EUROPEAN CENTRAL BANK

EUROSYSTEM

Seventh T2S Harmonisation Progress Report

T2S Advisory Group

harmonisation.t2s.eu

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Preface

This is the seventh TARGET2-Securities (T2S) harmonisation progress report published by the T2S community of stakeholders, i.e. national central banks, central securities depositories (CSDs) and CSD participants, as represented in the T2S Advisory Group (AG). The report's main objective is to provide T2S stakeholders and other interested parties with an update on developments in the T2S harmonisation activities, i.e. the post-trade harmonisation initiatives relevant for T2S.

The current version of the report focuses mainly on the T2S standards implementation results between the third and fourth T2S migration waves, covering the period between September 2016 and February 2017. The report particularly focuses on how T2S markets comply, or plan to comply, with all relevant T2S harmonisation standards by the time they migrate to T2S.

In addition, the broad range of the T2S harmonisation initiatives covers a number of issues which are currently under the spotlight of the ongoing post-trade and financial integration agendas of EU public authorities, as well as private post-trade market players. These topics include issues such as the conflict of laws, withholding tax procedures, settlement finality, settlement discipline regime and registration procedures. Some of these are relevant for Regulation (EU) No 909/2014 (CSDR) and others for the capital markets union (CMU) agenda of the European Commission. The issue of financial innovation and its potential impact on the current T2S harmonisation agenda is also addressed in this report.

Key messages

- **Common standards are already defined for 17 out of a total of 24 T2S harmonisation activities.** 15 of these 17 standards have been given high priority by the AG, i.e. the objective is to have the standards implemented by all markets by the time they migrate to T2S.

- **This report shows that T2S markets continue to make progress regarding their compliance with the T2S harmonisation standards.** The current results show a 7 percentage points increase in full compliance statuses compared with the mid-year report published on 5 September 2016. This is an encouraging result given the numerous technical challenges and changes in market practice during the migration of some major European markets to T2S.

- **Compliance gaps still remain, in particular in the area of corporate actions.** Corporate action processes are complex business processes for asset servicing involving rules and procedures developed by a range of different actors. Gaps are still present, but T2S markets have been working hard to address them. This is exemplified in the increased statistical compliance rates for most T2S markets.

- **The post-migration compliance results of T2S markets continue to be very encouraging.** Excluding corporate actions, the five markets (BE, DK, FR, NL, VPLux) which migrated to T2S on 12 September 2016, achieved a very high compliance rate.

- **The pre-migration implementation statuses of T2S markets also continue to be encouraging.** Looking at the six markets (AT, DE, HU, LuxCSD, SI, SK) planning to migrate to T2S on 6 February 2017, and excluding corporate actions, no major obstacles to achieving full compliance on time are anticipated.

- **Remaining regulatory and legal barriers fall under the wider EU agenda.** The AG will take steps to foster progress in the remaining harmonisation activities throughout 2017. This requires a coordinated effort by the T2S Community and the Eurosystem, in cooperation with the relevant EU and national public authorities. Some of these activities are gaining renewed momentum in the context of the European Commission's CMU action plan. Within this context, the AG is fully committed to supporting the Commission-led European Post Trade Forum (EPTF) to fulfil its mandate to i) review the remaining, or any new, barriers to an integrated post-trade environment in the EU and ii) to provide technical advice to the Commission on follow-up actions. In this context, the actions announced by the European Commission in September 2016 regarding i) the conflict of laws legislative initiative, ii) the public consultation on the EPTF report and iii) the code of conduct on

withholding tax procedures, all planned for 2017, constitute a very positive development.[1]

[1] http://ec.europa.eu/finance/capital-markets-union/docs/20160913-cmu-accelerating-reform_en.pdf

1 Executive summary

T2S and post-trade harmonisation

TARGET2-Securities (T2S) is a pan-European platform for securities settlement, developed and operated by the Eurosystem. By September 2017, 23 central securities depositories (CSDs), covering 21 European markets, will be settling securities transactions in euro on the platform. Danish kroner will also be available in T2S from 2018.

T2S contributes significantly to the integration of financial markets in Europe by harmonising post-trade processes across all participating markets. The extent to which the potential benefits of T2S will materialise largely depends on all relevant stakeholders adapting to and using T2S in a harmonised way. This is why both the Eurosystem and the T2S Community[2] (T2S AG) consider post-trade harmonisation to be a central objective of T2S.

In order to achieve this objective, the AG has established a T2S harmonisation agenda, which is currently looking into 24 harmonisation activities or workstreams.

Seventh report results

Table 1 shows the status of all T2S activities as regards (i) whether a standard or rule has been defined, (ii) whether a monitoring process has been launched and (iii) the aggregate compliance status of all T2S markets, as observed at the date of publication.

[2] The T2S Community of stakeholders comprises national central banks, CSDs and CSD participants.

Table 1

Status dashboard of the T2S harmonisation activities (as at 20/12/2016)

	Activities – Priority 1		Definition	Monitor	Compliance
1	T2S messsages	T2S ISO 20022 messages	G	G	G
2		T2S matching fields	G	G	G
3		Interaction for registration	G	G	G
4		Interaction for tax info	G	G	B
5	Schedule of settlement day		G	G	G
6	T2S corporate actions standards		G	G	R
7	Legal harmonisation	Settlement finality I (moment of entry)	G	X	X
8		Settlement finality II (irrevocability of transfer order)	G	G	G
9		Settlement finality III (irrevocability of transfers)	G	G	G
10		Outsourcing IT services	G	G	B
11	Settlement discipline regime		Y	X	X
12	Settlement cycles		G	G	B
13	CDS account structures	Availability of omnibus accounts	G	G	B
14		Restriction of omnibus accounts	G	G	Y
15	T2S account numbering	Securities accounts numbering	G	G	G
16		Dedicated cash accounts numbering	G	G	G
	Activities – Priority 2		**Definition**	**Monitor**	**Compliance**
17	Legal harmonisation	Location of securities account/conflicts of law	R	X	X
18	Corporate actions market standards	CA market (CAJWG) standards	G	G	Y
19	Place of issuance		Y	X	X
20	Tax procedures	Withholding tax procedures	R	X	X
21	Shareholder transparency-Registration		R	X	X
22	Market access		Y	X	X
23	Securities amount data		G	G	G
24	Portfolio transfer		Y	X	X

Regarding the progress made since the publication of the mid-year update report (5 September 2016)[3], the following can be observed in Table 1.

Definition process – There continue to be 17 T2S harmonisation standards out of a total of 24 activities/workstreams. It is important to note that, of the seven activities for which a defined set of standards/rules is missing, only one is a priority 1 activity,[4] namely the settlement discipline regime. The adoption and entry into force of the CSDR level 2 standards[5] in 2017 is expected to improve the definition process statuses for three more activities (settlement discipline regime, freedom of issuance and market access).

Three activities continue to have a red definition status in this report (location of securities accounts, shareholder transparency and tax procedures). This is due to the need for further work in the areas of (i) securities rights and conflict of laws, (ii) securities registration and shareholder transparency and (iii) withholding tax procedures. The work currently being undertaken within the European Commission's CMU action plan may provide the momentum for follow-up actions in these areas by public authorities and private actors alike.[6]

Monitoring process – All T2S markets are now fully monitored to assess their compliance with the harmonisation standards. There are well-established and agreed monitoring frameworks, deadlines and responsible actors for further action in each market. There is no change in the number of activities (16) that are monitored in this reporting cycle compared with the previous cycle.[7]

Compliance status – The aggregate level of compliance has remained stable, with four activities marked in blue (no further monitoring required), nine activities in green, two activities in yellow and only one activity marked in red. For more details on the specific T2S markets, please see the next section.

Despite the very good progress made in the last few years on priority 1 activities, significant steps still need to be taken to remove the remaining technical and regulatory barriers as reflected in the priority 2 gaps. This is mostly owing to the fact that the elimination of the remaining post-trade harmonisation barriers is dependent on actions that lie outside the competency of the T2S stakeholders. For example, the AG can support and contribute to the work currently underway at EU level regarding withholding tax procedures or conflict of laws issues, but it cannot per se remove them. This is ultimately the competency of EU and national public authorities.

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3 https://www.ecb.europa.eu/paym/t2s/progress/pdf/ag/20160905_mid_year_t2s_harmonisation_update.pdf

4 See Section 2: priority 1 activities are necessary to ensure efficient and safe cross-CSD settlement in T2S. The T2S Community should focus on these activities as first priorities for resolution and implementation prior to the markets' migration to T2S.

5 On 11 November 2016 the Commission adopted all level 2 measures under the CSDR with the exception of the technical standard on settlement discipline, which is expected to be adopted in early 2017. The delegated act and the regulatory technical standards are currently subject to scrutiny by the European Parliament and the Council. All measures are expected to enter into force in 2017.

6 See COM(2016) 601 Communication from the Commission on the CMU, 14 September 2016.

7 16 out of the 17 T2S harmonisation standards are monitored. The standard on Settlement Finality I will be monitored once there is more clarity on the entry into force date of the T2S collective agreement.

The actions communicated recently by the European Commission[8] in the context of accelerating the CMU agenda provide the right political momentum to potentially tackle these remaining "macro" harmonisation gaps. The T2S AG has been supporting the European Commission's informal groups, which are working on these issues and will continue to do so in the immediate future.

Monitoring results per T2S market

Table 2 provides the detailed harmonisation compliance results for each T2S market[9]. Annex 2 provides details for further reference.

8 See footnote 6.

9 At the time of publication of this report, the Finish CSD revised its migration plans to T2S. The impact of this announcement on the harmonisation compliance status of the Finish market will be assessed in the next T2S harmonisation publication, planned for the third quarter (Q3) of 2017.

Table 2

Compliance status per T2S market (as at 20/12/2016)

	Priority 1														Priority 2	
T2S markets	1 Messages ISO 20022	2 Matching fields	3 Interaction with T2S (registration)	4 Interaction with T2S (tax procedure)	5 Schedule for the settlement day	6 T2S CA standards	8 T2S settlement finality II	9 T2S settlement finality III	10 Outsourcing IT (settlement services)	12 Settlement cycle	13 Availability of omnibus accounts	14 Restriction on omnibus accounts	15 Securities account number	16 Cash number	18 CA market standards (CAJWG)	23 Securities amount data
AT	G	G	B	B	G	R-?	B	B	B	B	B	B	G	B	G	B
BE Euroclear	B	B	B	B	B	R-Feb 2018	B	B	B	B	B	B	B	B	G	B
BE – NBB-SSS	B	B	B	B	B	B	B	B	B	B	B	R-?	B	B	G	B
CH	B	B	B	B	B	B	B	B	B	B	B	B	B	NA	G	B
DE	G	G	B	B	G	R-?	G	G	B	B	B	B	G	B	G	B
DK	B	B	B	B	B	R-?	B	B	B	B	B	B	B	B	G	B
EE	G	G	B	B	G	G	B	G	B	B	B	B	G	G	Y	B
ES	G	G	G	B	G	G	B	B	B	B	B	B	G	B	G	B
FI	B	B	B	B	G	Y	B	B	B	B	B	Y	B	G	Y	B
FR	B	B	B	B	B	R-Feb 2018	B	B	B	B	B	R-?	B	B	G	B
GR – BOGS	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B
HU	NA	R-Jul 2017	B	B	G	R-Dec 2017	G	G	B	B	B	B	G	NA	R	B
IT	B	B	B	B	B	R-Jan 2017	B	B	B	B	B	B	B	B	B	B
LT	G	G	B	B	G	G	G	G	B	B	B	B	G	G	R	G
LU – LUX CSD	G	G	B	B	G	R-?	G	B	B	B	B	B	G	B	G	B
LU – VP LUX	B	B	B	B	B	B	B	B	B	B	B	B	B	B	G	B
LV	G	G	B	B	G	G	G	G	B	B	B	B	G	G	G	G
MT	B	B	B	B	B	B	B	B	B	B	B	B	B	B	G	B
NL	B	B	B	B	B	R-Feb 2018	B	B	B	B	B	B	B	B	G	B
PT	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B
RO	NA	B	B	B	B	R-Feb 2017	B	B	B	B	B	B	B	B	Y	B
SI	G	G	B	B	G	G	G	G	B	B	B	B	G	G	R	G
SK	G	R-?	G	B	G	G	G	G	B	B	B	Y	G	G	R	G

Table 2 presents the current compliance statuses for 21 EU national markets; however, where more than one CSD exists in a given T2S market, each "CSD market segment" is monitored separately. For example in the case of Belgium, both NBB-SSS as well as Euroclear Belgium are covered as two different "markets" or two market segments of a single national market. The AG focuses its analysis on T2S markets, rather than specific T2S actors (CSDs, etc.), since there is a common understanding that harmonisation compliance is a coordinated effort across the entire national market. It usually involves national market infrastructures, their clients and, where relevant, national authorities, e.g. see issues on settlement finality.

As per its methodology (see Annex 1) the AG assesses T2S markets that are not planning to fully comply with a given standard by their T2S migration date as "red".[10] Red is also assigned to T2S markets that fail to fully comply with a T2S standard after their migration to T2S.

Yellow means that there are obstacles which may prevent the achievement of full compliance by the migration deadline, or that detailed plans are still incomplete. Green indicates the existence of a full compliance plan communicated by the relevant National User Group (NUG) to the rest of the T2S Community. Finally, blue means that the relevant T2S market is already operating according to the T2S standard. More details on the colour scheme methodology used by the AG are available in Annex 1.

- **70% of the total statuses are now blue compared with 63% in the last report.** This is a 7 percentage points improvement in the level of overall full compliance in T2S. This is largely due to the good record of the five markets (BE, DK, FR, NL, VPLux) which migrated to T2S on 12 September 2016 as part of wave 3. This shows that, at least so far, when markets migrate to T2S, they achieve close to full compliance with the T2S standards. In other words, compliance plans and AG assessments were confirmed by the ex post monitoring results.

- **The cases of non-compliance (red statuses) remain stable at 5%.**[11] This is largely attributable to the compliance gaps relating to corporate actions. The AG provides regular assessments to the ECB's Market Infrastructure Board (MIB) regarding the impact of these gaps on the rest of the T2S Community. As presented in Annex 3, this impact is considered manageable by the T2S Community.

[10] Except in column 18 (corporate actions market standards), where the colour statuses reflect a stock-taking statistical compliance status, i.e. they are based on the percentage of the market corporate actions (CAJWG) standards that are implemented in each T2S market. The European Market Implementation Group (E-MIG) is responsible for the monitoring process and provides the relevant statistics to the AG.

[11] There are also four statuses marked "N/A" in Table 2, meaning "not applicable". These relate to instances where the local national central bank does not provide liquidity (standard on cash accounts) and to the non-applicability of ISO messages in two other markets (no A2A connectivity to T2S).

Table 3

Summary compliance statistics for T2S markets (as at 20/12/2016)

	2016 mid-year update			Seventh progress report		
	Priority 1	Priority 2	% of total	Priority 1	Priority 2	% of total
Blue	207	23	63	235	23	70
Green	100	12	30	66	16	22
Yellow	3	4	2	3	3	2
Red	10	7	5	14	4	5
N/A	2	0	0	4	0	1
Total	322	46	368 *(100 %)*	322	46	368 *(100 %)*

Table 4

Change in compliance statuses from mid-year update (as at 20/12/2016)

	Priority 1															Priority 2	
T2S markets	1 messages ISO 20022	2 Matching fields	3 Interaction with T2S (registration)	4 Interaction with T2S (tax procedure)	5 Schedule for the settlement day	6 T2S CA standards	8 T2S settlement finality II	9 T2S settlement finality III	10 Outsourcing IT (settlement services)	12 Settlement cycle	13 Availability of omnibus accounts	14 Restriction on omnibus accounts	15 Securities account number	16 Cash number	18 CA market standards (CAJWG)	23 Securities amount data
AT														G B	Y G	
BE Euroclear	G B	G B			G B			G B					G B	G B		
BE – NBB-SSS															R G	
CH																
DE																
DK	G B	G B			G B	G R		G B					G B			
EE																
ES										G B						
FI						G Y										
FR	G B	G B			G B			G B				Y R	G B			
GR – BOGS																
HU	G N/A	G R				G R										
IT																
LT																
LU – LUX CSD						G R									R G	
LU – VP LUX	G B	G B			G B	G B							G B		R G	
LV																
MT																
NL	G B	G B		G B			G B					G B				
PT					R B											
RO	B N/A															
SI																
SK																

Table 4 presents the changes since the mid-year update. There are 41 changes between the two publications, consisting of 33 status improvements (mainly from green to blue), 6 deteriorations and 2 changes to "non-applicable".[12]

After a market has migrated to T2S, only two compliance statuses apply – red or blue – since the relevant market either complies fully (blue) or not (red).[13] The green and yellow statuses are only used for markets that have not yet migrated and thus reflect their implementation plans.

Table 5

Compliance of the wave 3 T2S markets, which migrated on 16/09/2016 (monitoring status: 20/12/2016)

	Priority 1														Priority 2	
T2S markets	1 Messages ISO 20022	2 Matching fields	3 Interaction with T2S (registration)	4 Interaction with T2S (tax procedure)	5 Schedule for the settlement day	6 T2S CA standards	8 T2S settlement finality II	9 T2S settlement finality III	10 Outsourcing IT (settlement services)	12 Settlement cycle	13 Availability of omnibus accounts	14 Restriction on omnibus accounts	15 Securities account number	16 Cash number	18 CA market standards (CAJWG)	23 Securities amount data
BE Euroclear	B	B	B	B	B	R- Feb 2018	B	B	B	B	B	B	B	B	G	B
DK	B	B	B	B	B	R-?	B	B	B	B	B	B	B	B	G	B
FR	B	B	B	B	B	R- Feb 2018	B	B	B	B	B	R-?	B	B	G	B
LU-VP LUX	B	B	B	B	B	B	B	B	B	B	B	B	B	B	G	B
NL	B	B	B	B	B	R- Feb 2018	B	B	B	B	B	B	B	B	G	B

Wave 3 post-migration results – Table 5 shows that, with the main exception of T2S corporate action standards, the five markets achieved a high compliance rate. However, despite the four red statuses for corporate actions, the relevant T2S markets have undertaken considerable efforts, including changing local market practices, in order to work towards full compliance. The three ESES (BE, FR and NL) markets have communicated to the AG that they plan to fully comply with all T2S corporate actions standards by March 2018. The compliance gap in the French market regarding the restrictions on omnibus accounts remains unresolved and is covered in the AG's impact analysis report (see Annex 3).

12 In addition to the status changes, the T2S ISO 20022 standard is considered as non-applicable (N/A) for T2S markets with access to T2S only via the T2S graphical user interface (GUI), i.e. Romania and Hungary.

13 The AG has agreed, as an exception to this rule, to keep the green and yellow statuses for the priority 2 activity on "market corporate actions standards". This is justified by the fact that the AG substructures do not monitor the T2S markets directly with regard to this standard, but follow a specific statistical compliance methodology based on the monitoring results it receives from the E-MIG.

Table 6

Compliance of the wave 4 T2S markets which plan to migrate on 6/02/2017 (monitoring status: 20/12/2016)

	Priority 1														Priority 2	
T2S markets	1 Messages ISO 20022	2 Matching fields	3 Interaction with T2S (registration)	4 Interaction with T2S (tax procedure)	5 Schedule for the settlement day	6 T2S CA standards	8 T2S settlement finality II	9 T2S settlement finality III	10 Outsourcing IT (settlement services)	12 Settlement cycle	13 Availability of omnibus accounts	14 Restriction on omnibus accounts	15 Securities account number	16 Cash number	18 CA market standards (CAJWG)	23 Securities amount data
AT	G	G	B	B	G	R-?	B	B	B	B	B	B	G	B	G	B
DE	G	G	B	B	G	R-?	G	G	B	B	B	B	G	B	G	B
HU	N/A	R-Jul 2017	B	B	G	R-Dec 2017	G	G	B	B	B	B	G	N/A	R	B
LU-LUX CSD	G	G	B	B	G	R-?	G	B	B	B	B	B	G	B	G	B
SI	G	G	B	B	G	G	G	G	G	B	B	B	G	G	R	G
SK	G	R-?	G	B	G	G	G	G	G	B	B	Y	G	G	R	G

Wave 4 monitoring results – As shown in Table 6, full compliance with most priority 1 standards is expected by all six market segments upon their migration to T2S on 6 February 2017. As in previous migration waves, most non-compliance cases are in the area of corporate actions. These cases, as well as the gaps in the matching fields, are also covered in Annex 3.

T2S harmonisation agenda and financial innovation

In July 2016 the AG agreed on a revised Harmonisation Steering Group (HSG) mandate which now covers the potential impact of financial innovation on harmonisation and financial integration. Based on this revised mandate, the HSG established a task force on distributed ledger technology (DLT-TF). The aim of the DLT-TF is primarily to provide the HSG with analysis and advice regarding the potential impact of distributed ledger technology on the T2S harmonisation agenda. The task force plans to deliver its analysis to the HSG by September 2017 at the latest.

