

# Triparty Collateral Management Adaptation Plan

## SIX SIS

Activity	Triparty Collateral Management
<b>Plan submitted by</b>	SIX SIS
<b>NSG</b>	Switzerland
<b>Date</b>	January 2020

## Background

The Adaptation Plan provides information on the changes which will be implemented to meet the AMI-SeCo Standards for Triparty Collateral Management which form part of the Single Collateral Management Rulebook for Europe (SCoRE). Full details of the Triparty Collateral Management 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

SIX SIS is currently renewing its Triparty Services for different business types. So far Triparty Repo and Central Banking Standing Facilities have been migrated to a new TPA platform outside of the CSD Settlement System SECOM. The Triparty Collateral Management Facility (TCM) is planned to be migrated till mid of 2021. It is currently proposed but yet NOT approved to connect to the T2S System directly as DCM for all Triparty Services. SIX SIS will of course use the harmonized TPA workflows for TCM as basis for its renewed version. Currently is our TCM Service providing a wide variety of different customization option in the workflow, which will of course reviewed and adopted to your standard where needed. Please refer to the next slide for more details.

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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?
<b>STANDARD 1</b>	<b>Implementation of ISO 20022 messages for triparty collateral management</b>	<i>TPAs shall support the usage of ISO 20022 messages for triparty collateral management activities covered by the Standards.</i>							
<b>Additional Information</b>	<b>Message Name</b>	<b>Message Identifier</b>							
	Triparty Collateral Transaction Instruction	colr.019	Adaptation Required	TCM Facility NOT yet implemented on the Future TPA Platform (but will be harmonized as proposed by the ECB)	NO	ONLY if future TPA opts for Direct Membership with T2S	ONLY if future TPA opts for Direct Membership with T2S	ONLY if future TPA opts for Direct Membership with T2S	ONLY if future TPA opts for Direct Membership with T2S
	Triparty Collateral Status and Processing Advice	colr.020	Adaptation Required						
	Triparty Collateral Allegement Notification	colr.021	Adaptation Required						
	Triparty Collateral Collateral and Exposure Report	colr.022	Adaptation Required						
	Triparty Collateral Unilateral Removal Request	colr.023	Adaptation Required						
	Collateral Management Cancellation Request	colr.005	Adaptation Required						
	Collateral Management Cancellation Status	semt.020	Adaptation Required						
	Receipt Acknowledgment	admi.007	Adaptation Required						
	Approval of Debit	camt.036	N/A						
	Eligible Securities Creation Request	reda.025	N/A						
	Eligible Securities Deletion Request	reda.TBD	N/A						
	Collateral Value Creation Request	reda.024	N/A						
	Close Link Creation Request	reda.027	N/A						
	Close Link Deletion Request	reda.TBD	N/A						
	Collateral Data Status Advice	reda.028	N/A						
<b>STANDARD 2</b>	<b>Initiation of a triparty transaction</b>	<i>TPAs shall offer harmonised business processes and workflows for the initiation of a triparty collateral</i>	Adaptation Required						

