



EUROPEAN CENTRAL BANK

EUROSYSTEM

T2S CHANGE REQUEST FORM		
<b>General Information (Origin of Request)</b> <input type="checkbox"/> User Requirements (URD) or GUI Business Functionality Document (BFD) <input checked="" type="checkbox"/> Other User Functional or Technical Documentation (SYS)		
<b>Request raised by:</b> AMI-SeCo / TFOS	<b>Institute:</b> CSD	<b>Date raised:</b> 22/11/2023
<b>Request title:</b> Add Partial release new reason code "PREL" in sese.024 and semt.018		<b>Request No.:</b> T2S 0823 SYS
<b>Request type:</b> Common	<b>Classification:</b> Scope Enhancement	<b>Urgency:</b> Fast-track <sup>1</sup>
<b>1. Legal/business importance parameter<sup>2</sup>:</b> Medium		<b>2. Market implementation efforts parameter<sup>3</sup>:</b> Low
<b>3. Operational/Technical risk parameter<sup>4</sup>:</b> Low		<b>4. Financial impact parameter<sup>5</sup>:</b> High
<b>Requestor Category:</b> CSD		<b>Status:</b> Allocated to a release

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

Currently T2S applies the following "freeze approach" for maintenance of T2S customized versions of ISO 20022 messages:

- At the time of writing of this CR in November 2023, the T2S customized versions of ISO20022 messages are based on ISO20022 message versions from 2019.
- As T2S evolves, new versions of the T2S customized messages are generated, but they keep being based on the "frozen" original ISO20022 message versions from 2019.
- In parallel, the ISO20022 standard evolves with the yearly Maintenance Releases, but this evolution is not yet reflected in T2S. In fact, ISO versions and T2S versions evolve independently.

In June 2025<sup>6</sup>, the T2S customized versions will be aligned with the evolved ISO20022 versions via [T2S CR 809 "Alignment of T2S Messages with ISO Maintenance Release 2020 – 2024"](#), which will integrate all changes of ISO Maintenance Release (MR) 2020 – 2024 into the customized T2S message versions.

At this point in time, T2S will launch the "T2S Unfreeze Strategy" with the objective for all T2S messages to be updated to the latest ISO20022 base message versions, and from then on, to follow the latest ISO20022 versions via the yearly Maintenance Releases.

In this context, the TFOS was created to provide the market view of how T2S messages can be improved. The initial scope of the work of the TFOS is to review which SWIFT/ISO CRs, implemented since the last freeze of the T2S settlement messages, should be implemented with priority and ideally at the same time with the "T2S Unfreeze Strategy". To implement such scope items, dedicated T2S Change Requests shall be raised.<sup>7</sup>

This Change Request covers one of those scope items, namely, to implement in T2S the following ISO CR:

- [CR 001778: Add new information to report partial release request](#) (MR 2022)

This change request has introduced two new elements:

- New reason code PREL to indicate that a transaction has been partially released,
- New structured field to report a partially released quantity.

Those new elements shall also be introduced in T2S, by first un-pruning them in the sese.024 and semt.018

<sup>1</sup> Fast-track justification: A fast-track approach is requested due to the need to have this CR detailed assessed in parallel with T2S-0809-SYS 'Alignment of T2S Messages with ISO Maintenance Release 2020 – 2024' to make sure they can be implemented jointly with the first step of the ISO unfreeze strategy.

<sup>2</sup> Legal/business importance parameter was set to "Medium" because T2S Actors will benefit from updated reporting for partial release.

<sup>3</sup> Market implementation effort parameter was set to "Low" as the change does not imply significant changes to T2S Actors.

<sup>4</sup> Operational/technical risk parameter was set to "Low" because it is not expected that this change will have an operational impact on the T2S Actors.

<sup>5</sup> Low < 100kEUR < Low-Medium < 200 kEUR < Medium < 400kEUR < High < 700kEUR < Very high

<sup>6</sup> The ISO unfreeze change requests were initially planned to be implemented in June 2025 and are now foreseen to be implemented in June 2026.

<sup>7</sup> In this context TFOS supports the implementation of [T2S CR 807 "Add new reason code in the sese.024 to identify that there is a mismatch in the partial settlement indicator"](#) which implements one of those ISO CRs in T2S.

message, and then by using them as foreseen in the ISO CR.

This will result in an alignment with ISO standard usage of the respective codes as currently those are not used, or not used in the fields recommended by ISO standard. It will also support the interoperability between ISO15022 and ISO20022.

**Description of requested change:**

This change request to implement ISO CR001778 “Add new information to report partial release request” into T2S comprises four scope elements:

- Update of sese.024 XSD,
- Update of semt.018 XSD,
- Update of status reporting logic for partial release to use new reason code PREL for partial release,
- Update of mapping logic for partially released quantity to use new structured field for partially released quantity.

**Updates to sese.024 XSD:**

- Qualifier PREL to be made available as pending reason,
- Qualifier PREL to be made available as failing reason,
- Subsequence “Partially Released Quantity” to be made available within the “Transaction Details”, whereby the same customizations shall be applied as for “Settlement Quantity”, i.e.,
  - only “Quantity” attribute is needed, with options:
    - “Unit” (customized as “RestrictedFINDecimalNumber”) and
    - “Face Amount” (customized as “RestrictedFINImpliedCurrencyAndAmount”),
  - while other quantity type options as well as “Original and current face” can remain pruned.