Next steps

Regarding the next steps for fostering progress in the T2S harmonisation agenda, work will intensify as two T2S migration waves approach (6 February 2017 and 18 September 2017[14]). In particular, the AG is planning to undertake the following actions during 2017.

[14] At the time of publication of this report, the Finish CSD revised its T2S migration plans. The impact of this announcement on the harmonisation compliance status of the Finish market will be assessed in the next T2S harmonisation publication, planned for July 2017.

- The main focus of the harmonisation activities will be on completing work on the priority 1 tasks, with the aim of completing the monitoring process and assessing the level of T2S market compliance.
- Pending the entry into force of the CSDR level 2 standards, the AG will assess whether the T2S Community needs to take any further action on the affected T2S harmonisation activities (i.e. settlement discipline regime, market access and freedom of issuance).
- The AG will continue assessing the impact of the "red", i.e. non-compliance cases, on the rest of the T2S Community. The AG will provide its advice to the MIB accordingly.
- The AG will closely monitor the compliance and implementation plans of the markets in the fourth (6 February 2017) and the final migration wave (18 September 2017).
- The AG will seek to foster progress in the priority 2 activities in cooperation with market stakeholders and public authorities. In this context, the AG members fully support the European Commission's CMU action plan and are committed to providing technical support to the Commission's informal group, i.e. the EPTF and the Expert Group on barriers to free movement of capital,[15] where necessary. The T2S Community is represented in the EPTF by the chairman of the T2S HSG.
- The AG plans to publish a status update before the final T2S migration wave (scheduled for 18 September 2017) and a full, eighth report after the completion of the T2S migration phase.

[15] http://ec.europa.eu/finance/capital/expert-group/index_en.htm

2 Introduction

T2S harmonisation activities

Over the last few years a considerable amount of work has been dedicated to creating a single rulebook for post-trade processes across the T2S markets. The AG has identified a total of 24 harmonisation activities where further action is needed to achieve full harmonisation.

The T2S harmonisation activities are broken down into priority 1 and priority 2 topics.

Priority 1 activities are necessary to ensure efficient and safe cross-CSD settlement in T2S. The T2S Community should focus on these activities as first priorities for resolution and implementation prior to the markets' migration to T2S.

The AG has identified 16 priority 1 activities:

1. T2S ISO 20022 messages;
2. T2S mandatory matching fields;
3. interaction with T2S (registration procedures);
4. interaction with T2S (tax info requirements);
5. T2S schedule for the settlement day and calendar;
6. T2S corporate actions standards;
7. Settlement Finality I;
8. Settlement Finality II;
9. Settlement Finality III;
10. IT outsourcing (settlement services);
11. settlement discipline regime;
12. settlement cycles;
13. availability of omnibus accounts;
14. restrictions on omnibus accounts;
15. securities account numbers;
16. dedicated cash account numbers.

Priority 2 activities are not essential to ensure safe and efficient cross-CSD settlement in T2S, but they are key for the enhancement of the competitive environment and the efficiency of T2S. The T2S Community could continue to pursue them after the markets' migration to T2S.

The T2S Advisory Group identified the following priority 2 harmonisation activities:

17. location of securities accounts/conflict of law;
18. corporate actions market standards;
19. place of issuance;
20. withholding tax procedures;
21. cross-border shareholder transparency and registration procedures;
22. market access and interoperability;
23. securities amount data;
24. portfolio transfers.

Structure of the report

The seventh T2S harmonisation progress report is structured as follows:

- Section 3 provides updated information on priority 1 harmonisation activities, including, where relevant, the compliance status of each T2S market;
- Section 4 provides updated information on priority 2 harmonisation activities, including, where relevant, the compliance status of each T2S market;
- Annex 1 describes the methodology agreed by the AG for compiling the T2S harmonisation list, including the four-colour status assignment scheme;
- Annex 2 features a table summarising the compliance status in all T2S markets (the T2S harmonisation "scoreboard");
- Annex 3 features the AG's impact analysis of those T2S markets assessed as non-compliant with the T2S standards (red statuses) – the AG presents this analysis to the T2S Board for any further action;
- Annex 4 reports the detailed results of the monitoring exercise broken down by each T2S market;
- Annex 5 provides background information on the AG as the body publishing this report, including the list of members.

How to read the report

It is advisable for readers to first familiarise themselves with the T2S harmonisation methodology used for compiling the report and the tables, including the criteria for assessing the compliance status of T2S markets – all this reference information is to be found in Annex 1.

The reader can then go into the description of each of the 24 activities. A snapshot of the "traffic light" status of each activity in terms of definition, monitoring and compliance, as well as in terms of compliance per market is included in the respective section.

For an overview of the status of all T2S markets, please refer to Annex 2 (the table on compliance per market).

For background information regarding the compliance status of each T2S market, please consult Annex 4. This annex contains a high-level summary of the information provided by each T2S market during the relevant surveys and monitoring processes.

3 T2S harmonisation activities – priority 1

Priority 1 activities are necessary to ensure efficient and safe cross-CSD settlement in T2S. The HSG and the ECB team should focus on these activities as first priorities for resolution before the T2S launch and for implementation prior to the markets' migration to T2S.

T2S messages

The following four sections cover all activities aimed at harmonising the use of settlement messages across T2S markets. Besides the use of a common list of messages and matching fields, this also includes AG agreements regarding the use of T2S messages for non-settlement information (specifically relating to registration and fiscal status).

3.1 T2S ISO 20022 messages

Activity description

The objective of this activity is to monitor the development and implementation of the T2S ISO 20022 messages.

T2S ISO messages are part of the technical specifications/requirements for T2S actors' interaction with the T2S services. T2S actors that do not comply with T2S ISO messages will not be able to connect to and communicate with the T2S technical platform in application-to-application (A2A) mode (including during testing).

T2S markets are to achieve compliance before migration to T2S (depending on their migration wave) in order to connect in A2A mode with T2S.

Activity status

Priority 1 – activity no 1	Definition	Monitoring	Compliance
T2S ISO 20022 messages	G	G	G

T2S STANDARD

T2S actors will communicate with the T2S technical platform using a set of ISO 20022 compliant messages (130 messages in total), customised to the specific needs of T2S.[16]

Some of these messages have been ISO 20022 registered and the rest of them will be registered after the T2S migration period. The AG (via the T2S Sub-group on Message Standardisation[17]) and the 4CB[18] were the main actors in charge of the definition process for this activity.

Compliance status of T2S markets

All T2S markets have provided their plans as to when they will implement the T2S ISO 20022 messages in view of their migration to T2S.[19] Eleven T2S markets are already operating in full compliance with this standard (i.e. blue status assigned by the AG).

Blue	BE (Euroclear), BE (NBB SSS), CH, DK, FI, FR, GR (BOGS), IT, LU (VP LUX), MT, NL, PT
Green	AT, DE, EE, ES, LT, LU (LuxCSD), LV, SI, SK
Yellow	None
Red	None

Information input: T2S NUGs.

For details on the compliance status and colour methodology, please refer to Annex 1. For detailed explanations per T2S market, please refer to Annex 4.

16 The full catalogue can be found in section 3 of the T2S User Detailed Functional Specifications (UDFS) as published on the ECB/T2S webpages.

17 For more information on the T2S Sub-group on Message Standardisation, please visit the relevant page of the T2S website.

18 The 4CB is made up of the four national central banks of Germany, France, Italy and Spain that were mandated by the Governing Council of the ECB to develop and operate T2S.

19 Monitoring is only relevant for T2S markets connecting to the T2S platform in A2A mode by their migration to T2S. Compliance of the T2S markets connected to the T2S platform only in user-to-application (U2A – via T2S GUI) mode by their migration to T2S will be assessed once A2A mode connectivity is made available.

Monitoring

Implementation date	Migration to T2S (depending on migration wave) for A2A connectivity. CSDs are participating in their respective T2S testing activities using the T2S ISO messages.
Monitoring actors	ECB team, T2S NUGs.
Monitoring process	Compliance is monitored by the ECB team in cooperation with the respective T2S NUGs. Monitoring is a continuous process taking place before and after each T2S market migrates to T2S.

3.2 T2S matching fields

Activity description

The objective of this activity is to ensure that all T2S markets use the T2S matching fields[20] in a standardised way for settlement in T2S. Non-compliance with this standard might negatively affect matching rates in T2S, thus leading to inefficiencies and a possible cost increase for the other CSDs in the T2S Community.

In addition, the existence of a single and exhaustive list of matching fields allows T2S actors (e.g. investor CSDs, intermediaries) to access all T2S markets without the need for managing divergent and mandatory specificities in the settlement transaction flow. This ensures a level playing field, independently of the location of matching services within the T2S markets.

T2S markets are to achieve compliance before their migration to T2S (depending on their migration wave).

Activity status

Priority 1 – activity no 2	Definition	Monitoring	Compliance
T2S matching fields	G	G	G

T2S STANDARD

T2S actors are required to use as matching fields only the ones described in the relevant T2S system specification documents.[21]

[20] See T2S UDFS (Section 1.6.1.2.3).

[21] See T2S UDFS (Section 1.6.1.2).

The single list of T2S matching fields is applicable to all matching activities (CSD matching services taking place either in T2S or outside the T2S platform) that lead to settlement in T2S (settlement in T2S securities and cash accounts).

This standard does not rule out that CSDs and their participants may use additional information/fields in their settlement instructions where applicable. This information may be necessary for CSDs providing certain ancillary services to their participants (e.g. repo and collateral services).[22] In any case, any such market practice on additional information fields should be compliant with all relevant T2S harmonisation standards.

Compliance status of T2S markets

In addition to the T2S markets that have already migrated to T2S (blue status), the Finnish market is also using T2S matching fields in day-to-day operations. Most T2S markets have explicitly reported that they will fully comply with the T2S matching fields (green status) and are participating in T2S testing activities (which started in October 2014) using the matching fields standards. The Slovakian market will continue using matching fields that are not part of the T2S standard. The Hungarian market will keep its current matching practices temporarily after its migration to T2S in February 2017, but only until achieving full compliance, which is expected by 03 July 2017.

Blue	BE (Euroclear), BE (NBB-SSS), CH, DK, FI, FR, GR (BOGS), IT, LU (VP LUX), MT, NL, PT, RO
Green	AT, DE, EE, ES, LT, LU (LUX CSD), LV, SI
Yellow	None
Red	HU, SK

Information input: SP2, SP3 and bilateral discussions.

For details on the compliance status colour methodology, please refer to Annex 1. For detailed explanations per T2S market, please refer to Annex 4.

[22] For example, a T2S best market practice for populating the optional matching field “Client of a CSD participant” was approved by the T2S AG in February 2016. T2S markets are encouraged to adopt it, with the aim of improving the cross-border matching efficiency in T2S via standardised use of optional matching fields.

Monitoring

Implementation date	Migration to T2S (depending on migration wave). CSDs are participating in their respective T2S testing activities using the T2S ISO messages.
Monitoring actors	ECB team, T2S NUGs.
Monitoring process	Compliance is monitored by the ECB team in cooperation with the respective T2S NUGs. Monitoring is a continuous process taking place before and after each T2S market migrates to T2S.

3.3 Interaction with T2S (registration procedures)

Activity description

The objective of this activity is to establish a T2S standard regarding the exchange of registration-related information in T2S.

The adoption of a homogeneous practice across all T2S markets aims to ensure that registration procedures do not interrupt straight-through processing nor hamper smooth cross-CSD settlement in T2S. Including registration information in T2S settlement instructions could reduce settlement efficiency in T2S by causing T2S instructing actors to put instructions on hold.[23] Non-compliance would impose back-office costs on instructing counterparties and discourage cross-CSD activity in T2S.

The target date for T2S markets to fully comply with this standard is their migration date to T2S (depending on their migration wave).

Activity status

Priority 1 – activity no 3	Definition	Monitoring	Compliance
Interaction with T2S (registration procedures)	G	G	G

T2S STANDARD

Registration details should not be exchanged via T2S messages.

[23] This matter was thoroughly analysed by the Task Force on adaptation to cross-CSD settlement in T2S (TFAX), an AG substructure, in its final report (November 2012). Registration and settlement are closely related processes. It is crucial to adapt settlement and registration processes in order to achieve alignment of settlement and registration data. In practice, it is important to ensure that the register is only updated after confirmation of settlement. The TFAX report is available on the T2S website.

The standard is based on the TFAX analysis, which showed that using T2S messages to transmit registration data could affect cross-CSD settlement efficiency and increase complexity in T2S. In addition, based on the current T2S design, this solution would not be feasible in all settlement scenarios.

Further registration-related aspects that might have an impact on cross-CSD settlement are analysed under the relevant priority 2 harmonisation activity elsewhere in this report (see Section 4.5).

Compliance status of T2S markets

Most of the T2S markets are already compliant with the standard or have a plan in place to fully comply with it by the time of their migration to T2S (Spain and Slovakia).

Blue	AT, BE (Euroclear), BE (NBB-SSS), CH, DE, DK, EE, FI, FR, GR (BOGS), HU, IT, LT, LU (LUX CSD), LU (VP LUX), LV, MT, NL, PT, RO, SI
Green	ES, SK
Yellow	None
Red	None

Monitoring

Implementation date	Migration to T2S (depending on migration wave). CSDs are participating in their respective T2S testing activities using the T2S ISO messages.
Monitoring actors	ECB team, T2S NUGs.
Monitoring process	Compliance is monitored by the ECB team in cooperation with the respective T2S NUGs. Monitoring is a continuous process taking place before and after each T2S market migrates to T2S.

3.4 Interaction with T2S (tax info requirements)

Activity description

The objective of this activity is to establish a T2S standard for the management of transaction-related tax information across borders, in order to avoid the inefficiencies generated by heterogeneous local tax requirements (transaction-related tax rules and tax information flow).

Non-compliance would impose back-office costs on instructing counterparties and might discourage cross-CSD activity in T2S.

The target date for T2S markets to fully comply with this standard is their migration date to T2S (depending on their migration wave).

Activity status

Priority 1 – activity no 4	Definition	Monitoring	Compliance
Interaction with T2S (tax info requirements)	G	G	B

T2S STANDARD

Tax-related information for domestic and cross-CSD transactions is not passed via T2S messages.

Note: Tax-related information includes, but is not limited to, the tax status of the transaction, tax status or tax ID of the end investor, tax exemption identification number, alien registration number, passport number, corporate identification number, driving license number, foreign investment identity number, BIC, proprietary ID and name and address of the investor. ISO messages provide fields that can be used to pass information about a particular transaction tax type (withholding tax, payment levy tax, local tax, stock exchange tax, transfer tax, value-added tax, consumption tax), as well as the amount, debit/credit indicator, currency and other details. To fully comply with this standard, T2S markets/CSDs should not use these fields to pass on any kind of tax-related information.

The TFAX analysed the possibility of interaction with T2S as regards domestic tax requirements and concluded that there is no technical and process-based solution which would achieve efficient tax information processing in the T2S environment.

Compliance status of T2S markets

All T2S markets are currently fully compliant with the standard, i.e. no tax information is passed on via T2S messages.

Blue	AT, BE (Euroclear), BE (NBB-SSS), CH, DE, DK, EE, FI, FR, GR (BOGS), HU, IT, LT, LU (LUX CSD), LU (VP LUX), LV, MT, NL, PT, RO, SI, SK
Green	None
Yellow	None
Red	None

Monitoring

Implementation date	Migration to T2S (depending on migration wave). CSDs are participating in their respective T2S testing activities using the T2S ISO messages.
Monitoring actors	ECB team, T2S NUGs.
Monitoring process	Compliance is monitored by the ECB team in cooperation with the respective T2S NUGs. Monitoring is a continuous process taking place before and after each T2S market migrates to T2S. As all T2S markets are already compliant with the standard; no further monitoring of the activity is required.

3.5 T2S schedule for the settlement day and calendar

Activity description

The use of a single schedule for the T2S settlement day and a single calendar per currency is established by the T2S User Requirements Document (URD) and is one of the first and key harmonisation agreements in the T2S context.[24] The AG agreed, from the first stages of the T2S project, that the full compliance of T2S markets with the T2S schedule and calendar is a prerequisite for an efficient cross-CSD environment in T2S.

The main aim of this activity is twofold. First, its implementation should provide assurance on the removal of Giovannini barrier 7 on operating hours, settlement deadlines and opening days[25] in T2S markets. Second, CSDs and their clients should have the possibility to define, within the single T2S schedule, their preferred operational model according to their business needs and service level agreements.

The AG took note that the proposals for the CSDR implementing technical standards, published by the European Securities and Markets Authority (ESMA) on 28 September 2015, include the legal requirement that linked CSDs (in an interoperable link arrangement) “shall agree on equivalent standards concerning reconciliation, opening hours for the processing of the settlement and of the corporate actions and cut-off times”.[26]

The target date for each T2S market to achieve full compliance with the T2S standard is its migration date to T2S.

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[24] The URD is available in the key documents section of the T2S website.

[25] For further information, see http://ec.europa.eu/internal_market/financial-markets/docs/clearing/second_giovannini_report_en.pdf

[26] See 3.12 Article CSD Links (Article 48):

Activity status

Priority 1 – activity no 5	Definition	Monitoring	Compliance
T2S schedule for the settlement day and calendar	G	G	G

T2S STANDARD

T2S markets should be fully compliant with the T2S schedule for the settlement day and calendar, available on the T2S website.

In order to ensure consistency when monitoring implementation across T2S markets, it should be clarified that the status of "full compliance" with the T2S schedule and calendar is achieved if the following conditions are met by the T2S market/CSD in question.

The T2S market/CSD operational model should ensure that:

1. the CSDs' securities accounts (and national central banks' dedicated cash accounts) in T2S are available for bookings throughout the whole T2S timetable (credits, debits, realignment, etc.);
2. settlement efficiency in T2S is not affected – for example, the T2S market/CSD will participate in the start-of-day processes and in the timely processing of corporate actions in a systematic manner;
3. all other T2S daytime (operating hours) and cut-off times are respected (delivery-versus-payment (DvP) cut-off, etc.);
4. CSDs provide directly connected parties (DCPs) with authorisation for connecting to T2S (where required and subject to the relevant T2S technical requirements).

In case of CSD legacy systems shut down during the T2S operating hours, CSD participants (investor CSDs, DCPs and indirectly connected parties (ICPs)) may not receive the same level of service. In particular, the timing according to which settlement instructions are sent to and reports are received from T2S-relevant settlement processes will depend on the CSD participants' connectivity model to T2S (DCP, user to application, etc.). This is an issue of business models and service level agreements between CSDs and their participants. This policy should not affect the compliance status of a T2S market, provided that the above four conditions are met.

The T2S schedule is specified in the current version of the Scope Defining Set of Documents. The exact times in the T2S settlement day schedule could be subject to revisions based on changes in the T2S Community's business needs.

Compliance status of T2S markets

All T2S markets are either fully compliant with the standard or they plan to be so by the time of their migration to T2S.

Blue	BE (Euroclear), BE (NBB-SSS), CH, DK, FR, GR (BOGS), IT, LU (VP LUX), MT, NL, PT, RO
Green	AT, DE, EE, ES, FI, HU, LT, LU (LUX CSD), LV, SI, SK
Yellow	None
Red	None

Information input: SP2, SP3 and bilateral interactions with NUGs.

For details on the compliance status colour methodology, please refer to Annex 1. For detailed explanations per T2S market status, please refer to Annex 4.

Monitoring

Implementation date	Migration to T2S (depending on migration wave). CSDs are participating in T2S testing activities in line with the T2S schedule for the settlement day.
Monitoring actors	HSG (via T2S NUGs).
Monitoring process	Compliance is monitored by the ECB team in cooperation with the respective T2S NUGs. Monitoring is a continuous process taking place before and after each T2S market migrates to T2S.

3.6 T2S corporate actions standards

Activity description

Differences in national rules related to the processing of corporate actions have been identified by the industry as one of the most critical obstacles to an integrated EU post-trade environment. As identified by the Giovannini Report (barrier 3), these differences cover a broad range of topics, with an impact beyond core settlement problems (e.g. variety of rules, information requirements and deadlines for corporate actions). These differences may require specialised local knowledge or the local storage of physical documents, and so inhibit the centralisation of securities settlement.

The AG endorsed the T2S corporate actions standards in July 2009 and updated them in May 2013.[27] Non-compliance with these standards by T2S markets would hamper the efficient management of corporate actions on flows, especially in the context of cross-CSD settlement. These standards are based on the high-level

[27] The full list of T2S corporate actions standards is available on the T2S website.

corporate actions market standards as defined by the European Commission-sponsored CAJWG (see activity no 18, described in Section 4.2). More specifically, the T2S corporate actions standards provide the details necessary for T2S markets to implement the market standards for corporate actions on flows in a harmonised way in T2S.

