



EUROPEAN CENTRAL BANK  
EUROSYSTEM

# Billing Processes

Advisory Group on Market Infrastructures for  
Securities and Collateral

## Single Collateral Management Rulebook for Europe

This report was agreed in August 2019

December 2019

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# Executive summary

## **The Eurosystem's Advisory Group on Market Infrastructures for Securities and Collateral (AMI-SeCo) includes representatives from financial market stakeholders and the Eurosystem.**

It facilitates an active dialogue with market participants and financial market infrastructures. It does so with a view to fostering financial market integration in the field of securities and collateral management, and also in order to provide advice on market infrastructures managed by the Eurosystem and related projects.

## **In 2018 the AMI-SeCo agreed on a series of harmonisation proposals for the handling of billing processes related to the management of securities and collateral, based on the usage of ISO 20022 messaging.**

AMI-SeCo Standards for the handling of billing processes have now been developed by the AMI-SeCo's Collateral Management Harmonisation Task Force (CMH-TF) in order to address the harmonisation needs identified by the AMI-SeCo in 2017. The AMI-SeCo's Billing Processes Standards take into account market feedback received during the consultation conducted with the AMI-SeCo National Stakeholder Groups and other relevant bodies.

## **The AMI-SeCo Billing Processes Standards support the management of invoices relating to securities and collateral held with multiple central securities depositories (CSDs).**

They are intended to support the automation of billing processes through the inclusion of a minimum set of information in fee invoices. This information is to be communicated via harmonised ISO 20022 messages in accordance with a standard billing period/frequency. The AMI-SeCo Billing Processes Standards are addressed primarily to account servicers. Accordingly, account servicers should have the capability to send a harmonised ISO 20022 invoice to their clients according to the Standards (regardless of whether it relates to a debt or an equity instrument, or a security held as collateral). The AMI-SeCo Billing Processes Standards identify the required data elements (which should not be considered exhaustive at this stage, as further work on finalising the ISO 20022-compliant billing messages is to be conducted in conjunction with SWIFT).

## **Financial market stakeholders covered by the AMI-SeCo Billing Processes Standards are international CSDs ((I)CSDs), triparty agents (TPAs), custodians, Eurosystem central banks and users.**

As explained in Section 2 of this document, the relevant actors who are to adopt the Standards may differ for each Standard, e.g. some Standards are relevant only to (I)CSDs.

## **This document is structured as follows.**

Section 1 provides a high-level overview of billing processes in the context of the management of securities and collateral. It includes background information on the harmonisation needs identified by the AMI-SeCo in 2017. It also explains the general methodology and approach followed by the CMH-TF in the harmonisation of collateral management processes. Section 2 then sets out the AMI-SeCo Billing Processes Standards. Section 3 describes the applicable business processes and workflows necessary to support the

implementation of the AMI-SeCo Billing Processes Standards and provides an overview of the billing lifecycle and message structure. Annex 1 provides background information. Annex 2 presents the list of harmonisation needs originally identified by the AMI-SeCo. Annex 3 provides a list of the data elements included in the existing ISO 20022 billing messages.

## Terminology

Term	Explanation
<b>Account servicer</b>	Party that manages the account on behalf of the account owner (i.e. it manages the registration and booking of entries on the account, calculates balances on the account and provides information about the account). Account servicers include triparty agents, (international) central securities depositories ((I)CSDs) and custodians.
<b>Account owner</b>	Party that legally holds the account or the party in a contractual relationship with the account servicer.
<b>AMI-SeCo markets</b>	Financial markets and relevant financial market stakeholders active in the European Union, the United Kingdom and Switzerland.
<b>AMI-SeCo Standards</b>	Part of a single rulebook based on common business processes, workflows and ISO 20022 messaging for asset servicing and collateral management with central banks and/or with commercial banks
<b>Business processes</b>	A collection of related, structured activities carried out in a specific sequence for the purpose of producing or using a service. Different actors and activities could be involved, e.g. in triparty and bilateral collateral management, corporate actions, billing processes and other processes relevant to the handling of assets.
<b>Central clearing counterparty (CCP)</b>	An entity that interposes itself, in one or more markets, between the counterparties to the contracts traded, becoming the buyer to every seller and the seller to every buyer and thereby guaranteeing the performance of open contracts.
<b>Central bank processes</b>	Business processes relevant to the collateralisation of central bank credit operations.
<b>Commercial bank processes</b>	Business processes relevant to commercial bank operations.
<b>Counterparty</b>	The party on the opposite side of a financial transaction (e.g. any party transacting with a central bank in the role of collateral giver in a Eurosystem credit operation).
<b>Custodians</b>	Commercial banks acting in their capacity as account servicers.
<b>Eurosystem central banks</b>	The national central banks of the countries that have adopted the euro as their single currency, acting in their role as collateral takers for Eurosystem credit operations.
<b>Eurosystem practices</b>	Arrangements determined by Eurosystem central banks (which are not used in a commercial bank environment) related to collateral eligibility/use of collateral in Eurosystem credit operations.
<b>Financial instruments</b>	Financial instruments that may be used as collateral in the AMI-SeCo markets (i.e. debt, equities), denominated in euro or another currency. (International) central securities depository links allow participants to hold securities issued worldwide. <sup>1</sup>
<b>(International) central securities depositories ((I)CSDs)</b>	Issuer and investor (international) central securities depositories also acting as account servicers. An (I)CSD is defined as an entity that (1) enables securities transactions to be processed and settled by book entry, (2) provides custodial services (e.g. the administration of corporate actions and redemptions), and (3) plays an active role in ensuring the integrity of securities issues. Securities can be held in a physical (but immobilised) form or in dematerialised form (whereby they exist only as electronic records).
<b>Triparty agents (TPAs)</b>	Agents regulated as (I)CSDs and/or custodians/commercial banks that act as providers of triparty services.
<b>Users</b>	In the billing process context, this includes collateral givers and collateral takers (including central banks, commercial banks and central clearing counterparties) that use the services of collateral management and asset servicing providers.

