



DCPG activity: recap and work ahead

AMI-SeCo meeting, 6-7 March 2017

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Chairperson

Directly Connected Parties Group



SETUP



Established jointly
by T2S Board and CSG
in June 2014



[DCPG website](#)

[DCPG mandate](#)

Taking over the work of the DCP Forum.

COMPOSITION



[Members list](#) 



16 DCPs

4 DCA Holders (DCPs on the cash side only)



13 CSDs

7 CBs



Programme Manager

[Thus far, 167 institutions announced 241 direct connections through 16 CSDs and 16 NCBs \(click to access ECB webpage with DCP list\)](#)

	A2A mode	U2A mode
Wave 1	14 on the securities side and 18 on the cash side.	2 on the securities side and 5 on the cash side.
Wave 2	15 on the securities side and 26 on the cash side.	3 on the securities side and 5 on the cash side.
Wave 3	14 on the securities side and 09 on the cash side.	4 on the securities side and 8 on the cash side.
Wave 4	34 on the securities side and 07 on the cash side.	0 on the securities side and 9 on the cash side.
Wave F.	24 on the securities side and 11 on the cash side.	3 on the securities side and 30 on the cash side.

What has been done?

18 meetings held to date:

- Five in 2014
- Seven in 2015
- Six in 2016
- 1 March 2017
- ... + 4 more planned in 2017

CSD-DCP workshops:

- 7 @ Monte Titoli
- 3 @ SIX-SIS
- 2 @ Clearstream
- 1 @ OeKB
- 3 ad-hoc Workshops @ ECB



25 DCP consultations:

- 5 in 2014
 - 9 in 2015
 - 9 in 2016
 - 2 in 2017
- ✓ Bundling of messages
 - ✓ Feedback on 28 CRs
 - ✓ Close Link functionality
 - ✓ Auto-coll cash reimbursements

Post MW3 volume stats:
 Amongst the top 10 actors (by messaging volumes),
8 DCPs and only 2 CSDs

Connection... **CSD/NCB**
 A2A
 U2A
 Business side
 cash
 securities
 Migration...
 wave 1
 wave 2
 wave 3
 wave 4
 wave Final

Clearstream Banking...
 Depozitarul Central S...
 Euroclear ESES
 Interbolsa
 Központi Elszámolóh...
 LuxCSD SA
 Monte Titoli S.p.A.
 National Bank of Bel...
 Oesterreichische Ko...
 SIX SIS Ltd.
 Banca d'Italia
 Banca Nazionale Ro...
 Banco de España
 Banco de Portugal
 Bank of Greece
 Banka Slovenije

Migration wave	Connection mode	INSTITUTION	CSD/NCB	BIC
wave 1	A2A	BNP Paribas Securities Services, S.C.A.	Monte Titoli S.p.A.	PARBITMMXXX - PARBITMM001 - PARBITMM002 - PARBITMM003 - PARBITMM004 - PARBITMM005 - PARBITMM006 - PARBITMM007 - PARBITMM008 - PARBITMM009 - PARBITMM010 CITIROBUXXX CITIGRAAXXX CITIGB2L CITIITMXSEC DEUTDEFFXXX EMCFNL2AXXX ICRAITRRXXX BCITITMMXXX - BCITITMIT01 - BCITITMMK70 CIPBITMMXXX BACFFRPPXXX
		Citibank Europe plc, Dublin - Romania Branch	Depozitarul Central S.A.	
		Citibank International Plc, Greece (branch)	Bank of Greece Securities Settlement System (BOGS)	
		Citibank N.A., London branch	SIX SIS Ltd.	
		Citibank N.A., Milan Branch	Monte Titoli S.p.A.	
		Deutsche Bank AG	Monte Titoli S.p.A.	
		European Central Counterparty N.V.	Monte Titoli S.p.A.	
		Iccrea Banca S.p.A.	Monte Titoli S.p.A.	
		Intesa Sanpaolo S.p.A.	Monte Titoli S.p.A.	
		Istituto Centrale delle Banche Popolari Italiane S.p.A.	Monte Titoli S.p.A.	
		LCH.Clearnet, SA	Monte Titoli S.p.A.	
		Société Générale Securities Services S.p.A.	Monte Titoli S.p.A.	TWOSITMMXXX - TWOSITMIBEH - TWOSITMIUC - TWOSITMICFE - TWOSITMICH - TWOSITMICIB - TWOSITMIFCN - TWOSITMIFMB - TWOSITMIPAR - TWOSITMIRAV - TWOSITMIRIM - TWOSITMISGL - TWOSITMISMI - TWOSITMIBPL - TWOSITMISGP
			SIX SIS Ltd.	TWOSITMMXXX
			The Bank of New York Mellon SA/NV	Monte Titoli S.p.A.
wave 2	U2A	Bank of Greece	Bank of Greece Securities Settlement System (BOGS)	BNGRGRAA072
		Parel S.A.	Monte Titoli S.p.A.	PAREFRPPXXX - PAREFRPPKCH
	A2A	ABN AMRO Clearing Bank N.V.	Monte Titoli S.p.A.	
		National Bank of Belgium Securities Settlement System (NBB-SSS)		ABNCNL2AXXX
		Banco Popular Portugal, S.A.	Interbolsa	CRBNPTPLXXX
		BNP Paribas Securities Services, S.C.A.	Interbolsa	PARBFRPPXXX
		National Bank of Belgium Securities Settlement System (NBB-SSS)		PARBFRPPXXX
		National Bank of Belgium Securities Settlement System (NBB-SSS)		ISAEFRPPXXX
		CACEIS Bank France	National Bank of Belgium Securities Settlement System (NBB-SSS)	CITIGB2LXXX
		Citibank Europe Plc.	Interbolsa	CITPTPXXXX
Citibank International Plc., Sucursal em Portugal	Interbolsa			
Deutsche Bank AG	Interbolsa	DEUTDEFFXXX DEUTDEFFCUS		