Full compliance with the T2S corporate actions standards needs to be achieved before a market migrates to T2S. T2S markets are also required to be able to participate in bilateral interoperability testing, multilateral testing and community testing in line with the T2S corporate actions standards.

Activity status

Priority 1 – activity no 6	Definition	Monitoring	Compliance
T2S corporate actions standards	G	G	R

T2S STANDARD

T2S markets should comply with the T2S corporate actions standards, as endorsed by the AG and published on the T2S website, related to corporate actions on flows (i.e. market claims, transformations and buyer protection).

In addition to the standards, the T2S Corporate Actions Sub-group (CASG) has published a detailed frequently asked questions (FAQ)[28] document listing the most relevant questions relating to the implementation of the T2S corporate actions standards. The FAQ is a living document that is continuously updated as the T2S CASG addresses new questions raised by the T2S markets.

Compliance status of T2S markets

As part of the latest CASG gap analysis and in line with the published AG methodology, the CASG provided a compliance status for each market (blue, green, yellow or red status – see Annex 1 for definitions). This was based on the T2S markets' current compliance with the T2S standards and the existence of detailed plans and dates for full implementation prior to migration to T2S. Regulatory and legal barriers in national markets were also taken into consideration by the CASG.

Six of the twelve markets that have already migrated to T2S have a blue status (full compliance in operation). Six markets maintain their green status, while one market

[28] The latest update of the FAQ document was published in November 2016 and is available on the T2S CASG webpage.

(FI) was downgraded to yellow status. Six migrated markets (EoC BE, DK, FR, IT, NL, RO) plus four more (AT, DE, HU, LUX CSD) have a red status. These are covered, or are currently being analysed for future inclusion, in the AG's impact analysis, which is then submitted to the MIB (see Annex 3). Despite compliance gaps, a number of T2S markets have shown considerable progress in adapting to the T2S corporate action standards. Compared with the previous CASG gap analysis, the results show that most markets have either increased their degree of compliance with the standards or maintained their existing compliance level (see Figure 1). For example, although the Danish market was downgraded (from green to red status), its compliance rate increased from 21% to 93% after its migration to T2S.

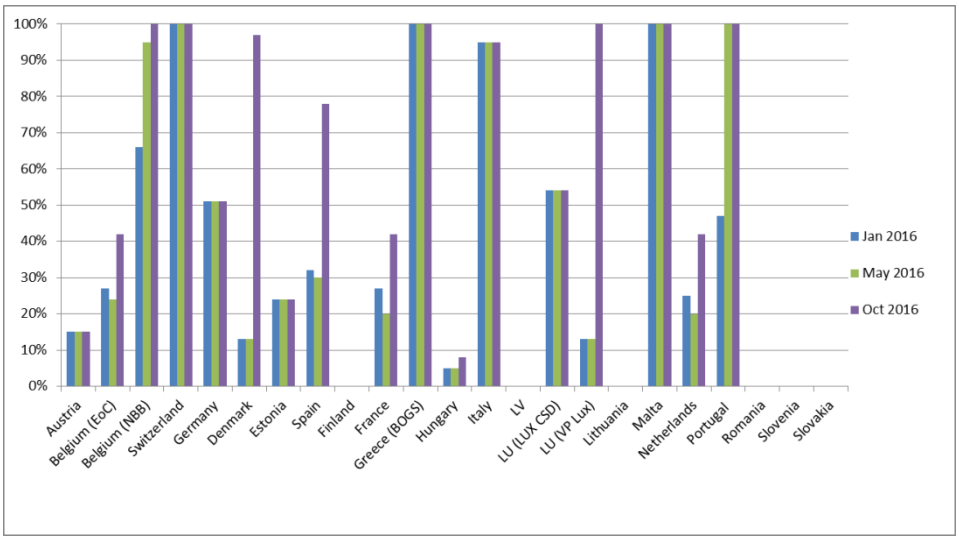
Blue	BE (NBB-SSS), CH, GR (BOGS), LU (VP LUX), MT, PT
Green	EE, ES, LT, LV, SI, SK
Yellow	FI
Red	AT, BE (Euroclear), DE, DK, FR, HU, IT, NL, RO, LU (LUX CSD)

Information input: CASG gap analysis (status October 2016) and additional input from T2S NUGs and CASG.

For details on the compliance status colour methodology, please refer to Annex 1. For detailed explanations per T2S market, please refer to Annex 4.

Figure 1

Statistical compliance of T2S markets with the T2S corporate actions standards (developments in 2016)



Source: 2016 CASG gap analysis reports.

Monitoring

Implementation date	From a legal/regulatory/market practice perspective: migration to T2S (depending on migration wave). From a technical perspective: start of bilateral interoperability testing (depending on migration wave).
Monitoring actors	HSG (via CASG and T2S NUGs).
Monitoring process	The CASG's gap analysis reports are the main monitoring tool for this harmonisation activity. The NUGs assist the ECB team in monitoring compliance and coordinating overall interaction with the relevant national markets.

Legal harmonisation

Activities 7 to 10 cover issues of legal harmonisation across T2S markets. Together with the priority 2 activity relating to conflict of law issues (covered in Section 4.1), they are expected to enhance legal certainty and strengthen the legal framework for cross-CSD operations in T2S.

The three activities relating to settlement finality aim to ensure that all participating T2S "systems" have a harmonised definition of the moment of entry of transfer orders into the system (SF I), the moment of irrevocability of transfer orders (SF II), and the moment when settlement (i.e. entries into accounts) becomes irrevocable and enforceable (SF III). This is crucial for ensuring legally sound and seamless settlement at cross-CSD level.

The other priority 1 legal harmonisation activity refers to the authorisation of CSDs to outsource their settlement-related IT to a public entity (see Section 3.10).

The four activities presented below are clearly connected to already existing or ongoing international and EU legal harmonisation agreements/initiatives, such as the Settlement Finality Directive, the ESCB-CESR recommendations, the CPSS-IOSCO principles and the CSDR.

The priority 2 activity on legal certainty is clearly linked to the European Commission's communication regarding the CMU action plan and the legislative initiative on the conflict of law issues.

3.7 Settlement Finality I

Activity description

SF I is defined as the moment of entry of a transfer order into the system and contributes to the identification of the moment as of which a transfer order is protected against insolvency procedures. SF I is defined in and covered under:

- the Settlement Finality Directive 98/26/EC, Art. 3;

- ESCB-CESR (2009) recommendations for securities settlement systems (no 1);
- CPSS-IOSCO (2012) principles for financial market infrastructures (no 1 and 8);
- Regulation (EU) No 909/2014 (CSDR), 23 July 2014, Art. 39/2 and 48/8.

The aim of this T2S harmonisation activity is to agree on a common T2S rule regarding the moment of entry of a transfer order into the system (SF I) and to ensure compliance by all T2S markets. The Framework Agreement (Art. 21, para. 4) and the CSDR (Article 48.8) recognise the need for a harmonised CSD rule for the moment of entry of transfer orders into the system (for interoperable systems).

SF I is currently defined in the rules of all designated securities settlement systems and the payments systems of the national central banks (as required by the Settlement Finality Directive). Looking at the domestic level, all T2S markets are compliant with SF I (in accordance with the Settlement Finality Directive). However, important divergences have been identified in the past between these national rules across the T2S CSDs.[29]

In order to minimise legal risks in cross-CSD transactions as well as to create a level playing field, a single definition of the moment of entry of a transfer order into the system needs to be agreed upon and implemented by all T2S markets/CSDs. A harmonised rule will protect against the spillover effects of the insolvency of a participant in another CSD (linked CSD in T2S).

Activity status

Priority 1 – activity no 7	Definition	Monitoring	Compliance
Settlement finality I (moment of entry)	G	X	X

T2S STANDARD

CSDs to define SF I in their systems as the moment of validation of a transfer order.

The CSDs using the T2S platform have agreed on a harmonised moment of entry of securities transfer orders into their respective systems: this will correspond to the moment of validation of the transfer order. This validation can take place either on the T2S platform or on the CSD legacy systems (for those CSDs offering domestic

[29] An ECSDA survey dated 24 October 2011 on settlement finality found that out of the 18 CSDs that participated in the survey, six CSDs consider the “point of entry” to be the moment in which the instruction (transfer order) is first received by the CSD, while 12 CSDs consider the “point of entry” to involve not only the receipt of an instruction, but also some form of validation (which varies among the CSDs).

matching services). The standard implements the resolution made by the T2S CSD Steering Group (CSG) in December 2013.

The Eurosystem national central banks will define SF I in their systems (i.e. TARGET 2) as currently prescribed in the TARGET2 Guideline (i.e. SF I = SF II = SF III). The CSDs and the central banks in T2S are in the process of signing a collective agreement which introduces a single SF I rule for all systems (both CSD systems and central bank systems). This will require all systems to define SF I, in their rules, as the moment of validation of a transfer order.

The definition status is now marked in green for this activity. All CSDs in the T2S markets have agreed to define SF I in their systems as described above, thus ensuring harmonisation of rules at cross-border level. Harmonisation in the TARGET2-related systems is also ensured by the TARGET2 Guideline's rule on SF I.

Furthermore, the T2S Community will investigate the topic in greater depth to assess whether any harmonisation is possible at T2S Community level, or at EU level, as regards the insolvency rules that deal with the treatment of instructions after declaration of SF I. ESMA launched a consultation on the "Guidelines on participant default rules and procedures under CSDR".[30] The final Guidelines are expected to be adopted in 2017.

Compliance status of T2S markets

T2S market monitoring will be launched after the signature of the collective agreement by all national central banks and CSDs and once the entry into force date is agreed by the CSDs.

Monitoring

Implementation date	As soon as possible after the signature of the collective agreement on SF I.
Monitoring actors	HSG (T2S NUGs).
Monitoring process	Survey of NUGs and CSDs carried out by the HSG.

[30] https://www.esma.europa.eu/press-news/esma-news/esma-consults-csdr-guidelines-participant-default-rules-and-procedures.

3.8 Settlement Finality II

Activity description

Settlement Finality II (SF II) is defined as the irrevocability of a transfer order (and not of the transfer of securities itself) according to the rules of a system designated under the Settlement Finality Directive. SF II is defined in and covered under:

- Settlement Finality Directive 98/26/EC, Art. 5 (1 and 2);
- ESCB-CESR (2009) recommendations for securities settlement systems (no 1 and 8);
- CPSS-IOSCO (2012) principles for financial market infrastructures (no 1 and 8);
- Regulation (EU) No 909/2014 (CSDR), 23 July 2014, Art. 7(3), 39/2 and 48/8.

The aim of this activity is to adopt a harmonised rule for the moment when transfer orders become irrevocable, in order to eliminate the risk of transfer order revocation in a T2S cross-border environment.

The target date for T2S markets to comply with the agreed rule is their migration to T2S (depending on their migration wave).

Activity status

Priority 1 – activity no 8	Definition	Monitoring	Compliance
Settlement finality II (irrevocability of transfer orders)	G	G	G

T2S STANDARD

No unilateral cancellation is possible after matching status is achieved in T2S.

The irrevocability of transfer orders in T2S is protected by the rule prohibiting the unilateral cancellation of instructions after matched status is achieved in T2S (see the T2S URD[31]).

CSDs should comply with the rule for the irrevocability of transfer orders as laid down in the T2S URD (i.e. no unilateral cancellation in T2S) by default, since there is no T2S functionality for unilateral cancellation after matching status is achieved in

[31] Available at: http://www.ecb.europa.eu/paym/t2s/pdf/2015-02-18_urd_5_04.pdf

T2S. However, it is necessary to monitor that the CSDs' regulatory environments, including their rules and procedures, are updated accordingly.

This is also in line with the T2S Framework Agreement (Art. 21, para. 4), according to which contracting CSDs must make all necessary arrangements in order to adopt a harmonised definition of the irrevocability of transfer orders.

Compliance status of T2S markets

In addition to the T2S markets that have already migrated to T2S, four further markets are also compliant with the standard (blue status). The remaining seven T2S markets are assigned green status indicating that these markets will also be ready before their respective migration date.

Blue	AT, BE (Euroclear), BE (NBB-SSS), CH, DK, EE, ES, FI, FR, GR (BOGS), IT, PT, LU (VP LUX), MT, NL, RO
Green	DE, HU, LU (LUX CSD), LT, LV, SI, SK
Yellow	None
Red	None

Information input: NUG survey, bilateral discussions and information from NUG chairpersons.

For details on the compliance status colour methodology, please refer to Annex 1. For detailed explanations per T2S market, please refer to Annex 4.

Monitoring

Implementation date	T2S migration date (depending on migration wave).
Monitoring actors	HSG (T2S NUGs).
Monitoring process	Compliance is monitored by the ECB team in cooperation with the respective T2S NUGs. Monitoring is a continuous process taking place before and after each T2S market migrates to T2S.

3.9 Settlement Finality III

Activity description

SF III is defined as the irrevocability of transfers (bookings in CSD accounts) according to the rules of a system designated under the Settlement Finality Directive. While no rule for SF III is set out in the Settlement Finality Directive, it is defined in and covered under:

- ESCB-CESR (2009) recommendations for securities settlement systems (no 1 and 8);
- CPSS-IOSCO (2012) principles for financial market infrastructures (no 1 and 8);
- Regulation (EU) No 909/2014 (CSDR), 23 July 2014, Art. 39/3 and 48/8.

This activity focuses on ensuring that all T2S markets comply with the common rule on the unconditionality and irrevocability of account entries (debits and credits) in T2S.

Full compliance by all T2S markets with the common SF III rule is of utmost importance: non-compliance would undermine the legal certainty of bookings in T2S accounts. It would also represent a breach of the obligations stipulated in the T2S Framework Agreement.

This is also in line with the T2S Framework Agreement (Art. 21, para. 4), according to which contracting CSDs must make all necessary arrangements in order to recognise account entries are irrevocable.

The target date for T2S markets to comply with the agreed rule is their migration to T2S (depending on their migration wave).

Activity status

Priority 1 – activity no 9	Definition	Monitoring	Compliance
Settlement finality III (irrevocability of transfers)	G	G	G

T2S STANDARD

According to Article 21, para. 4 of the T2S Framework Agreement, in order to facilitate legally sound, seamless cross-border DvP settlement, the regulatory/legal environments of the CSDs participating in T2S must recognise account entries in T2S as unconditional, irrevocable and enforceable.

This is particularly relevant in cases where accounts representing legal ownership rights are maintained by the CSD in its local legacy IT system, i.e. outside T2S. In these cases – and independently of the holding model followed by each market – harmonisation of settlement finality rules would ensure that bookings in accounts maintained in T2S are irrevocable, unconditional and enforceable.

Compliance status of T2S markets

CSDs' compliance has been monitored since the signing of the T2S Framework Agreement in 2012.

In addition to the T2S markets that have already migrated to T2S, three further markets are also compliant with the standard (blue status). The remaining eight T2S markets are assigned green status indicating that these markets will also be ready before their respective migration date.

Blue	AT, BE (NBB-SSS), BE (Euroclear), CH, DK , ES, FR, FI, GR (BOGS), IT, LU (LUX CSD), LU (VP LUX), MT, PT, RO, NL
Green	DE, EE, HU, LT, LV, SI, SK
Yellow	None
Red	None

Information input: bilateral discussions and information from NUG chairpersons.

For details on the compliance status colour methodology, please refer to Annex 1. For detailed explanations per T2S market, please refer to Annex 4.

Monitoring

Implementation date	T2S migration date (depending on migration wave).
Monitoring actors	HSG (T2S NUGs).
Monitoring process	Compliance is monitored by the ECB team in cooperation with the respective T2S NUGs. Monitoring is a continuous process taking place before and after each T2S market migrates to T2S.

3.10 IT outsourcing (settlement services)

Activity description

The outsourcing of settlement services to T2S requires approval by the relevant regulator, subject to the applicable national laws and regulations. In the past, the AG identified some national legislation/regulations in the EU which could be interpreted as either prohibiting or hampering outsourcing of settlement services.

Activity status

Priority 1 – activity no 10	Definition	Monitoring	Compliance
IT outsourcing (settlement services)	G	G	B

The matter is addressed in Article 30(5) of the CSDR, according to which CSDs are allowed to outsource their services to public entities and, in that case, are exempted from the requirements on outsourcing provided in the CSDR.

The AG launched a survey (July 2014) to obtain clarity, under the applicable national legislation and the new CSDR provisions, on whether and how participating CSDs in T2S would be able to outsource their services to T2S. Based on the feedback received from the T2S markets, as well as the CSDR entry into force in 2014, the AG agreed to assign a blue compliance status to all T2S markets and thus to the harmonisation activity itself, since no obstacles were identified.

Compliance status of T2S markets

All T2S markets achieved blue compliance status following the adoption of the CSDR.

Blue	AT, BE (Euroclear), BE (NBB-SSS), CH, DE, DK, EE, ES, FI, FR, GR (BOGS), HU, IT, LT, LU (LUX CSD), LU (VP LUX), LV, MT, NL, PT, RO, SI, SK
Green	None
Yellow	None
Red	None

Monitoring

Implementation date	Already achieved
Monitoring actors	HSG (T2S NUGs).
Monitoring process	Given that the compliance status is blue across all T2S markets, no further monitoring is required.

3.11 Settlement discipline regime

Activity description

At present, settlement fails[32] are not subject to deterrent penalties in all EU markets and settlement discipline measures, when in place, differ widely between markets.

A harmonised settlement discipline regime is needed in T2S in order to avoid the risk of multiple, inconsistent or incompatible regimes that would create operational complexity, in particular for cross-CSD settlement. It is also needed at the EU level to ensure a level playing field and avoid the risk of "regulatory arbitrage", i.e. the shift of volumes to markets with softer regimes and sanctions. Weak or non-harmonised settlement discipline regimes could also lead to a high number of failed transactions and might thus have an impact on financial stability.

In principle, the target date by which all T2S markets should have converged towards harmonised rules is their migration to T2S (depending on their migration wave). However, current regulatory developments in the EU (such as the CSDR level 2 legislation) combined with the complexity of implementation mean that, in practice, a harmonised settlement discipline regime will only be achievable for T2S markets after their migration to T2S.

Activity status

Priority 1 – activity no 11	Definition	Monitoring	Compliance
Settlement discipline regime	Y	X	X

Regulation (EU) No 909/2014 (the CSDR) includes important provisions on the establishment of a harmonised settlement discipline regime in the EU. The related technical standards are expected to enter into force in 2017 in the context of the CSDR level 2 legislation.

The expected timeline of adoption and entry into force of the regulatory technical standards (i.e. after the full T2S migration cycle) means that CSD participants will, for the time being, continue operating within the existing domestic regulatory discipline frameworks of the relevant issuer CSDs. The AG is of the opinion that the prospect of the forthcoming harmonised EU settlement discipline regime, coupled with the gradual increase in cross-border activity expected after the launch of T2S, will minimise any "regulatory arbitrage" risk. Another source of reassurance for the

[32] According to the CSDR, Art. 2(15), "settlement fail" means the non-occurrence of settlement, or partial settlement of a securities transaction on the intended settlement date, due to a lack of securities or cash and regardless of the underlying cause.

AG is the observation that current levels of settlement failures, both before and since the T2S launch, are still very low in all T2S markets.

Compliance status of T2S markets

Monitoring has not yet started.

Monitoring

Implementation date	After migration to T2S is complete.
Monitoring actors	ESMA/ESCB (in accordance with the CSDR).
Monitoring process	To be defined by ESMA/ESCB (in accordance with the CSDR).

3.12 Settlement cycles

Activity description

In EU markets, the settlement cycle timeline for transferable securities executed on trading venues and settled in a securities settlement system used to range from T+3 to T+2. The existence of differing settlement cycles would have had no impact on the core settlement process in T2S since T2S is neutral in this respect and can accommodate different settlement cycles.

However, the establishment of a single settlement cycle in the EU was deemed crucial for T2S participants' technical infrastructures in terms of rationalising back-office activities as well as managing cross-border corporate actions. The former non-harmonised practices rendered the management of cross-border corporate actions rather inefficient and costly, owing to the fact that the deadlines for instructing relevant messages laid down in the EU corporate actions market standards are based on the notion of the settlement cycle timeline.

Activity status

Priority 1 – activity no 12	Definition	Monitoring	Compliance
Settlement cycles	G	G	B

The CSDR (Art. 5) established a harmonised EU settlement cycle standard up to T+2.

Compliance status of T2S markets

All T2S markets have achieved blue compliance status, with the Spanish market's equity segment having moved to a T+2 settlement cycle on 3 October 2016. Further monitoring of this harmonisation activity is not required.