<sup>1</sup> For example, the Eurosystem accepts, on a temporary basis, marketable debt instruments denominated in US dollars, pounds sterling and Japanese yen as foreign currency-denominated collateral. If needed, AMI-SeCo Standards may specify relevant denominations.

# 1 Introduction

## 1.1 Billing processes

Most market participants typically receive fee and billing information from (international) central securities depositories ((I)CSDs) and triparty agents (TPAs) in respect of securities deposited with these service providers. The information provided in the fee invoice, and the format in which it is provided, vary considerably across (I)CSDs and TPAs. At present, there is no predominant format in which information is provided, with postal mail, email, PDF, SWIFT, XML and CSD online systems all among the formats used.

## 1.2 Harmonisation needs

In its [Report on Collateral Management Harmonisation](#) in December 2017, the Advisory Group on Market Infrastructures for Securities and Collateral (AMI-SeCo) identified a series of harmonisation needs in the field of collateral management. In the area of billing processes, several harmonisation needs were identified (see Annex 1). The growing trend towards holding securities and collateral in different (I)CSDs means that the recipient of the invoice has to manage the different (I)CSD processes for the reconciliation and payment of fee invoices for these assets. A need to implement harmonised ISO 20022 messaging for the transmission of the fee invoices and to move to harmonised monthly billing cycles (i.e. from the first day to the last day of each calendar month) was identified in this area.

The AMI-SeCo's Collateral Management Harmonisation Task Force (CMH-TF) agreed that sufficient information should be provided in the fee invoice message exchanged between the (I)CSD/TPA and financial market participants to obviate the need for manual exchange of fee information and to ensure timely resolution of any reconciliation issues that might occur. If securities and collateral are held in an omnibus account with an (I)CSD, it should also be possible to obtain sufficient information from the invoice message to distribute the total fee among the participants holding the securities and collateral in the account. To allow the application-to-application (A2A) exchange of fee information, the CMH-TF agreed that ISO 20022 messaging by which billing information could be transmitted should be defined.

The date on which billing information is provided also differs across AMI-SeCo markets, as does the date on which payment should be made to the (I)CSD. In cases where counterparties hold securities or collateral with multiple (I)CSDs, each with different billing dates, the AMI-SeCo agreed that the timing and frequency of the provision of billing information and the debiting of fees should be standardised with the introduction of a harmonised billing period.

## 1.3 Approach to harmonisation

The following three-step approach has been taken to harmonisation:

1. define and agree the harmonised business process and workflow;
2. for each business process, identify the critical data elements necessary for the functioning of the process;
3. identify/define an ISO 20022-compliant message by which these data elements should be transmitted.



In the case of billing processes, existing ISO 20022-compliant messaging will be used as the basis for future messaging needs. Accordingly, the AMI-SeCo CMH-TF will be working with SWIFT to update the existing ISO 20022-compliant billing messages. The messages will be finalised once the AMI-SeCo participants have endorsed the AMI-SeCo Billing Processes Standards. This is to ensure that all financial market stakeholder needs are catered for in the messages.

## 1.4 Scope of the AMI-SeCo Billing Processes Standards

The AMI-SeCo Billing Processes Standards cover the harmonisation of billing processes in AMI-SeCo markets, namely:

- processing of billing data through the standard custody chain of (I)CSDs and intermediaries;
- processing of billing data for bilateral collateral management (also involving Eurosystem central banks);
- processing of billing data for triparty collateral management.

The Standards also cover the key data elements underpinning these business processes, which in turn form the basis of the ISO 20022 messages by which these data elements are to be transmitted.

