



# Presentation of the T2S CSDR Task Force

*Ami-Seco 1<sup>st</sup> meeting  
Frankfurt, 6-7 March 2017*

DG Market Infrastructure & Payments  
European Central Bank



## Introduction

The CSDR Task Force (TF) was formed in April 2016 by the T2S Governance and is composed of T2S CSD representatives, market participants, ECB and 4CB representatives

As per its mandate, the objective of the T2S CSDR TF is:

- ✓ To analyse and document the requirements of CSDs for complying with the CSDR, which would have an impact on the T2S functionalities
- ✓ To make a recommendation to the T2S Steering Level on which compliance requirements stemming from the CSDR should be envisaged by changes to the T2S Platform
- ✓ To specify requirements of CSDs for their compliance to the CSDR, which impact the T2S functionalities, in the form of change requests or CR packages to T2S

## Activities of the CSDR TF (1/2)

The work of the T2S CSDR was structured sequentially around the expected timing for entry into force of the Technical Standards related to CSDR:

### **Analysis of Regulatory / Implementation Technical Standards (RTS/ITS) on CSD Requirements and Authorisation - *Finalised June 16***

✓ The output of this work is materialised into T2S Change Requests (CRs)

### **Analysis of RTS on Settlement Discipline - *Ongoing***

✓ Discussions are essentially focused on the settlement penalty mechanism that will take the form of cash penalties for settlement fails:

- The design of the new service provided by the Eurosystem
- The set of principles which are platform agnostic, i.e. “rulebook”

✓ The output of this work is being gathered into User Requirements and CRs

**BUT...**

## Activities of the CSDR TF (2/2)

...It is impacted by shifting regulatory deadlines on ESMA and European Commission side for the RTS on Settlement Discipline which are still under discussion / clarification

- ✓ The publication in the Official Journal of the EU is estimated to take place in the course of 2017
- ✓ Market deadline for compliance to Settlement Discipline requirements is 24 months after publication. Direct dependency with T2S implementation timeline as all CRs raised by the TF relate to this deadline
- ✓ Need to draft user requirements based on working assumptions. If upon later feedback from regulators, these are incorrect, work will have to be redone (i.e. additional cost for the T2S community)
- ✓ Note: The RTS/ITS on CSD requirements and authorisation have been approved by the EC on Nov. 11 and are currently under scrutiny by the European Parliament and Council (est. publication Q1 2017)

Thank you for your attention

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