Blue	AT, BE (Euroclear), BE (NBB-SSS), CH, DE, DK, EE, FI, FR, GR (BOGS), HU, IT, LT, LU (LUX CSD), LU (VP LUX), LV, MT, NL, PT, RO, SI, SK, ES
Green	None
Yellow	None
Red	None

Monitoring

Implementation date	T2S migration date (depending on migration wave).
Monitoring actors	HSG (NUGs) and the competent authorities supervising trading venues.
Monitoring process	Survey launched by the ECB team in June 2014. The survey was addressed to the T2S NUGs. Afterwards, monitoring has been carried out based on bilateral discussions with the relevant NUGs. Given that the compliance status is blue across the board, no further monitoring is required.

CSD account structures

This topic covers the need for CSDs to offer account structures that make it possible to meet the T2S objective of efficient cross-CSD settlement.

From a T2S perspective, two harmonisation standards have been identified as essential for enabling and ensuring safe and efficient use of links in T2S. Both relate to omnibus accounts.

3.13 Availability of omnibus accounts

Activity description

This activity aims to ensure that issuer CSDs offer omnibus accounts to their foreign participants (investor CSDs and intermediaries) so as to support the concept of CSD interoperability and cross-border settlement in (or even outside) T2S.

The unavailability of omnibus accounts for foreign CSD participants would jeopardise CSD interoperability and cross-CSD settlement, and in practice hinder market access for investor CSDs and foreign intermediaries. This would be against the T2S eligibility criteria for CSDs.[33]

Activity status

Priority 1 – activity no 13	Definition	Monitoring	Compliance
Availability of omnibus accounts	G	G	B

T2S STANDARD

Issuer CSDs in T2S must offer omnibus accounts to their foreign participants (investor CSDs and intermediaries) to ensure interoperability and efficient cross-CSD settlement.

Compliance status of T2S markets

All T2S markets have achieved blue compliance status, meaning that no further monitoring is required for this harmonisation activity.

Blue	AT, BE (Euroclear), BE (NBB-SSS), CH, DE, DK, EE, ES, FI, FR, GR (BOGS), HU, IT, LT, LU (LUX CSD), LU (VP LUX), LV, MT, NL, PT, RO, SI, SK
Green	None
Yellow	None
Red	None

Information input: HSG survey and bilateral discussions.

For details on the compliance status colour methodology, please refer to Annex 1. For detailed explanations per T2S market, please refer to Annex 4.

[33] For more information, please see the CSD eligibility criteria in T2S.

Monitoring

Implementation date	Already achieved.
Monitoring actors	HSG (T2S NUGs).
Monitoring process	Given that the compliance status is blue across the board, no further monitoring is required.

3.14 Restrictions on omnibus accounts

Activity description

The objective of this activity is to ensure that issuer CSDs, in addition to offering foreign participants the possibility to open omnibus accounts (see previous section), also provide appropriate services (e.g. related to withholding tax or proxy voting) on those accounts, as required by their participants.

The unavailability of such services is usually replaced by mandatory account segregation rules in the issuer CSDs. These rules have to be propagated by investor CSDs and other intermediaries throughout the holding chain, including in the CSD link arrangements.

If appropriate services are not attached to omnibus accounts, it would represent an obstacle to CSD interoperability and cross-CSD settlement in (or even outside) T2S, as well as to market access for foreign intermediaries.

This activity focuses on restrictions placed on the service offering of the issuer CSD by issuer market practices, and fiscal and regulatory obligations. The activity does not look at restrictions with respect to account structure that are placed on end investors, and their intermediaries, by regulatory authorities of the country of the investor.

T2S markets are to comply with this harmonisation standard by the time they migrate to T2S.

Activity status

Priority 1 – activity no 14	Definition	Monitoring	Compliance
Restrictions on omnibus accounts	G	G	Y

T2S STANDARD

To make full interoperability, cross-CSD settlement and market access possible in T2S, issuer CSDs in T2S must provide appropriate services on omnibus accounts to foreign participants, as required by participants (e.g. withholding tax and proxy voting). These omnibus accounts should also include, as an option, holdings of domicile and non-domicile investors.

Compliance status of T2S markets

While omnibus accounts are offered in all T2S markets, as an option, to investor CSDs and foreign intermediaries, restrictions remain in some markets on the mandatory segregation per investor of all (or some) domicile investors' holdings at CSD level.

Two T2S markets (BE and FR) that still have restrictions on the use of omnibus accounts after migrating to T2S are assigned red compliance status. In these markets, the resolution of the issues depends on regulatory and/or legal changes (i.e. withholding tax and registration procedures). The impact of this non-compliance on the T2S Community is being assessed in the AG's impact analysis report (Annex 3).

In addition, two other markets (FI and SK) maintain their yellow statuses. These markets are not assigned red statuses because i) they have not yet migrated to T2S and ii) cross-CSD settlement and investor CSD services are still possible for non-domicile investors/intermediaries (though subject to restrictions).

Blue	AT, BE (Euroclear), CH, DE, DK, EE, ES, GR (BOGS), HU, IT, LT, LU (LUX CSD), LU (VP LUX), LV, MT, NL, PT, RO, SI
Green	None
Yellow	FI, SK
Red	BE (NBB SSS), FR

Information input: HSG surveys and bilateral discussions.

For details on the compliance status colour methodology, please refer to Annex 1. For detailed explanations per T2S market, please refer to Annex 4.

Monitoring

Implementation date	T2S migration date (depending on migration wave).
Monitoring actors	ECB team, T2S NUGs.
Monitoring process	Compliance is monitored by the ECB team in cooperation with the respective T2S NUGs. Monitoring is a continuous process taking place before and after each T2S market migrates to T2S.

3.15 Securities account numbers

Activity description

The objective of this activity is for T2S CSDs to designate a harmonised number for the securities accounts in T2S. The purpose is to build logic into the account numbers in order to facilitate identification of account holders and providers.

Compliance with the agreed standard must be achieved by all T2S markets in time for their migration to T2S (depending on their respective migration wave). CSDs should nonetheless be able to participate in T2S testing using the agreed numbering standard.

Activity status

Priority 1 – activity no 15	Definition	Monitoring	Compliance
Securities account numbers	G	G	G

T2S STANDARD

In securities account numbering, CSDs must use a four-digit BIC to identify parties of CSDs, plus maximum 31 digits of free text.

Compliance status of T2S markets

Based on the information provided by the T2S NUGs, in addition to all of the markets that have already migrated, FI is also operating in full compliance. The remaining T2S markets have established plans for achieving full compliance by the time of their migration to T2S.

Blue	BE (NBB-SSS), CH, FI, GR (BOGS), IT, MT, RO, BE (Euroclear), LU (VP LUX), PT, DK, FR, NL
Green	AT, DE, EE, ES, HU, LT, LU (LUX CSD), LV, SI, SK
Yellow	None
Red	None

Monitoring

Implementation date	Migration to T2S (depending on migration wave).
Monitoring actors	HSG (T2S CSG).
Monitoring process	Compliance is monitored by the ECB team in cooperation with the respective T2S NUGs. Monitoring is a continuous process taking place before and after each T2S market migrates to T2S.

3.16 Cash account numbers

Activity description

The objective of this activity is for T2S cash account providers to designate a harmonised number for the dedicated cash accounts in T2S. The purpose is to build logic into dedicated cash account numbering in order to facilitate identification of account holders and providers.

Compliance with the agreed standard must be achieved by all T2S markets in time for migration to T2S (depending on their respective migration wave). T2S markets should nonetheless be able to participate in bilateral interoperability testing, multilateral testing and community testing using the agreed standards.

Activity status

Priority 1 – activity no 16	Definition	Monitoring	Compliance
Cash account numbers	G	G	G

T2S STANDARD

The dedicated cash account numbering standard includes 34 characters (one to designate the cash account, two for the country, three for the currency code, 11 for the BIC and 17 characters of free text for the account holder).

Example: CFREURBANKFRPPXXXMAIN-DCA-ACCOUNT CDEEURBANKDEFF123DCA CLIENT ALPHA

Compliance status of T2S markets

Based on the information provided by the T2S NUGs, 15 T2S markets are already in full compliance with the T2S standard. The remaining markets have established plans for achieving full compliance by the time of their migration to T2S. The monitoring activities do not cover the Swiss and Hungarian markets, as their central banks are not connected to T2S.

Blue	DE, GR (BOGS), DK, ES, FR, IT, MT, NL, PT, RO, BE (Euroclear), BE (NBB-SSS), LU (VP LUX), LU (LUXCSD), AT
Green	EE, FI, LT, LV, SI, SK
Yellow	None
Red	None

Monitoring

Implementation date	Migration to T2S (depending on migration wave).
Monitoring actors	HSG (national central banks).
Monitoring process	HSG survey with national central banks in May 2013 and subsequent information provided by the T2S NUGs. Additional information received by the ECB team in the context of the client readiness monitoring process is also taken into account.

4 T2S harmonisation activities – priority 2

Priority 2 activities are not essential to ensure safe and efficient cross-CSD settlement in T2S, but they are key for the enhancement of the competitive environment and the efficiency of T2S. The T2S Community could continue to pursue these activities after the markets' migration to T2S.

4.1 Location of securities accounts/conflict of law

Activity description

The issue of the location of accounts/conflict of law refers to the law applicable to the transfer of securities and to CSD securities accounts.

Clarity, in particular on the law applicable to securities accounts, is important for T2S because these accounts remain legally attributed to the CSD, regardless of the physical location of the IT infrastructure.

The conflict of law topic may also be relevant for another post-trade harmonisation issue, namely the freedom of issuance. As put forward in the CSDR, issuers should have the right to issue their securities in non-domicile CSDs. This right may lead to an increase in the instances of conflicts of law, when non-domicile issuers decide to issue their securities in the issuer CSD.

Activity status

Priority 2 – activity no 17	Definition	Monitoring	Compliance
Location of securities accounts/conflict of law	R	X	X

Although the Eurosystem and the T2S Community still support further harmonisation in this field, the AG came to the conclusion that this activity can continue to be pursued even after the launch of T2S.

Nevertheless, a harmonised framework should continue to be pursued and in this regard, possible EU legislation might be better placed to deliver harmonisation in this area, its scope not being limited to CSDs (but extending to other financial institutions involved in the issuance, trading and post-trading of securities).

Following its contribution to the CMU green paper consultation (13/05/2015)[34], the AG ran a survey with the T2S NUGs in order to identify concrete examples of conflicts of law in the T2S markets. The findings of this survey show that although the T2S NUGs did not report any concrete cases, there are important legal divergences in national jurisdictions, namely different transposition of the Settlement Finality Directive and insolvency rules, recognition of the "renvoi" concept and national criteria for determining the "location of an account or an institution".

The AG also agreed that, since the launch of T2S may lead to more visibility and a higher impact of specific conflicts of law, this survey may need to be repeated in a few years from now once users have more experience with T2S.

The CMU action plan recognises the need "to clarify which national law applies to any given cross-border securities transaction. To this end, the Commission plans to enhance and broaden existing rules in the field. A modernisation of the law is even more important in view of the expected increase in cross-border securities transactions stimulated by the launch of T2S."[35]

In its Communication of 14 September 2016 on the status of the CMU action plan,[36] the Commission declared its aim to "propose a future legislative initiative to determine with legal certainty which national law shall apply to security ownership and to third party effects of the assignment of claims".[37] The AG welcomes the Commission's initiative and will take stock of and provide input into any future legislative proposals in this area.

Compliance status of T2S markets

Monitoring has not yet started.

Monitoring

Implementation date	Pending EU legislative proposal on conflicts of law.
Monitoring actors	Pending EU legislative proposal on conflicts of law.
Monitoring process	Pending EU legislative proposal on conflicts of law.

34 Available at: http://www.ecb.europa.eu/paym/t2s/progress/pdf/ag/20150513_ag_response_to_cmu_consultation.pdf

35 See Section 6.1, page 23, of the CMU action plan.

36 See page 6 of the Communication from the Commission to the European Parliament, the Council, the European Central Bank, the European Economic and Social Committee and the Committee of the Regions: Capital Markets Union – Accelerating Reform, Brussels, 14.9.2016 COM(2016) 601 final.

37 See page 12 of the Commission Staff Working Document on Capital Markets Union – First Status Report, Brussels, 25.4.2016 SWD(2016) 147 final. In that context, the Commission launched a call for tenders for a study on securities ownership rules and third-party effects of assignment of claims, which is expected to be delivered in 2017.

4.2 Corporate actions market standards

Activity description

The market standards for Corporate Actions processing were drawn up by the Corporate Actions Joint Working Group (CAJWG), an industry working group under the aegis of the European Commission's CESAME2 group. They were endorsed by relevant industry bodies in 2009. A revised version of the standards was issued in 2012.

These market standards provide the basis for the T2S corporate actions standards (see Section 3.6).

The status of markets' compliance with the CAJWG standards is monitored by the CAJWG and the E-MIG.

Activity status

Priority 2 – activity no 18	Definition	Monitoring	Compliance
Corporate actions market standards (CAJWG)	G	G	Y

T2S STANDARD

T2S markets should comply with the market corporate actions standards as defined by the Corporate Actions Joint Working Group (CAJWG).

From a T2S perspective, the target date for compliance by T2S markets is migration to T2S (depending on their respective migration wave) since this is related to the compliance with the T2S corporate actions standards. T2S markets should nonetheless be able to participate in bilateral interoperability testing, multilateral testing and community testing in compliance with the corporate actions market standards.

Compliance status of T2S markets

The Broad Stakeholders Group (BSG) and the E-MIG run frequent surveys on EEA markets' compliance with the corporate actions market standards. Responsibility for the actual implementation of the standards by market participants rests at local level with the national market implementation groups (MIGs). Coordination and monitoring at European level is ensured by the BSG. Progress in implementing the standards is

ultimately reported to the European Commission. The results are also shared with the AG (via the ECB team) and are the basis for assessing the T2S markets' compliance in the context of the T2S harmonisation progress reports.

The compliance status assessment for the corporate actions market standards is based on a percentage implementation/compliance status and is assigned by the AG as follows: 0-40% implementation corresponds to a red status; 41-70% is given yellow status; 71-99% is green; and full compliance with no further monitoring required translates into blue.[38] It should be clarified that the AG is not in a position to make a detailed analysis of the technical and regulatory barriers present in the T2S markets (as is the case with the T2S corporate actions standards analysis – see Section 3.6).

According to the E-MIG, 21 T2S markets/CSDs responded to the 2016 survey. All T2S markets are covered.

Out of the markets that already migrated to T2S, only Italy, Greece (BOGS) and Portugal were able to achieve full compliance with the standards by the time of their migration to T2S. However, for the majority of markets, progress is being made towards full compliance with the standards (see Annex 4 for detailed statistics per T2S market).[39]

Blue	GR (BOGS), IT, PT
Green	AT, BE (Euroclear), BE (NBB-SSS), CH, DE, DK, ES, FR, MT, LU (LUX CSD), LU (VP LUX), LV, NL
Yellow	EE, FI, RO
Red	HU, LT, SI, SK

Information input: BSG/E-MIG survey (2016).

Monitoring

Implementation date	Relevant for T2S: migration to T2S (depending on migration wave).
Monitoring actors	BSG (E-MIG).
Monitoring process	BSG surveys with MIGs.

[38] The E-MIG monitors and reports compliance with 68 prioritised standards (out of a total of 107 standards). Although the AG is not involved in maintaining or monitoring the corporate actions market standards, it receives information from the E-MIG on the T2S markets' statistical compliance.

[39] The statistics provided by E-MIG have been adjusted, for consistency and comparison reasons, to the common denominator of the 68 CAJWG prioritised standards.

4.3 Place of issuance

Activity description

This activity relates to the restrictions that are in place in national laws or market rules in EU countries as regards the place of issuance of securities. Such restrictions represent a barrier for issuers when choosing infrastructures and service providers.

This barrier to the freedom of choosing the issuer CSD does not directly affect T2S and it entails no operational/legal risks for the migration to or operation of the single platform. Nevertheless, it has an impact on the competition for issuer CSD services in the respective markets.[40] It also constitutes a barrier to cross-border securities investment in the EU and to the creation of a single capital market in the EU.

Activity status

Priority 2 – activity no 19	Definition	Monitoring	Compliance
Place of issuance	Y	X	X

Provisions on the removal of barriers to choosing the place of issuance are included in the CSDR (Art. 49). The AG took note that the proposals for the CSDR implementing technical standards, published by ESMA on 28 September 2015, include provisions regarding the criteria for CSDs to assess issuer requests for access or for their securities to be recorded in the CSD's systems.[41] In order for the "receiving" CSD, and its competent authority, to refuse access to the CSD services, they should be able to establish that the "requesting" issuer does not comply with these requirements. [42] The ESMA draft implementing technical standards also include the procedural requirements for refusal of access and the possibility to involve ESMA in this process.[43]

The AG has decided that the issue should be reassessed once the CSDR level 2 legislation enters into force as expected in 2017. T2S stakeholders will assess whether the green definition status will be achieved once the related level 2

40 This issue was raised by the Task Force on smooth cross-CSD settlement, the predecessor of the TFAX and XMAP, in its final report to the AG in June 2011, in particular in the section concerning access and interoperability issues. The task force's report is available on the T2S website.

41 See Annex II (Chapter XII, Section I, Article 88) of the Final Report on the draft technical standards under the CSDR.

42 According to the draft implementing technical standards, these criteria should establish whether the "requesting" issuer complies with the legal requirements of the "receiving" CSD. In addition, the issuer should guarantee that the securities have been constituted in a manner that enables the receiving CSD to ensure the integrity of the issue. Finally, the issuer must hold sufficient financial resources to fulfil its contractual obligations towards the CSD.

43 See Annex II (Chapter XII, Section 2, Article 89) to the Final Report on the draft technical standards under the CSDR.

legislation is in place, or whether further harmonisation work will be required to achieve this status.

The Commission's CMU action plan (published on 30 September 2015) highlights the need to review the remaining Giovannini (or other new) barriers to cross-border clearing and settlement. Some of these barriers have an impact on the freedom of issuance topic and could be addressed in this context. The review is expected to be completed by the end of 2017.

Compliance status of T2S markets

Monitoring has not yet started.

Monitoring

Implementation date	Pending entry into force of CSDR level 2 legislation.
Monitoring actors	European Commission and national regulators (pending entry into force of CSDR level 2 legislation).
Monitoring process	European Commission and national regulators (pending entry into force of CSDR level 2 legislation).

4.4 Withholding tax procedures

Activity description

Giovannini barrier 11 relates to the domestic nature of withholding tax regulations in the EU and the resulting disadvantages for non-domestic intermediaries. It is usually the case that relief at source can only be granted with the help of an entity that has tax withholding responsibilities. In many cases, national tax rules reserve tax withholding responsibilities for local intermediaries and thus "force" foreign intermediaries to use local fiscal agents. More generally, each country has its own national procedures to deal with tax relief and these are often complex to manage for foreign investors, in particular for investors investing in securities from multiple countries.

This barrier has a number of consequences, including:

- the impact of tax relief procedures on an investment decision and its return can be significant, meaning investors may be incentivised to invest locally in order to avoid dealing with complex and costly tax relief and reclaim procedures;
- remote access to issuer CSDs by foreign intermediaries may be discouraged since foreign intermediaries are at a disadvantage vis-à-vis local ones;

- the location of the issuer CSD could potentially be restricted to local CSDs.

This situation represents a burden for the industry and investors (both in and outside T2S markets). It penalises cross-border investment, disrupts post-trade processes, increases the cost of cross-border trading and is, ultimately, fundamentally incompatible with a single European securities market.

Following the report by the Clearing and Settlement Fiscal Compliance expert group (FISCO), in October 2009 the European Commission published a Recommendation on withholding tax relief procedures[44], which outlines how EU Member States could make it easier for investors resident in one Member State to claim entitlements to relief from withholding tax on securities income (mainly dividends and interest) received from another Member State (relief at source). The Commission's Recommendation also encourages Members States to apply quick and standardized refund procedures where for practical reasons they could not provide relief at source and suggests measures to protect Member States' tax revenues against errors or fraud. A Commission services study[45] shows that, at present, the costs related to the current reclaim procedures are estimated at €1.21 billion annually, while the amount of foregone tax relief is estimated at €6.03 billion annually and the opportunity costs owing to delayed claims and payment of tax refunds are estimated at €1.16 billion annually. In January 2016 the total cost of withholding tax refund processes was estimated at total €8.4 billion per year.

With respect to tax relief on booked positions, no substantial risks to T2S operations have been identified in the absence of a resolution on this topic, but it does raise cross-border access issues. There is also an interconnection between this activity and activity 6 (on corporate actions), as national withholding tax rules may affect the calculation of market claims. Therefore, the AG is of the opinion that further delays in progress on this topic may have an impact on settlement efficiency and cross-border access issues in the affected markets.

