

<b>T2S CHANGE REQUEST FORM</b>		
<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> 4CB	<b>Institute:</b> 4CB	<b>Date raised:</b> 03-06-2025
<b>Request title:</b> CRDM reda messages should support the new securities account type 'End Investor Account' for Direct Holding Markets.		<b>Request No.:</b> T2S-0854-SYS
<b>Request type:</b> Common	<b>Classification:</b> Scope enhancement	<b>Urgency:</b> <sup>1</sup> Fast-track
<b>1. Legal/business importance parameter</b> <sup>2</sup> : High		<b>2. Market implementation efforts parameter</b> <sup>3</sup> : Medium
<b>3. Operational/Technical risk parameter</b> <sup>4</sup> : Medium		<b>4. Financial impact parameter</b> <sup>5</sup> : (to be provided by 4CB)
<b>Requestor Category:</b> 4CB		<b>Status:</b> Proposed for a release

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

On 11 September 2023 five new CSDs successfully migrated to T2S: the Bulgarian National Bank Government Securities Settlement System (BNBGSSS) and Central Depository AD (CDAD) in Bulgaria, Središnje klirinško depozitarno društvo d.d. (SKDD) in Croatia, Euroclear Finland and Euroclear Bank. The number of CSDs connected to T2S therefore increased to 24, and the number of European countries with CSDs relying on T2S increased from 20 to 23.

Euroclear Finland brought all its 2.3 million end-investor accounts to T2S as part of its migration. This approach contrasts with the "layered model" and less securities used by some other markets already active in T2S. The direct holding model is a model where securities accounts are segregated at the level of end-investor in T2S. This results in a very high number of accounts that have to be accessed when processing and settling settlement instructions.

While the migration was successful, the premigration activities detected some performance issues during the EOD reporting which were caused by the very high number of securities that T2S needed to handle. These issues were promptly handled before the migration weekend but highlighted the need to implement long term enhancements with the aim to prepare T2S for potential onboarding of new markets with an end-investor business model.

Deeper investigations have shown that increasing the number of accounts could create adverse effects on system performance. A contention area identified relates to the access right management (ARM) checks and U2A or A2A queries.

To mitigate the risk of adverse effects on the performance, some short-term measures have already been put in place. These are:

- Ad hoc fast track queries for selected criteria and search on small number of accounts.
- Prevention of ARM scan<sup>6</sup> of securities accounts outside the system entity of the requestor.

<sup>1</sup> Fast-track justification: A fast-track approach is requested since the PMG requested to implement the schema changes stemming from the implementation of CR-0837 within the minor release R2026.NOV where all CRs with XSD changes should be allocated in order to allow a smooth later implementation of the complex CR-0837.

<sup>2</sup> Legal/business importance parameter was set to 'High' since this change request will implement mandatory changes needed for the migration of new end-investor markets, and particularly, ES-CPH migration to T2S.

<sup>3</sup> Market implementation effort parameter was set to 'Medium' since this change request will not imply that a long implementation test campaign is performed by the users.

<sup>4</sup> Operational/technical risk parameter was set to 'Medium' since this change request is not considered to create an operational or technical risk for the smooth running of T2S operations.

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

<sup>6</sup> Data scanning is a method used in database management to examine and analyse data within a database. It involves traversing through records in a database or specific tables, scrutinizing each column's schema and data to understand its type, sample data, and characteristics.

These measures have been effectively improving response time but, given the growing number of securities accounts in T2S and potential onboarding of other direct holding markets to T2S, long term solutions must be put in place.

The objective of this change is to update the xsd of messages impacted by change request [T2S-0837-URD](#). The newly introduced business rules and securities account type "End Investor Account" must be added in A2A CRDM messages reda.018 'SecuritiesAccountCreationRequest', reda.019 'SecuritiesAccountQuery' and reda.021 'SecuritiesAccountReport'.

#### Description of requested change:

Change request T2S-0837-URD introduces the Securities Account type "End Investor Account", that is owned by end investors in direct holding markets.