**sese.024.001:12 impacted by**

Name	Mult.	CR
Securities Settlement Transaction Status Advice V12 (sese.024.001:12)		
Settlement Status	[0..1]	
Pending	[1..1]	
Reason	[1..*]	
Code	[1..1]	
Code	[1..1]	
Partially Released [PREL]		01778
Failing	[1..1]	
Reason	[1..*]	
Code	[1..1]	
Code	[1..1]	
Partially Released [PREL]		01778
Transaction Details	[0..1]	
Partially Released Quantity	[0..1]	01778
Quantity	[1..1]	01778
Unit	[1..1]	01778
Face Amount	[1..1]	01778
Amortised Value	[1..1]	01778
Digital Token Unit	[1..1]	01778
Textual : DigitalTokenUnitUsageRule		01778
Original And Current Face	[1..1]	01778
Face Amount	[1..1]	01778
Amortised Value	[1..1]	01778

**Updates to semt.018 XSD:**

The equivalent changes shall be implemented within the “Transactions” sequence:

- Qualifier PREL to be made available as pending reason,
- Qualifier PREL to be made available as failing reason,
- Subsequence “Partially Released Quantity” to be made available within the “Transaction Details”, whereby the same customizations shall be applied as for “Posting Quantity”, i.e.,
  - only “Quantity” attribute is needed, with options:
    - “Unit” (customized as “RestrictedFINDecimalNumber”) and
    - “Face Amount” (customized as “RestrictedFINImpliedCurrencyAndAmount”),
  - while other quantity type options as well as “Original and current face” can remain pruned.

**Update to status reporting logic for execution of partial release:**

Currently, once a partial release request was executed in T2S, T2S sends a “*Execution of Partial Release SecuritiesSettlementTransactionStatusAdvice*” (i.e., a sese.024 message) with the Party Hold indicator set to “True” and including information on the partially released quantity and quantity remaining on Hold to inform the relevant T2S Actor (Instructing party) that the Referenced Settlement Instruction still remains on Party Hold but is now under Partial Release Process. (UDFS section 2.10.5.2 Execution of the Release Instruction).

- Currently T2S sends sese.024 with reason codes “FUTU” (for pending instructions) or “CYCL” (for failing instructions), and with Hold indicator set to TRUE to indicate execution of a partial release.
- In the future T2S shall send sese.024 with reason code “PREL” in such cases (with Hold indicator still being TRUE).

The same change shall apply in an equivalent way to status reporting via semt.018.

It should be noted that the new reason code PREL also needs to be considered in the penalty deduction logic: partially released instructions shall be treated as today, but they might have to be identified via an adjusted mechanism based on the new reason code PREL.

**Update of mapping logic for partially released quantity**

Currently, T2S reports the partially released quantity plus the quantity remaining on Hold in a free text field of the sese.024 (i.e., in *SciesSttlmTxStsAdvC/TxDtls/SttlmInstrPrcgAddtlDtls*), in the following way:

- The first 4 positions will represent a prefix PRQ/ followed by the settlement type (UNIT or FAMT) and by the digits of the “Partially released” quantity.
- After the last digit of the “partially released quantity”, the next 4 positions will represent the settlement type (UNIT or FAMT) to separate both quantities followed by the digits of the “Quantity remaining on hold”.

This logic shall be dropped: T2S shall no longer use the free text field to provide information about partially released quantity and quantity remaining on hold.

Instead, the partially released quantity shall be reported in the corresponding structured field of the sese.024 (i.e., in *Document/SciesSttlmTxStsAdvC/TxDtls/PrtyRlsdQty/Qty*).

- The quantity remaining on hold will not be reported any longer, but it can be derived from the “settlement quantity” minus the “partially released quantity”. T2S informs in the settlement quantity of the sese.024 always the “quantity remaining to be settled” (i.e., “original quantity” minus “quantity already settled”), therefore this applies also to cases where partial release is applied on a partially settled instruction, or where a partially released instruction is partially settled.

The partially released quantity shall be reported in the following business scenarios:

- After partial release of a pending instruction (together with pending reason PREL)
- After partial release of a failing instruction (together with failing reason PREL)
- After partial settlement of a pending or failing partially released instruction (together with pending or failing reason PART).

The same change shall apply in an equivalent way to the semt.018, i.e., the partially released quantity shall be reported in the corresponding structured field (i.e., in */Document/SciesTxPdgRpt/Txs/TxDtls/PrtyRlsdQty/Qty*) in case it is different to zero.

- For a partially released pending instruction the pending reason PREL (instead of FUTU currently) should be reported if no other relevant pending reason was detected by the T2S settlement procedure after the partial release was applied.
- For a partially released failing instruction the failing reason PREL (instead of CYCL currently) should be reported if no other relevant failing reason was detected by the T2S settlement procedure after the partial release was applied.

No impact is expected for the EOD flat file reporting of semt.018, as the partial release will be automatically

cancelled by T2S at the relevant cut-off time, and therefore there should be no cases of partially released quantity to report in such EOD report.

The partially released quantity is currently not reported in any free text field of the semt.018, therefore there is also no need to drop any current mapping.