Activity status

Priority 2 – activity no 20	Definition	Monitoring	Compliance
Withholding tax procedures	R	X	X

In 2013 Tax Barriers Business Advisory Group (T-BAG), the expert group created in 2010 to follow up on the Commission's Recommendation, issued its final report to

44 See the European Commission's Recommendation (COM (2009) 7924 final).

45 The study on "The Economic Impact of the Commission Recommendation on Withholding Tax Relief Procedures and the FISCO Proposals" and other background documents related to fiscal compliance procedures are published on the Europa website and can be accessed via the following links: http://ec.europa.eu/internal_market/financial-markets/clearing/compliance_en.htm; https://ec.europa.eu/taxation_customs/sites/taxation/files/docs/body/c(2009)7924_en.pdf

the Commission regarding workable solutions to implement the principles outlined in the earlier Commission Recommendation.[46]

The AG is of the view that any further initiatives need to have a strong EU impetus and can only come from the EU public authorities (possibly a new legislative initiative by the new Commission). In this context, the AG welcomes the fact that the CMU action plan lists further work on withholding tax procedures as one of the priority areas for action.[47]

To build on this political momentum and encourage Member States to simplify withholding tax relief procedures, the Commission is gathering further evidence regarding the economic impact of burdensome withholding tax relief and refund procedures. This investigation is currently being carried out by the expert group on national barriers to free movement of capital in the context of CMU. In particular, the group has collected information on good practices already followed in Member States in this area.

The AG contributed to this exercise in March 2016 by collecting relevant stock-taking information from the T2S markets.

Based on all these data, the Commission will prepare a report, possibly to be published in early 2017, which will take stock of the work done by the expert group. The report will propose some next steps regarding a further exchange of best practices and joint monitoring of the situation in Member States. As announced in the Commission's recent Communication on the CMU action plan[48] during 2017 the Commission will work on drawing up a code of conduct on withholding tax relief principles.

The T2S AG is contributing actively to the EPTF's work on this matter.

Compliance status of T2S markets

Monitoring has not yet started.

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[46] The T-BAG report is available on the European Commission's website.

[47] COM(2015) 468/30.9.2015, Action Plan on Building a Capital Markets Union, page 25: "*To encourage Member States to adopt systems of relief-at-source from withholding taxes and to establish quick and standardised refund procedures, the Commission will promote best practice and develop a code of conduct with Member States on withholding tax relief principles.*"

[48] Communication from the Commission to the European Parliament, the Council, the European Central Bank, the European Economic and Social Committee and the Committee of the Regions: Capital Markets Union – Accelerating Reform, Brussels, 14.9.2016 COM(2016) 601 final.

Monitoring

Implementation date	To be defined.
Monitoring actors	To be defined.
Monitoring process	To be defined.

4.5 Cross-border shareholder transparency and registration procedures

Activity description

This activity covers the two connected areas of cross-border shareholder transparency and the registration procedures[49] linked to the issuer CSD operating and regulatory frameworks.

Concerning shareholder transparency for registered securities, in most EU countries there are efficient models for identifying domestic shareholders. However, there is no harmonised European model for enabling issuers to identify their owners in a cross-border environment. Issuers have therefore highlighted that, as a consequence of increased cross-border activity in T2S, shareholder transparency issues might emerge across borders. A key concern is how to retrieve specific holders' information via the omnibus account in CSD link arrangements. The AG agreed that the resolution of this issue should be pursued, but without affecting the timely delivery or the current scope of T2S services. Hence, this activity is considered as priority 2. One of the resolutions to be considered in future releases of T2S could potentially include a centralised solution via the T2S platform.

One determining aspect relating to the disclosure of shareholders is the registration rules and procedures within which the issuer CSD operates. Registration procedures for certain securities have long been recognised as one of the most difficult and complex areas for harmonisation in some jurisdictions. Procedures are usually based on long-standing legal and regulatory rules (e.g. regarding the owner of a registered instrument or the investor's rights regarding the same asset). Registration processes, and the mechanisms used to transmit registration information, vary very considerably between European countries. They are particularly complex and can in some cases affect both the issuance/central safekeeping services of a CSD, as well as settlement services.

[49] The registration procedure is the process of updating a register (managed by a registrar) that contains information on the identity (name, address, etc.) of shareholders in a company.

The AG agrees that if registration procedures remain non-harmonised, this may have a negative effect on the efficiency of cross-CSD settlement in T2S. It could also affect market access, which is particularly important for investor CSDs in T2S.

Activity status

Priority 2 – activity no 21	Definition	Monitoring	Compliance
Cross-border shareholder transparency and registration procedures	R	X	X

This issue of shareholder transparency was addressed in the early stages of the T2S project by a dedicated T2S group (Task Force on Shareholder Transparency)[50] set up by the AG in December 2009. The task force presented its final report to the AG in March 2011. The report included a description of possible decentralised and centralised technical models (one of the options being the T2S platform) for exchanging shareholder information on a cross-border basis. The conclusions of the task force were supported by the vast majority of the AG.

Leaving aside the centralised model for possible consideration for a future release of T2S, the AG used the suggestions contained in the report to invite a number of actors to work on possible decentralised solutions. Proposals put forward were: the creation of an ISO disclosure message standard; an amendment to the Transparency Directive; and a possible market practice for exchanging shareholders' disclosure requests and responses, to be developed by the market via ECSDA. However, with the exception of ongoing work in the revision of the Shareholder Rights Directive, the relevant actors have not considered it to be a high priority and the business case potential is considered to be limited.

The AG members welcome the ongoing work on revising directive 2007/36/EC (to encourage long-term shareholder engagement)[51] since the current draft seems to strengthen the legal framework for enabling the transmission of shareholders' information across borders, including in a CSD link arrangement. The planned date for adoption of the revised directive was the end of 2016.

As far as the impact of heterogeneous registration procedures on cross-CSD settlement in T2S is concerned, the TFAX analysed this area in its 2012 report. One of the results of this work was the recommendation endorsed by the AG in February 2013 not to use T2S messages for passing on registration information. This standard is covered in Section 3.3.

[50] More information is available on the task force.

[51] http://www.europarl.europa.eu/sides/getDoc.do?type=TA&reference=P8-TA-2015-0257&language=EN

However, the AG as well as ECSDA[52] recognise that there are further important steps to be taken to achieve full harmonisation regarding how to manage registration procedures in T2S markets (especially in a cross-CSD context). Given the complexity and the regulatory/legal implications of the registration topic, the AG has raised it with the EPTG as well as in the context of its contribution to the Commission's CMU initiative and the EPTF.

In 2013 the EPTG identified cross-border shareholder transparency, including the connected topic of registration procedures, as one of the main action points on its current agenda. A working group on registration and shareholder identification had been set up by the EPTG to work on the matter. The follow-up to this work is currently undertaken by its successor, the EPTF.

Compliance status of T2S markets

Definition is not complete and no standards have been endorsed yet. Monitoring has therefore not yet started.

Monitoring

Implementation date	Pending EPTF and CMU outcome.
Monitoring actors	Pending EPTF and CMU outcome.
Monitoring process	Pending EPTF and CMU outcome.

4.6 Market access and interoperability

Activity description

The activity is fundamental for enhancing financial integration in the EU. It reflects the need for regulatory frameworks to allow CSDs to provide requesting parties (i.e. foreign and market participants, CSDs and other market infrastructures) with access to their services. It also reflects the need to provide a European framework of rules and procedures for granting or refusing this access.

The activity covers, for example, market practices or legislation that obligate or restrict the settlement of (stock exchange and/or central counterparty-cleared) transactions in a specific issuer CSD. The consequence for foreign investors,

[52] An ECSDA report dated 19 July 2016 on the registration of securities holders examines the diverging registration rules among jurisdictions and flags the need for a progressive harmonisation of registration requirements across Europe.

custodians and/or investor CSDs in such (issuer) markets is that access to settlement flows is restricted owing to the unfair competitive advantages established in those issuer markets. The restriction implies that entities wishing to offer settlement services on these securities need to become participants in the issuer CSD or central counterparty.

The issue has no direct impact on T2S settlement processes, but it is important for competition and CSD access conditions in T2S-relevant markets.

Activity status

Priority 2 – activity no 22	Definition	Monitoring	Compliance
Market access and interoperability	Y	X	X

The CSDR includes important provisions regarding market access and interoperability (Art. 51-53). The AG took note that the proposals for the CSDR implementing technical standards published by ESMA on 28 September 2015 include provisions regarding the criteria for CSDs to assess access of "requesting parties" (i.e. CSD participants, other CSDs and other infrastructures) to their systems.[53] If the "receiving" CSD, and its competent authority, refuse access to the CSD services, they should be able to establish that the requesting party does not comply with these requirements.[54] The draft implementing technical standards also include the procedural requirements for refusal of access and the possibility to involve ESMA in this process.[55]

The AG has decided that the issue should be reassessed once the CSDR level 2 legislation enters into force in 2017.

T2S stakeholders will assess whether green definition status will be achieved once the related level 2 legislation is in place, or whether further harmonisation work will be required to achieve this status.

Compliance status of T2S markets

Monitoring has not yet started.

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53 See Annex II (Chapter XII, Section I, Article 88) of the Final Report on the draft technical standards under the CSDR.

54 According to the draft ESMA implementing technical standards, these criteria should establish whether the "requesting party" complies with the legal requirements for participation in the securities settlement system operated by the "receiving" CSD. The requesting party should also comply with the confidentiality and information requirements of the home Member State of the receiving CSD. Finally, the requesting party should hold sufficient financial resources and have the operational capacity to fulfil its contractual obligations towards the CSD.

55 See Annex II (Chapter XII, Section 2, Article 89) to the Final Report on the draft technical standards under the CSDR.

Monitoring

Implementation date	Pending CSDR and level 2 legislation.
Monitoring actors	Pending CSDR and level 2 legislation.
Monitoring process	Pending CSDR and level 2 legislation.

4.7 Securities amount data

Activity description

This activity aims to address the absence of a standardised practice across all T2S markets for defining securities amount data (face value/nominal amount vs. quantity/units) in the trading, clearing and settlement chain.

The non-standardisation of securities quantity data has no impact on T2S settlement as long as only one rule is used for each ISIN in T2S (either nominal amount (FAMT) or quantity/units (UNIT).[56]

However, the current practice in some markets may create difficulties for foreign entities (investor CSDs, custodians) that wish to offer services on securities in those markets.

The objective of this activity is to ensure that all T2S markets are aligned with the EU's standard practice in time for migration to T2S (depending on their respective migration waves). T2S markets should nonetheless be able to participate in bilateral interoperability testing, multilateral testing and community testing using the agreed shared practice.

Activity status

Priority 2 – activity no 23	Definition	Monitoring	Compliance
Securities amount data	G	G	G

[56] For each T2S settlement instruction, T2S verifies whether the type of settlement amount in the settlement instruction (face amount or number of units) matches the type of amount as defined for the given ISIN in the T2S static data. This makes it impossible for a T2S actor to instruct T2S both in nominal amount (FAMT) and units (UNIT) for the same ISIN. T2S actors should select in advance, and for a given ISIN, only one of these settlement amount types.

T2S STANDARD

In line with the current standard market practice in the EU, T2S markets should define securities amount data by using nominal value for debt instruments and units for non-debt instruments (i.e. debt instruments in FAMT and equities in UNIT).

Compliance status of T2S markets

Based on the information provided by the T2S NUGs, all T2S markets either comply fully with the standard or plan to do so by the time of their migration to T2S.

Blue	AT, BE (Euroclear), BE (NBB-SSS), CH, DE, DK, EE, ES, FI, FR, GR (BOGS), HU, IT, LT, LU (LUX CSD), LU (VP LUX), MT, NL, RO, PT
Green	LV, SI, SK
Yellow	None.
Red	None.

Information input: NUG survey and bilateral discussions.

For details on the compliance status colour methodology, please refer to Annex 1. For detailed explanations per T2S market, please refer to Annex 4.

Monitoring

Implementation date	Migration to T2S (depending on migration wave).
Monitoring actors	HSG (T2S NUGs).
Monitoring process	Compliance is monitored by the ECB team in cooperation with the respective T2S NUGs. Monitoring is a continuous process taking place before and after each T2S market migrates to T2S.

4.8 Portfolio transfer

Activity description

The TFAX analysis[57] revealed obstacles in the context of portfolio transfers[58] requiring further harmonisation efforts in T2S markets. Currently, each T2S market

[57] The TFAX report is available in the relevant section of the T2S website.

[58] Portfolio transfers (or book transfers) occur when a client changes custodian or bank.

has its own requirements in terms of the information to be provided by the delivering custodian to the receiving custodian during a portfolio transfer.

In view of increasing cross-border business and cross-border portfolio transfers, this is likely to lead to a high level of complexity in information gathering and maintenance for CSDs and CSD participants involved in portfolio transfers. In the T2S context, this would lead to the manifestation of additional complexities in terms of information gathering and maintenance for the involved actors.

The T2S Community has agreed, in line with the TFAX recommendation, that the information required by the receiving custodians should be harmonised to the extent possible to ensure smooth cross-CSD settlement.

Activity status

Priority 2 – activity no 24	Definition	Monitoring	Compliance
Portfolio transfer	Y	X	X

Following the AG Chairman's letter to the European Banking Federation, the European Working Group on Portfolio Transfers (EWGPT) was set up in November 2014. Its objective is to define regional best market practices in T2S. The best practices cover the following:

- descriptions and recommendations on the workflow and channel of information for portfolio transfer messages;
- data to be transmitted in these portfolio transfer messages;
- how portfolio transfer messages should be populated.

The HSG is currently analysing options for a possible T2S harmonisation standard or market practice. Any solution should, on the one hand, facilitate the T2S actors in the exchange of portfolio information while, on the other hand, be fully consistent with the T2S functionalities and the T2S harmonisation standards.

Monitoring

Implementation date	To be defined.
Monitoring actors	To be defined.
Monitoring process	To be defined.

Annex 1
Methodology

The following methodology is used for compiling the deliverables of the HSG to the AG (progress report, T2S harmonisation list and status update dashboard).

Harmonisation activities

A harmonisation activity is a task or a workstream that needs to be completed in order to remove a barrier to smooth cross-CSD settlement in T2S markets. Some activities are grouped under broader areas.

Example:

Area: *Legal harmonisation*

Activities: *SF I, SF II, SF III, outsourcing, conflicts of law*

Prioritisation of activities

The AG agreed to prioritise the T2S harmonisation work as outlined below.

Priority 1 *activities are necessary to ensure efficient and safe cross-CSD settlement in T2S. The HSG and the ECB team should focus on these activities as first priorities for resolution and implementation* **prior to the markets' migration to T2S.**

The fact that an activity is assigned priority 1 does not imply that the HSG will be the key definition or monitoring actor (e.g. T2S ISO messages, legal harmonisation).

Priority 2 *activities are not essential to ensure safe and efficient cross-CSD settlement in T2S, but they are key for the enhancement of the competitive environment and the efficiency of T2S. The T2S Community could continue to pursue them after the markets' migration to T2S.*

Harmonisation phases

There are three harmonisation processes/phases for each activity in the T2S harmonisation list: *definition, monitoring and implementation*. Each phase corresponds to a different aim/question.

Definition: This refers to the T2S (or, where relevant, wider European) standards/rules definition process. What are the standards and who is responsible for defining and endorsing them?

Monitoring: What is the monitoring framework and who are the actors responsible for monitoring T2S markets' compliance with the harmonisation standards/rules?

Implementation: This phase/process refers to the T2S markets' compliance with the relevant harmonisation standards. What is the process, and who ultimately needs to

implement changes and adapt to the harmonisation standards/rules? What is the implementation status per T2S market?

Responsible actors

For each process/phase, clear responsible actors and concrete deadlines are proposed.

- Definition actors: entities responsible for defining the standard (e.g. the AG supported by HSG/CASG in the case of the T2S corporate actions standards, EU or national authorities in the case of withholding tax procedures, CAJWG in the case of market corporate actions standards).
- Monitoring actors: entities responsible for monitoring that T2S markets are complying with the standard (e.g. the AG supported by HSG/CASG in the case of the T2S corporate actions standards, E-MIG in the case of the market corporate actions standards).
- Implementation actors: entities responsible for ultimately implementing changes and adapting to the standard (e.g. CSDs, their participants and perhaps regulators in the case of some T2S corporate actions standards).

Dates

A deadline for completion is set for each phase. In most cases, the deadline for compliance coincides with the migration of each market to T2S (depending on the respective migration wave). However, for most technical standards, T2S markets/CSDs are required to be able to participate in the interoperability testing phase, as per migration wave, abiding by the agreed rules and standards in the test environment.

T2S Markets should comply fully with all defined and monitored standards prior to their migration to T2S.

Status assessment

A specific colour, based on a four-colour scheme, is displayed in the status update dashboard to reflect the progress in each process (definition, monitoring and compliance). These colours/statuses are agreed at the AG level, based on the proposals of the HSG (and the input of the T2S NUGs, CSDs and other reporting actors).

Table 7

Colour methodology in the different harmonisation processes

Colour	Description
	Compliance The market has achieved full compliance with the harmonisation standard. For technical standards (e.g. T2S ISO messages), this means that the T2S market is already operating according to the standard. For regulatory/legal standards (e.g. T2S settlement finality rules), this means that the relevant regulation/legislation is already in place. **Further monitoring of the T2S market is no longer required.**
Green	**Definition** The relevant stakeholder bodies (in or outside T2S) have defined and agreed/endorsed the standards for the harmonisation activity. **Monitoring** The monitoring actors (in or outside T2S) have defined and implemented a framework for monitoring and reporting progress on the T2S markets' compliance with the harmonisation standard. The T2S markets report regularly to the responsible stakeholder bodies. **Compliance** There are changes still pending (technical, regulatory or legal) before the T2S market can achieve full compliance with the harmonisation standard, but no obstacles have been identified to achieving full compliance by the deadline. **and** The market has established a clear/detailed plan to implement the harmonisation standard and has publicly announced deadlines for full implementation. **Further monitoring of the T2S market is required.**
Yellow	**Definition** Open issues remain concerning the definition and agreement of the standards for the harmonisation activity by the relevant stakeholder bodies (in or outside T2S). However, stakeholders have agreed a roadmap and an approach to resolving pending issues in order to achieve agreement on the standard. **Monitoring** The monitoring actors (in or outside T2S) have defined and implemented a framework for monitoring and reporting progress on the T2S markets' compliance with the harmonisation standard. The T2S markets report to the monitoring bodies on an irregular basis. **Compliance** There are changes still pending (technical, regulatory or legal) before the T2S market can achieve full compliance with the given harmonisation standard, but obstacles have been identified which may threaten achievement of full compliance by the deadline. **or** The T2S market has issued a statement that it will implement the standard, but has not committed to concrete and publicly announced dates for implementation. **Further monitoring of the T2S market is required.**
Red	**Definition** Relevant stakeholder bodies (in or outside T2S) have not reached an agreement on the definition of the standard and stakeholders have not agreed a roadmap or an approach to achieving agreement on the standard. Stakeholders have not agreed a formal plan to achieve compliance with the standards. **Monitoring** The monitoring stakeholders have not defined and/or not implemented a framework for monitoring and reporting progress on the T2S markets' compliance with the harmonisation standard. **Compliance** The T2S market has not provided any information on its level of compliance with the standard. **or** The T2S market has decided not to (fully) comply with the standard. **or** There are changes still pending (technical, regulatory or legal) before the T2S market can achieve full compliance with the harmonisation standard and obstacles have been identified that have stopped the implementation plan of the market and/or will prevent its full implementation by the deadline. **Further monitoring of the T2S market is required.**
X	Process not started yet

It follows from Table 7 that only blue and red statuses apply to markets that have already migrated. This is due to the fact that green and yellow statuses refer, exclusively, to future implementation plans.

AG monitoring methodology[59]

The HSG only monitors T2S harmonisation activities for which the definition process is complete, i.e. a standard/rule/agreement has been defined and endorsed by the relevant actors. The definition may come from the AG (e.g. T2S corporate actions standards) or from EU authorities (e.g. the CSDR), but the AG ultimately endorses all T2S harmonisation standards. Only afterwards is the AG monitoring process, for the specific standard and all T2S markets, launched.

Once the definition process is complete (i.e. the AG endorses and assigns green status to the activity), the HSG – with the help of the ECB team – launches the monitoring process. The ECB team acts as the contact point or secretariat for this process. For some activities, this monitoring may be launched by external parties (e.g. the E-MIG in the case of the market corporate actions standards).

