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Outcome of the T2S Project Managers Group (PMG) Meeting

19 January 2022 (09:30-12:30 & 14:30 – 17:00)

WebEx

1. APPROVAL OF THE AGENDA AND INTRODUCTORY REMARKS

Outcome

The PMG chairperson welcomed the participants and introduced the meeting, held remotely due to COVID-19 precautionary measures. No additional items were proposed for inclusion on the agenda of the meeting. The PMG members approved the agenda.

The PMG Chairperson thanked Giuseppe Santangeli, Pernille Thinggård and Kristoffer Kjelsø Sønderlev for their valuable contributions as PMG members and welcomed Giuseppe Marino, Phillip Danielsen and Mads Larsen as members of the PMG.

PMG members were informed that a special workshop will be organized on 18 February, before the bi-weekly call, on the ESMIG readiness results.

The PMG was informed that the version 1.2 of the Target Services Connectivity Guide will be for review with technical groups including the PMG by mid-March 2022.

The PMG was updated on the authorisations and approvals from CSG/NECSG/MIB since the last PMG meeting on 10 November 2021:

- Since the last PMG meeting of 10 November, the following CRs were **authorised** by the T2S Steering level:
 - T2S CR T2S-0551-SYS (Reporting of Restriction References for COSD blocked positions in the Statement of Holdings (semt.002))
 - T2S-0638-SYS (T2S should allow and process already matched instructions which include the counterparty's securities sub-position to be used for settlement purposes)
 - T2S-0778-SYS Technical upgrade of the PROD environment to support increase in the number of Securities Accounts
 - CR-763 (T2S Multi-Criteria Settlement Optimisation)
 - CR-764 (No intraday update of the Negative Position flag)
 - CR-766 (T2S Settlement Optimisation Analysis)

- the following editorial Change Requests were authorised and the corresponding updates to the Scope Defining Documents for R6.0:
 - CR-444 (User authentication without USB-token/SmartCard for GUI-access)
 - CR-773 (Multiplex Editorial Change Request (for R6.0))
- Since the last PMG meeting of 10 November, the following CRs were **approved** for implementation by the T2S Steering level:
 - T2S-0528-SYS T2S should allow modification of possible values for an Attribute domain linked to a MSA
 - T2S-0568-SYS T2S should allow system-wide SME and Security CSD link search via T2S GUI
 - T2S-0675-SYS (Add ISIN as a search criteria in the 'Eligible counterpart CSDs' screen
 - T2S-0723-URD Introduce reason code as parameter for T2S message subscription logic
 - T2S-0733-SYS Definition of a classification of transactions for CB T2S data

2. OUTCOME OF THE PREVIOUS MEETING

Background documentation

- Outcome of the PMG meeting on 10 November 2021

Outcome

The PMG members approved the outcome of the PMG meeting that took place on 10 November 2021. The final outcome will be published on the ECB Website.

3. UPDATE ON CRG ACTIVITIES

Background documentation

- Briefing of the CRG meeting of 17 January 2022 (table document)

Outcome

The PMG took note of the CRG updates following their meeting on 17 January 2022.

4. RELEASE SCOPING

Background documentation:

- A. Ranked List of Change Requests as of 12 January 2022 (Website)
- B. Harmonization of GUI
- C. Scoping of Release 7.0 - 4CB proposal
- D. 4CB Detailed Assessment of CR-778
- E. Publication of CoCo Usage Guidelines on MyStandards

Outcome

A. Ranked List of Change Requests as of 12 January 2022

The PMG took note of the updated ranking of Change Requests, available in the ECB Website, as of 12 January 2022.

B. Harmonisation of GUI

The PMG were given information on the scope of the Eurosystem's dedicated workstream for the harmonisation of the TARGET Services GUI. The PMG raised concerns on the performance of the T2S GUI and its functional aspects, which are out of scope of the workstream. The PMG considered the performance of the GUI as a topic with a higher priority than the harmonisation of the screens and should be factored into investment decisions, also considering the extended timeframe of the workstream presented in the meeting. The PMG was informed that the performance issues faced with the GUI will be brought to the CSG at their next meeting. 4CB clarified that with the new technology used for the CSLD GUIs (including Common Component GUIs for T2S), performance could be improved and reiterated that T2S Actors are invited to provide feedback on their experience with the GUI screens related to common components. An upgrade to the T2S GUI screens could be envisaged if the new technology proves that performance is increased.

Consequently, AP-23 was deemed as closed and a new AP -25 was opened for the follow-up at the next CSG where the ECB will present the PMG views on the performance of the GUI.

