

Version 1.2 of the Catalogue

*AMI-SeCo Meeting
07 December 2017*

DG-Market Infrastructure and Payments
European Central Bank

Version 1.2 of the Catalogue

- The Version 1.2 of the Catalogue is based on:
 - 1) The version 2.0 of the “CSDs’ Reference Data Extension”:
 - 6 new rules + changes on existing ones
 - 2) The updated methodology as approved by the AMI-SeCo on July 2017
- The revision of previous assessments is out of the scope of this update
- ESES has requested to review the previous assessments on restriction rules involving the Account Nature 001 used for registered securities in Euroclear France. This review will be performed in the context of the next update of the Catalogue, i.e. version 1.3.

T2S CSDs		Business Processes – Necessary							Necessary/Optional ¹		Business Processes – Optional							MSAs	
		Corporate Actions	Registration	Taxation	Insolvency Procedures	Other Regulatory Compliance	Limitations due to CSD Legacy Platform	Operational Procedures	External CSD Settlement	Foreign Securities	Collateral Management	External Cash Settlement	Issuance	Investment Funds Processing	Non-European Regulations	Non-Standardised Securities	Static Data Configuration		
Baltic CSDs	CSDL	Yellow			Red	Red		Yellow			Green			Green			Grey	Green	5
	ECSD	Yellow			Red	Red		Yellow			Green			Green			Grey	Green	6
	LCSD	Yellow			Red	Yellow		Yellow			Green	Grey		Green			Grey	Green	4
BOGS					Red	Yellow					Green	Grey							3
CDCP		Yellow					4% transactions ²												0
Clearstream			Red		Green	Yellow		Yellow		Green	Grey	Grey	Yellow		Green			Green	8
Depozitarul Central		Yellow				Red													5
Euroclear FR		Red	Red					Yellow		Yellow	Green		Yellow	Green	Yellow	Green	Grey	Green	6
Euroclear BE		Green	0.18% transactions					Yellow		Green	Green		Yellow	Green	Yellow	Green	Grey	Green	6
Euroclear NL		Green	Green					Yellow		Green	Green		Yellow	Green	Yellow	Green	Grey	Green	6
Euroclear FI		Yellow			Red	Red		Green		Green							Grey	Green	5
Iberclear		Yellow				Red		Yellow	Grey	Red							Grey	Green	2
Interbolsa		Yellow				Yellow				Grey	Green	Grey	Yellow		Yellow		Green	Green	1
KDD		Yellow				Yellow		Yellow					Green				Grey	Green	1
KELER		Red									Yellow	Yellow				Yellow		Green	5
Monte Titoli		Yellow				Red			Yellow		Yellow							Green	1
NBB-SSS				Red		Red					Yellow							Green	5
OeKB CSD		Red						Yellow	Green		Yellow	Grey				Grey		Green	3
SIX SIS		Yellow			Red													Green	2
VP Lux		Yellow			Green													Green	0
VP Securities		Yellow			Green													Green	0

¹ Business Processes “External CSD Settlement” and “Foreign Securities” are considered necessary or optional depending on whether the CSD is defining the restriction rules as Issuer or Investor CSD.

² All settlement instructions sent by DCPs and Investor CSDs would be put on CSD Validation Hold for a short lapse of time, but only 4% of transactions incur a risk of cancellation due to restricted securities positions (based on 2015 statistics).

T2S CSDs		Business Processes														MSAs		
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	ECSD	Red			Red	Red	Yellow			Red			Green			Grey	Green	6
	LCSD	Red			Red	Red	Yellow			Red	Grey		Green			Grey	Green	4
BOGS					Red	Green				Grey	Grey							3
CDCP		Yellow				Yellow	Yellow											0
Clearstream		Yellow	Red		Green	Yellow	Yellow	Green		Grey	Grey	Red		Yellow			Green	8
Depozitarul Central		Yellow				Red												5
Euroclear FR		Red	Red				Yellow		Red	Green		Red	Green	Red	Green	Grey	Green	6
Euroclear BE		Green	0.18% transactions				Yellow		Green	Green		Yellow	Green	Red	Green	Grey	Green	6
Euroclear NL		Green	Green				Yellow		Green	Green		Yellow	Green	Red	Green	Grey	Green	6
Euroclear FI		Yellow			Red	Red	Green	Green								Grey	Green	5
Iberclear		Red				Red	Yellow	Grey	Red							Grey	Green	2
Interbolsa		Red				Red				Grey	Green	Grey	Red		Red	Red	Red	1
KDD		Yellow				Yellow	Yellow					Green				Grey		1
KELER		Red				Red				Red	Yellow				Red	Green	Green	5
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OeKB CSD		Red					Yellow	Green		Red	Grey					Grey	Yellow	3
SIX SIS					Red													2
VP Lux		Yellow			Green												Green	0
VP Securities		Yellow			Green												Green	0
MSAs		6	4	4	6	15	2	0	5	5	0	6	2	6	4	9		

¹ In case of insolvency of a participant, the common procedure described in the “T2S Manual of Operational Procedures” (MOP) shall be followed by all CSDs. In principle, this common procedure together with the dedicated restriction rules created for this purpose should be sufficient to address the insolvency of a participant. However, some CSDs still need to have in place some additional restriction rules in order to be fully compliant with their national legislation (e.g. due to different implementation of the Settlement Finality Directive). In this context, Table 1 only shows the impact of those extra restrictions rules.

Thank you for your attention

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 @T2SECB

Methodology as approved by the AMI-SeCo (July 2017)

The new color-coded matrix (1/2)

		<i>Risk of not implementing controls</i>			
		High	Medium	Low	None
<i>Effort of implementing Controls</i>	Not available				
	High				
	Medium				
	Low				
	None	- (*)	- (*)	- (*)	

(*) Impossible combination

Not available – High/Medium: In the cases where a process is not available to Investor CSDs due to market access restrictions in the Issuer CSD, the impact on the restriction rules associated to these processes is classified as “High/Medium”.

Not available – Low/None: In the cases where a process is not available to Investor CSDs due to other reasons than market access restrictions in the Issuer CSD, the impact on the restriction rules associated to these processes is classified as “Low/None”.

Methodology as approved by the AMI-SeCo (July 2017)

The new Criterion 2

Control to be implemented in the form of (Y/N)			Status
Market-Specific Attributes	Segregation of securities positions (using position types or separate accounts) imposed by the Issuer CSD	Restriction rules	
Y	Y	Y	High
Y	N	Y	High
N	Y	Y/N	Medium
N	N	Y	Low
N	Y ⁽¹⁾	N	None

(1) The segregation is requested by the participants (including INV CSDs) of the Issuer CSD, for the only purpose of segregating securities positions.