Following the "T2S Unfreeze strategy", the strong preference of the TFOS is to implement this CR together with the implementation of [T2S CR 809 "Alignment of T2S Messages with ISO Maintenance Release 2020 – 2024"](#), currently scheduled for June.2025 release.

#### Submitted annexes / related documents:

[CR 001778: Add new information to report partial release request](#)

#### Outcome/Decisions:

\*CRG on 30 January 2024: the CRG agreed to recommend CR-0823 for authorisation by the T2S Steering Level, following a fast-track approach.

\*AMI-SeCo on 20 February 2024: the AMI-SeCo agreed with the CRG recommendation of CR-0823 for T2S Steering Level Authorisation.

\*CSG on 20 February 2024: the CSG agreed to authorise CR-0823.

\*NECSG on 20 February 2024: the NECSG agreed to authorise CR-0823.

\*MIB on 28 February 2024: the MIB agreed to authorise CR-0823.

\*PMG on 7 March 2024: the PMG agreed to launch the detailed assessment of CR-0823 with a view of scoping in R2026.JUN.

\*OMG on 31 May 2024: the OMG identified no operational impact from the inclusion of CR-0823 in the scope of R2026.JUN.

\*CRG on 3 July 2024: the CRG agreed to recommend to the PMG the inclusion of CR-0823 in the scope of R2026.JUN.

\*PMG on 5 July 2024: the PMG agreed to recommend the inclusion of CR-0823 in the scope of R2026.JUN.

\*CSG on 15 July 2024: the CSG approved the inclusion of CR-0823 in the scope of R2026.JUN.

\*NECSG on 15 July 2024: the CSG approved the inclusion of CR-0823 in the scope of R2026.JUN.

\*MIB on 16 July 2024: the MIB approved the inclusion of CR-0823 in the scope of R2026.JUN.

#### Documentation to be updated:

##### UDFS

#### 1.6.1.14.4 Penalty Eligibility

(...)

#### Eligibility for a Settlement Fail Penalty (SEFP)

- Add reason code 'PREL' in the Failing Reasons Dictionary with eligibility result 'FALSE'.

#### TABLE 82 - FAILING REASONS DICTIONARY

Reason Code	Description of the Error	Eligibility Result
(...)	(...)	(...)
CYCL	Instruction released during cut-off	TRUE
<u>PREL</u>	<u>Transaction has been partially released</u>	<u>FALSE</u>
(...)	(...)	(...)

#### 3.3.5.7 SecuritiesTransactionPendingReportV4013 (semt.018.001.4013)

3.3.5.7.3 The message in business context

Message usage: instruction with a status of accepted

Message example: semt.018.001.4013\_T2S\_ExampleAccepted.xml

(...)

Message usage: instruction with partially released quantity

This message usage relates to the usage of a statement of Pending Instructions, sent by T2S, when a settlement instruction is partially released.

Therefore this applies also to cases where partial release is applied on a partially settled instruction, or where a partially released instruction is partially settled.

Specific message requirements

To report a statement of partially released instruction, the Securities Transaction Pending Report V13 (semt.018.001.13) includes the following information:

- 'Partially Released Quantity' available within 'Transaction Details' element to report a partially released quantity.
- 'PREL' reason code for Pending settlement status and for Failing settlement status (depending on whether the partial release was executed on its ISD or not), which indicates that the instruction is partially released.

<u>MESSAGE ITEM</u>	<u>DATA TYPE/ CODE</u>	<u>UTILISATION</u>
<u>Partially Released Quantity</u> <u>Document/SctiesTxPdgRpt/Txs/TxDtls/PrtlyRI</u> <u>sdQty</u>	<u>Quantity51Choice</u>	<u>Element &lt;PrtlyRIsdQty&gt;</u> <u>reported or generated when :</u> <u>• "Partially Released Quantity"</u> <u>within a settlement instruction is</u> <u>different to zero.</u> <u>and</u> <u>• Party Hold indicator set to</u> <u>'TRUE' within a settlement</u> <u>instruction.</u>
<u>Quantity</u> <u>Document/SctiesTxPdgRpt/Txs/TxDtls/PrtlyRI</u> <u>sdQty/Qty/Unit</u>	<u>RestrictedFINDecimalNumber</u> <u>totalDigits: 14</u> <u>fractionDigits: 14</u>	<u>Quantity expressed as a number</u>
<u>Document/SctiesTxPdgRpt/Txs/TxDtls/PrtlyRI</u> <u>sdQty/Qty/FaceAmt</u>	<u>RestrictedFINImpliedCurrencyAndAmount</u> <u>minInclusive: 0</u> <u>totalDigits: 14</u> <u>fractionDigits: 5</u>	<u>Quantity expressed as an</u> <u>amount representing the face</u> <u>amount</u>
<u>Code</u> <u>Document/SctiesTxPdgRpt/Txs/StsAndRsn/Stt</u> <u>ImSts/Pdg/Rsn/Cd/Cd</u>	<u>PendingReason24Code</u>	<u>'PREL', if no other relevant</u> <u>pending reason was detected</u>
<u>Code</u> <u>Document/SctiesTxPdgRpt/Txs/StsAndRsn/Stt</u> <u>ImSts/FIng/Rsn/Cd/Cd</u>	<u>FailingReason4Code</u>	<u>'PREL', if no other relevant</u> <u>failing reason was detected</u>

(...)

