



EUROPEAN CENTRAL BANK

EUROSYSTEM

<b>General Information (Origin of Request)</b>		
<input type="checkbox"/> User Requirements (URD)		
<input checked="" type="checkbox"/> Other User Functional or Technical Documentation (SYS)		
<b>Request raised by:</b> Data Access Task Force (DATF)	<b>Institute:</b> ECB	<b>Date raised:</b> 24/11/2016 <b>Revised:</b> 07/07/2017
<b>Request title:</b> Pre-formatted operational reports		<b>Request ref. no:</b> T2S 0646 SYS
<b>Request type:</b> Common	<b>Urgency:</b> Medium	
<b>1. Legal/business importance parameter:</b> High	<b>2. Market implementation efforts parameter:</b> Low	
<b>3. Operational/Technical risk parameter:</b> Low	<b>4. Financial impact parameter:</b> Medium	
<b>Requestor Category:</b> ECB	<b>Status:</b> Allocated to a release	

#### Reason for change and expected benefits/business motivation:

CSDs, NCBs, as well as the ECB T2S Coordination Function require receiving daily operational reports in order to fulfil their operational tasks as outlined in the T2S MOP section 2.1 on the organisational structure of T2S operations. CSDs and NCBs are fully responsible for the business relations with their respective participants and need to meet the administrative and regulatory requirements in terms of service monitoring and service control for which they need to receive regularly reports. The T2S Coordination Function role is inter alia global coordination service and assuring a global view on the platform, mainly by means of the data provided by the 4CB, the CSDs and the Central Banks, and thus requires receiving regular aggregated reports for the platform.

In order to ensure smooth operations, this change request aims at providing pre-formatted reports to those CSDs and NCBs that have opted for them as well as the ECB T2S Coordination Function. These reports are meant to be operational reports provided for this purpose, (i.e. they provide statistics on the business day in question not later than 07:00 hrs am CET the next business day with respect to the business day in question). Therefore, they do not require the setup of a report configuration as described in UDFS and UHB, and would not be created by Report Management Module.

#### Description of requested change:

The respective reports should be made available for download on a SOPS (Statistics and Operational Services) web-page.<sup>1</sup> Using SOPS would allow downloading reports for 1 month after their production. Provision of reports older than one month till three months could be requested to the T2S Operator.

Reports covering the business day in question should be provided to CSDs, NCBs and the T2S Coordination Function not later than 07:00 hrs am CET the next business day with respect to the business day in question. In case of procedural problems, 4CB will promptly notice the recipients of the reports of their delayed availability on the SOPS web-page.

The reports for CSDs, NCBs and the T2S Coordination Function differ in terms of number of sheets and content. The overarching principle is that the reports to CSDs and NCBs need each to comply with the requirement of confidentiality, i.e. a CSD or NCB should only receive the information it can access according to the T2S data hierarchy. In broad terms it also means that NCB reports contain only cash information, whereas CSD reports contain securities information. The following exceptions, in order to be able to be shared, require the prior consent of the respective stakeholders:

- the T2S Coordination Function report as it contains highly aggregated data per CSD and per NCB required for this specific purpose. To be noted this information will only be provided to and accessible to the ECB team in charge of the T2S Coordination Function. A further sharing outside this team would not be allowed.

<sup>1</sup> SOPS is a webpage accessible via the Network Service Provider (NSP). The Operational Reports will be downloadable through the GUI, which is a browser-based application allowing a U2A interaction. In order to access the Operational Reports users must be granted with the relevant privilege. According to the MOP, the privileges must be annually reviewed. The application is intended for the T2S Operators', CSDs', NCBs' and ECBs' users. The T2S Operator can download reports on behalf of the other users, if needed.

- the platform wide report that should be made available to all CSDs and the T2S Coordination Function.
- the NCB report that contains aggregates of all NCBs.

A report that has been opted for will include all sheets (it shall not be possible to choose among the sheets).

NCBs and CSDs can opt whether to receive the respective reports at all, or not.

Reports are envisaged to be produced in an automated way, based on the Short Term Statistical Information STSI.

As there are different reporting needs of CSDs, NCBs, and the T2S Coordination Function, the change request is accompanied by the below MS Excel files<sup>2</sup> which outline the report templates. The reports are further accompanied with a list of explanations.

The reports presented below have been checked for confidentiality issues and no objections have been raised so far.

The reports shall be compatible with further currencies settled on the platform, i.e. a similar set of reports for each currency shall be provided to the entities that opted for the reports and conduct business in T2S in that currency.

The billing aspect is not treated in this change request and should be covered separately.