For each of the T2S harmonisation activities covered in this report, there is a section on monitoring. This section has three key elements:

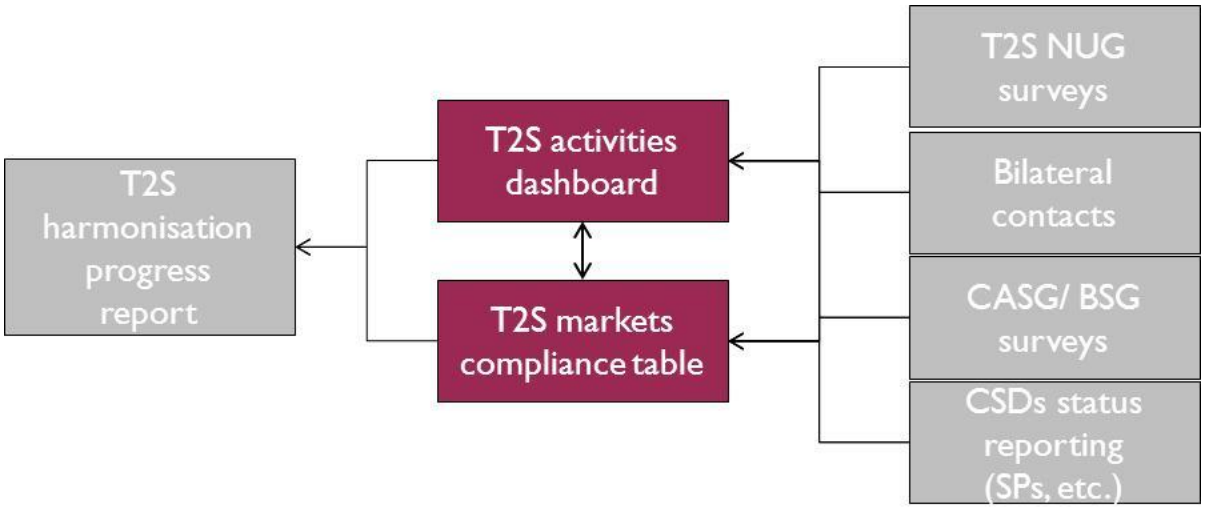
- the implementation date, which describes by when the standard/agreement needs to be implemented by the T2S markets;
- the monitoring actors, i.e. who is performing the monitoring process (e.g. ECB team, NUGs, E-MIG);
- the monitoring process, which describes what the process consists of (e.g. NUG surveys, CASG surveys).

The information provided for individual T2S markets and activities may stem from more than one source. For example, T2S NUGs provided information on SF II and SF III, but this point was also covered by most T2S actors in their feasibility assessments sent to the ECB team prior to the launch of T2S. As shown in Diagram 1, the different input channels (NUG surveys, CASG/CAJWG surveys, bilateral contacts and synchronisation point (SP) reporting) feed into the different monitoring tools (T2S activities dashboard and T2S markets compliance table). The results are summarised in the T2S harmonisation progress reports published by the T2S AG on the ECB/T2S webpages.

[59] As agreed by the AG on 27 March 2012.

Diagram 1

Information channels for monitoring T2S harmonisation



In the T2S harmonisation progress reports, the compliance statuses are presented by market (rather than by CSD). Compliance usually depends on national market practice, specificities or even regulation rather than on an individual CSD's business model. In markets with more than one CSD, the name of the relevant CSD is used in order to flag differing progress in implementation.

In the case of market corporate actions standards, colours are assigned to T2S markets based on a statistical approach, as described in section 4.2.

Annex 2
Monitored harmonisation activities per market

Table 8

Colour methodology in the compliance processes

Colour	Description
	The market has achieved full compliance with the harmonisation standard. For technical standards (e.g. T2S ISO messages), this means that the T2S market is already operating according to the standard. For regulatory/legal standards (e.g. T2S settlement finality rules), this means that the relevant regulation/legislation is already in place. **Further monitoring of the T2S market is no longer required.**
G	There are changes still pending (technical, regulatory or legal) before the T2S market can achieve full compliance with the harmonisation standard, but no obstacles have been identified to achieving full compliance by the deadline. **and** The market has established a clear/detailed plan to implement the harmonisation standard and has publicly announced deadlines for full implementation. **Further monitoring of the T2S market is required.**
Y	There are changes still pending (technical, regulatory or legal) before the T2S market can achieve full compliance with the given harmonisation standard, but obstacles have been identified which may threaten achievement of full compliance by the deadline. **or** The T2S market has issued a statement that it will implement the standard, but has not committed to concrete and publicly announced dates for implementation. **Further monitoring of the T2S market is required.**
R	The T2S market has not provided any information on its level of compliance with the standard. **or** The T2S market has decided not to (fully) comply with the standard. **or** There are changes still pending (technical, regulatory or legal) before the T2S market can achieve full compliance with the harmonisation standard and obstacles have been identified that have stopped the implementation plan of the market and/or will prevent its full implementation by the deadline. **Further monitoring of the T2S market is required.**
R- [date]	As above, full compliance will not be achieved by the time of the market's migration to T2S, but the NUG has agreed and provided a detailed action plan for full compliance by a specific date after migration to T2S.

Table 2 [from Executive Summary]

Compliance status per T2S market (as at 20/12/2016)

	Priority 1														Priority 2	
T2S markets	1 Messages ISO 20022	2 Matching fields	3 Interaction with T2S (registration)	4 Interaction with T2S (tax procedure)	5 Schedule for the settlement day	6 T2S CA standards	8 T2S settlement finality II	9 T2S settlement finality III	10 Outsourcing IT (settlement services)	12 Settlement cycle	13 Availability of omnibus accounts	14 Restriction on omnibus accounts	15 Securities account number	16 Cash number	18 CA market standards (CAJWG)	23 Securities amount data
AT	G	G	B	B	G	R-?	B	B	B	B	B	B	G	B	G	B
BE Euroclear	B	B	B	B	B	R-Feb 2018	B	B	B	B	B	B	B	B	G	B
BE – NBB-SSS	B	B	B	B	B	B	B	B	B	B	B	R-?	B	B	G	B
CH	B	B	B	B	B	B	B	B	B	B	B	B	B	NA	G	B
DE	G	G	B	B	G	R-?	G	G	B	B	B	B	G	B	G	B
DK	B	B	B	B	B	R-?	B	B	B	B	B	B	B	B	G	B
EE	G	G	B	B	G	G	B	G	B	B	B	B	G	G	Y	B
ES	G	G	G	B	G	G	B	B	B	B	B	B	G	B	G	B
FI	B	B	B	B	G	Y	B	B	B	B	B	Y	B	G	Y	B
FR	B	B	B	B	B	R-Dec 2017	B	B	B	B	B	R-?	B	B	G	B
GR – BOGS	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B
HU	NA	R-Jul 2017	B	B	G	R-Dec 2017	G	G	B	B	B	B	G	NA	R	B
IT	B	B	B	B	B	R-Jan 2017	B	B	B	B	B	B	B	B	B	B
LT	G	G	B	B	G	G	G	G	B	B	B	B	G	G	R	G
LU – LUX CSD	G	G	B	B	G	R-?	G	B	B	B	B	B	G	B	G	B
LU – VP LUX	B	B	B	B	B	B	B	B	B	B	B	B	B	B	G	B
LV	G	G	B	B	G	G	G	G	B	B	B	B	G	G	G	G
MT	B	B	B	B	B	B	B	B	B	B	B	B	B	B	G	B
NL	B	B	B	B	B	R-Feb 2018	B	B	B	B	B	B	B	B	G	B
PT	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B
RO	NA	B	B	B	B	R-Feb 2017	B	B	B	B	B	B	B	B	Y	B
SI	G	G	B	B	G	G	G	G	B	B	B	B	G	G	R	G
SK	G	R-?	G	B	G	G	G	G	B	B	B	Y	G	G	R	G

Table 9

Compliance status of T2S markets in the first migration wave (as at 20/12/2016)

	Priority 1														Priority 2	
T2S markets	1 Messages ISO 20022	2 Matching fields	3 Interaction with T2S (registration)	4 Interaction with T2S (tax procedure)	5 Schedule for the settlement day	6 T2S CA standards	8 T2S settlement finality II	9 T2S settlement finality III	10 Outsourcing IT (settlement services)	12 Settlement cycle	13 Availability of omnibus accounts	14 Restriction on omnibus accounts	15 Securities account number	16 Cash number	18 CA market standards (CAJWG)	23 Securities amount data
CH	B	B	B	B	B	B	B	B	B	B	B	B	B	N/A	G	B
GR-BOGS	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B
IT	B	B	B	B	B	R-Jan 2017	B	B	B	B	B	B	B	B	B	B
MT	B	B	B	B	B	B	B	B	B	B	B	B	B	B	G	B
RO	N/A	B	B	B	B	R-Feb 2017	B	B	B	B	B	B	B	B	Y	B

Table 10

Compliance status of T2S markets in the second migration wave (as at 20/12/2016)

	Priority 1														Priority 2	
T2S markets	1 Messages ISO 20022	2 Matching fields	3 Interaction with T2S (registration)	4 Interaction with T2S (tax procedure)	5 Schedule for the settlement day	6 T2S CA standards	8 T2S settlement finality II	9 T2S settlement finality III	10 Outsourcing IT (settlement services)	12 Settlement cycle	13 Availability of omnibus accounts	14 Restriction on omnibus accounts	15 Securities account number	16 Cash number	18 CA market standards (CAJWG)	23 Securities amount data
BE - NBB-SSS	B	B	B	B	B	B	B	B	B	B	B	R-?	B	B	G	B
PT	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B

Table 5 [from Executive Summary]

Compliance of the wave 3 T2S markets, which migrated on 16/09/2016 (monitoring status: 20/12/2016)

	Priority 1														Priority 2	
T2S markets	1 Messages ISO 20022	2 Matching fields	3 Interaction with T2S (registration)	4 Interaction with T2S (tax procedure)	5 Schedule for the settlement day	6 T2S CA standards	8 T2S settlement finality II	9 T2S settlement finality III	10 Outsourcing IT (settlement services)	12 Settlement cycle	13 Availability of omnibus accounts	14 Restriction on omnibus accounts	15 Securities account number	16 Cash number	18 CA market standards (CAJWG)	23 Securities amount data
BE - Euroclear	B	B	B	B	B	R-Feb 2018	B	B	B	B	B	B	B	B	G	B
DK	B	B	B	B	B	R-?	B	B	B	B	B	B	B	B	G	B
FR	B	B	B	B	B	R-Feb 2018	B	B	B	B	B	R-?	B	B	G	B
LU – VP LUX	B	B	B	B	B	B	B	B	B	B	B	B	B	B	G	B
NL	B	B	B	B	B	R-Feb 2018	B	B	B	B	B	B	B	B	G	B

Table 6 [from Executive Summary]

Compliance of the wave 4 T2S markets which plan to migrate on 6/02/2017 (monitoring status: 20/12/2016)

	Priority 1														Priority 2	
T2S markets	1 Messages ISO 20022	2 Matching fields	3 Interaction with T2S (registration)	4 Interaction with T2S (tax procedure)	5 Schedule for the settlement day	6 T2S CA standards	8 T2S settlement finality II	9 T2S settlement finality III	10 Outsourcing IT (settlement services)	12 Settlement cycle	13 Availability of omnibus accounts	14 Restriction on omnibus accounts	15 Securities account number	16 Cash number	18 CA market standards (CAJWG)	23 Securities amount data
AT	G	G	B	B	G	R-?	B	B	B	B	B	B	G	B	G	B
DE	G	G	B	B	G	R-?	G	G	B	B	B	B	G	B	G	B
HU	N/A	R- Jul 2017	B	B	G	R-Dec 2017	G	G	B	B	B	B	G	N/A	R	B
LU – CSD	G	G	B	B	G	R-?	G	B	B	B	B	B	G	B	G	B
SI	G	G	B	B	G	G	G	G	B	B	B	B	G	G	R	G
SK	G	R-?	G	B	G	G	G	G	B	B	B	Y	G	G	R	G

Table 7

Compliance status of T2S markets in the final migration wave (as at 20/12/2016)

	Priority 1														Priority 2	
T2S markets	1 Messages ISO 20022	2 Matching fields	3 Interaction with T2S (registration)	4 Interaction with T2S (tax procedure)	5 Schedule for the settlement day	6 T2S CA standards	8 T2S settlement finality II	9 T2S settlement finality III	10 Outsourcing IT (settlement services)	12 Settlement cycle	13 Availability of omnibus accounts	14 Restriction on omnibus accounts	15 Securities account number	16 Cash number	18 CA market standards (CAJWG)	23 Securities amount data
EE	G	G	B	B	G	G	B	G	B	B	B	B	G	G	Y	B
ES	G	G	G	B	G	G	B	B	B	B	B	B	G	B	G	B
FI	B	B	B	B	G	Y	B	B	B	B	B	Y	B	G	Y	B
LT	G	G	B	B	G	G	G	G	B	B	B	B	G	G	R	B
LV	G	G	B	B	G	G	G	G	B	B	B	B	G	G	G	G

Annex 3
Non-compliance impact analysis

Table 12 covers the Austrian, Belgian, German, French, Italian, Hungarian, Dutch, Romanian and Slovakian markets where i) there is at least one red compliance status for priority 1 standards (status: 20/12/2016) and ii) the impact of their non-compliance has been analysed and assessed by the AG[60]. Thus, despite having red compliance status with T2S CA standards, the Danish and the Luxembourgish (LuxCSD) markets are excluded as the impact of their non-compliance has not yet been completed by the AG.

[60] See the latest update of the Impact Analysis Report.

Table 12

Summary of the AG's impact analysis (status: 20/12/2016)

T2S standard	T2S market	Compliance gap	NUG-specified milestone and completion date	Status as of 20 December 2016	Remark
T2S corporate actions standards	Austria	Market claims standards 6 and 7: the Austrian market will disregard the "opt-out", "ex" and "cum" flags when generating market claims in T2S; market claims standards 19 and 23: the Austrian CSD will not provide its participants with a "user friendly facility" in order for them to control the interdependence of the settlement of the market claim with that of the underlying transaction.[61]	None	Implementation date still not available.	
T2S corporate actions standards	Germany	No concept of "record date" exists in Germany.	Implementation of "record date" in the German market: 1 January 2016.	Although the German Parliament approved the necessary change in legislation in November 2015, the change will only enter into force on 1 January 2017.	Owing to the legislator's decision, the record date will be implemented one year later than initially planned. This is still ahead of Clearstream's migration in February 2017.
		No usage of "CUM" flag in market claim detection (MC standard no 7).	None.	Implementation date still not available.	The German Market Practice Committee agreed to monitor the handling and processing of the "CUM" flag in other T2S markets and to further discuss with the Ministry of Finance whether or not to implement it a few months after the wave 4 migration (February 2017).
		Generation of market claims only after the settlement of the underlying transaction (MC standards no 19 and 23).	None.	Implementation date still not available. The German Market Practice Committee is not in favour of adapting the current domestic practice for generating market claims to be in line with the T2S corporate actions standards.[62]	German NUG to provide the ECB team, as soon as possible, with the relevant statistics on the volumes that will be affected after the six-month period following the introduction of the "record date" and, based on that, to decide whether to comply with the T2S corporate actions standards on this.
		Payments on market claims not on T2S dedicated cash accounts and the management of securities fractions is not in line with the standards (MC standards no 9, 10, 11, 14 and 15; transformations standard no 11).	August 2017.	The original deadline (March 2017) for compliance has been postponed to August 2017 owing to the change in Clearstream's migration plan.	The non-compliance of the German market mainly relates to German ISINs.

61 Instead the CSD will provide its participants with an optional facility to allow them to indicate that all market claims, generated by the CSD on certain securities accounts, should have "on hold" status. This mechanism is not in line with the T2S CA standards as explained in the related frequently asked questions published by the T2S Community.

62 The German market bases this decision on its interpretation of "irrevocable instructions" (matched instructions are not considered irrevocable as they can still be bilaterally cancelled).

T2S standard	T2S market	Compliance gap	NUG-specified milestone and completion date	Status as of 20 December 2016	Remark
T2S corporate actions standards	Belgium (Euroclear Belgium)	Non-generation of market claims on cross-CSD instructions and those related to fractions of securities entitlements. Transformations will be detected but not generated by the CSD. The CSD will not provide certain information (key dates necessary for managing buyer protection).	Generation of market claims on cross-CSD instructions and generation of the replacement transactions for more than 99.9% of transformations: 31 March 2017. Technical adaptations of Euroclear systems to fully implement CAJWG/CASG standards (Custody Service Evolution stream 6), legislative change in order to comply fully with the Buyer Protection standards, other measures to reach full compliance with the T2S CA standards: Q1 2018.	The ESES markets communicated in October 2016 their updated planning to reach full compliance with the T2S corporate actions standards before the corporate action season in 2018 (31/03/2018).	
Restrictions on omnibus accounts	Belgium (NBB-SSS)	Securities have to be held in two different types of securities account based on the tax status of the underlying investor.	None.	Implementation date still not available.	
Restrictions on omnibus accounts	France	Securities have to be held in two different types of securities account based on their registration status.	No plan has been provided yet by the French market.	Implementation date still not available.	
T2S corporate actions standards		Non-generation of market claims on cross-CSD instructions and those related to fractions of securities entitlements. Transformations will be detected but not generated by the CSD. The CSD will not provide certain information (key dates necessary for managing buyer protection).	Generation of market claims on cross-CSD instructions and generation of the replacement transactions for more than 99.9% of transformations: 31 March 2017. Technical adaptations of Euroclear systems to fully implement CAJWG/CASG standards (Custody Service Evolution stream 6), other measures to reach full compliance with the T2S corporate actions standards: Q1 2018.	In October 2016 the ESES markets communicated their updated planning to reach full compliance with the T2S corporate actions standards before the corporate action season in 2018 (31/03/2018).	
T2S corporate actions standards	Netherlands	Non-generation of market claims on cross-CSD instructions and those related to fractions of securities entitlements. Transformations will be detected but not generated by the CSD. Non-compliance with the buyer protection standards for centrally cleared transactions. This is planned for Q1 2017.	Generation of market claims on cross-CSD instructions, generation of the replacement transactions for more than 99.9% of transformation and full compliance with Buyer Protection standards: 31 March 2017. Technical adaptations of Euroclear systems to fully implement CAJWG/CASG standards (Custody Service Evolution stream 6), other measures to reach full compliance with the T2S corporate actions standards: Q1 2018.	The ESES markets communicated in October 2016 their updated planning to reach full compliance with the T2S corporate actions standards before the corporate action season in 2018 (31/03/2018).	The Dutch market already complies with Buyer Protection standards for OTC transactions; compliance for centrally cleared transactions is planned for Q1 2017.
T2S corporate actions standards	Romania	The Romanian market does not generate/raise corporate actions on flows for Romanian ISINs in T2S (need for changes in the secondary legislation).	Overall full compliance date remains February 2017.	The new CSD rules were submitted to the authorities in September 2016. The approval of the authorities is expected later than originally planned but still on time to meet the original compliance deadline.	
		The Romanian market does not generate/raise corporate actions on flows for Romanian ISINs in T2S (need for IT changes).	Finalisation of user system testing by January 2017.	The new module for processing corporate actions was developed in August 2016 and internal testing was completed in October 2016 as originally planned.	Overall full compliance date remains February 2017.

T2S standard	T2S market	Compliance gap	NUG-specified milestone and completion date	Status as of 20 December 2016	Remark
T2S corporate actions standards	Italy	Monte Titoli does not generate market claims (MC) and transformations for OTC transactions (not fully compliant with MC standard 6 and transformations standard 3).	Implementation will require an IT change: December 2016 postponed to 23 January 2017.	Testing of technical solution commenced in September 2016 (to be completed by 2 December) and is planned to go live on 12 December 2016. However, in December 2016 the Italian T2S NUG informed that this has been postponed for 23 January 2017.	This case of non-compliance is estimated to have a medium overall impact on the T2S Community.
		No user-friendly facility for CSD participants to manage the interdependence of settlement of market claims and the underlying transaction for on-exchange and CCP transactions (MC standard 23).	Implementation will require an IT change: December 2016 postponed to 23 January 2017.		This case of non-compliance is estimated to have a medium overall impact on the T2S Community.
T2S matching fields	Slovakia	In the CSD's legacy matching engine, when processing transactions in securities held in co-ownership, the Slovakian market uses two matching fields in addition to those described in the UDFS.	No plans for compliance.	No implementation plan available. No dates.	This case of non-compliance is estimated to have a low overall impact on the T2S Community.
T2S corporate actions standards	Hungary	The Hungarian market will not detect and generate market claims on equities after its migration to T2S in February 2017. In addition, the Hungarian market will opt out by default from market claims and transformations for intra-CSD settlements (something that KELER participants can change on a transaction by transaction basis) until it implements its new system for A2A communication with T2S.	Plan for compliance with default generation of CAs on flow: • Introduction of KELER's A2A system by 03/07/2017 Plan for compliance with market claims on equities: •Further discussions with HU authorities: end-February 2017 •Amendments in law (01/03/2017-30/09/2017) •Amendments in KELER regulations (15/08/2017-15/11/2017) • Operational model and processes finalisation (01/01/2017-31/03/2017) • KELER development, testing (01/04/2017-15/08/2017) • Market testing (16/08/2017-30/11/2017).		
T2S matching fields		After migration to T2S, the Hungarian CSD (KELER) will not comply fully with the T2S standard on matching fields for intra-CSD settlements, which will be matched in its own system and then sent to T2S as already matched.	This will be resolved with the introduction of KELER's A2A system by 03/07/2017.		Directly connected parties and cross-CSD settlements are not affected by this non-compliance.