Message example: semt.018.001.13\_T2S\_Partially\_Released.xml

### **3.3.6.5 SecuritiesSettlementTransactionStatusAdviceV10 (sese.024.001.10)**

(...)

#### **3.3.6.5.3 The message in business context**

**Message usage: Partial Settlement (unsettled part) of a settlement instruction partially released**

(...)

### Specific message requirements

To inform about the unsettled part of a partial filling, the SecuritiesSettlementTransactionStatusAdviceV10 includes the following information:

- I Pending/Failing – status that corresponds to 'Pending' or 'Failing' (depending on whether the partial re-30 lease was partially settled on its ISD or not) with one reason code to inform about the partial settlement;
- I Code – 'PART' ISO code indicating the partial settlement of the transaction;
- I HoldIndicator – set to "True" if the securities movement type of the settlement instruction is 'DELI'.
- I Hold Indicator/Code – 'PTYH' ISO Code that indicates that the instruction is on Party Hold only if the securities movement type of the settlement instruction is 'DELI'.
- I SettlementQuantity – the unsettled part of the financial instrument;
- ~~I Partially released quantity – quantity released. Only present if the instruction is under partial release process.~~
- I SettlementAmount – the quantity of money remaining to be credited/debited;
- I ReceivingSettlementParties – Account Owner reference and T2S reference of the counterparty if the securities movement type is DELI;
- I DeliveringSettlementParties – Account Owner reference and T2S reference of the counterparty if the securities movement type is RECE;
- ~~I SettlementInstructionProcessingAdditionalDetails – quantity released and the quantity remaining on hold. Only present if the instruction is under partial release process.~~
- I Supplementary Data – providing the T2S Matching Reference assigned by T2S to both Settlement Instructions that have been matched by T2S.

MESSAGE ITEM	DATA TYPE / CODE	UTILISATION
[...]		
<del>Document/SciesSttlmTxStsAdvc/ TxDtIs/PrtyRlsdQty/Qty/Unit</del>	<del>RestrictedFINDecimalNumber</del>	<del>Partially released quantity</del>
Amount Docu- ment/SciesSttlmTxStsAdvc/TxDtl s/SttlmAmt/Amt	RestrictedFINActiveCurrencyAndAmount	Total amount of money to be settled
[...]		
<del>SettlementInstructionProcessingA dditionalDe tails Document/SciesSttlmTxStsAdvc/ TxDtIs/ SttlmInstrPrcgAddtlDtIs /</del>	<del>RestrictedFINXMax350Text</del>	<del>Remaining released Quantity and quantity remaining on hold. The first 4 positions will represent a prefix PRQ/ followed by the settlement type (UNIT or FAMT) and by the digits of the "Partially released" quantity. After the last digit of the "partially released quantity", the next 4 positions will represent the settlement type (UNIT or FAMT) to separate both quantities followed by the digits of the "Quantity re- maining on hold". This in- formation is provided only if the instruction is still under partial release process.</del>
[...]		

(...)

Message usage example: sese.024.001.10\_T2S\_PartialSettlement of partially released quantity Example01.xml

Firstly CSD Participant A (PRTAFRPPXXX) with a securities account '100000123' in T2S has instructed the delivery of 100000 securities ISIN000001 to its counterparty CSD Participant B (CSDPBBICXXX) and its CSD B (CSDBBIC1XXX) versus a payment of 575000, Euros for settlement on the 3/1/2015. The instruction is matched and on party hold. On the Intended Settlement Date, CSD Participant A requests a partial release of 20000 securities of its instruction 'T1290'. During the settlement process the Settlement Instruction is partially settled due to a lack of securities. In this example T2S informs Participant A about the current pending status of the Settlement Instruction, of its instruction with T2S reference 'T1290', informing the remaining part to be settled and the partially released quantity, ~~the remaining released quantity, the remaining on hold quantity (Settlement Instruction Processing Additional Details)~~ and providing the references of the counterparty's instruction (T2S reference and the Account owner reference) and the corresponding T2S Matching Reference (Supplementary Data). The Settlement Instruction has 5000 securities remaining released, 80000 securities remaining on hold and 85.000 securities unsettled with a remaining part of 488750 euros to be credited to its cash account.

Message usage example: sese.024.001.10\_T2S\_PartialSettlement of partially released quantity Example02.xml

Firstly CSD Participant B (CSDPBBICXXX) with a securities account '100000456' in T2S has instructed the reception of 100000 securities ISIN000001 from its counterparty CSD Participant A (PRTAFRPPXXX) and its CSD A (CSDABIC1XXX) versus a payment of 575000, Euros for settlement on the 3/1/2015. The instruction is matched. On the Intended Settlement Date, CSD Participant A requests a partial release of 20000 securities of its instruction 'T1290'. During the settlement process, the Settlement Instruction is partially settled due to a lack of securities. In this example T2S informs Participant B about the current pending status of its Settlement Instruction, with T2S reference 'T1291', informing the remaining part to be settled and the partially released quantity, ~~the remaining released quantity, the remaining on hold quantity (Settlement Instruction Processing Additional Details)~~ and providing the references of the counterparty's instruction (T2S reference and the Account owner reference) and the corresponding T2S Matching Reference (Supplementary Data). The Settlement Instruction has 5000 securities remaining released, 80000 securities remaining on hold and 85.000 securities unsettled with a remaining part of 488750 euros to be debited to its cash account.  
(...)

