T2/T2S Consolidation

Business Processes

Task Force on Future RTGS Services

1st meeting on 07 December 2016
What is a business process?

• “A Business Process describes a sequence or flow of Activities in an organization with the objective of carrying out work.” (OMG*)

• “A Business Process is a collection of related, structured Activities or Tasks that produce a specific service or product (or serve a particular goal) for a particular customer or customers.” (Wikipedia)

• A Business Process is from Start to End

• It has an Objective, and a Result

• It needs to be initiated by a Trigger, which can be:
  – a physical event (e.g. receiving an instruction)
  – a manual event (e.g. a telephone call, user input via GUI)
  – a system event (e.g. completion of another process with a particular result)
  – a time-based event (e.g. end of month)

* OMG: Object Management Group
Liquidity Transfer from CLM to (cash) settlement service (current order)

1. Immediate Liquidity Transfer Order received
2. Validation of Liquidity Transfer Order
3. Reference Data check
4. Create Settlement Instruction
5. Validate Liquidity Transfer Order
6. Reference Data OK
7. Validation of Liquidity Transfer Order
8. Settle Transaction
9. Update cash balance
10. Settlement notification sent
11. Settlement notification to <Est Party>
List of business processes

- Liquidity Transfer from CLM to (cash) settlement service (triggered by current order, standing order)
- Liquidity Transfer from (cash) settlement service to CLM (triggered by current order, standing order)
- Payment
- Direct debit
- Warehouse payment?
- Liquidity reservation create/update/delete
- Bilateral limit create/update/delete?
- Multilateral limit create/update/delete?
- Standing Order create/update/delete (for liquidity transfer, liquidity reservation)
- Payment amend/cancel
- Payment queue management / Hold / Release?
- Update of credit line (with/without connected payment)
- Reference data item create/update/delete
- 4-eyes management (approve or revoke)
- Reserve management
- Standing facilities implementation/reimbursement (marginal lending, overnight deposits)
- Contingency processes
- Queries and reports
- Billing