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?
		<i>management transaction.</i>							
<b>STANDARD 3</b>	<b>Increase of a triparty transaction</b>	<i>TPAs shall support harmonised business processes and workflows for the increase of a triparty collateral management transaction.</i>	Adaptation Required	TCM Facility NOT yet implemented on the Future TPA Platform (in the current CSD Set-Up is the workflow supporting <b>single and 2-sided</b> instructions for an exposure increase)	NO	ONLY if future TPA opts for Direct Membership with T2S	ONLY if future TPA opts for Direct Membership with T2S	ONLY if future TPA opts for Direct Membership with T2S	ONLY if future TPA opts for Direct Membership with T2S
<b>STANDARD 4</b>	<b>Decrease of a triparty transaction</b>	<i>TPAs shall support harmonised business processes and workflows for the decrease of a triparty collateral management transaction.</i>	Adaptation Required	TCM Facility NOT yet implemented on the Future TPA Platform (in the current CSD Set-Up is the workflow supporting <b>single and 2-sided</b> instructions for an exposure decrease)	NO	ONLY if future TPA opts for Direct Membership with T2S	ONLY if future TPA opts for Direct Membership with T2S	ONLY if future TPA opts for Direct Membership with T2S	ONLY if future TPA opts for Direct Membership with T2S
<b>STANDARD 5</b>	<b>Revaluation of a triparty transaction</b>	<i>TPAs shall support harmonised business processes and workflows when revaluing a triparty collateral management transaction.</i>	Adaptation Required	TCM Facility NOT yet implemented on the Future TPA Platform (in the current CSD set-up is revaluation available on request or 2 times daily)	NO	ONLY if future TPA opts for Direct Membership with T2S	ONLY if future TPA opts for Direct Membership with T2S	ONLY if future TPA opts for Direct Membership with T2S	ONLY if future TPA opts for Direct Membership with T2S
<b>STANDARD 6</b>	<b>Cancellation of a triparty instruction</b>	<i>TPAs shall support harmonised business processes and workflows for the cancellation of a triparty collateral management instruction.</i>	Adaptation Required	TCM Facility NOT yet implemented on the Future TPA Platform (in the current CSD Set-up is cancellation supported <b>as long settlement has NOT been instructed</b> )	NO	ONLY if future TPA opts for Direct Membership with T2S	ONLY if future TPA opts for Direct Membership with T2S	ONLY if future TPA opts for Direct Membership with T2S	ONLY if future TPA opts for Direct Membership with T2S
<b>STANDARD 7</b>	<b>Unilateral removal process</b>	<i>TPAs shall support harmonised business processes and workflows for the unilateral removal of a specific asset in triparty collateral management.</i>	Adaptation Required	TCM Facility NOT yet implemented on the Future TPA Platform (in the current CSD Set-Up is the removal granted via an <b>automated substitution</b> when eligibility parameters are not fulfilled)	NO	ONLY if future TPA opts for Direct Membership with T2S	ONLY if future TPA opts for Direct Membership with T2S	ONLY if future TPA opts for Direct Membership with T2S	ONLY if future TPA opts for Direct Membership with T2S
<b>STANDARD 8</b>	<b>Reporting on flows</b>	<i>TPAs shall support harmonised business processes and workflows for the reporting on flows in order to provide real time information on securities collateralising triparty collateral transactions.</i>	Adaptation Required	TCM Facility NOT yet implemented on the Future TPA Platform (Currently supported in CSD Set-Up as proposed by the ECB)	NO	ONLY if future TPA opts for Direct Membership with T2S	ONLY if future TPA opts for Direct Membership with T2S	ONLY if future TPA opts for Direct Membership with T2S	ONLY if future TPA opts for Direct Membership with T2S
<b>STANDARD 9</b>	<b>Reporting on stocks</b>	<i>TPAs shall support harmonised business processes and workflows for reporting on stocks in triparty collateral management.</i>	Adaptation Required	TCM Facility NOT yet implemented on the Future TPA Platform (Current CSD Set-Up supports <b>automated Substitution &amp; Manufacture Payment</b> , fails management to be enhanced)	NO	ONLY if future TPA opts for Direct Membership with T2S	ONLY if future TPA opts for Direct Membership with T2S	ONLY if future TPA opts for Direct Membership with T2S	ONLY if future TPA opts for Direct Membership with T2S
<b>STANDARD 10</b>	<b>Closure of a triparty transaction</b>	<i>TPAs shall support harmonised business processes and workflows when closing a triparty collateral management transaction.</i>	Adaptation Required	TCM Facility NOT yet implemented on the Future TPA Platform (Currents CSD Set-Up <b>sends availability information to TPA automatically</b> , real-time)	NO	ONLY if future TPA opts for Direct Membership with T2S	ONLY if future TPA opts for Direct Membership with T2S	ONLY if future TPA opts for Direct Membership with T2S	ONLY if future TPA opts for Direct Membership with T2S