### Report for CSDs

#### 1 Report to individual CSDs on the business day, composed of:

- a) Sheet 1 Platform data in value and volume
- b) Sheet 2 CSD data in value and volume
- c) Sheet 3 SESA Top 50 per CSD Countervalue
- d) Sheet 4 SESA Top 50 per CSD Number
- e) Sheet 5 SESA Lack of cash Countervalue
- f) Sheet 6 SESA Lack of cash Number
- g) Sheet 7 SESA Lack of securities Countervalue
- h) Sheet 8 SESA Lack of securities Number

Please note that for the "SESA Top 50 per CSD Countervalue" and "SESA Top 50 per CSD Number" sheets, each CSD will provide its own static list of up to 50 Securities Accounts to be taken into account in the report. Changing this static list is considered possible through a Service Request which will need to be defined under the MOP.

Concerning the treatment of the multi-currency aspect, all FOP information on transactions for which the underlying security reports as currency code in the ISIN a currency participating in T2S shall be reported only in the respective currency report, while all other FOP transactions shall be reported in the EUR-denominated report independently of the origin of the underlying security.

### Report for NCBs

#### 2 Report to individual NCBs on the business day, composed of:

- a) Sheet 1 CB Daily Client Report per DCA
- b) Sheet 2 T2S Settlement Data

### Report for the ECB T2S Coordination Function

#### 3 Report to ECB T2S Coordination Function on the business day, composed of:

- a) Sheet 1 Platform data in value and volume
- b) Sheet 2 T2S Settlement data

Concerning the treatment of the multi-currency aspect, all FOP information on transactions for which the underlying security reports as currency code in the ISIN a currency participating in T2S shall be reported only in the respective currency report, while all other FOP transactions shall be reported in the EUR-denominated report independently of the origin of the underlying security.

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<sup>2</sup> A description of the content of the main fields will be provided by the DATF.

Please note that the Sheet 1 "Platform data in value and volume" is the same across reports to CSDs and the T2S Coordination Function.

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**Submitted annexes / related documents:**

1. Individual CSD operational reporting
2. ECB T2S Coordination Function operational reporting
3. Individual CB operational reporting
4. List of definitions

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**Proposed wording for the Change request:**

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**High level description of Impact:**

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**Outcome/Decisions:**

- \* CRG teleconference on 1 December 2016: The CRG recommended to launch the detailed assessment of the Change Request. This recommendation was provided in order not to delay the work on the urgent request, however, it was also noted by the CRG that they did not have sufficient details on the change request to conduct a proper review.
- \* Operational Mangers Group on 8 December 2016: Following a written procedure from 2 to 8 December 2016, the Operations Managers Group did not identify any blocking operational impact of the Change Request.
- \* Advisory Group on 22 December 2016: Following a written procedure from 19 to 22 December 2016, the Advisory Group was in favour of launching the detailed assessment on the Change Request.
- \* CSD Steering Group on 23 December 2016: Following a written procedure from 19 to 23 December 2016, the CSD Steering Group was in favour of launching the detailed assessment on the Change Request.
- \* DATF meeting on 23 March 2017 and subsequent written procedure until 24 March 2017: The Data Access Task Force agreed to send an updated version of the Change Request to the Change Review Group.
- \* CRG meeting on 30 March 2017: The CRG agreed to ask the 4CB to resume the detailed assessment based on the updated Change Request.
- \* CRG teleconference on 18 May 2017: The CRG put the Change Request on hold.
- \* DATF meeting on 19 May 2017: The DATF deemed the cost of the CR as very high and discussed dropping the intraday reporting. The DATF decided to rework the CR to also consider multi-currency and CSDR aspects.
- \* Operational Mangers Group on 22 May 2017: Following a written procedure from 13-22 May 2017, the Operations Managers Group reconfirmed that the Change Request does not have any blocking operational impact.
- \* DATF meeting on 12/13 July 2017: The DATF agreed to an updated version of the CR which drops the intraday reporting requirement and adds the multicurrency requirement.
- \* CRG teleconference on 20 July 2017: The CRG recommended the Change Request for a new detailed assessment and asked the 4CB to check the feasibility to include it as part of the T2S Release 2.0.
- \* Advisory Group on 27 July 2017: Following a written procedure from 21 to 27 July 2017, the Advisory Group was in favour of launching a new detailed assessment on the Change Request.
- \* CSD Steering Group on 28 July 2017: Following a written procedure from 21 to 28 July 2017, the CSD Steering Group was in favour of launching a new detailed assessment on the Change Request.
- \* CRG meeting on 23 October 2017: The CRG agreed with the functional description included in the 4CB detailed assessment and agreed to put the CR on hold until the DATF feedback on the CR detailed assessment is available to the CRG.
- \* CSG CSDs on 20 December 2017: CSDs have jointly decided to support the option of implementing the CR646 and asked the Eurosystem to re-assess the CR implementation.
- \* CRG on 5 February 2018: in a written procedure from 31 January to 5 February 2018, the CRG agreed to recommend to the Steering Level the implementation of the CR and its inclusion in T2S R3.0
- \* RMSG on 8 February 2018: The RMSG did not raise any objection on the delivery planning for CR-646 within T2S Release 3.0.
- \* OMG on 9 February 2018: in a written procedure from 7 to 9 February 2018, the OMG did not identify any blocking operational impact
- \* Advisory Group on Market Infrastructures for Securities and Collateral (AMI-SeCo) on 15 February 2018: Following a

written procedure from 12 to 15 February 2018, the AMI-SeCo was in favour of approving the Change Request and its inclusion in T2S Release 3.0