The document sets out the implementation actors involved (i.e. (I)CSDs, TPAs, national central banks (NCBs), central clearing counterparties (CCPs), custodians, etc., as applicable).

#### **1.4.1 Processing of billing data through the standard custody chain of (I)CSDs and intermediaries**

The AMI-SeCo Billing Processes Standards are applied to standard custody chains and to collateral management services, both to encourage harmonisation and best practice, and because securities held as part of a standard custody relationship may be used for bilateral and triparty collateral management.

#### **1.4.2 Processing of billing data for bilateral collateral management**

Processing of billing data for bilateral collateral management is in scope (as set out in detail in the Standards).

#### **1.4.3 Processing of billing data for triparty collateral management**

The Standards also cover relevant billing processes for triparty collateral management, including the implementation of ISO 20022 messaging for the provision of billing data by the TPA to the collateral taker.

## 2 AMI-SeCo Billing Processes Standards

This section sets out the AMI-SeCo Billing Processes Standards (“Billing Standards”). The aim of these Standards is to help ensure the efficient and automated exchange of billing information by all relevant financial market stakeholders in AMI-SeCo markets.

### 2.1 BILLING STANDARD 1: ISO 20022 messages for billing information

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Dissemination of billing information must be offered using an ISO 20022 message.

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#### Description

A harmonised ISO 20022 message must be offered by account servicers for billing information in European markets. The ISO 20022 Billing Report message (camt.077) must be used for the provision of billing information by the account servicer to the account owner. By default (unless requested otherwise), the account owner will receive the invoice(s) at account level.<sup>2</sup> The Standard does not preclude the provision of invoices or billing information for (I)CSD services by other messaging means, as this may be required in order to fulfil legal obligations in certain jurisdictions.

The billing message provides cumulative or itemised details of an invoice at the end of the billing period. In the event that an error is detected, the message can also be used to notify the account owner about the cancellation of the original invoice (or the sending of a new billing message to replace the original message). Corrections may also be made by means of adjustments reported in a subsequent invoicing cycle. Correction lines are reported with a specific item type.

By default, the billing message will be accompanied by specific service items to identify the activities that make up the total fee. To keep the presentation of the information consistent, invoice messages should cover the full activity for each account, along with the relevant fee details. Fees linked to specific activities (e.g. collateral management activities) should be identified by specific service items in the message. Service items may relate, for instance, to settlement activities, collateral management activities or custody activities. The cumulative invoice message consists of (at least) the following key data:

- invicer details (information on the institution issuing the invoice);

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<sup>2</sup> This does not exclude the account owner’s right to (also) receive invoice or billing information at participant level should the account owner request such information.

- invoicee details (information on the institution receiving the invoice);
- invoice details (identification of the invoice, etc.);
- billing period;
- classification of the service items (e.g. settlement, custody, collateral management);
- securities account;
- invoice amount (total amount, tax amount);
- payment date.

Full details of the message structure are provided in Section 3.4 of this document. Billing information not covered by Section 3.4 is outside the scope of the Standard (e.g. proprietary/specific client related billing information items are not applicable).

## 2.2 BILLING STANDARD 2: Harmonised billing cycles

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Billing information must be offered on a monthly basis. The billing period runs from the first day of the month to the last day of the month inclusive.

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### Description

A harmonised billing cycle must be offered covering the period from the first day of the month to the last day of the month inclusive.

## 2.3 BILLING STANDARD 3: Cut-off date for provision of billing information by (I)CSDs

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(I)CSDs must provide billing information to their clients no later than the 8th calendar day of the month (or the next business day if the 8th calendar day is not a business day) for fees related to core (I)CSD services and/or triparty collateral management services.

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## Description

(I)CSDs must provide complete billing information (i.e. both cumulative and itemised information) to their account holders no later than the 8th calendar day of the month (or the next business day if the 8th calendar day falls on a non-business day).

## 2.4 BILLING STANDARD 4: Harmonised dates for payment of fees to (I)CSDs

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Cash payments to the (I)CSDs must be processed on the 15th calendar day (or the next business day if the 15th calendar day is not a business day) of each month for fees related to core (I)CSD services and/or triparty collateral management services.

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## Description

The objective is to harmonise the date on which fee payments are to be transmitted to (I)CSDs (acting as CSDs and/or as TPAs).

## 3 Business processes and workflows

This section describes the business processes and workflows necessary to support the implementation of the AMI-SeCo Billing Processes Standards set out in Section 2 of this document. The “cascade” process is then described, and an overview of the billing lifecycle and message structure is also presented.

### 3.1 Business processes and workflows

The billing process involves a two-way interaction between the account servicer and the account owner whereby the account servicer is responsible for providing billing information to the account owner, and the account owner is in turn responsible for ensuring payment of the amount invoiced to the account servicer. The key steps of the business process are set out in Box 1 below.

