

MARKET INFRASTRUCTURE DEVELOPMENT DIVISION

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v1.0

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Outcome

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

30 June 2017, from 15:00 to 17:00

Teleconference

1. Discussion on CRs – Message usage to be discussed

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

The ECB introduced the topic and recalled the discussion that took place in the SGMS teleconference on 26 June, i.e. the confirmation of the proposed solution for sese.030 and sese.031 as well as the conflicting view of SGMS members whether a misuse of existing fields for the reporting of the partially released quantity in the sese.024 message is acceptable or not. In addition it was mentioned that the SMPG discussed the partial release and that there was no representative outside T2S which articulated a demand for such functionality. Therefore it was expected that there would be resistance in the international community to accept a related ISO CR aiming to introduce new fields in sese.024 for the reporting of the released quantity.

One SGMS member also mentioned that the usage of free text fields for the reporting of quantities was not suitable, even more if 2 different quantities, only separated by a delimiter, would have to be reported.

In the light of the SMPG view and considering the concerns raised for the usage of existing fields, the SGMS recommended to use the Supplementary Data block for the reporting of the partially released quantity. SGMS members assumed that this would be supported by ISO also as a permanent solution, as partial release has to be considered a T2S specific functionality which should not negatively affect other markets/ communities using ISO20022. It was recommended to seek the Standards Evaluation Group (SEG) approval for this solution sometime in the future. With the SEG confirmation, the new T2S Supplementary

Data block would then be an officially registered extension of the sese.024, to be used by the T2S community.

For the sake of clarity it was recommended that T2S should also report the quantity that is still on hold. This information shall be added in the Supplementary Data block as separate quantity field besides the released quantity.

2. Discussion on Change Requests – New ISO CR to be raised

Change Request [T2S-0623-SYS](#) (Standing rebalancing of securities positions)

The SGMS agreed to raise an ISO CR to request a new ISO Transaction Code for rebalancing operations. The code to be proposed shall be 'REBL'.

The SGMS confirmed that the new code is only needed in sese.032, sese.024 and sese.025. The new code is not needed in the allegement message (sese.028) because rebalancing transactions in T2S will always be generated already matched.

3. Removal of Generator Parameters in the T2S Usage Guidelines

Removal of Generator Parameters

The 4CB and SWIFT introduced the topic of the removal of Generator Parameters in T2S.

<https://www.ecb.europa.eu/paym/t2s/progress/pdf/substand/mtg27/removal.pdf>

The SGMS was informed that these technical parameters were introduced with UDFS version 1.2 when the 4CB moved to MyStandards and discontinued to produce the Usage Guidelines with the old GEFEG tool. In order to produce the very same Usage Guidelines with the new tool compared to the old one during the time of coexistence of the tools, these parameters were required to be introduced in MyStandards. They are used to adjust T2S customised Data Type Names with the standard Data Type Names as defined in the ISO dictionary. In the meantime support of the old GEFEG tool was discontinued by T2S and therefore full alignment of Data Type Names between the tools is no longer required. Therefore SWIFT and the 4CB proposed to take the opportunity of Change Request T2S-0612-SYS (Alignment of T2S Messages with ISO Maintenance Releases 2013 – 2017) to also remove the Generator Parameters. This CR already requires an update of the schemas of all messages used in T2S and the change of Data Type Names of some T2S customised Data Types could be done in the same step. It was also clarified that the removal would impact all T2S messages, not only the Pillar III ones.

The SGMS discussed the topic and was in favour of the removal. They were of the view that any T2S specific usage of messages should be avoided whenever possible, in order to promote standardisation. One member criticised the approach taken by the 4CB earlier that the Generator Parameters were introduced without SGMS consultation and that there would now be an impact on users due to their removal. Nevertheless the member agreed that in the situation at hand removal of the Generator Parameters was the best option.

Removal of Datatypes from the UDFS

The 4CB proposed to remove from the UDFS the information about the Data Type from all tables which list the business rules applicable to the schemas. These business rule tables are included in all sub-chapters of section 3.3 'List of Messages' of the UDFS. The 4CB informed that the removal of the Data Type information would reduce maintenance costs in the future and that the same information would be available in MyStandards. In addition, they mentioned that the provision and maintenance of duplicate information should be avoided in general.

Whereas some members supported the removal in order to avoid maintenance costs, others were of the view that the information provided in the UDFS might be useful and should therefore be kept. The SGMS agreed to report to the CRG that in general the SGMS accepted the removal, under the condition that the information is not needed by users. The final decision on the removal should be done by the CRG.¹

4. Update on previous and upcoming topics

Change Request [T2S-0638-SYS](#) (T2S should allow and process already matched instructions which include the counterparty's securities sub-position to be used for settlement purposes)

The ECB informed about the SMPG preference not to duplicate the Settlement Parameters block in the Settlement Instruction message (sese.023) to be used for already matched instructions. The SMPG was of the view that the business case does not justify such an extensive change in the sese.023 message. Instead, an ISO CR for duplication should be raised individually and on demand only, for each field which is part of the Settlement Parameters block and for which duplication is actually required from a business perspective.

Change Request [T2S-0658-SYS](#) (T2S should allow and process already matched instructions with deviating settlement parameters on DELI and RECE legs)

The ECB informed that a CR was raised in T2S to duplicate the party hold status, the Settlement Transaction Type (ISO Transaction Code) and the Modification/Cancellation Allowed flag in order to provide deviating information for the DELI and RECE leg in an already matched instruction. The SGMS might be consulted on the messaging aspects of the new T2S CR, including the request to draft the related ISO CR, at a later point in time.

¹ In the CRG meeting on 4 July the CRG decided to keep the datatypes in the UDFS because many CRG members were of the view that the information is helpful.

LEI for Client of CSD participant

The ECB informed that the XMAP is currently drafting a new CR to include the dedicated LEI field for Party2 in the Settlement Instruction message (sese.023) in T2S. The dedicated LEI field was introduced with ISO Standards Release 2016. The SGMS might be consulted on the messaging aspects of the new T2S CR at a later point in time.

Monte Titoli	Paolo Carabelli (Chairperson)
ECB	David Weidner (Secretary)
4CB	Julia Lohle
4CB	Fabian Braeuer
4CB	Alberto Varela
4CB	Gunnar Dickfeld
4CB	Didier Faur
Euroclear	Nadine Muhigiri
NBB-SSS	Marc Lejoly
SEB	Ari Heinonen
SWIFT	Vincent Kuntz