\* CSD Steering Group on 16 February 2018: Following a written procedure from 12 to 16 February 2018, the CSG was in favour of approving the Change Request and its inclusion in T2S Release 3.0

**Detailed reassessment from 26 September 2017  
(further updated on 30 January 2018)**

EUROSYSTEM ANALYSIS – GENERAL INFORMATION			
<b>Impact On T2S</b>	<b>Static data management</b>		<b>Interface</b>
		Party data management	Communication
		Securities data management	Outbound processing
		T2S Dedicated Cash account data management	Inbound processing
		Securities account data management	
	X	Rules and parameters data management	
	<b>Settlement</b>		<b>Liquidity management</b>
	X	Standardisation and preparation to settlement	Outbound Information Management
		Night-time Settlement	NCB Business Procedures
		Daytime Recycling and optimisation	Liquidity Operations
		Daytime Validation, provisioning & booking	<b>LCMM</b>
		Auto-collateralisation	Instructions validation
			X Status management
	<b>Operational services</b>		Instruction matching
		Data Migration	Instructions maintenance
		Scheduling	<b>Statistics, queries reports and archive</b>
		Billing	Report management
	X	Operational monitoring	Query management
			Statistical information
			Legal archiving
		All modules (Infrastructure request)	
		No modules (infrastructure request)	
		Business operational activities	
	Technical operational activities		

Impact on major documentation		
Document	Chapter	Change
Impacted GFS chapter		
Impacted UDFS chapter		
Additional deliveries for Message Specification		
UHB		
External training materials		
Other documentations		
Links with other requests		
Links	Reference	Title

**OVERVIEW OF THE IMPACT OF THE REQUEST ON THE T2S SYSTEM AND ON THE PROJECT**

Summary of functional, development, infrastructure and migration impacts

**Delivery Planning:**

- The delivery planning of the CR-0646 is based on the assumption that:
  - The Technical Groups and the Steering Level propose the CR for implementation with Release 3.0 by 02 March 2017;
  - 4CB implementation work can start on 05 March 2018;
  - The operational reports will be delivered at the same time:


Environment	Deployment date
EAC	17.05.2019
UTEST	17.05.2019
EAC/UTEST duration	3 weeks
PROD	08.06.2019

The following are the envisaged main cost drivers:

- Implementation of:
  - new SOPS screen,
  - reference data configuration required for the new reports,
  - the required configuration of the new events,
- Inclusion of the new privilege required to access the new SOPS screen.
- Amendment of the settlement day configuration
- Further information to be acquired by STSI from LCMM (effective loading from existing flows considered as external input plus database memorisation) with the aim to be able to cover data needed for CR-0646 reporting:
  - existing flow [FISSCINL] from LCMM related to links between instructions;
  - existing flow [FISSCLIP] from LCMM related to pool of instructions;
  - existing flow [FISSCHRI] from LCMM related to hold and release requests on settlement instructions;
  - existing flow [FISSCCXI] from LCMM related to cancellation of settlement instructions;
- Automated report generation in XLS format and new WEB SOPS pages for reports searching and download;
- Alignment of SLA reporting with the different method of calculation for the settlement efficiency as per new DATF requirements;
- A new event (COOR) to be created and added to the current operating day.
- Testing of the new SOPS screen.
- Support to the T2S Operator for the specification of queries.
- Support to the T2S Operator for the testing of reports.
- Support to the T2S Operator for the definition of new BOM indicators and for the alignment of the SLA report and the T2S Operations report.

Reducing the retention period for the reports to one month has positive impact on infrastructure costs and performance. The provision of reports “on demand” by the T2S Operator older than one month until three months does also not increase other running costs which can thereby avoided totally.

Summary of project risk

None

Security analysis

No potentially adverse effect was identified during the security assessment.