#### Box 1

##### Business process

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**Step 1:** The account servicer aggregates billing information and generates invoice data based on the client’s activity in the preceding month.

**Step 2:** The account servicer sends one invoice per account to its clients (account owners) by default unless requested otherwise.

**Step 3:** The client records the invoice data in its system and performs relevant internal processes e.g. reconciliation of the invoice received. If an error is detected during this period, the invoice is cancelled and a replacement invoice is issued.

**Step 4:** The invoiced payment amount is remitted to the account servicer on the payment date stipulated in the invoice. The payment method (e.g. via direct debit) is agreed bilaterally between the provider and the client.

##### Cancellation process<sup>3</sup>

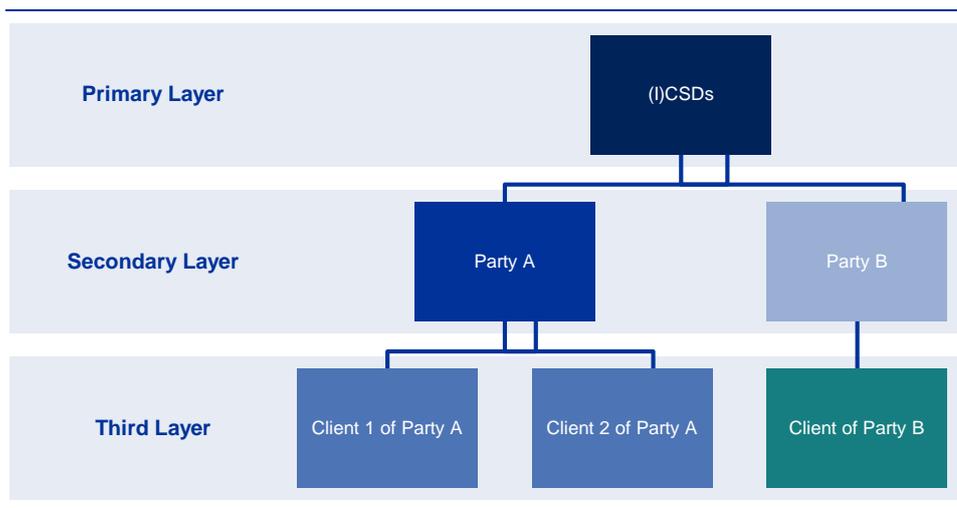
- The period between the receipt of the invoice and the payment date of the invoice will be used to perform necessary internal reconciliation. In the event that an error is detected, the original invoice must be cancelled and a new one issued.
  - A new invoice must be assigned a new ID (the ID of the initial invoice cannot be reused but a reference to the original invoice must be included in the replacement invoice).
  - Following the payment, it is no longer possible to cancel the invoice and any corrections must appear as such in the invoice for the following month.
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<sup>3</sup> Corrections may also be made by means of adjustments reported in a subsequent invoicing cycle.

## 3.2 Cascade of information

The billing information is “cascaded” from the (I)CSDs at the top of the chain and then flows in sequence to all the parties in the custody chain. Accordingly, the Standards presented in this document place an obligation on the initiating actors who sit at the top of the custody chain (primary layer stakeholders) to provide information to stakeholders.

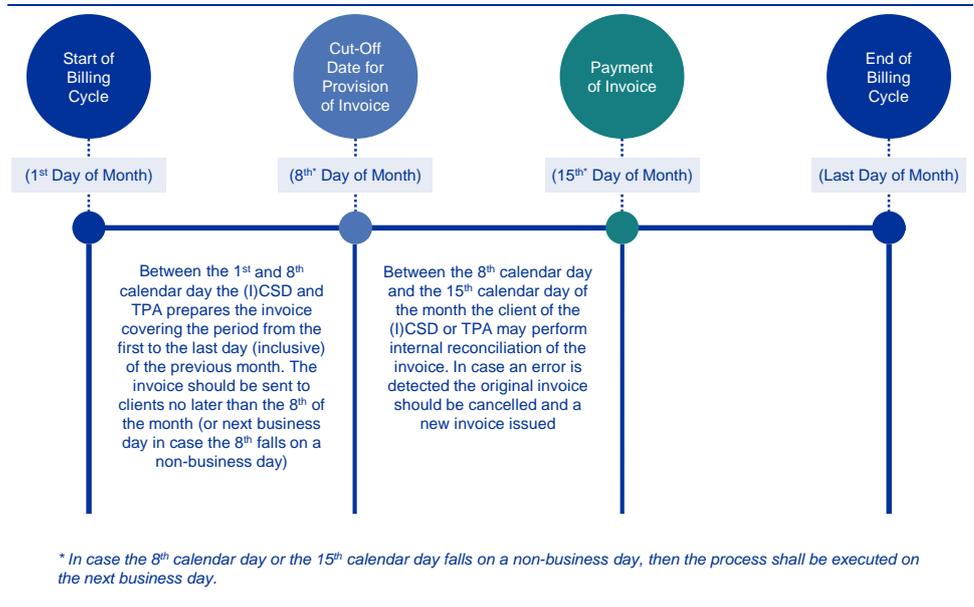
**Figure 1**  
Cascade of billing information