- Tracking tool
- Information tool
- Monitoring tool

What has been done? (cont'd)



Register of open issues

Already closed

- ✓ Definitions of technical and business sender
- ✓ Liquidity management scenarios for auto-coll and intraday credit
- ✓ Certification requirements
- ✓ DCP readiness reporting requirements
- ✓ Information around DCP testing and migration activities
- ✓ Formal DCP declaration process
- ✓ AML/CFT scanning according to Directive 2005/60/EC
- ✓ Changes to TARGET2 Guideline

Still open

- ? CSD Authorization criteria and test cases (for MW Final)
- ? Settlement finality and settlement discipline; insolvency procedures
- ? CRs for claims and transformations messaging
- ? Portfolio transfer procedures
- ? Publication of CSD pricing for T2S services



1. Settlement finality and Insolvency procedures

Operational procedures related to SF1-2-3 and related practical implications; implications in case of insolvency scenarios; implementation of Collective Agreement. Identification of longer term actions towards harmonization of operational procedures for effective settlement risk controls.

2. CSDR and settlement discipline measures

Cooperation with CSDR Task Force, with Trade Associations and with public authorities about practical steps for implementation.

3. Bugs and defects

Ongoing regular updates re analytical information about defects identified during the use of T2S functionalities, that have, or are likely to have, impacts on DCPs.

Resolution and retesting plans, possible impact on DCPs' own internal planning.

4. HSG and CSG harmonization activities

Focus on all cases where current procedures or lack of required information prevents STP for all DCPs and Investor CSDs



5. Catalogue of restriction rules

Review of final catalogue of rules for all participating CSDs

On-going participation in revision of market-specific processes and related restriction rules.

6. Change Review Group

Collaboration with the CRG in the analysis of CRs, by participating in CR consultations and ad-hoc workshops, as required.

7. User Testing and Migration sub-groups

Collaboration with the testing and migration activities for all migration waves, by taking an active role in the community testing and migration dress rehearsals.

DCPG continues to be the **Forum** for the DCP community



1. **Completion of the Migration Phase**

Continued support of testing for Community Testing in MW-Final and for related Releases.

On-going monitoring of technical and operational performance of the T2S services, as used and required by DCPs/DCAHs.

2. **DCPG involvement with future T2S release deployment activities**

DCP community expects to continue to represent the vast majority of business activity processed in T2S.

DCPs/DCAHs expect to continue to actively participate and contribute to all discussions regarding scoping, timing and testing of the new / future releases (Release 2.0 and beyond).

Focus remains that of ensuring all aspects impacting the DCP user community are given full and adequate consideration.

3. **Active support and participation in the new AMI-SeCo work plan**

DCPG will continue to provide ideas and contributions from the perspective of the DCPs and DCAHs (i.e. largest users).

Thank you for your attention!

www.t2s.eu

 @T2SECB

Annex 1 – DCPG Membership

Composition (1/2): DCPs and DCAHs

Total number of DCPG members: 42

**16 DCP representatives
for securities:**

1	NL	ABN AMRO Clearing Bank NV
2	UK	Barclays
3	FR	BNP Paribas SA
4	FR	Caceis
5	UK	Citi
6	DE	Deutsche Bank
7	NL	EuroCCP N.V.
8	DE	HSBC Trinkaus & Burkhardt AG
9	IT	IntesaSanpaolo
10	IT	Istituto Centrale delle Banche Popolari Italiane S.p.A.
11	UK	JP Morgan
12	FR	LCH.Clearnet SA
13	IT	SGSS S.p.A.
14	FR	Société Générale S.A.
15	BE	The Bank of New York Mellon SA/NV
16	AT	Unicredit Bank Austria Vienna
1	ES	BBVA
Alternate to BBVA	ES	Banco Santander S.A.
2	DE	Commerzbank AG
Alternate to Commerzbank	DE	DWP Bank
3	IT	UniCredit
Alternate to Unicredit	IT	Banco Popolare -Società Cooperativa
Observer	LU	Northern Trust

**4 DCP representatives
for cash (DCAHs):**

Annex 1 – DCPG Membership Composition (2/2): CSDs and NCBs

13 CSD representatives:

1	DE	Clearstream Banking AG
2	RO	Depozitarul Central S.A.
3	BE	Euroclear Belgium
4	FI	Euroclear Finland
5	FR	Euroclear France
6	NL	Euroclear Nederland
7	ES	Iberclear
8	PT	Interbolsa
9	HU	Keler
10	LU	LuxCSD
11	IT	Monte Titoli
12	BE	NBB-SSS
13	AT	OeKB

7 NCB representatives:

1	IT	Banca d'Italia
2	ES	Banco de España
3	FR	Banque de France
4	NL	De Nederlandsche Bank
5	DE	Deutsche Bundesbank
6	EU	European Central Bank
7	AT	Oesterreichische Nationalbank

2 ECB representatives:

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