounts	G	G	R (1)
15	T2S ACCOUNTS NUMBERING	Securities accounts numbering	G	G	B
16		Dedicated cash accounts numbering	G	G	B
ACTIVITIES – POST TRADE ENVIRONMENT (FORMER PRIORITY 2)			DEFINITION	MONITOR	COMPLIANCE
17	LEGAL HARMONISATION	Location of Securities Account/Conflicts of Law	G	X	X
18	CORPORATE ACTIONS MARKET STANDARDS	CA market (CAJWG) standards	G	G	G
19	PLACE OF ISSUANCE		G	X	X
20	TAX PROCEDURES	Withholding tax procedures	Y	X	X
21	SHAREHOLDER TRANSPARENCY - REGISTRATION		R	X	X
22	MARKET ACCESS		G	X	X
23	SECURITIES AMOUNT DATA		G	G	R (1)
24	PORTFOLIO TRANSFER		Y	X	X

Colour	Description
B	<ul style="list-style-type: none"> • Compliance: Full compliance achieved – no need to monitor further
G	<ul style="list-style-type: none"> • Compliance: Clear/detailed plan to implement the harmonisation standard. No obstacles identified • Monitoring: Framework in place with regular reporting by market • Definition: Standards have been defined and agreed / endorsed
Y	<ul style="list-style-type: none"> • Compliance: Intention but no detailed plan to comply or some obstacles • Monitoring: Framework in place but no regular reporting yet by market • Definition: Roadmap to define standard(s) agree but issues are still open
R	<ul style="list-style-type: none"> • Compliance: No information / willingness or major obstacles identified • Monitoring: No framework in place • Definition: No agreement on roadmap / approach to define standard

- In case of already migrated markets only **red / blue** statuses are given with an indication of planned date of compliance
- Almost all monitored activities are monitored via the **AMI-SeCo NSGs**
- Non-compliance cases with Core T2S harmonisation standards are subject to **impact assessment** (methodology agreed by T2S AG) and follow-up by MIB
- Public **reporting on status** of progress is done **annually** in harmonisation progress reports published by the AMI-SeCo
- Updates on existing **non-compliance cases** and significant updates in progress are reported to AMI-SeCo also during the year

- The AMI-SeCo reserved the right to further amend the framework based on potential new considerations from:
 - New EU Commission initiatives (based on EPTF report)
 - Collateral management harmonisation
 - Additional issues / activities emerging from the practical use of T2S
- Further potential areas of refinement:
 - Potential rearranging activities between lists: unit of amount standard to be moved to 'Core T2S settlement' ?
 - Synergies between monitoring CASG and CAJWG market standards ?
 - Impact assessment for Post trade environment activities ?