## 3.3 Lifecycle overview

The Standards are based on the concept that billing information is to be provided on a monthly basis, with a series of intermediate key dates for (i) provision of billing information by primary layer stakeholders and (ii) payment of invoices issued by primary layer stakeholders.

**Figure 2**  
Billing lifecycle



## 3.4 Messaging overview

### 3.4.1 Billing report

The table below provides an overview of the key data included in the billing report. The list of data elements should not be considered exhaustive at this stage, as further work on finalising the ISO 20022 message is to be conducted in conjunction with SWIFT and market stakeholders.

**Table 1**

**Billing report – key data elements (non-exhaustive draft list)**

	Data element	Description	Messaging element
<b>Report Type</b>	Identification	Code value to identify whether the report is: - an invoice (INVC); - a cumulative billing data report (CUMU); - an itemised billing data report (ITEM); - a cancellation of an invoice (CANC).	<Id>
<b>Invoicer Information</b>	Invoicer	Identification of the organisation issuing the invoice where different from the creditor or ultimate creditor.	<Invcr>
	Department	Identification of a division of a large organisation or building.	<Dept>
	Contact Details	Set of elements used to indicate how to contact the party.	<CtctDtls>
<b>Invoicee Information</b>	Invoicee	Identification of the party to which an invoice is issued where different from the debtor or ultimate debtor.	<Invcee>
	Department	Identification of a division of a large organisation or building.	<Dept>
	Contact Details	Set of elements used to indicate how to contact the party.	<CtctDtls>
<b>Invoice Information</b>	Invoice Date	Date at which the billing report was created.	<Invcdt>
	Billing Identification	Unambiguous reference number of the invoice (invoice number).	<Blgld>
<b>Billing Period</b>	Billing Period	Period for which for which the report data are valid.	<BlgPrd>
	From Date	Start date of the billing period.	<FrDt>
	To Date	End date of the billing period.	<ToDt>
<b>Account Information</b>	Securities Account Identification	Unique identification of the securities account as assigned by the account servicer.	<SciesAcctld>
	Identification	Unambiguous identification of the account for both the account owner and the account servicer.	<Id>
<b>Invoice Amount</b>	Total Taxable Amount	Total amount subject to tax.	<TtlTaxblAmt>
	Total Tax Amount	Sum of all tax amounts related to the invoice.	<TtlTaxAmt>
	Adjustment	Amount of invoice adjustment taking into account discounts, allowances and charges.	<Adjstmnt>
	Total Invoice Amount	Total amount of the invoice, being the sum of total invoice line amounts, total invoice adjustment amounts (discounts, allowances and charges) and total tax amounts.	<TtlInvAmt>
<b>Service Items</b>	Service Category	Agreement or rules under which the transaction should be processed. It specifies a classification for groups of service items. In the current message used in the context of T2S, the list of possible values is as follows: settlement services; information services; account management services.	<SvcCtgy>
	Service Item Totals	Specifies totals related to the invoice.	<SvcltmTtls>
	Service Item Type	Specifies a classification for the service items such as query, report, securities account, etc. In the current message used in a T2S context service, items refer, for example, to the following services offered: delivery versus payment; free of payment; payment free of delivery; account allocation; settlement modification; intra-position movements; securities account; cash account; transmission; user-to-application (U2A) queries; A2A queries; A2A reports; liquidity transfers.	<ltmTp>
<b>Payment Date</b>	Payment Due Date	Due date for the payment of the invoice.	<PmtDueDt>

### 3.4.2 Billing cancellation report

The table below provides an overview of the key data included in the billing cancellation report.

**Table 2**  
Billing cancellation report – key data elements

	Data element	Description	Messaging element
<b>Report Type</b>	Cancellation Report	Report on cancelled billing data.	<CxlRpt>
<b>Invoicer Information</b>	Invoicer	Identification of the organisation issuing the invoice where different from the creditor or ultimate creditor.	<Invcr>
	Department	Identification of a division of a large organisation or building.	<Dept>
	Contact Details	Set of elements used to indicate how to contact the party.	<CtctDtls>
<b>Invoicee Information</b>	Invoicee	Identification of the party to which an invoice is issued where different from the debtor or ultimate debtor.	<Invcee>
	Department	Identification of a division of a large organisation or building.	<Dept>
	Contact Details	Set of elements used to indicate how to contact the party.	<CtctDtls>
<b>Invoice Information</b>	Invoice Date	Date at which the billing report was created.	<InvcDt>
	Billing Identification	Unambiguous reference number of the invoice (invoice number).	<Blgld>
<b>Billing Period</b>	Billing Period	Period which for which the report data are valid.	<BlgPrd>
	From Date	Start date of the billing period.	<FrDt>
	To Date	End date of the billing period.	<ToDt>
<b>Cancellation Information</b>	Cancellation Reason	Reason why requested billing information is cancelled.	<CxlRsn>
	Code	Reason for the cancellation request, in coded form.	<Cd>