**Message usage: Execution of a partial release**

(...)

**Specific message requirements**

To inform about the execution of a partial release, the SecuritiesSettlementTransactionStatusAdviceV10 includes the following information:

I Pending/Failing – status that corresponds to 'Pending' or 'Failing' (depending on whether the partial release was partially settled on its ISD or not) with one reason code to inform about the partial settlement;

I ~~'PREL'~~'FUTU' ISO code for Pending and ~~'CYCL'~~'ISO code for Failing, which indicates that the instruction is no longer on Hold just for the quantity partially released.

I HoldIndicator – set to "True" if the securities movement type of the settlement instruction is 'DELI'.

I Hold Indicator/Code – 'PTYH' ISO Code that indicates that the instruction is on Party Hold only if the securities movement type of the settlement instruction is 'DELI'.

I SettlementQuantity – the unsettled part of the financial instrument;

I Partially released quantity – quantity released. Only present if the instruction is under partial release process

I SettlementAmount – the quantity of money remaining to be credited/debited;

I ReceivingSettlementParties – Account Owner reference and T2S reference of the counterparty if the securities movement type is DELI;

I DeliveringSettlementParties – Account Owner reference and T2S reference of the counterparty if the securities movement type is RECE;

I ~~SettlementInstructionProcessingAdditionalDetails – quantity released and the quantity remaining on hold. Only present if the instruction is under partial release process.~~

I Supplementary Data – providing the T2S Matching Reference assigned by T2S to both Settlement Instructions that have been matched by T2S.

MESSAGE ITEM	DATA TYPE / CODE	UTILISATION
[...]		
Code Docu- ment/SciesSttlmTxStsAdv c/SttlmSts/Pdg/Rsn/Cd/Cd	PendingReason2Code	When the instruction can settle on its ISD, the only possible value is: <del>I</del> FUTU PREL
Code Docu- ment/SciesSttlmTxStsAdv c/SttlmSts/Flng/Rsn/Cd/C d	FailingReason2Code	When the instruction can no longer settle on its ISD, the only possible value is: <del>I</del> CYCL PREL
[...]		
<u>Document/SciesSttlmTxS tsAdvc/TxDtls/PrtlyRlsdQt y/Qty/Unit</u>	<u>RestrictedFINDecimalNumber</u>	<u>Partially released quantity</u>
Amount Docu- ment/SciesSttlmTxStsAdv c/TxDtls/SttlmAmt/Amt	RestrictedFINActiveCurrencyAndAmount	Total amount of money to be settled
[...]		
<u>SettlementInstructionProc essingAdditionalDe-tails Document/SciesSttlmTxS tsAdvc/TxDtls/ SttlmInstrPrcgAddtlDtls /</u>	<u>RestrictedFINXMax350Text</u>	<u>Remaining released Quantity and quantity remaining on hold. The first 4 positions will represent a prefix PRQ/ followed by the settlement type (UNIT or FAMT) and by the digits of the "Partially released" quantity. After the last digit of the "partially released quantity", the next 4 positions will represent the settlement type (UNIT or FAMT) to separate both quantities followed by the digits of the "Quantity re- maining on hold". This in- formation is provided only if the instruction is still under partial release process.</u>
[...]		

(...)

Message usage example: sese.024.001.10 T2S PendingPartialRelease execution Example01.xml

Firstly CSD Participant A (PRTAFRPPXXX) with a securities account '100000123' in T2S has instructed the delivery of 100000 securities ISIN000001 to its counterparty CSD Participant B (CSDPBBICXXX) and its CSD B (CSDBBIC1XXX) versus a payment of 575000, Euros for settlement on the 3/1/2015. The instruction is matched and on party hold. On the Intended Settlement Date, CSD Participant A requests a partial release of 20000 securities of its instruction 'T1290'. T2S sends a pending status advice related to the Settlement Instruction informing the partially released quantity ~~and the remaining quantity on hold~~ providing the references of the counterparty's instruction (T2S reference and the Account owner reference) and the corresponding T2S Matching Reference (Supplementary Data).

Message usage example: sese.024.001.10 T2S PendingPartialRelease execution Example02.xml



Firstly CSD Participant B (CSDPBICXXX) with a securities account '1000000456' in T2S has instructed the reception of 100000 securities ISIN000001 from its counterparty CSD Participant A (PRTAFRPPXXX) and its CSD A (CSDABIC1XXX) versus a payment of 575000, Euros for settlement on the 3/1/2015. The instruction is matched. On the Intended Settlement Date, CSD Participant A requests a partial release of 20000 securities of its instruction 'T1290'. T2S sends a pending status advice to the counterparty Settlement Instruction with T2S reference 'T1291' informing the partially released quantity ~~and the remaining quantity on hold~~ providing the references of the counterparty's instruction (T2S reference and the Account owner reference) and the corresponding T2S Matching Reference (Supplementary Data).

#### 4.5.3.4 Statement of pending instructions. semt.018

(...)

