

1. General Information

CR Raised by: Process Efficiency Sub-Group **Institute:** ECB

Date Raised: 16/07/09

Change Request Title: T2S non-mandatory matching fields

CR Ref.: T2S URD 0153

Change Request Classification: Substance
(Typo, Consistency, Clarification, Substance)

Status: Approved by the AG

Change Type: Modification, New Requirement
(New Requirement/Modification/Deletion)

Requestor Category: T2S Sub-group
(User, ACB, ECB T2S Project Team)

Chapter Number/Annex Number: Chapter 5, Annex 2

Req No: T2S.05.590

Priority (S,H,M,L): H

Proposed Implementation Date/Release: Version 5.0

Description of Requested Change:

In June 2009, the T2S AG approved the proposal of the Subgroup on Process Efficiency (PESG) on T2S non-mandatory matching fields. The PESG proposed to differentiate the non-mandatory matching fields based on matching principles and proposed the exhaustive list of settlement-related T2S non-mandatory matching fields.

Reason for Change / Expected Benefits / Business Case:

The implementation of the proposal will provide T2S Users with additional clarity and transparency on T2S matching facilities and principles.

Submitted Annexes / Related Documents:

Subgroup on Process Efficiency - Note on T2S non-mandatory matching fields

T2S Advisory group - 5th meeting on 15-16 June 2009 (Point 5.4 SG on Process Efficiency - PESG)

<http://www.ecb.europa.eu/paym/t2s/progress/ag/html/mtg5.en.html>

Proposed wording for the Change Request:

The following changes are necessary in the T2S URD in order to address the PESG proposal.

5.5.3 Additional Non-mandatory matching fields

Additional Non-mandatory matching fields

Reference ID	T2S.05.590
---------------------	------------

T2S shall support non-mandatory matching fields. Non-mandatory matching fields are fields in the settlement instruction that T2S matches when they are present. There are two types of non-mandatory matching fields:

- Additional matching fields are fields that are not mandatory but become mandatory when at either one of the counterparts to the settlement provides a value for them in its instruction
- Additional Optional matching fields are fields that are not mandatory but that become mandatory when at least one of the two both settlement counterparts completes provide a value for them in its their instructions.

A The non-exhaustive list of these additional optional matching fields can be found in the table below.

DVP	FOP
Common <u>trade</u> reference ⁵	Common <u>trade</u> reference
	Cash amount and currency if not a blank field ⁶
Client of delivering CSD participant ⁷ (the data type of the field shall be in line with the ISO 20022 standard definition). the instructing party shall use a defined standard code where exists, e.g. a BIC code). This field may match to blank.	Client of delivering CSD participant (the data type of the field shall be in line with the ISO 20022 standard definition). (the instructing party shall use a defined standard code where exists, e.g. a BIC code). This field may match to blank.

Client of receiving CSD participant ⁸ (the data type of the field shall be in line with the ISO 20022 standard definition). (the instructing party shall use a defined standard code where exists, e.g. a BIC code). This field may match to blank.	Client of receiving CSD participant (the data type of the field shall be in line with the ISO 20022 standard definition). (the instructing party shall use a defined standard code where exists, e.g. a BIC code). This field may match to blank.
---	--

⁵ Counterparties will have the option to include this in order to facilitate the matching.

⁶ In this case, a T2S actor may match the cash amount and currency where the cash settlement takes place outside T2S, even in the absence of a CoSD.

⁷ The ESF/ECSDA standards say "second layer market participant (sub-account/customer of counterparty)".

⁸ The ESF/ECSDA standards say "second layer market participant (sub-account/customer of counterparty)".

Annex 2 Glossary and Standards

Title	Definition	Remark
<u>T2S additional matching field</u>	<u>a non-mandatory matching attribute of a settlement instruction, which becomes a mandatory matching criterion when either of the parties to a settlement instruction provides value for the attribute. T2S additional matching fields cannot match with a field with no value (null value).</u>	
<u>T2S optional matching field</u>	<u>a non-mandatory matching attribute of a settlement instruction, which becomes a mandatory matching criterion when both parties to a settlement instruction provide a value for the attribute. T2S optional matching fields may match with a field with no value (null value).</u>	

Outcome of meetings:

URM-SG Meeting of 7 September 2009

Recommendation to the AG: Approval

* AG Meeting on 23 Sep 2009

Approval of SG recommendation