# Annex 1: Background to the AMI-SeCo Billing Processes Standards

## Background to Standard 1

Standard 1 on ISO 20022 messages is to be implemented in two phases (or “waves”).

### Implementation time frame

> Wave 1: by November 2022

> Wave 2: see details below.

### Implementing actors

In Wave 1, (I)CSDs acting as account servicers will be able to provide billing information using an ISO 20022 message. In the case of bilateral collateral management involving Eurosystem central banks, the collateral taker (Eurosystem) and collateral giver (counterparties of the Eurosystem) will be able to forward/receive billing information using an ISO 20022 message. In the case of triparty collateral management, TPAs will be able to provide billing information using an ISO 20022 message.

### Implementing actors and their roles in Wave 1

Role	Actor	Description
Processing of billing information	(I)CSDs	In their role as account servicers providing information to account owners.
Processing of billing information for bilateral collateral management	Eurosystem central banks Eurosystem counterparties	In their roles as collateral takers and collateral givers sending/receiving billing information on securities provided as collateral in Eurosystem credit operations.
Processing of corporate actions for triparty collateral management	TPAs	In their role as TPAs providing information to collateral givers and collateral takers.

### Implementing actors in Wave 2

In December 2019 AMI-SeCo agreed on the following points with regard to Wave 2:

AMI-SeCo members endorsed that the Wave 2 implementation deadline for ISO 20022 messaging would be November 2025: AMI-SeCo Standards for Corporate

Actions and Billing Processes on ISO 20022 messaging would become applicable for actors in Wave 2 as of November 2025, i.e. at the latest by then account servicers should offer / support ISO20022 messaging (to clients that have the capability to use the ISO20022 protocol).

AMI-SeCo members supported that the AMI-SeCo chair (on behalf of the AMI- SeCo) would send a recommendation letter to SWIFT with regards to the end of the co-existence of ISO15022 and ISO20022 messaging standards which should be November 2028, explaining the importance of a consistent approach to deliver on the commitment of the global community to transition to a single global standard. AMI-SeCo members took the view that discontinuing one-to-one equivalency would be an important driver to motivate organisations to move from one (legacy) standard to another richer standard and thus it could be recommended to SWIFT that the MT standard should no longer be maintained as from November 2025. The recommendation letter would reflect that the coexistence period should be as short as possible, with a view to limiting industry costs, risks and complexity (stemming from supporting two messaging standards in parallel) and avoiding fragmentation in Europe. The AMI-SeCo therefore proposes that the coexistence period should be three years resulting in the date for the end of co-existence being November 2028. Both NSGs and AMI-SeCo members would be consulted on the draft recommendation letter. The aim would be that the AMI-SeCo submits the recommendation letter to SWIFT in January 2020.

The endorsement of the Wave 2 timeline assumes that this timeline and the related clear communication towards SWIFT will lead to decisions by SWIFT that are consistent with the timelines above as endorsed by the AMI-SeCo. The AMI-SeCo will monitor related progress.

## Background to Standard 2

The Standard sets out a requirement that billing information be offered on a monthly basis.

### Implementation time frame

By November 2022

## Implementing actors

Role	Actor	Description
Processing of billing information	(I)CSDs	In their role as account servicers providing information to account owners.
	Custodians	In their role as account servicers providing information to their clients.
Processing of billing information for bilateral collateral management	Eurosystem central banks	In their role as collateral takers sending/receiving billing information.
Processing of billing information for triparty collateral management	TPAs	In their role as TPAs providing billing information to collateral givers and collateral takers.
	Eurosystem central banks	In their role as collateral takers in a triparty transaction.
	CCPs	In their role as collateral takers in a triparty transaction.

## Background to Standard 3

The Standard sets out a requirement for harmonised cut-off dates for the provision of billing information by (I)CSDs (for fees related to core (I)CSD services and/or triparty collateral management services).

### Implementation time frame

By November 2022

## Implementing actors

Role	Actor	Description
Processing of billing information	(I)CSDs	In their roles as issuer (I)CSDs, investor (I)CSDs and/or TPAs <sup>4</sup> providing information to account owners.