Annex 4
Detailed monitoring information per T2S market

T2S harmonisation activities: Austria

Activity	Sub-activity	Compliance Indicates level of compliance with the relevant standards/rules	Status Green (G), yellow (Y), red (R), blue (B)	Type of implementation gap If the standards/rules are not yet implemented, please specify what the type of gap is	Implementation plan/date If standards/rules are not fulfilled, please provide the timetable and various milestones/dates in the implementation plan.		Implementation actor(s) Relevant national actors for implementation	Further comments
					Ready for T2S testing	Fully operational according to the T2S standard		
Priority 1								
T2S messages	1. T2S ISO 20022 messages	Not compliant	G	Straight-forward to implement	Testing readiness achieved	06-02-17	OeKB	No barriers identified for achieving full compliance before migration to T2S.
	2. T2S matching fields	Not compliant	G	Straight-forward to implement	Testing readiness achieved	06-02-17	OeKB	No barriers identified for achieving full compliance before migration to T2S.
	3. Interaction for registration	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: HSG survey May 2013. Registration information is not transferred via settlement messages
	4. Interaction for tax info	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: HSG survey May 2013. Tax information is not transferred via settlement messages
5. T2S schedule of settlement day		Not compliant	G	Straight-forward to implement	Testing readiness achieved	06-02-17	OeKB	Info source: 2014 NUG survey. OeKB schedule will be adapted to T2S schedule by February 2017 (migration to T2S).
6. Corporate actions T2S CA standards (59)	Market claims (28 standards)	7%	R	Major technical changes/ Market practice changes	Not available	Not available	CANIG and T2S NUG (CSD/ CCP, banks and Issuers)	Info source: October 2016 CASG gap analysis update and further NUG clarification. The AT market will not comply with MC standards 6 and 7 (related to treatment of ex/cum and opt-out indicators) as well as MC standards 19 and 23 due to the optional facility to control the interdependence of the settlement of the market claim with the underlying transaction, which will be introduced by the AT market.
	Transformations (13 standards)	0%						
	Buyer protection (18 standards)	100%						
Legal harmonisation	8. Settlement Finality II: irrevocability and enforceability transfer order	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: T2S NUG surveys 2011 and 2012, SP2 and bilateral input. Only bilateral cancellations are possible after matching status
	9. Settlement Finality III: irrevocability of securities transfers.	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: SP2 and bilateral input. Market already complies with the standard.
	10. Outsourcing IT (Settlement) services	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: 2014 HSG survey on IT outsourcing.
12. Settlement cycles		Fully compliant	B	N/A	N/A	N/A	N/A	Info source: Bilateral confirmation from NUG. Fully compliant since 6 October 2014.
CSD account structures	13. Availability of omnibus accounts	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: 2013 HSG survey and bilateral input. Fully compliant with omnibus accounts availability.
	14. Restrictions on omnibus accounts	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: 2013 HSG survey and bilateral input. No restrictions on omnibus accounts.
T2S accounts numbering	15. Securities account numbering	Not compliant	G	Straight-forward to implement	Testing readiness achieved	06-02-17	OeKB	Info source: HSG survey on T2S securities account numbering, April-May 2013 and Q3 2013 CSD status gathering template
	16. Dedicated cash account numbering	Not compliant	B	N/A	N/A	N/A	N/A	Info source: HSG survey on T2S DCA numbering, April- May 201. Bilateral exchanges with NUG.
Activity	**Sub-activity**	**Compliance** Indicates level of compliance with the relevant standards/rules	**Status** Green (G), yellow (Y), red (R)	**Type of implementation gap** If the standards/rules are not yet implemented, please specify what the type of gap is (use the dropdown list).	**Implementation plan/date** **If standards/rules are not fulfilled, please provide the timetable and various milestones/dates in the implementation plan.**		**Implementation actor(s)** Relevant national actors for implementation	**Further comments**
					Ready for T2S testing	Fully operational according to the T2S standard		
Priority 2								
18. Corporate actions	CA market standards (68)	85%	G	Straight-forward to implement	Testing readiness achieved	06-02-17	Austrian Corporate Actions National Implementation Group (CANIG)	Info source: BSG/E-MIG Survey (2016). The EMIG provided statistics have been adjusted, for consistency and comparison reasons, to the common denominator of the 68 CAJWG prioritised standards.
23. Securities amount static data		Fully compliant	B	N/A	N/A	N/A	N/A	Info source: T2S NUG survey and bilateral input. Full compliance with European market practice

T2S harmonisation activities: Belgium (Euroclear)

Activity	Sub-activity	Compliance Indicates level of compliance with the relevant standards/rules	Status Green (G), yellow (Y), red (R), blue (B)	Type of implementation gap If the standards/rules are not yet implemented, please specify what the type of gap is	Implementation plan/date If standards/rules are not fulfilled, please provide the timetable and various milestones/dates in the implementation plan.		Implementation actor(s) Relevant national actors for implementation	Further comments
					Ready for T2S testing	Fully operational according to the T2S standard		
Priority 1								
T2S messages	1. T2S ISO 20022 messages	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: SP2 and bilateral input. Technical compliance for testing and full compliance by migration
	2. T2S matching fields	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: SP2, White Paper and bilateral input. Matching rules that will apply are those of the T2S platform. Full compliance for testing
	3. Interaction for registration	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: May 2013 HSG survey. Registration information is not transferred via settlement messages.
	4. Interaction for tax info	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: May 2013 HSG survey. Tax information is not transferred via settlement messages.
5. T2S schedule of settlement day		Fully compliant	B	N/A	N/A	N/A	N/A	Info source: SP2 and bilateral input and status gathering templates. The ESES operational day will be amended to adhere to the timing of T2S. The T2S accounting day will be considered the master day.
6. Corporate actions T2S CA standards (59)	Market claims (28 standards)	89%	R- Feb 2018	Major technical change	Q4 - 2017	February 2018	Euroclear	"Info source: October 2016 CASG gap analysis report and further NUG clarification. Euroclear Belgium does not fully comply with market claims standards (10, 11 and 13), transformations standards (non-generation of the transformed instructions) and buyer protection standards following its migration to T2S in September 2016. Compliance with the standards having a high impact on the T2S Community (non-generation of market claims on cross-CSD instructions and the transformed instructions in almost all transformations) will be achieved in Q1 2017. Full compliance with all T2S CA Standards, including change in Belgian securities law in order to comply with BP standards, is planned for Q1 2018.
	Transformations (13 standards)	0%		Major technical change				
	Buyer protection (18 standards)	0%		Other				
Legal harmonisation	8. Settlement Finality II: irrevocability and enforceability transfer order	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: T2S NUG surveys 2011 and 2012, SP2 and bilateral input. EoC (BE) already complies with only bilateral cancellation after matching status.
	9. Settlement Finality III: irrevocability of securities transfers	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: T2S NUG surveys 2011 and 2012, SP2 and bilateral input. Terms and conditions will be updated to implement SFIII in T2S. This update will have to be presented and approved, where applicable, by the Belgian regulator (Nationale Bank van België/Banque Nationale de Belgique). No barriers identified in this process.
	10. Outsourcing IT (Settlement) services	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: 2014 HSG survey on IT outsourcing. No regulatory barrier for outsourcing of settlement services by the CSD to the Eurosystem.
12. Settlement cycles		Fully compliant	B	N/A	N/A	N/A	N/A	Info source: Bilateral confirmation from NUG. Fully compliant since 6 October 2014.
CSD account structures	13. Availability of omnibus accounts	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: T2S NUG survey and bilateral input. There are no issues with omnibus accounts availability for the ESES countries.
	14. Restrictions on omnibus accounts	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: T2S NUG survey and bilateral input. No restrictions on usage of omnibus accounts.
T2S accounts numbering	15. Securities account numbering	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: HSG survey on T2S securities account numbering, May 2013. No barriers identified.
	16. Dedicated cash account numbering	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: HSG survey on T2S DCA numbering, April-May 2013 and bilateral input from BE NUG. No barriers identified.

Activity	Sub-activity	Compliance Indicates level of compliance with the relevant standards/rules	Status Green (G), yellow (Y), red (R)	Type of implementation gap If the standards/rules are not yet implemented, please specify what the type of gap is (use the dropdown list).	Implementation plan/date If standards/rules are not fulfilled, please provide the timetable and various milestones/dates in the implementation plan.		Implementation actor(s) Relevant national actors for implementation	Further comments
					Ready for T2S testing	Fully operational according to the T2S standard		
Priority 2								
18. Corporate actions	CA market standards (68)	88%	G	Market practice change	Q4 2017	01.02.18	Euroclear	"Info source: BSG/E-MIG Survey (Sep 2016). The EMIG provided statistics have been adjusted, for consistency and comparison reasons, to the common denominator of the 68 CAJWG prioritised standards. Final implementation expected with Euroclear launch of Stream 6 in February 2018
23. Securities amount static data		Fully compliant	B	N/A	N/A	N/A	N/A	Info source: T2S NUG survey and bilateral input. There are no issues with securities amount data for the ESES countries.

T2S harmonisation activities: Belgium (NBB-SSS)

Activity	Sub-activity	Compliance Indicates level of compliance with the relevant standards/rules	Status Green (G), yellow (Y), red (R), blue (B)	Type of implementation gap If the standards/rules are not yet implemented, please specify what the type of gap is	Implementation plan/date If standards/rules are not fulfilled, please provide the timetable and various milestones/dates in the implementation plan.		Implementation actor(s) Relevant national actors for implementation	Further comments
					Ready for T2S testing	Fully operational according to the T2S standard		
Priority 1								
T2S messages	1. T2S ISO 20022 messages	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: Confirmation by BE NUG
	2. T2S matching fields	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: NUG confirmation that the market is now fully operational according to the T2S standards following implementation of the new technical platform.
	3. Interaction for registration	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: T2S NUG surveys 2013. Registration process is paper-based. No need to include registration info in settlement messages.
	4. Interaction for tax info	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: T2S NUG surveys 2013. No additional information is requested in settlement messages for tax processing.
5. T2S schedule of settlement day		Fully compliant	B	N/A	N/A	N/A	N/A	Info source: SP2, SP3 and bilateral input and 2014 NUG survey. NBB-SSS will fully comply with the T2S schedule, whatever the final timings agreed. However, NBB-SSS has raised concerns about the short time period between EoD and SoD.
6. Corporate actions T2S CA standards (59)	Market claims (28 standards)		B	N/A	N/A	N/A	N/A	Info source: October 2016 CASG gap analysis update. NBB-SSS settles only debt securities. Even if it has reported non-compliance with some MC standards, these are not relevant for this assessment as it settles only debt securities.
	Transformations (13 standards)	89%		N/A				
	Buyer protection (18 standards)	100%		N/A				
Legal harmonisation	8. Settlement Finality II: irrevocability and enforceability transfer order	100%		N/A	N/A	N/A	N/A	Info source: NUG confirmation that the market is now fully operational according to the T2S standards following the implementation of the new technical platform in February 2015.
	9. Settlement Finality III: irrevocability of securities transfers.	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: NUG confirmation that the market is now fully operational according to the T2S standards following the implementation of the new technical platform in February 2015.
	10. Outsourcing IT (Settlement) services	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: 2014 HSG survey on IT outsourcing. No regulatory barrier for outsourcing of settlement services by the CSD to the Eurosystem.
12. Settlement cycles		Fully compliant	B	N/A	N/A	N/A	N/A	Info source: Bilateral confirmation from NUG. Fully compliant since 6 October 2014.
CSD account structures	13. Availability of omnibus accounts	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: T2S NUG survey and bilateral input. NBB-SSS offers omnibus accounts.
	14. Restrictions on omnibus accounts	Fully compliant	R	Market practice change	Not available	Not available	NBB-SSS	Info source: NBB-SSS. NBB-SSS requires participants to maintain two omnibus accounts based on the tax exempt category of the investors; exempt and non-exempt accounts. Investor CSDs and their participants are forced to propagate this segregation further down the custody chain.
T2S accounts numbering	15. Securities account numbering	Not compliant	B	N/A	N/A	N/A	N/A	Info source: NUG confirmation that the market is now fully operational according to the T2S standards following the implementation of the new technical platform in February 2015.
	16. Dedicated cash account numbering	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: HSG survey on T2S DCA numbering, April-May 2013.
Activity	**Sub-activity**	**Compliance** Indicates level of compliance with the relevant standards/rules	**Status** Green (G), yellow (Y), red (R)	**Type of implementation gap** If the standards/rules are not yet implemented, please specify what the type of gap is (use the dropdown list).	**Implementation plan/date** **If standards/rules are not fulfilled, please provide the timetable and various milestones/dates in the implementation plan.** Ready for T2S testing	Fully operational according to the T2S standard	**Implementation actor(s)** Relevant national actors for implementation	**Further comments**
Priority 2								
18. Corporate actions	CA market standards (68)	84%	G	Other	Testing readiness achieved	Mid 2017	NBB - SSS	Info source: BSG/E-MIG Survey (Sep 2016). The EMIG provided statistics have been adjusted, for consistency and comparison reasons, to the common denominator of the 68 CAJWG prioritised standards.
23. Securities amount static data		Fully compliant	B	N/A	N/A	N/A	N/A	Info source: T2S NUG survey and bilateral input. NBB-SSS is in line with European market practice.

T2S harmonisation activities: Switzerland (SIX SIS)

Activity	Sub-activity	Compliance Indicates level of compliance with the relevant standards/rules	Status Green (G), yellow (Y), red (R), blue (B)	Type of implementation gap If the standards/rules are not yet implemented, please specify what the type of gap is	Implementation plan/date If standards/rules are not fulfilled, please provide the timetable and various milestones/dates in the implementation plan.		Implementation actor(s) Relevant national actors for implementation	Further comments
					Ready for T2S testing	Fully operational according to the T2S standard		
Priority 1								
T2S messages	1. T2S ISO 20022 messages	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: Confirmation from the NUG received post-migration to T2S.
	2. T2S matching fields	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: Confirmation from the NUG received post-migration to T2S.
	3. Interaction for registration	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: Confirmation from the NUG received post-migration to T2S.
	4. Interaction for tax info	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: Confirmation from the NUG received post-migration to T2S.
5. T2S schedule of settlement day		Fully compliant	B	N/A	N/A	N/A	N/A	Info source: SIS confirmation that as of 28 March 2016 it is fully compliant with the standard
6. Corporate actions T2S CA standards (59)	Market claims (28 standards)	Fully compliant	B	NA	N/A	N/A	N/A	Info source: October 2016 CASG gap analysis report. Since its migration to T2S, the Swiss market has achieved full compliance with the T2S CA standards.
	Transformations (13 standards)			NA				
	Buyer protection (18 standards)			NA				
Legal harmonisation	8. Settlement Finality II: irrevocability and enforceability transfer order	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: Confirmation from the NUG received post-migration to T2S.
	9. Settlement Finality III: irrevocability of securities transfers.	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: Confirmation from the NUG received post-migration to T2S.
	10. Outsourcing IT (Settlement) services	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: Confirmation from the NUG received post-migration to T2S.
12. Settlement cycles		Fully compliant	B	N/A	N/A	N/A	N/A	Info source: Confirmation from the NUG received post-migration to T2S.
CSD account structures	13. Availability of omnibus accounts	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: Confirmation from the NUG received post-migration to T2S.
	14. Restrictions on omnibus accounts	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: Confirmation from the NUG received post-migration to T2S.
T2S accounts numbering	15. Securities account numbering	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: Confirmation from the NUG received post-migration to T2S.
	16. Dedicated cash account numbering	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: Confirmation from the NUG received post-migration to T2S.
Activity	**Sub-activity**	**Compliance** Indicates level of compliance with the relevant standards/rules	**Status** Green (G), yellow (Y), red (R)	**Type of implementation gap** If the standards/rules are not yet implemented, please specify what the type of gap is (use the dropdown list).	**Implementation plan/date** **If standards/rules are not fulfilled, please provide the timetable and various milestones/dates in the implementation plan.**		**Implementation actor(s)** Relevant national actors for implementation	**Further comments**
					Ready for T2S testing	Fully operational according to the T2S standard		
Priority 2								
18. Corporate actions	CA market standards (68)	97%	G	Straight-forward to implement	Testing readiness achieved	Final implementation date not available.	SIS	Info source: BSG/E-MIG Survey (Sep 2016). The EMIG provided statistics have been adjusted, for consistency and comparison reasons, to the common denominator of the 68 CAJWG prioritised standards.
23. Securities amount static data		Fully compliant	B	N/A	N/A	N/A	N/A	Info source: Confirmation from the NUG received post-migration to T2S.

T2S harmonisation activities: Germany

Activity	Sub-activity	Compliance Indicates level of compliance with the relevant standards/rules	Status Green (G), yellow (Y), red (R), blue (B)	Type of implementation gap If the standards/rules are not yet imimplementaitplemented, please specify what the type of gap is	Implementation plan/date If standards/rules are not fulfilled, please provide the timetable and various milestones/dates in the implementation plan.		Implementation actor(s) Relevant national actors for implementation	Further comments
					Ready for T2S testing	Fully operational according to the T2S standard		
Priority 1								
T2S messages	1. T2S ISO 20022 messages	Not compliant	G	Straight-forward to implement	Testing readiness achieved	06-02-17	CBF	Info source: SP2 and bilateral input. Full compliance is planned upon migration to T2S.
	2. T2S matching fields	Not compliant	G	Straight-forward to implement	Testing readiness achieved	06-02-17	CBF	Info source: SP2 and bilateral input. Full compliance is planned upon migration to T2S.
	3. Interaction for registration	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: T2S HSG surveys 2013. Settlement messages are not used for transmission of registration information.
	4. Interaction for tax info	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: T2S HSG surveys 2013. Settlement messages are not used for transmission of tax information.
5. T2S schedule of settlement day		Not compliant	G	Change of market practice	Testing readiness achieved	06-02-17	CBF	"Info source: SP2 and bilateral input and NUG survey 2014. Plan and dates for full compliance with T2S schedule are available. Minor operational issues relating to specific ISIN processes do not affect overall compliance with the T2S schedule.
6. Corporate actions T2S CA standards (59)	Market claims (28 standards)	46%	R - ?	Legislative change	Testing readiness achieved	For high impact standards: At the latest 6 months after CBF's migration to T2S, i.e. August 2017 For the low impact standards: no current plan"	"CBF / national authorities / SWIFT format: DESSUG	Info source: October 2016 CASG gap analysis update and NUG clarifications. The German NUG has reported that the necessary legal changes have been made by the German parliament in order to introduce record date on 1 January 2017, prior to DE market migration to T2S (February 2017). Implementation of the standards with high impact on the T2S Community (payment on T2S DCA accounts and managing of fractions) is scheduled within six months of Clearstream's migration to T2S by August 2017. The German market does not yet have a plan to eventually comply with the two remaining standards ("CUM" flag and generating of MCs independently of settlement of the underlying transaction). It may elaborate such plans only after discussions with the authorities and analysis of volume developments after the introduction of Record date.
	Transformations (13 standards)	0%		Legislative change				
	Buyer protection (18 standards)	94%		Market practice change				
Legal harmonisation	8. Settlement Finality II: irrevocability and enforceability transfer order	Not compliant	G	Straight-forward to implement	N/A	06-02-17	CBF	Info source: T2S NUG surveys 2011 and 2012, SP2 and bilateral input. The bilateral cancellation (after matching) principle will be introduced on the German market upon Clearstream's migration to T2S.
	9. Settlement Finality III: irrevocability of securities transfers.	Not compliant	G	Straight-forward to implement	N/A	06-02-17	CBF	Info source: HSG survey on T2S settlement finality rule III. Need for changes in the CSD rules. No barriers have been identified by NUG. Full compliance by migration to T2S.
	10. Outsourcing IT (Settlement) services	Fully compliant	B	N/A	N/A	06-02-17	CBF	Info source: 2014 HSG survey on IT outsourcing.
12. Settlement cycles		Fully compliant	B	N/A	N/A	N/A	N/A	Info source: Bilateral confirmation from NUG. Fully compliant since 6 October 2014.
CSD account structures	13. Availability of omnibus accounts	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: T2S NUG survey and bilateral input.
	14. Restrictions on omnibus accounts	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: T2S NUG survey and bilateral input.
T2S accounts numbering	15. Securities account numbering	Not compliant	G	Straight-forward to implement	N/A	"		Info source: HSG survey on T2S securities account numbering, April-May 2013. No barriers identified.
	16. Dedicated cash account numbering	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: List of cash and securities side DCPs as published by DCPG and further confirmation from the DE NUG.