The report details will contain the following information:

FLAT FILE COLUMN	COLUMN NAME	FORMAT	DESCRIPTION	RULES
[...] 39	Number of decimals for Posting Quantity	NUMERIC(2)	Number of decimals for the quantity of financial instrument (to be) posted to the safe-keeping account. Expressed as units or face amount.	
40	<u>Partially Released Quantity integer part</u>	<u>NUMERIC(14)</u>	<u>Integer part for quantity of financial instrument partially released. Expressed as units or face amount.</u>	
41	<u>Partially Released Quantity number of decimals</u>	<u>NUMERIC(2)</u>	<u>Number of decimals for the quantity of financial instrument partially released. Expressed as units or face amount.</u>	
3942	Posting Amount integer part	NUMERIC(14)	Integer part for Settled Settlement Amount: Settlement Instruction or Original Settlement Amount: Settlement Instruction minus Settled Settlement Amount: Settlement Instruction	
[...]				

**Note:** The final numeration in the Flat File column may vary. It will be defined taking also into account the changes implemented by other Change Requests in scope of the same Release (e.g. CR 824).

4.2.1 ISO 20022 Codes

FailingReason24Code

CODE	NAME
<u>PREL</u>	<u>Partially Released</u>

PendingReason224Code

CODE	NAME
<u>PREL</u>	<u>Partially Released</u>

**GFS**

No impact

**UHB:**

2.4.1.14 Available Report - Statement of Pending Instructions - Details Screen

General Statement Information	
...	...
Remaining Amount	Shows the type of settlement from the possible values:   UNIT (Units)   FAMT (Face Amount)
<u>Partially Released Quantity</u>	<u>Shows the partially released quantity.</u>   UNIT (Units)   FAMT (Face Amount)

...

**Preliminary assessment:**

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Not available, fast-track approach.

**Detailed assessment:**

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Eurosystem analysis – General information			
T2S Specific Components		Common Components	
<b>LCMM</b>			
	Instructions validation		
X	Status management		
	Instruction matching		
	Instructions maintenance		
X	Penalty Mechanism		
<b>Settlement</b>			
X	Standardisation and preparation to settlement		
	Night-time Settlement		
	Daytime Recycling and optimisation		
	Daytime Validation, provisioning & booking		
	Auto-collateralisation		
<b>Liquidity Management</b>			
	Outbound Information Management		
	NCB Business Procedures		
	Liquidity Operations		
T2S Interface		Eurosystem Single Market Infrastructure Gateway (from R6.0 June 2022)	
	Communication		Communication
	Outbound Processing		Outbound Processing
	Inbound Processing		Inbound Processing
Static Data Management (until June 2022)		Common Reference Data Management (from R6.0 June 2022)	
	Party data management		Party data management
	Securities data management		Securities data management
	Cash account data management		Cash account data management
	Securities account data management		Securities account data management
	Rules and parameters data management		Rules and parameters data management
Statistics and archive		Statistics and archive	
	Statistical information (until June 2022)		Short term statistical information
	Legal archiving (until June 2022)		Legal archiving (from R6.0)
			Data Warehouse (from R6.0)
Information (until June 2022 containing reference data)		CRDM business interface (from R6.0 June 2022)	
X	Report management		Report management
	Query management		Query management
			Communication
			Outbound Processing
			Inbound Processing
Operational Services			
	Data Migration (T2S DMT)		Data Migration (CRDM DMT, from R6.0)
	Scheduling (until June 2022)		Business Day Management (from R6.0)
			Business Day Management business interface (from R6.0)
	Billing (until June 2022)		Billing (from R6.0)
			Billing business interface (from R6.0)
	Operational Monitoring		Operational and Business Monitoring
	MOP Contingency Templates		
Impact on major documentation			

Document	Chapter	Change
Impacted GFS chapter		
Impacted UDFS chapter	1.6.1.14.4 Penalty Eligibility	Reason code 'PREL' must be included in the table Failing reasons dictionary, with eligibility result 'FALSE'.
	3.3.6.5 SecuritiesSettlementTransactionStatusAdviceV10 (sese.024.001.10) - The message in business context	The Specific Message Requirements description of the message usages of the sese.024 described above in the CR need to be updated to include reason code 'PREL' in the relevant fields of the Settlement Status block, to include the block PartiallyReleasedQuantity and to remove the block SettlementInstructionProcessingAdditionalDetails. The message usages impacted are the following ones:  - Sese.024 Partial Settlement (unsettled part) of a settlement instruction partially released - Sese.024 Execution of a partial release
	4.5.3.4 Statement of pending instructions. semt.018	The report details format specifications have to be updated in order to include the fields corresponding to the new block PartiallyReleasedQuantity.
	3.3.5.7 SecuritiesTransactionPendingReportV4013 (semt.018.001.4013) - The message in business context	Specific Message Requirements description of the message usages of the semt.018 as described above in UDFS - Documentation to be updated
	4.2.1 ISO 20022 Codes	Update the status value 'PendingReason2Code' with new one 'PendingReason24Code' Update the status value 'FailingReason2Code' with new one 'FailingReason4Code'  Include the new code 'PREL' in Status values: FailingReason4Code CODE = PREL / NAME = Partially Released  PendingReason24Code CODE = PREL / NAME = Partially Released
Additional deliveries for Message Specification (UDFS, MyStandards, MOP contingency templates)	MyStandards;  Sese.024 Usage Guidelines.	Reason code 'PREL' must be included as a possible value in the relevant fields of the Settlement Status block, the block PartiallyReleasedQuantity is to be unpruned and to the block SettlementInstructionProcessingAdditionalDetails has to be pruned out.

