

Billing Processes Adaptation Plan

Monte Titoli

Activity	Billing Processes
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NSG	Italy
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Background

The Adaptation Plan provides information on the changes which will be implemented to meet the AMI-SeCo Standards for Billing Processes which form part of the Single Collateral Management Rulebook for Europe (SCoRE). Full details of the Billing Processes Standards can be found on the [ECB website](#).

The document is structured as follows: Section 1 (Cover Letter) provides a high-level summary of the changes in order to implement the AMI-SeCo Standards. Section 2 (Adaptation Plan Table) then provides a more detailed overview per Standard covering a feasibility assessment and the implementation milestones.

1 Cover Letter

Monte Titoli has completed a high level analysis with the aim to identify significant issues that could interfere with the adaptation process for the CMH standards.

We are committed to meet the timeline of the proposed plan, nevertheless we have identified some potential legal barriers and operational criticalities with respect to Standard 1; it has to be highlighted that we cannot exclude that additional critical points could emerge from the full involvement of the community and the outcome of the detailed analysis.

In such a case Monte Titoli will promptly inform the NSG with the aim to collaborate and hopefully find appropriate measures.

Monte Titoli's detailed plan is expected in the first half of 2020 with the final objective to comply with the launching date of ECMS although there could some changes in the intermediate deadlines.

According to the high level analysis performed, Monte Titoli has to perform the following adaptations:

Standard 1: implementation of the issue and sending of the ISO 20022 message.

Standard 4: adaptation of the payment date.

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For specific terminology please refer to the [ECB glossary](#) (available in English only).

2 Adaptation Plan Table

AMI-SeCo Standard			Feasibility Assessment			Implementation Milestones			
No.	Name of Standard	Standard	Adaptation Required?	Description of Changes Required	Legal Barrier Identified?	User Communication	Internal Adaptation	Start of User Testing	Implemented by Nov. 2022?
1	Implementation of ISO 20022 messages for billing processes	<i>Dissemination of billing information shall be offered using an ISO 20022 message.</i>	Adaptation Required	<p>Implementation of the adoption of the ISO 20022 message in addition to the current invoice sent in electronic format and valid at fiscal purpose; based on the layout of the camt.077 message a unique message will be sent for each electronic invoice valid at fiscal purpose as the message will report for each service category the account details.</p> <p>The following adaptations have been identified so far:</p> <ol style="list-style-type: none"> 1) to group the single invoicing codes according to MT service categories in line with CSDR list of services; 2) as MT clients may be both intermediaries (account owners) and securities issuers (issue account holders), MT shall send billing information not only at account level but also at issue account level, the former in relation to fees applied to intermediaries and the latter in relation to fees applied to issuers; the provision of information of custody fees per account owner is not in line with the application of regressive fees to the sum of assets deposited in all the accounts held by the client and, in case of MT custody fees, by clients that are part of the same group; the standard requires a specific process for the calculation of the average fee applied at account level; 3) implementation of a process with clients to receive their request of adjustments for errors by the 15th calendar day of the month; 4) in case of errors in the invoice, management of the adjustments only through credit/debit notes in the successive invoicing cycle (next month) and reported as a correction in the corresponding ISO 20022 message. 	<p>It is not possible to cancel an invoice in case of errors as according to Italian fiscal rules an electronic invoice already sent is considered issued and then may not be changed.</p> <p>In this case, the management of Billing errors by means of credit/debit notes in the successive invoicing cycle (next month) and the reporting of the correction in the corresponding ISO 20022 msg. is in line with this standard</p>	<p>Monte Titoli is committed to inform users by June 2020 (clarification requested to define all the adaptations required). Moreover it would be useful for planning purpose to know when it will be available the revised version of ISO 20022 message, under adaptation by SWIFT.</p>	<p>Monte Titoli is committed to start adaptations in the first half of 2020 and complete them by November 2021</p>	<p>Monte Titoli is committed to allow user testing by November 2021</p>	<p>Monte Titoli is committed to meet implementation date in November 2022</p>
2	Harmonised billing cycles	<i>Billing information shall be provided on a monthly basis. The billing period shall be from the first day of the month to the last day of the month inclusive.</i>	Implemented	no change					

AMI-SeCo Standard			Feasibility Assessment			Implementation Milestones			
No.	Name of Standard	Standard	Adaptation Required?	Description of Changes Required	Legal Barrier Identified?	User Communication	Internal Adaptation	Start of User Testing	Implemented by Nov. 2022?
3	Cut-off date for provision of billing information by (I)CSDs	<i>(I)CSDs shall provide billing information to their clients no later than the 8th (or next business day) of the month for fees related to depository services and/or triparty collateral management services.</i>	Implemented	no change					
4	Harmonised dates for payment of fees to (I)CSDs	<i>Cash payments to the (I)CSDs shall be processed on the 15th (or next business day) of each month for fees related to depository services and/or triparty collateral management services.</i>	Adaptation Required	<p>Currently the payment of the unique invoice issued at participant level for all services is instructed by Monte Titoli via direct debit through SEPA on the last business day of the month following the date of the invoice. The current invoice date is the last day of the month. The payment on the 15th day of the same month of invoice provision represents an issue due to monthly accounting cut-off and times required by banks for payment instructions through SEPA, in particular in case of new clients.</p> <p>This direct debit via SEPA is reported in MT pricing list, part of the contractual documentation, and is not bilaterally agreed with each clients: the clients must assign the mandate to Monte Titoli for the payment.</p> <p>The direct debit as default method of payment and without bilaterally agreement with each client is considered in line with the standard.</p>		Monte Titoli is committed to inform users by June 2020 (with issue to be resolved, see clarification requested).	Monte Titoli is committed to start adaptations in the first half of 2020 and complete them by November 2021 (with issue to be resolved, see clarification requested)	Monte Titoli is committed to allow user testing by November 2021 (with issue to be resolved, see clarification requested)	Monte Titoli is committed to meet implementation date in November 2022 (with issue to be resolved, see clarification requested)