C. Scoping of Release 7.0 - 4CB proposal

The PMG took note of the scoping exercise and planned CRs for Release 7.0, including the updated Detailed assessment plan for both Package 1 and Package 2. The PMG took note that the DA for Package 1 started on 22 November 2022 and will be delivered on 11 February 2022, expecting a T2S Steering Level approval by 8 April 2022.

The 4CB provided the information previously requested on Package 2 - T2S-0769-SYS, T2S-0720-URD. The PMG took note that the DA for CR-769 will be delivered on 22 March 2022. The 4CB recommend starting the DA of T2S-0720-URD at a later stage, due to the dependencies with CSLD CR-0067.

The PMG agreed to the 4CB DA timelines for Package 2: T2S-0638-SYS, T2S-0756-SYS and T2S-0766-SYS starting on 18 February 2022 and CR DAs will be delivered on 2 May 2022, expecting a T2S Steering Level approval by 27 June 2022; T2S-0769-SYS which DA started on 10 January 2022 and the DA will be delivered on 22 March 2022, expecting a T2S Steering level approval by 17 May 2022; and T2S-0720-URD to start on 22 April 2022 and the DA will be delivered on 4 July 2022, expecting a T2S Steering Level approval by 29 August 2022.

D. 4CB Detailed Assessment of CR-778

The PMG took note of the results of the Detailed Assessment for Change Request T2S-0778-SYS. The PMG members were informed that the 4CB has already deployed additional CPU in one of the two T2S regions. The PMG agreed to recommend CR-778 for approval to the T2S Steering Level, and that the implementation would be highlighted to the CSG/NECSG. The 4CB was invited to provide a date on when it plans to upgrade the second region and inform the PMG accordingly, for which a new AP (34) is recorded. Finally, the PMG requested the 4CB for an updated presentation to be available as soon as possible, including the explanation that the running costs would only cover the timeframe between January 2022 and November 2022 as one-off investment, taking into account the fact that the future running costs for Euroclear Finland were already accounted for in CR-752 as of November 2022 (allocated to T2S R6.2).

E. Publication of CoCo Usage Guidelines on MyStandards

The PMG took note of the explanations provided by 4CB on the publication of CoCo Usage Guidelines on MyStandards. The PMG was informed that all CoCo Usage Guidelines (that are of relevance for T2S) will be

published in the T2S group on MyStandards for Releases 6.0 and 6.2. The PMG took note that, as of Release 7.0, CoCo Usage guidelines would gradually be removed from the T2S group and maintained only in the MyStandards area for Common Components, to avoid duplication and in line with the implementation of the "split books" approach. The PMG was informed that the other TARGET Services will be approached to seek agreement on the envisaged publication structure, constituting a change to their current MyStandards structure. In addition, it was noted that, when a message can be sent to/from both the interface of T2S and the interface of a Common Component, each interface could have its own message specifications (XSD schema and usage guideline). As a result, for some messages (admi.007, camt.009/.010/.019/.025/.069/.070) different schemas apply, depending on the message usage considered. PMG members requested for a setup where, from a user's perspective, only one message specification applies for a given Service, regardless of the message usage and technical interface to/from which it is sent. A PMG member remarked that they would assess the situation with their CRG member and consider whether a CR should be raised.

5. CRs IMPACTING COMMON COMPONENTS

5.1 CRs raised by the T2S community

Background documentation:

- CR-762 – CR for T2

Outcome

The PMG took note of the impacts of CR-762 in T2 and that indicative costs had been added to the interim detailed assessment of CR-762. The ECB clarified that the charges to T2S would be flat regardless of the actual number of events occurring. The PMG took note that the costs could be revised after 3 years based on actual observed usage. These revisions will be highlighted to the CSG once the final DA will be delivered.

5.2 CRs not raised by the T2S community

Background documentation:

- ECMS CR-0034 and T2S CR-777 – oral update
- CSLD CR-0087 – oral update

Outcome

ECMS CR-0034 and T2S CR-777 – oral update

The PMG took note of the updates of ECMS CR-0034 and agreed to launch the DA of CR-777.

CSLD CR-0087 – oral update

The PMG took note of CSLD CR-0087 (in the context of the onboarding of DKK as a settlement currency in T2).

The PMG was informed that while the CSLD CR is yet to be assessed, but it can already be expected that a number of changes will also be needed in T2S, which will be compiled in a new T2S CR.

6. UPDATE ON USER TESTING

Background documentation

- A. Update on the User Testing activities
- B. GSD implementation report

C. ESMIG connectivity report

Outcome

A. Update on the User Testing activities

The PMG took note of the User Testing activities. The PMG was informed of the content of the proposed next versions of the User Testing Framework.