	<p>Examples of sese.024</p> <p>MyStandards T2S Usage Guidelines: Securities Transaction Pending Report V13 (semt.018.001.13)</p> <p>New Message example: semt.018.001.13_T2S_Partially_Released_Status.xml</p>	<p>Some examples need to be updated to reflect the changes implemented with this CR:</p> <ul style="list-style-type: none"> <li>- Sese.024 Partial Settlement (unsettled part) of a settlement instruction partially released</li> <li>- Sese.024 Execution of a partial release</li> </ul> <p>Update of the MyStandards UGs for semt.018 in order to change the datatype of the two elements:</p> <p>/Document/SctiesTxPdgRpt/Txs/TxDtls/PrtlyRIsdQty/Qty/Unit New datatype is [RestrictedFINDecimalNumber] with totalDigits: 14 and fractionDigits: 14 instead of [DecimalNumber] with totalDigits: 18 and fractionDigits: 17</p> <p>/Document/SctiesTxPdgRpt/Txs/TxDtls/PrtlyRIsdQty/Qty/FaceAmt New datatype is [RestrictedFINImpliedCurrencyAndAmount] with minInclusive: 0, totalDigits: 14 and fractionDigits: 5 instead of [ImpliedCurrencyAndAmount] with minInclusive: 0, totalDigits: 18 and fractionDigits: 5</p> <p>Unprune element "Partially Released [PREL]" under: /Document/SctiesTxPdgRpt/Txs/StsAndRsn/StlmSts/Pdg/Rsn/Cd/Cd</p> <p>/Document/SctiesTxPdgRpt/Txs/StsAndRsn/StlmSts/FIng/Rsn/Cd/Cd</p> <p>New message example reflecting the message usage: instruction with Partially released quantity.</p>
UHB	2.4.1.14 Available Report - Statement of Pending Instructions - Details Screen	Add the new fields
External training materials		
Other impacted documentation (FA Sch. 05, FA Sch. 07)		
Impacted GDPR message/ screen fields		
Links with other requests		
Links	Reference	Title
<b>Overview of the impact of the request on the T2S system and on the project</b>		
<b>Summary of functional, development, infrastructure and migration impacts</b>		
<p><b>LCMM:</b></p> <ul style="list-style-type: none"> <li>• The implementation of this CR implies that:</li> </ul>		

- After a partial release request is executed:
  - T2S will continue to send a sese.024 with Party Hold indicator set to "True". However, the Pending/Failing reason code informed will be "PREL" instead of "FUTU" or "CYCL".
  - The partially released quantity plus the quantity remaining on Hold will no longer be informed in the free text field SttlmInstrPrcgAddtlDtls.
  - The partially released quantity will be informed in the new PrtlyRlisdQty/Qty field.
  - The settlement quantity block will remain unchanged (i.e. it will continue to inform the quantity remaining to be settled, that is, the difference between the "Original Settlement Quantity" and the "Settled Settlement Quantity").
- After partial settlement of a pending or failing partially released instruction
  - T2S will continue to send a sese.024 with Party Hold indicator set to "True" with the Pending/Failing reason code "PART".
  - The partially released quantity plus the quantity remaining on Hold will no longer be informed in the free text field SttlmInstrPrcgAddtlDtls, which will be pruned out.
  - The partially released quantity will be informed in the new PrtlyRlisdQty/Qty field.
  - The settlement quantity block will remain unchanged (i.e. it will continue to inform the quantity remaining to be settled, that is, the difference between the "Original Settlement Quantity" and the "Settled Settlement Quantity")
- The same changes will apply in an equivalent way to the semt.018, which will be reflected also in the Flat File version.
- No changes will be applied to any U2A screen.
- For this purpose:
  - The Status Management module has to be enhanced in order to apply, in the status advice reporting, the changes described above.
  - The internal LCMM flow for the Statement of Transactions Flat File need to be adapted to the new mapping requirements.
  - External Flows with INTF for sese.024 need to be adapted.
  - The Failing Reasons Dictionary needs to be updated to include the new PREL code.

#### **LCMM Messages:**

This CR requires the following changes in Mystandards:

- Customization for sese.024:
- Un-pruning the PREL code within the element /Document/SciesSttlmTxStsAdvC/SttlmSts/Pdg/Rsn/Cd/Cd in the Pending Settlement Status block
- Un-pruning the PREL code within the element /Document/SciesSttlmTxStsAdvC/SttlmSts/Fng/Rsn/Cd/Cd in the Failing Settlement Status block
- Un-pruning the block /Document/SciesSttlmTxStsAdvC/TxDtls/PrtlyRlisdQty (Partially Released Quantity)
  - Within the element /Document/SciesSttlmTxStsAdvC/TxDtls/PrtlyRlisdQty/Qty:
    - Prune out the element /Document/SciesSttlmTxStsAdvC/TxDtls/PrtlyRlisdQty/Qty/AmtsdVal
    - Prune out the element /Document/SciesSttlmTxStsAdvC/TxDtls/PrtlyRlisdQty/Qty/DgtlTknUnit
  - Prune out the element /Document/SciesSttlmTxStsAdvC/TxDtls/PrtlyRlisdQty/OrgnlAndCurFace
- Prune out the block /Document/SciesSttlmTxStsAdvC/TxDtls/SttlmInstrPrcgAddtlDtls (Settlement Instruction Processing Additional Details) and remove the T2S use and T2S Mapping, as with this CR T2S will no longer use this free text field to provide information about partially released quantity and quantity remaining on hold.