The addition of the new Securities Account Type "ENDI", requires a data type change in the securities account maintenance message set.

Impacted messages are :

reda.018 Securities Account Creation Request

reda.019 Securities Account Query

reda.021 Securities Account Report

The currently implemented data type for the securities account type must be changed into a specific type which includes all the already defined securities account types, adding the new value for End Investor Accounts.

The solution has already been used for for the Party Maintenance ISO registered messages, which include aspecific data type for the list of possible party types.

Excerpt from reda.014 Party Type Code data type:

TARGET\_Exact4AlphaNumericText\_PartyType

Specifies an alphanumeric string with a length of 4 characters.

#### Properties

- Pattern: [a-zA-Z0-9]{4}
- Min Length: *Not set*
- Max Length: *Not set*
- Exact Length: *Not set*
- Identification Scheme: *Not set*

#### Codes

Value	Name
ANSY	Ancillary System
CSDP	Central Securities Depository Participant
CSDY	Central Securities Depository
ECSD	External Central Securities Depository
NCBK	National Central Bank
PMBK	Pavment Bank

Following the Party Maintenance solution approach, the new data type replacing the currently implemented SystemSecuritiesAccountTypeCode, will be named "TARGET\_Exact4AlphaNumericText\_SecuritiesAccountType" and add the value "ENDI" (End Investor Account) in the list of already supported code values.

The impacted component are:

reda.018 SecuritiesAccountCreationRequest

Xpath: /Document/SctiesAcctCreReq/SctiesAcct/Tp

Security Account Creation Request V01 (DRAFT5reda.019.001.01)			Type	
>	Message Identification	1	1	
▼	Securities Account	1	1	
>	Account Owner	1	1	
≡	Identification	1	1	
▼	Type	1	1	
○	CSD Mirror Account [CSDM]			
○	CSD Omnibus Account [CSDO]			
○	CSD Participant Account [CSDP]			
○	Inter CSD Account [ICSA]			
○	Issuance Account [ISSA]			
○	Technical Offset Account [TOFF]			

  

▼	Multiplicity	[1..1]
▼	Annotations	
▲	CRDM Notes	
•	CRDM-BusinessRules: DACI031	
	DACI032	
	DACI033	
	DACI034	
•	CRDM-Mapping: Securities Account Type: Securities Account	
▼	Type	
	SystemSecuritiesAccountTypeCode (based on string)	
▼	Documentation	

### reda.019 SecuritiesAccountQuery

Xpath: /Document/SctiesAcctQry/SchCrit/AcctTp

Securities Account Query V01 (DRAFT5reda.019.001.01)			Account Type	
>	Message Header	1	1	
▼	Search Criteria	1	1	
≡	Account Identification	0	1	
>	Account Servicer	0	1	
>	Account Owner	0	1	
>	Party Type	0	1	
>	Opening Date	0	1	
>	Closing Date	0	1	
▼	Account Type	0	1	
○	CSD Mirror Account [CSDM]			
○	CSD Omnibus Account [CSDO]			
○	CSD Participant Account [CSDP]			
○	Inter CSD Account [ICSA]			
○	Issuance Account [ISSA]			

  

▼	Multiplicity	[0..1]
▼	Annotations	
▲	CRDM Notes	
•	CRDM-BusinessRules: IIMP050	
	IIMP052	
•	CRDM-Mapping: Securities Account Type: Securities Account	
▼	Type	
	SystemSecuritiesAccountTypeCode (based on string)	
▼	Documentation	
	Specifies the type of securities account.	
▼	XML Tag	
	AcctTp	

### Reda.021 SecuritiesAccountReport

Xpath: /Document/SctiesAcctRpt/RptOrErr/SctiesAcctRpt/SctiesAcctOrErr/SctiesAcct/Tp

