



EUROPEAN CENTRAL BANK

EUROSYSTEM

Collateral Management Harmonisation

CMHA6: Billing Processes
Overview of harmonisation
proposal

Collateral Management Harmonisation Task Force
Frankfurt, 8 November 2018

Background

- In the Report on Collateral Management Harmonisation of December 2017, AMI-SeCo identified a series of harmonisation needs in the area of billing processes.
- In particular the need to implement harmonised ISO 20022 messaging for the transmission of the fees invoice together with the migration to harmonised monthly billing cycles (i.e. 1st to 31st of each calendar month) were highlighted as being key activities.
- On the basis of input from (I)CSDs a series of harmonisation proposals have been prepared and are now submitted to the CMH-TF for approval.



Harmonisation proposals

– Proposal 1: Messaging format for the transmission of billing information

Harmonisation Proposal:

- The BillingReport (camt.077) message should form the basis of an ISO 20022 message to be used for the communication of billing information from (I)CSDs to its clients.
- The (I)CSDs should have the ability to send information of the invoice at the account level (rather than at the participant level). This means that the billing message may include information on all activity of a participant on a given account (including activity not related to collateral management if the participant has chosen not to segregate this activity).



Harmonisation proposals

– Proposal 2: Harmonised billing frequency and dates

Harmonisation Proposal:

- (I)CSDs have agreed that billing information should be provided at a monthly frequency. It is proposed that the invoice should be sent by the 8th of the month with payment date on the 15th (or next business day) business day of the month.

Harmonisation proposals

– Agreed next steps

Minimum set of data to be included in the invoice:

- The CMH-TF previously agreed that the invoice should provide (as a minimum) the following set of information (per securities account held with the CSD):
 - Account No. at CSD
 - Gross Fee
 - Net Fee
 - Total V.A.T

- (I)CSDs and market participants should propose the relevant information to be included in the agreed ISO 20022 message (further described in the note).



Next steps

- **CMH-TF written feedback is requested by 12 November.**
- **The harmonisation proposal will then be submitted to the November meeting of AMI-SeCo for approval.**
- **Subject to AMI-SeCo approval the next steps towards the development of the ISO 20022 message will be initiated.**