#### **LCMM Screens:**

- No changes will be applied.

#### **LCMM Testing:**

- The testing of this CR will require an exhaustive testing campaign of the status advice reporting after the execution of a partial release request, focusing on the generation of sese.024 messages with the new PREL reason code informed (instead of FUTU/CYCL). A wide range of scenarios will be taken into account to check that the quantity that has been partially released is being mapped properly and informed in the new block 'Partial release quantity' (instead of reporting it as free text in the removed field 'SttlmInstrPrcgAddtlDtls' Settlement Instruction Processing Additional Details) in all possible scenarios.
- Semt.018 Flat File creation needs to be tested to verify that the Partially Release Quantity field is included in the report. Semt.018 Flat File reporting will be tested as well to check that if a Settlement Instruction has 'Partially Released' as pending or failing settlement status reason code, the PREL code and the Partial release quantity are properly reported in the flat file in all the different possible scenarios.
- Additionally, a comprehensive non-regression campaign on the status updates must be executed.
- It will be necessary to update the testing tools and the non-regression campaign test cases that result affected by this change.
- 

### **Report Management**

To provide more information, T2S should add the new reason code and new block in semt.018 (Statement of Pending Instructions Report) to report logic for Partially Released Quantity (UNIT or FAMT). Additionally, the details screens of Statement of Pending Instructions need to add new field Partially Released Quantity in order to show this information also in the GUI (U2A).

### **CRDM:**

Modification of attribute domain 'Instruction Status Reason Code' inserting the new value PREL.

### **SETT**

MyStandards Usage Guidelines for T2S semt.018:

- update of the T2S\_semt.018 usage guideline and schemas:
- Change the datatype of the two elements:

/Document/SctiesTxPdgRpt/Txs/TxDtls/PrtlyRlsdQty/Qty/Unit

New datatype is [RestrictedFINDecimalNumber] with totalDigits: 14 and fractionDigits: 14 instead of [DecimalNumber] with totalDigits: 18 and fractionDigits: 17

/Document/SctiesTxPdgRpt/Txs/TxDtls/PrtlyRlsdQty/Qty/FaceAmt

New datatype is [RestrictedFINImpliedCurrencyAndAmount] with minInclusive: 0, totalDigits: 14 and fractionDigits: 5

instead of [ImpliedCurrencyAndAmount] with minInclusive: 0, totalDigits: 18 and fractionDigits: 5

- Unprune element "Partially Released [PREL]" under:

/Document/SctiesTxPdgRpt/Txs/StsAndRsn/SttlmSts/Pdg/Rsn/Cd/Cd

/Document/SctiesTxPdgRpt/Txs/StsAndRsn/SttlmSts/FIng/Rsn/Cd/Cd

- add new T2S\_semt.018 message example for the message usage of partial release instruction statement

UDFS:

- update relevant sections (3.3.5.7.3 The message in business context (semt.018.001.13\_T2S), 4.2.1 ISO 20022 Codes)

### **SETT testing**

- Testing tool update in order to manage the changes of sese.024 and semt.018
- Testing of the partial release lifecycle and the related sese.024 and semt.018 generated for the different use cases
- Regression test of the release process reporting

### **Main cost drivers:**

- Adapt the LCMM Status Management module, affected flows and messages, update of the T2S semt.018 usage guideline and schemas, add new T2S semt.018 message example (41%)
- Functional validation testing and regression testing (37%)
- Modification of the CRDM attribute domain 'Instruction Status Reason Code' and flows (6%)

**Planning for delivery of non-binding XSDs:**

Milestones	Schema
Batch #1	sese.024
Batch #4	semt.018

The actual delivery dates of Batch #1 and #4 will be aligned with T2S-0809-SYS. No earlier or separate delivery date for the above non-binding XSDs can be defined within the scope of this CR because of the dependency with CR-809 "Alignment of T2S messages with Maintenance Releases 2020-2024", whose implementation is a prerequisite for this CR.

An early delivery of the batches (earlier than 8 weeks before EAC deployment) can be analysed during the detailed reassessment of T2S-0809-SYS and should consider the delivery planning of T2S CRs 809, 807, 823, 824, 825 and 826. However, no blocking issue was identified during this detailed assessment, considered alone, that would prevent an early delivery of sese.024 and semt.018 in June/July 2025 for T2S R2026.JUN.

**Impact on other TARGET Services and projects**

No impact on other Eurosystem Services (T2, TIPS) has been identified during detailed assessment. ECMS impact will be covered in the respective ECMS CR for the ISO unfreeze.

**Summary of project risk**

No risks on the stability or performance of T2S has been identified during the detailed assessment

**Security analysis**

No adverse impact has been identified during the detailed assessment





22 May 2024

## Cost assessment on Change Requests

<b>T2S-823-SYS – Add Partial release new reason code “PREL” in sese.024 and semt.018</b>			
One-off	Assessment costs* - Preliminary - Detailed	not charged 10 000.00	Euro Euro
One-off	Development costs	410 361.25	Euro
Annual	Operational costs		
	- Maintenance costs	41 050.87	Euro
	- Running costs	0.00	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).