EUROPEAN CENTRAL BANK

EUROSYSTEM

Overview of Collateral Management Harmonisation Activities (CMHAs)
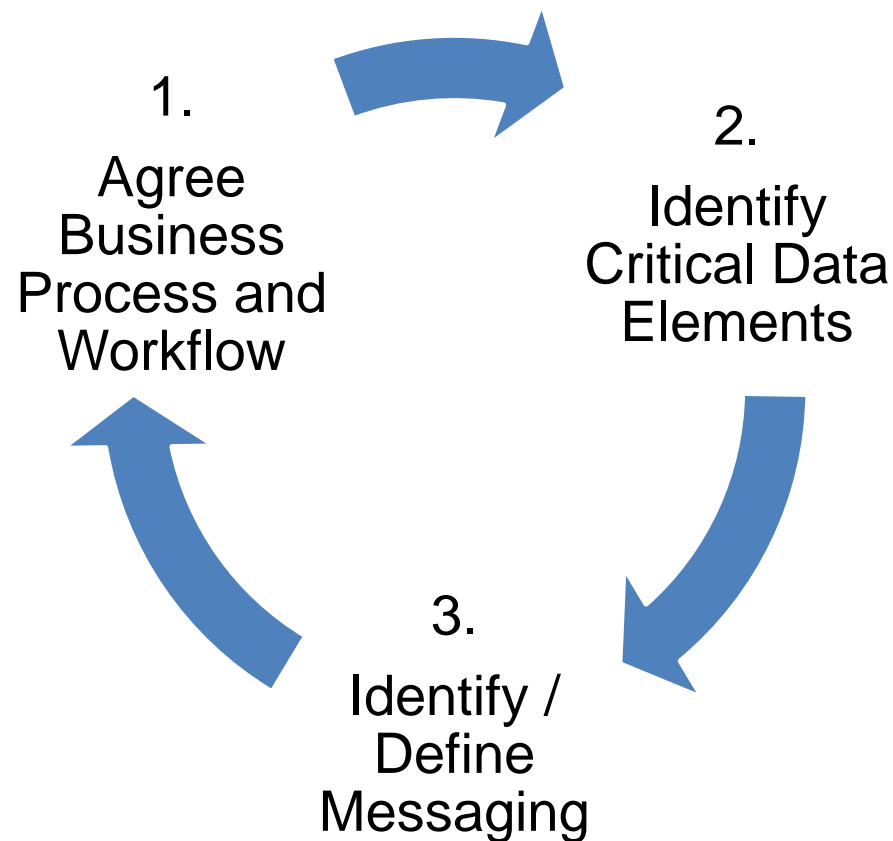
Evolution of CMHAs

CMH-TF 20 November 2017

Preliminary CMHAs – August 2017

ID	Functional Area	Original CMHAs	Business Process	Required Data Elements	ISO20022 Messaging
1	Triparty Collateral Management	1, 12, 15, 19	TBD	TBD	TBD
2	Corporate Actions	3, 16	TBD	TBD	TBD
3	Taxation	4, 17	TBD	TBD	TBD
4	Non-Euro Collateral Management	20	TBD	TBD	TBD
5	Bilateral Collateral Management	2, 8	TBD	TBD	TBD
6	Margin Calls	5	TBD	TBD	TBD
7	Fee and Billing Processes	6, 14	TBD	TBD	TBD
8	Reporting	7	TBD	TBD	TBD
9	Cut-Off Times	18	TBD	N/A	N/A
10	Collateral Dynamic and Static Data	9, 10, 11, 13	TBD	TBD	TBD

Organisation of CMH-TF Work – 3 Step Approach

1. Agree Business Process and Workflow

2. Identify Critical Data Elements

3. Identify / Define Messaging

For each functional area a 3-step approach would be followed with the work structured as follows:
1. Define and agree the harmonised business process and workflow
2. For each business process identify the critical data elements necessary for the functioning of this process
3. Identify / define an ISO20022 market standard message by which these data elements should be transmitted

CMHAs Identified by CMH-TF – November 2017

Overview of Collateral Management Harmonisation Activities (CMHAs)					
CMHA	Title	Workstream	Priority 1	Priority 2	Priority 0
1	**Triparty Collateral Management**	1	11	7	16
2	**Corporate Actions**	2	16	5	1
3	**Taxation Processes**	2	8	0	0
4	**Bilateral Collateral Management**	3	2	1	11
5	**Margin Calls**	3	1	0	0
6	**Fee and Billing Processes**	4	3	2	1
7	**Cut-Off Times**	4	0	0	0
8	**Collateral Data**	5	7	2	0
9	**Sourcing of Collateral**	1	10	0	0
10	**Non-Euro Collateral**	1&2	2	0	0
			60	**17**	**29**

106 processes analysed in total, from which 77 harmonisation needs were identified