Securities Account Report V01 (DRAFT7reda.021.001.01)			Type	
>	Message Header	1	1	
>	Pagination	1	1	
▼	Report Or Error	1	1	
▼	Securities Account Report	1	*	
>	Securities Account Identification	1	1	
▼	Securities Account Or Error	1	1	
▼	Securities Account	1	1	
📅	Opening Date	0	1	
📅	Closing Date	0	1	
🔒	Hold Indicator	0	1	
🔒	Negative Position	0	1	
▼	Type	0	1	
○	CSD Mirror Account [CSDM]			
○	CSD Omnibus Account [CSDO]			

  

▼	Multiplicity	[0..1]
▼	Annotations	
▲	CRDM Notes	
•	CRDM-Mapping: Securities Account Type: Securities Account	
▼	Type	
	SystemSecuritiesAccountTypeCode (based on string)	
▼	Documentation	
	Specifies the type of the securities account.	
▼	XML Tag	
	Tp	
▼	XML Path	

### Submitted annexes / related documents:

### Outcome/Decisions:

\*PMG on 3 July 2025: the PMG agreed to launch the detailed assessment of CR-0854 with a view of scoping in R2026.NOV, subject to T2S Steering Level authorisation.

\*CRG on 14 July 2024: the CRG agreed to recommend CR-0854 for authorisation by the T2S Steering Level., following a fast-track approach.

\*CSG on 18 July 2024: the CSG agreed to authorise CR-0854.

\*NECSG on 18 July 2024: the NECSG agreed to authorise CR-0854.

\*MIB on 31 July 2025: the MIB agreed to authorise CR-0854.

#### Documentation to be updated:

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#### Preliminary assessment:

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n.a.

#### Detailed assessment:

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T2S Specific Components		Common Components	
LCMM		Common Reference Data Management	
	Instructions validation		Party data management
	Status management		Securities data management
	Instruction matching		Cash account data management
	Instructions maintenance		Securities account data management
	Penalty Mechanism		Rules and parameters data management
			Access rights management
Settlement		CRDM business interface	
	Standardisation and preparation to settlement		Report management
	Night-time Settlement		Query management
	Daytime Recycling and optimisation		Communication
	Daytime Validation, provisioning & booking		Outbound Processing

	Auto-collateralisation		Inbound Processing
<b>Liquidity Management</b>			
	Outbound Information Management		
	NCB Business Procedures		
	Liquidity Operations		
<b>Statistics and archive</b>			
	Short term statistical information		Legal archiving
			Data Warehouse
<b>T2S Interface</b>		<b>Eurosystem Single Market Infrastructure Gateway</b>	
	Communication		Communication
	Outbound Processing		Outbound Processing
	Inbound Processing		Inbound Processing
<b>T2S information management</b>			
	Report management		
	Query management		
<b>Operational Services</b>			
	Data Migration (T2S DMT)		Data Migration (CRDM DMT)
	MOP Contingency Templates		Business Day Management
	OMEGA Tool		Business Day Management business interface
	OMEGA Templates		Billing
	AID Tool		Billing business interface
			Operational and Business Monitoring

Impact on major documentation				
Document	Chapter		Change	
Impacted GFS chapter				
Impacted UDFS chapter				
Impacted URD chapter				
Additional deliveries for Message Specification (UDFS, MyStandards, MOP contingency templates)				
UHB				
External training materials				
Other impacted documentation (FA Sch. 05, FA Sch. 07)				
Impacted GDPR message/ screen fields				
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
Main Cost Driver
Impact on other TARGET Services and projects
Summary of project risk
Security analysis
Other impacts (yes/no)

To be filled out in case of impact on T2S Recovery (not to be published on the ECB website)

Detailed assessment:

T2S Specific Components			
<b>LCMM</b>			
	Recovery functionalities		
<b>Settlement</b>			
	Recovery functionalities		
<b>Liquidity Management</b>			
	Recovery functionalities		
<b>T2S Interface</b>			
	Recovery functionalities		

Impact on major documentation				
Document	Chapter		Change	
DRS				
Impacted RDFS chapter				
Links with other requests				
Links	Reference		Title	

OVERVIEW OF THE IMPACT OF THE REQUEST ON THE T2S SYSTEM AND ON THE PROJECT	
<b>Impact on the Recovery functionality</b>	