NCBs and CSDs need to insert new technical addresses for the communication with the Common Components, if they want to use them. This is also valid for DCPs. Hence, NCBs and CSDs need to ensure that their DCPs are set up correctly. The way forward regarding the technical addresses, role provisioning and the adjustment of the respective static data forms will be discussed in the OMG.

B. GSD implementation report

The PMG took note of the GSD implementation report, as of 13 January 2022. As a mitigation action to the ongoing issues with the implementation of the GSD, PMG members noted that CR-722 should be deployed in UTEST earlier than planned, preferably after R5.3 enters into production. The PMG was informed that an updated report would be distributed regularly, for their information. The PMG acknowledged that the Ascertia GSD success rate and testing progress is not satisfactory. PMG members were encouraged to focus their efforts on the GSD and ESMIG testing prior to the opening of R6.0 testing in the EAC environment. 4CB will investigate the possibility of deploying CR-722 earlier in UTEST and shall report back to PMG at the latest in view of the Go/No-go meeting of 3 February 2022. Consequently, an AP-26 was opened.

C. ESMIG connectivity report

The PMG took note of the ESMIG connectivity report as of 12 January 2022. The PMG members for Denmark CB and Euroclear informed that the status of “Not successful” have now changed to “Successful”. The PMG was informed that they are expected to communicate the required configurations for A2A to their DCPs. The PMG was informed that an updated report would be distributed regularly, for their information.

7. UPDATE ON MIGRATION ACTIVITIES

Background documentation:

- Monthly testing progress report – December 2021

Outcome

The PMG took note the testing progress report of the Euroclear Finland on-boarding in T2S. PMG members were informed of the signing of the Framework Agreement by Euroclear Bank in December 2021. The expectation is that the CSG would mandate the T2S technical groups to initiate the work on the on-boarding of Euroclear Bank in their meeting on 2/3 March 2022.

8. 2020 T2S EXTERNAL EXAMINATION

Background documentation:

- Outcome of 2020 T2S external examination – presentation

Outcome

The PMG took note of the findings and recommendations from the 2020 T2S External Examination and the Target Services Special Review. The PMG took note on the tracking of all outcomes in each agenda item to be

done by opening Action Points, as done by the CSG. Such practice should be harmonised across all technical groups and thus, the ECB will investigate this further and consequently a new AP -28 was opened.

On the finding on risk assessment procedures for changes, it was noted that currently the PA/DA include the risk assessment for each CR. It was noted that the ECB will clarify internally whether the new TARGET-Services Risk Framework refers to a process for a risk assessment of a release and the PMG will re-visit the topic of the potential need for a risk assessment of a release at a later point. (new AP-33).

On the finding on rollback procedures, again PMG asked for clarity on the wording of the recommendation, with the ECB to provide further feedback on this at the next meeting after liaising with the external examination on clarifying this recommendation (new AP-29).

Finally, on the finding from the Target Services Special Review on the complex Target services governance structure, PMG members noted that it related to all TARGET-Services and that for the time being, it is not expected that the PMG addresses it as governance findings should be discussed by the CSG.

9. OGPf REVIEW

Background documentation:

- Proposal to update OGPf

Outcome

The PMG took note of the launch of the exercise on the update of the OGPf v3.4. The PMG had received a list of proposed topics that could be addressed in the update round and the proposed timeline. Depending on the final list of topics/issues to be included in this update, following a written procedure with PMG, CRG and OMG, it will be investigated whether a Drafting Group needs to be formed as done in previous occasions of the update and a special workshop to discuss drafting changes to be proposed or whether the drafting changes be reviewed by the technical groups via means of a written procedure.

10. PLANNING AND MONITORING OF T2S RELEASES

Background documentation:

- A. PMG information on release status as of 14 January 2022
- B. Consolidated List of Problems as of 14 January 2022
- C. Service Transition Plans for R5.3, R6.0, R6.2
- D. Lessons Learnt R5.2
- E. Release Quality Indicators R5.2

Outcome

The PMG agreed to have a PMG bi-weekly Call on 21 January 2022 and requested that the Release Status Table and Consolidated List of Problems would be discussed in that call.

In addition, the PMG was informed about the updated Service Transition Plans (STPs) for R5.3, R6.0 and R6.2.

The PMG agreed to run the related written procedures to approve the STPs.

Finally, the PMG took note on the Draft Lessons Learnt R5.2 and agreed to run a written procedure to review the document, together with the Release 5.2 Quality Indicators.

