

T2S PROGRAMME OFFICE

27 June 2017

v1.0

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Outcome

Meeting of the Sub-group - Message Standardisation (SGMS)

26 June 2017, from 11:00 to 12:00

Teleconference

1. Discussion on CRs – Message usage to be discussed

Change Request [T2S-0653-SYS](#) (Partial Release functionality)

The ECB introduced the Change Request and informed about the latest status of discussion in the CRG, i.e. some CRG members have articulated a high demand for the functionality whereas others do not require it. The SGMS was also informed about the feedback from the SMPG and the concerns which were raised by 4CB about the complexity of a partial release functionality and its potential negative impact on the T2S platform.

Regarding the messaging aspect of the CR, the SGMS was also informed that the CRG prefers a solution which makes use of existing fields, mainly because an ISO CR might not be supported by the international community (indicative SMPG feedback) and could therefore delay the potential implementation of the Change Request in T2S.

Next the ECB presented a proposal for existing fields to be used in regards to partial release in sese.024, sese.030 and sese.031:

https://www.ecb.europa.eu/paym/t2s/progress/pdf/substand/mtg26/CR653_Messaging_Asp_ects.pdf.

SGMS members commonly agreed that the re-use of existing fields according to the proposal would be a misuse of the fields, but there was a discussion between different members whether such misuse could be accepted from a standardisation point of view.

Some members argued that in their view the misuse would be minor and that they had seen far worse for other messages/areas. Therefore, in order to be pragmatic and also in the light

of the potential resistance in the ISO Maintenance Working Group, they would support the proposed field usages.

On the contrary, other members mentioned that any customisation of field usage in T2S would contradict the overarching aim of international harmonisation and therefore the proposal should not be supported by the SGMS. For the partial release functionality in particular it was mentioned that even if this requirement is not present in other markets today, the demand is expected to grow due to new regulations and the introduction of settlement fail penalties and that partial release would therefore not be a temporary phenomenon for which workaround solutions should be accepted. In addition it was mentioned that the usage of existing pending reason codes and narrative fields could create issues down the chain, e.g. in the mapping to ISO15022 and the reporting to clients of CSD participants.

Due to limited time in the SGMS teleconference, the discussion could not be concluded and therefore the SGMS members agreed to continue the discussion in a follow-up teleconference on Friday 30 June 2017 from 15:00 to 17:00. The other topics on the meeting agenda which could also not be discussed during this teleconference shall also be covered in the follow-up teleconference.

Following preferences were already agreed by the SGMS, independent from the high level discussion whether a customisation of field usages could be supported or not.

1. Sese.030: The SGMS preferred the proposed solution above any other solution which would make use of existing fields. In particular, for the provision of the quantity to be released, they preferred to use the field 'Quantity' in the Addtllnf block instead of the narrative 'Additional Information' field under ReqDtls/HldInd/Rsn.
2. Sese.031: The SGMS agreed to the proposal not to amend sese.031, i.e. not to add the released quantity in the Modification Status Advice.

During the discussion around the status reporting of a partial release request to the counterparties, SGMS members also asked about the envisaged processing/reporting in some specific business cases. The ECB agreed to provide further details on the envisaged solution once the CR is more mature, i.e. the CRG has agreed on the detailed requirements.

Monte Titoli	Paolo Carabelli (Chairperson)
ECB	David Weidner (Secretary)
4CB	Julia Lohle
4CB	Riccardo Mancini
4CB	Dirk Beiermann
4CB	Monica Moles
4CB	Victorien Goldscheider
4CB	Didier Faur
SIX-SIS	Jay Moothedath
Euroclear	Nadine Muhigiri
NBB-SSS	Marc Lejoly
Société Générale	Paola Deantoni
SEB	Ari Heinonen
Deutsche Bank	Andreas Hoefler
SWIFT	Karine Taquet
SWIFT	Vincent Kuntz