2\textsuperscript{ND} MEETING OF THE T2S DLT TASK FORCE

OUTCOME

<table>
<thead>
<tr>
<th>Date &amp; Time</th>
<th>20.10.2016 [10:15 to 17:00]</th>
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<tr>
<td>Venue</td>
<td>European Central Bank, Main Building, Sonnemannstrasse 20, Frankfurt am Main, Germany</td>
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List of attendees:
Mr. Stephen Lomas (Chairman, Deutsche Bank)
Mr. Andrea Pinna (Rapporteur, ECB)
Mr. Rob Morgan (AFME)
Mr. James Higgins (BNY Mellon)
Mr. Marcello Topa (Citi)
Mr. Robert Somogyi (Clearstream Banking)
Mr. George Kalogeropoulos (ECB)
Mr. Luc Vantomme (Euroclear)
Mr. Björn Svensson (Euro CCP)
Ms. Yolanda Graña (Iberclear)
Mr. Michael Buzza (Northern Trust)
Mr. Alain Rocher (Société Générale)
Mr. Swen Werner (State Street)
Mr. Tomas Thorsén (observer, European Commission)

List of Task Force members who could not attend the meeting:
Mr. Alan Cameron (BNP Paribas)
Mr. Mauro Dognini (Monte Titoli)
Mr. Chris Goossens (Morgan Stanley)

1. **Chairman’s introduction**

The Task Force (TF) meeting started with an introduction by the Chairman on the T2S Harmonisation Steering Group (HSG) agenda. The DLT-TF members took note of the outcome of the first meeting.

2. **EU public authorities initiatives**

The ECB team updated DLT TF participants on non-sensitive details of the work on DLT carried out in the CPMI working group on digital innovation, the CPMI-IOSCO joint working group on digital
innovation, and the ESMA DLT Task Force. The European Commission announced the establishment of a Task Force on FinTech innovation.

3. **T2S Harmonisation Activities**

DLT-TF members confirmed that the set of deliverables identified in the first meeting are relevant and conform to mandate and objectives of the TF. The possibility to invite other DLT experts (e.g. developers) to contribute to short sessions of future meetings has been welcome provided that a number of contributors are treated on an equal basis and that open discussion is not seen as endorsement of particular DLT solutions by the T2S governance arrangements. Presentations given by TF members were deemed to be a good starting point for further analysis to be drafted for the next meeting on the basis of a common outline.

**Action Points**

The ECB team should prepare an outline of draft analyses to be shared by **28 October 2016** to allow its use by contributors in the preparation of their next drafts.

DLT-TF members should deliver to the ECB team by **Friday 18 November 2016** the following papers:

1. **Mr. James Higgins** (BNY Mellon) on Issuance and on Trading (covering also the T2S Harmonisation activities 1, 2 on ISO messages and matching fields);
2. **Mr. Marcello Topa** (Citi) on Asset Servicing, and Settlement (covering also the T2S harmonisation activities 5 and 12 with contribution by **Stephen Lomas** (Deutsche Bank), 6, 18, 21 with contribution by **Robert Somogyi** (Clearstream), 24 on registration, corporate actions, timetable and settlement cycles;
3. **Mr. Luc Vantomme** (Euroclear), on Settlement (covering also T2S harmonisation activities 7, 8, 9 on Settlement Finality) and on freedom of Issuance (T2S harmonisation activity 19);
4. **Mr. Björn Svensson** (Euro CCP) on Clearing (covering also T2S harmonisation activity 22 on Market Access to Market Infrastructures);
5. **Mr. Swen Werner** (State Street) on Settlement (T2S harmonisation activity 11 on Settlement Discipline Regime, DvP settlement, use of central bank money);
6. **Mr. Robert Somogyi** (Clearstream) on Regulatory reporting;
7. **Rob Morgan** (AFME) on Data Privacy and Cybersecurity;
8. **Alain Rocher** (Société Générale) on Collateral.

4. **Common understanding on DLTs**
TF members agreed with the draft glossary provided by the ECB team. The definitions of *sidechain* and *wallet* shall be provided by the ECB team in the new version of the glossary for the next meeting.

**Action points**

1. The ECB team to **update the glossary** by **Thursday 1 December 2016**

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**5. Medium term work programme**

TF members have agreed on the following list of interim deliverables to the HSG: Cash for settlement of securities transactions in a distributed ledger; Reporting for regulatory purposes; Interoperability among DLTs as well as between DLT and non-DLT systems; Asset servicing; Issuance and Settlement finality. The Chairman will report on this and seek endorsement from the HSG on **9 November 2016**.

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**6. 2016 – Q1 2017 Meetings**

TF members agreed on the proposed schedule of next meeting dates:

- 3rd meeting: 6 December 2016;
- 4th meeting: 11 January 2017;
- 5th meeting: 23 February 2017 (provisional);
- 6th meeting: 4 April 2017 (provisional).