11. STATUS UPDATE ON DWH

Background documentation:

- T2S DWH Status update and planning

- T2S-0699-SYS (Decommissioning LTSI, scope and definition of queries and reports and access specifications to Data Warehouse functionalities)

Outcome

PMG members were informed on the postponement of the T2S DWH deployment and CR-699, and thus the extension of the LTSI. Several clarifications were requested by PMG members. It was agreed that 4CB will deliver an updated planning for the scoping of CR-699 and further clarifications to be provided especially on the processes to be followed between June and November 2022 following the decommissioning of direct access to LTSI (updated AP-22). The updated proposal will be discussed at the PMG meeting on 3 February 2022.

12. T2S STATUS UPDATE ON PLAN AND RISKS

Background documentation:

- A. T2S Risk Responses – update
- B. T2S Summary Plan, T2S Release & Migration Calendar – for information
- C. T2S Risks Monthly Report Dashboard – December 2021
- D. Draft T2S Risk ID - Slower than expected 4CB progress in internal release testing for R6.0
- E. R6.0 Interoperability testing restrictions status

Outcome:

A. T2S Risk Responses – update

The PMG took note of the Risk Responses with due date in the next months. It was agreed not to update the target date of RR456 and to be kept as November 2021 (original target date) and to be classified as Overdue at least until 4 February 2022. The Target date of RR454 to be updated to March 2022. For RR467 this is classified as Overdue. PMG noted that no new Root Cause will be added in Risk 104 due to the Ascertia log4j issues but rather a new RR to be added in view of a possible early deployment of CR-722 to UTEST (new AP-27).

B. T2S Summary Plan, T2S Release & Migration Calendar – for information

The PMG took note that the T2S Summary Plan, T2S Release & Migration Calendar was shared for information.

C. T2S Risks Monthly Report Dashboard – December 2021

The PMG took note of the status of the T2S Risks Monthly Report Dashboard for December 2021.

D. Draft T2S Risk ID - Slower than expected 4CB progress in internal release testing for R6.0 and E. R6.0 Interoperability testing restrictions status

The PMG took note of the new Risk raised by 4CB on slower than expected 4CB progress in internal release testing for R6.0. PMG concluded to have a weekly update on the CRs/PBIs affected with clear target dates for their delivery/release. One PMG member stated that their institution would not be able to complete their testing in the EAC environment because of the 4CB's restrictions and foresaw a high risk on the go/no-go of R6.0 for deployment to the UTEST environment. To address this issue in detail, the PMG decided to extend their PMG meeting on 3 February 2022 to three hours. This meeting is to assess the 4CB testing status of R6.0, the GSD status, the ESMIG status and decide on the way forward. During the written procedure on the new Risk, PMG members will be invited to provide feedback on whether an Issue to be opened (new AP-30).

13. UPDATE ON OTHER GROUPS ACTIVITIES

13.1 Operational Management Group – OMG

Background documentation:

- Update on the OMG activities

Outcome:

The PMG took note of the OMG activities.

13.2 Security Managers Group – SMG

Background documentation:

- Update on the SMG activities – oral debriefing [Withdrawn]

13.3 Trilateral Group – TG

Background documentation:

- Update on the TG activities – oral debriefing [Withdrawn]

14. REVIEW OF ACTION POINTS

Background documentation:

- List of action points – 19 January 2022

Outcome:

The PMG took note of the updated Action Points and concluded to close AP-23 on the GUI harmonisation and open a new AP on the T2S GUI performance issues (AP-25). PMG agreed to close AP-19 and AP-24.

New Action Points were opened to address the outcome of several items as recorded in each item above.

15. ANY OTHER BUSINESS

15.1 PMG communication

Background documentation:

- End of Year Survey + Proposal to update the PMG Communication

Outcome

The PMG took note of the results of the 2021 end of year survey. The PMG took note of the proposals to update the PMG Communication and raised concerns on the usability of Astra and the related proposals to update the PMG Secretariat Communication. The PMG did not agree with the proposals to written consultations. The PMG Secretariat agreed to assess if other tools can be used to communicate with the PMG and will re-discuss the issue on Q3 3022 (new AP-31). The PMG agreed that the PMG Bi-weekly Calls will continue to be focused only on Release status updates and new Production Problems already prioritized by the OMG. Finally, the PMG agreed to have a placeholder for PMG Workshop/meetings between every PMG Meeting, to discuss urgent or thematic topics. The PMG Secretariat agreed to propose slots for each PMG Workshop (new AP-32).

15.2 Timing of PMG meetings and calls

Background documentation:

- T2S 2022 meetings calendar

Outcome

The PMG was informed that the T2S meetings calendar for 2022 were shared for information.