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29 September 2017

## Cost assessment on Change Requests

<b>T2S-0646-SYS – Pre-formatted operational reports</b>			
One-off	Assessment costs*		
	- Preliminary	2,000.00	Euro
	- Detailed*	20,000.00	Euro
One-off	Development costs	385,523.93	Euro
Annual	Operational costs		
	- Maintenance costs	31,802.97	Euro
	- Running costs		

\*The relevant assessment costs will be charged regardless of whether the CR is implemented (Cf. T2S Framework Agreement, Schedule 7, par. 5.2.3).

\*As the CR 646 was assessed twice (for the first time in May 2017 and second in September 2017) the detailed assessment has been charged twice. On an exceptional basis, the ECB will not charge these costs again for a third time (new re-assessment performed between 21 December 2017 to 30 January 2019).

Detailed assessment from 12 May 2017 – **outdated** –

**EUROSYSTEM ANALYSIS – GENERAL INFORMATION**

<b>Impact On T2S</b>	<b>Static data management</b>		<b>Interface</b>	
		Party data management		
		Securities data management		
		T2S Dedicated Cash account data management		
		Securities account data management		
	X	Rules and parameters data management		
		<b>Settlement</b>	<b>Liquidity management</b>	
	X	Standardisation and preparation to settlement		
		Night-time Settlement		
		Daytime Recycling and optimisation		
		Daytime Validation, provisioning & booking		
		Auto-collateralisation		
		<b>Operational services</b>		
		Data Migration		
		Scheduling		
		Billing		
	X	Operational monitoring		
		All modules (Infrastructure request)		
		No modules (infrastructure request)		
	Business operational activities			
	Technical operational activities			

Impact on major documentation		
Document	Chapter	Change
Impacted GFS chapter		
Impacted UDFS chapter		
Additional deliveries for Message Specification		
UHB		
External training materials		
Other documentations		

Links	Reference	Links	Title
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**OVERVIEW OF THE IMPACT OF THE REQUEST ON THE T2S SYSTEM AND ON THE PROJECT**

Summary of functional, development, infrastructure and migration impacts

**Billing:** T2S MIB (12./13.12.2016) did not agree on solution for the billing aspects of the new reports introduced with this CR. Any billing issue will be dealt with separate CR.

Contrary to the assumptions made when discussing the CR at DATF-level, the detailed assessment has shown that the **CR requires significant changes to the application**, especially introduction of new views to make the



requested data available.

**Delivery Planning:**

The below delivery planning is based on the assumptions that:

- The CR-0646 is approved by the Steering Level by 9 June 2017
- 4CB implementation work can start on 12 June 2017
- First LOT1 of operational reports can be provided for PROD as of 17 March 2018.
- Second LOT2 of operational reports will be provided with the Go-Live of Release 2.0, i.e. on 9 of June 2018.

LOT1 consists of the following reports:

- a. "CSD data - value & volume" AFTER NTS - aggregation for a single CSD
- b. "Platform data - value & volume" AFTER NTS - aggregation for all CSDs
- c. "CSD data - value & volume" RTS Cut-Off 3 PM - aggregation for a single CSD
- d. "Platform data - value & volume" RTS Cut-Off 3 PM - aggregation for all CSDs
- e. "CSD data - value & volume" BUSINESS DAY - aggregation for a single CSD
- f. "Platform data - value & volume" BUSINESS DAY - aggregation for all CSDs

Until "LOT1" deploy clients would receive reports by DT using ad hoc query.

LOT2 will contain all remaining operational reports.

As these newly defined operational reports do not fit into the current T2S billing concept, the billing of these reports needs to be defined in a separate Change Request. In order to provide a view on the **lost fees**, the following calculation has been done:

- Each entry in one of the report tables is calculated with 0.4 Eurocent (i.e. defined as a business item for A2A reports)
- Several assumptions regarding the frequency of reports and the number of participants, DCAs, etc. have been made

Assuming furthermore that only 1 CB requests the "Report to CBs Business Day" and 1 CSD requests the 3 CSDs reports along the day, and ECB Coordination Function requests its report once a business day, the lost fees would cumulate to 71.93 EUR per business day.

Summary of project risk

None.

Security analysis

The security analysis is currently ongoing.



EUROPEAN CENTRAL BANK

EUROSYSTEM

DG - MARKET INFRASTRUCTURE & PAYMENTS  
MARKET INFRASTRUCTURE MANAGEMENT

ECB-PUBLIC



12 May 2017

## Cost assessment on Change Requests- **OUTDATED**

T2S-646-SYS – Pre-formatted operational reports at specific times			
One-off	Assessment cost*		
	- Preliminary	2,000.00	Euro
	- Detailed	10,000.00	Euro
One-off	Project phase costs	1,142,170.74	Euro
Annual	Operational costs	100,596.45	Euro

\*The relevant assessment costs will be charged regardless of whether the CR is implemented (Cf. T2S Framework Agreement, Schedule 7, par. 5.2.3).

Detailed assessment from 25 September 2017