## Background to Standard 4

The Standard sets out a requirement for harmonised cut-off dates for cash payments.

### Implementation time frame

By November 2022

<sup>4</sup> TPAs are in scope if they are also a CSD at the same time.

## Implementing actors

(I)CSDs acting as issuer (I)CSDs, investor (I)CSDs and/or TPAs will require that their clients transmit cash payments to them on the 15th calendar day of the month (or the next business day if the 15th calendar day is not a business day).

Role	Actor	Description
Processing of billing information	(I)CSDs	In their roles as issuer (I)CSDs, investor (I)CSDs and/or TPAs <sup>5</sup> providing information to account owners.

<sup>5</sup> TPAs are in scope if they are also a CSD at the same time.

# Annex 2: Harmonisation needs

## Priority 1

### Fee and billing processes (CMHA6)

No.	Process	Process description	Harmonisation need
1	Provision of Minimum Set of Data in Billing (Fee Invoice)	The current set of data provided in the fee invoice is heterogeneous. A minimum set of information needs to be provided in the fee invoice for each securities account held with the CSD.	There is a need to provide a minimum set of information in the fee invoice. The invoice should provide (as a minimum) the following information (for each securities account held with the CSD): account no. at CSD, gross fee, net fee and total VAT.
2	Messaging Format for the Transmission of Billing Information	Owing to differences in current messages, there is a need to define a standardised format in which information on fees should be transmitted, e.g. ISO 20022 message.	There is a need to define a standardised ISO 20022 message format in which information on fees should be transmitted in order to support the automation of the fee and billing process by market participants.
3	Billing Period and Billing Frequency	Owing to differences in the current timing and frequency with which billing information is provided to market participants, there is a need to introduce a harmonised billing period.	There is a need to define a standardised billing period (monthly period covering the 1st of each month to the end of each month).

## Priority 2

### Fee and billing processes (CMHA6)

No.	Process	Process description	Harmonisation need
1	Identification of Fees Related to Collateral Management Activities	The billing invoice differs across markets, and the identification of activities relating to collateral management is not provided in a harmonised manner. A common invoice process is required for collateral management and other services.	There is a need to identify fees related to collateral management activities [to be analysed further – it may be possible to identify these fees by setting up a separate account for collateral management activities which would allow the provision of a detailed statement].
2	Identification of the Asset Class used for Billing Purposes	Common information on the asset class is needed in the fee invoice and a common definition of asset classes for the purpose of fee billing could be adopted by all (I)CSDs.	There is a need to define a common asset classification for use across all CSDs in order to facilitate the reconciliation and payment of fees.

# Annex 3: ISO 20022 messaging – example of data elements

The structure of the existing camt.077 message is provided below.

Lvl	Name	XML Tag
0	Billing Report V01 (DRAFT4camt.077.001.01)	<BlgRpt>
1	Message Header	<MsgHdr>
2	Message Identification	<Msgld>
2	Creation Date Time	<CreDtTm>
2	Request Type	<ReqTp>
3	Payment Control	<PmtCtrl>
3	Enquiry	<Enqry>
3	Proprietary	<Prtry>
4	Identification	<Id>
5	Itemised Billing Data	
5	Cancellation	
5	Cumulative Invoice	
5	Cumulative Billing Data	
4	Scheme Name	<SchmeNm>
4	Issuer	<Issr>
2	Original Business Query	<OrgnlBizQry>
3	Message Identification	<Msgld>
3	Message Name Identification	<MsgNmld>
3	Creation Date Time	<CreDtTm>
2	Query Name	<QryNm>
1	Billing Report Or Error	<BlgRptOrErr>
2	Billing Report	<BlgRpt>
3	Regulatory Data	<RgltryData>
4	Invoicer	<Invcr>
5	Name	<Nm>
5	Postal Address	<PstlAdr>
6	Address Type	<AdrTp>
6	Department	<Dept>
6	Sub Department	<SubDept>
6	Street Name	<StrtNm>
6	Building Number	<BldgNb>
6	Post Code	<PstCd>
6	Town Name	<TwnNm>
6	Country Sub Division	<CtrySubDvsn>
6	Country	<Ctry>
6	Address Line	<AdrLine>
5	Identification	<Id>