AMI-SeCo Standard			Feasibility Assessment			Implementation Milestones			
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STANDARD 11	Handling of corporate actions	TPAs shall support harmonised business processes and workflows when handling corporate actions on securities allocated to a triparty collateral management transaction.	Adaptation Required	TCM Facility NOT yet implemented on the Future TPA Platform (The current CSD-Set-Up <b>supports automated manufactured payments for a wide range of mandatory CA Types</b> )	NO	ONLY if future TPA opts for Direct Membership with T2S	ONLY if future TPA opts for Direct Membership with T2S	ONLY if future TPA opts for Direct Membership with T2S	ONLY if future TPA opts for Direct Membership with T2S
STANDARD 12	Partial settlement	TPAs shall support harmonised business processes and workflows for the partial settlement of a triparty collateral management instruction.	Adaptation Required	TCM Facility NOT yet implemented on the Future TPA Platform (Current CSD Set-Up supports ECB's proposal)	NO	ONLY if future TPA opts for Direct Membership with T2S	ONLY if future TPA opts for Direct Membership with T2S	ONLY if future TPA opts for Direct Membership with T2S	ONLY if future TPA opts for Direct Membership with T2S
STANDARD 13	Reference data	TPAs shall facilitate the communication of reference data by collateral givers and collateral takers using harmonised messaging.	Adaptation Required	TCM Facility NOT yet implemented on the Future TPA Platform (Current CSD Set-Up supports ECB's proposal)	NO	ONLY if future TPA opts for Direct Membership with T2S	ONLY if future TPA opts for Direct Membership with T2S	ONLY if future TPA opts for Direct Membership with T2S	ONLY if future TPA opts for Direct Membership with T2S
STANDARD 14	Usage of baskets	TPAs shall support the usage of customised collateral baskets by collateral givers and collateral takers.	Adaptation Required	TCM Facility NOT yet implemented on the Future TPA Platform (in the current CSD Set-Up can the collateral Taker and Provider agree on a <b>customized basis</b> on the collateral basket to be applied by the TPA)	NO	ONLY if future TPA opts for Direct Membership with T2S	ONLY if future TPA opts for Direct Membership with T2S	ONLY if future TPA opts for Direct Membership with T2S	ONLY if future TPA opts for Direct Membership with T2S
STANDARD 15	Future dated processing	TPAs shall support the handling of future-dated requests submitted by collateral givers and collateral takers for triparty transactions settling in commercial bank money.	Adaptation Required	TCM Facility NOT yet implemented on the Future TPA Platform (future dated processing is supported in the current CSD set-Up)	NO	ONLY if future TPA opts for Direct Membership with T2S	ONLY if future TPA opts for Direct Membership with T2S	ONLY if future TPA opts for Direct Membership with T2S	ONLY if future TPA opts for Direct Membership with T2S
STANDARD 16	Operating hours	TPAs shall provide access to triparty services on those days on which the RTGS is open. Allocations to triparty transactions involving central banks as collateral taker shall be possible according to a harmonised operating schedule on those days.	Adaptation Required	TCM Facility NOT yet implemented on the Future TPA Platform (in the CSD Set-Up currently from <b>7:00 to 21:30</b> hour)	NO	ONLY if future TPA opts for Direct Membership with T2S	ONLY if future TPA opts for Direct Membership with T2S	ONLY if future TPA opts for Direct Membership with T2S	ONLY if future TPA opts for Direct Membership with T2S
STANDARD 17	Cut-off times	TPAs shall offer harmonised cut-off times for triparty services involving central banks as collateral taker.	Adaptation Required	TCM Facility NOT yet implemented on the Future TPA Platform (to be set-up)	NO	ONLY if future TPA opts for Direct Membership with T2S	ONLY if future TPA opts for Direct Membership with T2S	ONLY if future TPA opts for Direct Membership with T2S	ONLY if future TPA opts for Direct Membership with T2S