Lvl	Name	XML Tag
5	Country Of Residence	<CtryOfRes>
5	Contact Details	<CtctDtls>
6	Name Prefix	<NmPrfx>
6	Name	<Nm>
6	Phone Number	<PhneNb>
6	Mobile Number	<MobNb>
6	Fax Number	<FaxNb>
6	Email Address	<EmailAdr>
6	Other	<Othr>
4	Invoicee	<Invcee>
5	Name	<Nm>
5	Postal Address	<PstlAdr>
6	Address Type	<AdrTp>
6	Department	<Dept>
6	Sub Department	<SubDept>
6	Street Name	<StrtNm>
6	Building Number	<BldgNb>
6	Post Code	<PstCd>
6	Town Name	<TwnNm>
6	Country Sub Division	<CtrySubDvsn>
6	Country	<Ctry>
6	Address Line	<AdrLine>
5	Identification	<Id>
5	Country Of Residence	<CtryOfRes>
5	Contact Details	<CtctDtls>
4	Invoice Legal Statement	<InvLglStmnt>
4	Payment Method	<PmtMtd>
5	Code	<Cd>
5	Proprietary	<Prtry>
3	Invoice Date	<InvcDt>
3	Billing Identification	<Blld>
3	Billing Period	<BlldPrd>
4	From Date	<FrDt>
4	To Date	<ToDt>
3	CSD Or NCB	<CSDOrNCB>
4	CSD Identification	<CSDId>
4	NCB Identification	<NCBId>
3	Invoice Totals	<InvcTtls>
4	Total Taxable Amount	<TtlTaxblAmt>
4	Total Tax Amount	<TtlTaxAmt>
4	Adjustment	<Adjstmnt>
4	Total Invoice Amount	<TtlInvcAmt>
5	Xml Attribute Currency	<Ccy>
4	Payment Due Date	<PmtDueDt>
3	Service Category Totals	<SvcCtgyTtls>
4	Account Identification	<AcctId>

Lvl	Name	XML Tag
5	Securities Account Identification	<SciesAcctId>
6	Identification	<Id>
6	Type	<Tp>
6	Name	<Nm>
5	Cash Account Identification	<CshAcctId>
6	IBAN	<IBAN>
6	Other	<Othr>
7	Identification	<Id>
7	Scheme Name	<SchmeNm>
7	Issuer	<Issr>
4	Billed Customer Identification	<BldCstmId>
4	Total Taxable Amount	<TtlTaxblAmt>
4	Total Tax Amount	<TtlTaxAmt>
4	Total Invoice Amount	<TtlInvcAmt>
5	Xml Attribute Currency	<Ccy>
4	Service Category	<SvcCtgy>
5	Account Management Services	
5	Information Services	
5	Settlement Services	
4	Service Item Totals	<SvcltmTtls>
5	Item Type	<ItmTp>
5	Quantity	<Qty>
5	Unit Price	<UnitPric>
6	Xml Attribute Currency	<Ccy>
5	Total Taxable Amount	<TtlTaxblAmt>
5	Total Tax Amount	<TtlTaxAmt>
5	Total Invoice Amount	<TtlInvcAmt>
6	Xml Attribute Currency	<Ccy>
2	Cancellation Report	<CxlRpt>
3	Regulatory Data	<RgltryData>
4	Invoice	<Invc>
5	Name	<Nm>
5	Postal Address	<PstlAdr>
6	Address Type	<AdrTp>
6	Department	<Dept>
6	Sub Department	<SubDept>
6	Street Name	<StrtNm>
6	Building Number	<BldgNb>
6	Post Code	<PstCd>
6	Town Name	<TwnNm>
6	Country Sub Division	<CtrySubDvsn>
6	Country	<Ctry>
6	Address Line	<AdrLine>
5	Identification	<Id>
5	Country Of Residence	<CtryOfRes>
5	Contact Details	<CtctDtls>

Lvl	Name	XML Tag
6	Name Prefix	<NmPrfx>
6	Name	<Nm>
6	Phone Number	<PhneNb>
6	Mobile Number	<MobNb>
6	Fax Number	<FaxNb>
6	Email Address	<EmailAdr>
6	Other	<Othr>
4	Invoicee	<Invcee>
5	Name	<Nm>
5	Postal Address	<PstlAdr>
6	Address Type	<AdrTp>
6	Department	<Dept>
6	Sub Department	<SubDept>
6	Street Name	<StrtNm>
6	Building Number	<BldgNb>
6	Post Code	<PstCd>
6	Town Name	<TwnNm>
6	Country Sub Division	<CtrySubDvsn>
6	Country	<Ctry>
6	Address Line	<AdrLine>
5	Identification	<Id>
5	Country Of Residence	<CtryOfRes>
5	Contact Details	<CtctDtls>
4	Invoice Legal Statement	<InvLglStmnt>
4	Payment Method	<PmtMtd>
3	Invoice Date	<InvDt>
3	Billing Identification	<BlglId>
3	Billing Period	<BlglPrd>
4	From Date	<FrDt>
4	To Date	<ToDt>
3	Cancellation Reason	<CxlRsn>
4	Code	<Cd>
4	Proprietary	<Prtry>
2	Operational Error	<OprlErr>
3	Error	<Err>
4	Code	<Cd>
4	Proprietary	<Prtry>
3	Description	<Desc>
1	Supplementary Data	<SplmtryData>

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