Activity	Sub-activity	Compliance Indicates level of compliance with the relevant standards/rules	Status Green (G), yellow (Y), red (R)	Type of implementation gap If the standards/rules are not yet implemented, please specify what the type of gap is (use the dropdown list).	Implementation plan/date If standards/rules are not fulfilled, please provide the timetable and various milestones/dates in the implementation plan.		Implementation actor(s) Relevant national actors for implementation	Further comments
					Ready for T2S testing	Fully operational according to the T2S standard		
Priority 2								
18. Corporate actions	CA market standards (68)	93%	G	Regulatory/legislative change	Testing readiness achieved	06-02-17	German MIG	Info source: BSG/E-MIG Survey (Sep 2016). The EMIG provided statistics have been adjusted, for consistency and comparison reasons, to the common denominator of the 68 CAJWG prioritised standards.
23. Securities amount static data		Fully compliant	B	N/A	N/A	N/A	N/A	Info source: T2S NUG survey and bilateral input.

T2S harmonisation activities: Denmark

Activity	Sub-activity	Compliance Indicates level of compliance with the relevant standards/rules	Status Green (G), yellow (Y), red (R), blue (B)	Type of implementation gap If the standards/rules are not yet implemented, please specify what the type of gap is	Implementation plan/date If standards/rules are not fulfilled, please provide the timetable and various milestones/dates in the implementation plan.		Implementation actor(s) Relevant national actors for implementation	Further comments
					Ready for T2S testing	Fully operational according to the T2S standard		
Priority 1								
T2S messages	1. T2S ISO 20022 messages	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: SP2 and bilateral input. VP is planning to fully comply with the relevant T2S standard by its migration to T2S.
	2. T2S matching fields	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: SP2 and bilateral input. VP is planning to fully comply with the relevant T2S standard by its migration to T2S.
	3. Interaction for registration	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: T2S HSG surveys 2013. Registration information is not part of the settlement instruction.
	4. Interaction for tax info	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: T2S HSG surveys 2013. Tax information is directly associated with the account, hence no need to transfer the details in settlement message.
5. T2S schedule of settlement day		Fully compliant	B	N/A	N/A	N/A	N/A	Info source: SP2, bilateral input and NUG survey 2014. Full compliance with the T2S schedule. No issues identified except general concerns about the End of Day reporting and Start of Day time period.
6. Corporate actions T2S CA standards (59)	Market claims (28 standards)	93%	R	Major technical change	Testing readiness achieved	Not Available	VP and DK NUG	Info source: October 2016 CASG gap analysis update. Cases of non-compliance with Market Claim Standard 10 (i.e. market claims are not generated for transactions in Danish krona exchanged in T2S) and Standard 14 (i.e. only Danish taxation rates can be applied) after VP's migration to T2S in September 2016 . VP's status has been downgraded from Green to Red.
	Transformations (13 standards)	100%		Major technical change				
	Buyer protection (18 standards)	97%		Major technical change				
Legal harmonisation	8. Settlement Finality II: irrevocability and enforceability transfer order	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: T2S NUG surveys 2011 and 2012, SP2 and bilateral input. Full compliance with T2S SF II rule.
	9. Settlement Finality III: irrevocability of securities transfers.	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: T2S NUG surveys 2011 and 2012, SP2 and bilateral input from the DK NUG. Two new provisions in the VP SECURITIES Clearing Rules will ensure that settlement in T2S is unconditional, irrevocable and enforceable under Danish law. The changes to the Danish Securities Trading Act were sent for consultation in December 2015, with entry into force on 3 July 2016. The amendments will in practice become effective with the migration of the Danish market to T2S.
	10. Outsourcing IT (Settlement) services	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: 2014 HSG survey on IT outsourcing.
12. Settlement cycles		Fully compliant	B	N/A	N/A	N/A	N/A	Info source: Bilateral confirmation from NUG. Fully compliant since 6 October 2014.
CSD account structures	13. Availability of omnibus accounts	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: T2S NUG survey and bilateral discussions.
	14. Restrictions on omnibus accounts	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: T2S NUG survey and bilateral discussions.
T2S accounts numbering	15. Securities account numbering	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: HSG survey on T2S securities account numbering, April-May 2013.
	16. Dedicated cash account numbering	Fully compliant	B	N/A	N/A	N/A	N/A	Info source:Confirmation from the Danish NUG.
Activity	**Sub-activity**	**Compliance** Indicates level of compliance with the relevant standards/rules	**Status** Green (G), yellow (Y), red (R)	**Type of implementation gap** If the standards/rules are not yet implemented, please specify what the type of gap is (use the dropdown list).	**Implementation plan/date** **If standards/rules are not fulfilled, please provide the timetable and various milestones/dates in the implementation plan.**		**Implementation actor(s)** Relevant national actors for implementation	**Further comments**
					Ready for T2S testing	Fully operational according to the T2S standard		
Priority 2								
18. Corporate actions	CA market standards (68)	91%	G	Market Practice Change	Testing readiness achieved	Oct 2018	VP and Danish NUG	Info source: BSG/E-MIG Survey (Sep 2016). The EMIG provided statistics have been adjusted, for consistency and comparison reasons, to the common denominator of the 68 CAJWG prioritised standards.
23. Securities amount static data		Fully compliant	B	N/A	N/A	N/A	N/A	Info source: T2S NUG survey and bilateral discussions.

T2S harmonisation activities: Estonia

Activity	Sub-activity	Compliance Indicates level of compliance with the relevant standards/rules	Status Green (G), yellow (Y), red (R), blue (B)	Type of implementation gap If the standards/rules are not yet implemented, please specify what the type of gap is	Implementation plan/date If standards/rules are not fulfilled, please provide the timetable and various milestones/dates in the implementation plan. Ready for T2S testing	 Fully operational according to the T2S standard	Implementation actor(s) Relevant national actors for implementation	Further comments
				Priority 1				
T2S messages	1. T2S ISO 20022 messages	Not compliant	G	Straight-forward to implement	Testing readiness achieved	18-09-17	ECSD	Info source: SP2 and bilateral input. 2013 Q2 status gathering template. Plans for full compliance by migration date are confirmed and no issues identified.
	2. T2S matching fields	Not compliant	G	Straight-forward to implement	Testing readiness achieved	18-09-17	ECSD	Info source: SP2 and bilateral input. 2013 Q2 status gathering template. Plans for full compliance by migration date are confirmed and no issues identified.
	3. Interaction for registration	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: T2S HSG surveys 2013. Settlement messages do not contain registration information. Settlement and registration take place at the same time.
	4. Interaction for tax info	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: T2S HSG surveys 2013. Settlement messages are not used to pass on tax-related information
5. T2S schedule of settlement day		Not compliant	G	Straight-forward to implement	31-01-17	18-09-17	ECSD	Info source: SP2 and bilateral input and NUG survey 2014. Technical adaptations and amendments to rules and regulations of CSD are required. No barriers identified and detailed plan/roadmap is available for carrying out necessary changes. Full compliance, both technical and legal, will be achieved as of migration to T2S (February 2017)
6. Corporate actions T2S CA standards (59)	Market claims (28 standards)	43%	G	Technical, market practice and CSD rules	Testing readiness will be achieved in Q2 2017	18-09-17	MIG	Info source: October 2016 CASG gap analysis update. No changes in primary legislation have been identified and only amendments to the CSD rules will be needed – draft was published in April 2016. Technical implementation and testing of the new functionalities is on schedule for T2S migration. Implementation in the rules of the CSD is planned as of the migration to T2S in Q3 2017.
	Transformations (13 standards)	15%						
	Buyer protection (18 standards)	0%						
Legal harmonisation	8. Settlement Finality II: irrevocability and enforceability transfer order	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: T2S NUG surveys 2011 and 2012, SP2 and bilateral input. The local settlement system supports the same cancellation principles as T2S. Matched instruction demands cancellation instructions from both counterparties.
	9. Settlement Finality III: irrevocability of securities transfers	Not compliant	G	CSD rules change	N/A	18-09-17	ECSD	Info source: T2S NUG surveys 2011 and 2012, SP2, HSG 2013 Survey on SF III. It is planned that the ECSD SSS Rules will be updated to permit full recognition of the unconditionally, irrevocability and enforceability of the settlement processed on the T2S platform (instead of the ECSD system) and the relevant amendments will be enforced as of T2S implementation.
	10. Outsourcing IT (Settlement) services	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: 2014 HSG survey on IT outsourcing.
12. Settlement cycles		Fully compliant	B	N/A	N/A	N/A	N/A	Info source: T2S NUG survey and bilateral input.
CSD account structures	13. Availability of omnibus accounts	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: 2014 HSG survey on IT outsourcing.
	14. Restrictions on omnibus accounts	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: T2S NUG survey and bilateral input.
T2S accounts numbering	15. Securities account numbering	Not compliant	G	Straightforward to implement	Testing readiness achieved	18-09-17	ECSD	Info source: HSG survey on T2S securities account numbering, April 2013. T2S standard will be implemented by migration to T2S.
	16. Dedicated cash account numbering	Not compliant	G	Straightforward to implement	Testing readiness achieved	18-09-17	Eesti Pank	Info source: HSG survey on T2S DCA numbering, April- May 2013
Activity	**Sub-activity**	**Compliance** Indicates level of compliance with the relevant standards/rules	**Status** Green (G), yellow (Y), red (R)	**Type of implementation gap** If the standards/rules are not yet implemented, please specify what the type of gap is (use the dropdown list).	**Implementation plan/date** **If standards/rules are not fulfilled, please provide the timetable and various milestones/dates in the implementation plan.** Ready for T2S testing	 Fully operational according to the T2S standard	**Implementation actor(s)** Relevant national actors for implementation	**Further comments**
				Priority 2				
18. Corporate actions	CA market standards (68)	47%	Y	Regulatory/legislative Change	Testing readiness will be achieved in Q2 2017	18-09-17	NUG/MIG	Info source: BSG/E-MIG Survey (Sep 2016). The EMIG provided statistics have been adjusted, for consistency and comparison reasons, to the common denominator of the 68 CAJWG prioritised standards.
23. Securities amount static data		Fully compliant	B	N/A	N/A	N/A	N/A	"Info source: T2S NUG survey and bilateral input.

T2S harmonisation activities: Spain (IBERCLEAR)

Activity	Sub-activity	Compliance Indicates level of compliance with the relevant standards/rules	Status Green (G), yellow (Y), red (R), blue (B)	Type of implementation gap If the standards/rules are not yet implemented, please specify what the type of gap is	Implementation plan/date If standards/rules are not fulfilled, please provide the timetable and various milestones/dates in the implementation plan.		Implementation actor(s) Relevant national actors for implementation	Further comments
					Ready for T2S testing	Fully operational according to the T2S standard		
Priority 1								
T2S messages	1. T2S ISO 20022 messages	Not compliant	G	Straight-forward to implement	Testing readiness achieved	18-09-17	Iberclear	Info source: SP2 and bilateral input. Plans/dates for full compliance before T2S migration are confirmed and no issues identified.
	2. T2S matching fields	Not compliant	G	Straight-forward to implement	Testing readiness achieved	18-09-17	Iberclear	Info source: SP2 and bilateral input. Plans/dates for full compliance before T2S migration are confirmed and no issues identified.
	3. Interaction for registration	Not compliant	G	Straight-forward to implement	Testing readiness achieved	18-09-17	Iberclear	Info source: T2S HSG surveys 2013. Specific procedure for exchanging registration information is to be developed. Post ES market reform, settlement instructions will not be used for passing on registration information. There are no barriers to implementation before migration to T2S.
	4. Interaction for tax info	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: T2S HSG surveys 2013. Settlement messages are not used to transfer tax information.
5. T2S schedule of settlement day		Not compliant	G	Straight-forward to implement	Testing readiness achieved	18-09-17	Iberclear	Info source: SP2 and bilateral input and NUG survey 2014. Plans/dates for full compliance confirmed and no issues identified.
6. Corporate actions T2S CA standards (59)	Market claims (28 standards)	89%	G	Low rank legislative change/ Technical changes	Testing readiness achieved	18-09-17	Legislators/ IBERCLEAR	Info source: October 2016 CASG gap analysis update Changes in level II legislation are needed to fully comply with the standards from legislative perspective. The remaining standards will only be implemented as from migration of Iberclear to T2S in September 2017.
	Transformations (13 standards)	77%		Major technical change				
	Buyer protection (18 standards)	61%		Manual BP to be implemented				
Legal harmonisation	8. Settlement Finality II: irrevocability and enforceability transfer order	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: T2S NUGs surveys 2011 and 2012, SP2 and bilateral input. No need for any changes for compliance with T2S SF II rule"
	9. Settlement Finality III: irrevocability of securities transfers.	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: SP2 and bilateral input. No need for any changes for compliance with T2S SF III rule."
	10. Outsourcing IT (Settlement) services	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: 2014 HSG survey on IT outsourcing.
12. Settlement cycles		Fully compliant	B	N/A	N/A	N/A	N/A	Info source: 2014 HSG survey on settlement cycle and bilateral exchanges. Spanish fixed income securities markets (public and private debt) migrated to T+2 on 06/10/2014. Spanish Stock Exchange transactions (mainly equities) migrated to T+2 on 03/10/2016 achieving full compliance.
CSD account structures	13. Availability of omnibus accounts	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: T2S NUG survey and bilateral input. Full compliance in place.
	14. Restrictions on omnibus accounts	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: T2S NUG survey and bilateral input. Full compliance in place.
T2S accounts numbering	15. Securities account numbering	Not compliant	G	Straight-forward to implement	'Testing readiness achieved	18-09-17	Iberclear	Info source: HSG survey on T2S securities account numbering, April-May 2013. Implementation of the standard is part of adaptation to the new CSD platform
	16. Dedicated cash account numbering	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: HSG survey on T2S DCA numbering, April-May 2013. Full compliance in place.
Activity	**Sub-activity**	**Compliance** Indicates level of compliance with the relevant standards/rules	**Status** Green (G), yellow (Y), red (R)	**Type of implementation gap** If the standards/rules are not yet implemented, please specify what the type of gap is (use the dropdown list).	**Implementation plan/date** **If standards/rules are not fulfilled, please provide the timetable and various milestones/dates in the implementation plan.**		**Implementation actor(s)** Relevant national actors for implementation	**Further comments**
					Ready for T2S testing	Fully operational according to the T2S standard		
Priority 2								
18. Corporate actions	CA market standards (68)	94%	G	Straight-forward to implement	Testing readiness achieved	18-09-17	Iberclear	Info source: BSG/E-MIG Survey (Sep 2016). The EMIG provided statistics have been adjusted, for consistency and comparison reasons, to the common denominator of the 68 CAJWG prioritised standards. Some remaining standards will be implemented as from migration of Iberclear to T2S in 2017.
23. Securities amount static data		Fully compliant	B	N/A	N/A	N/A	N/A	Info source: T2S NUGs survey and bilateral input.

T2S harmonisation activities: Finland

Activity	Sub-activity	Compliance Indicates level of compliance with the relevant standards/rules	Status Green (G), yellow (Y), red (R), blue (B)	Type of implementation gap If the standards/rules are not yet implemented, please specify what the type of gap is	Implementation plan/date If standards/rules are not fulfilled, please provide the timetable and various milestones/dates in the implementation plan.		Implementation actor(s) Relevant national actors for implementation	Further comments
					Ready for T2S testing	Fully operational according to the T2S standard		
Priority 1								
T2S messages	1. T2S ISO 20022 messages	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: NUG response 2015. T2S version of ISO20022 message standard in operation since 1 December 2014. The Finnish market is already using these T2S messages.
	2. T2S matching fields	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: NUG response 2015. T2S mandatory matching fields already in operation since 1 December 2014. The Finnish market is already using the T2S matching fields.
	3. Interaction for registration	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: T2S HSG surveys 2013. Settlement messages are not used to transfer registration information.
	4. Interaction for tax info	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: T2S HSG surveys 2013. Settlement messages are not used to transfer tax information.
5. T2S schedule of settlement day		Not compliant	G	Straight-forward to implement	Testing readiness achieved	18-09-2017	Euroclear FI	Info source: SP3 and NUG survey 2014. No barriers to implementation.
6. Corporate actions T2S CA standards (59)	Market claims (28 standards)	0%	Y	Straight-forward to implement	Not available	18-09-2017	MIG and Euroclear FI	Info source: October 2016 CASG gap analysis update. A detailed plan to meet the standards by the time of migration to T2S in September 2017 has not been communicated by the end of 2016.
	Transformations (13 standards)	0%		Straight-forward to implement				
	Buyer protection (18 standards)	0%		Straight-forward to implement				
Legal harmonisation	8. Settlement Finality II: irrevocability and enforceability transfer order	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: T2S NUG surveys 2011 and 2012, SP2 and bilateral input. Already implemented (Sept 2012).
	9. Settlement Finality III: irrevocability of securities transfers.	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: SP2 and bilateral input. No need for any changes for compliance with T2S SF III rule.
	10. Outsourcing IT (Settlement) services	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: 2014 HSG survey on IT outsourcing.
12. Settlement cycles		Fully compliant	B	N/A	N/A	N/A	N/A	Info source: Bilateral confirmation from NUG. Fully compliant since 6 October 2014.
CSD account structures	13. Availability of omnibus accounts	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: T2S NUG survey and bilateral input.
	14. Restrictions on omnibus accounts	Not compliant yet	Y	Legal/regulatory	Not available	Not available	National legislator	Info source: T2S NUG survey and bilateral input. FI investors' (equities) holdings are excluded from the omnibus account structure. The law covering the issue is currently going through the parliamentary process.
T2S accounts numbering	15. Securities account numbering	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: NUG response 2015.Fully operational since 2 February 2015.
	16. Dedicated cash account numbering	Not compliant	G	Straight-forward to implement	Testing readiness achieved	18-09-17	FI NCB	Info source: HSG survey on T2S DCA numbering, April-May 2013 and further bilateral clarification.
Activity	**Sub-activity**	**Compliance** Indicates level of compliance with the relevant standards/rules	**Status** Green (G), yellow (Y), red (R)	**Type of implementation gap** If the standards/rules are not yet implemented, please specify what the type of gap is (use the dropdown list).	**Implementation plan/date** **If standards/rules are not fulfilled, please provide the timetable and various milestones/dates in the implementation plan.**		**Implementation actor(s)** Relevant national actors for implementation	**Further comments**
					Ready for T2S testing	Fully operational according to the T2S standard		
Priority 2								
18. Corporate actions	CA market standards (68)	60%	Y	Straight-forward to implement	Not available	18-09-17	Euroclear FI	Info source: BSG/E-MIG Survey (Sep 2016). The EMIG provided statistics have been adjusted, for consistency and comparison reasons, to the common denominator of the 68 CAJWG prioritised standards. Finnish market will implement manual buyer protection by September 2017. Implementation of other CA standards will take place by Q4 2016.
23. Securities amount static data		Fully compliant	B	N/A	N/A	N/A	N/A	Info source: NUG response 2015. Fully operational since 2 February 2015.

T2S harmonisation activities: France

Activity	Sub-activity	Compliance Indicates level of compliance with the relevant standards/rules	Status Green (G), yellow (Y), red (R), blue (B)	Type of implementation gap If the standards/rules are not yet implemented, please specify what the type of gap is	Implementation plan/date If standards/rules are not fulfilled, please provide the timetable and various milestones/dates in the implementation plan. Ready for T2S testing	 Fully operational according to the T2S standard	Implementation actor(s) Relevant national actors for implementation	Further comments
Priority 1								
T2S messages	1. T2S ISO 20022 messages	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: SP2 and bilateral input. French NUG has confirmed plan and dates for full compliance prior to migration to T2S.
	2. T2S matching fields	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: SP2 and bilateral input. French NUG has confirmed plan and dates for full compliance prior to migration to T2S.
	3. Interaction for registration	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: T2S HSG surveys 2013. Settlement messages are not used for registration process.
	4. Interaction for tax info	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: T2S HSG surveys 2013. Settlement messages are not used for sending tax-related information.
5. T2S schedule of settlement day		Fully compliant	B	N/A	N/A	N/A	N/A	Info source: SP2 and bilateral input. The ESES operational day will be amended to cope with the timing of T2S. T2S accounting day will be considered the master day.
6. Corporate actions T2S CA standards (59)	Market claims (28 standards)	89%	R- Feb 2018	Major technical change	Q4 - 2017	February 2018	FR - MIG	Info source: October 2016 CASG gap analysis report and further NUG clarification. Euroclear France does not fully comply with market claims standards (10, 11 and 13), transformations standards (non-generation of the transformed instructions) and buyer protection standards following its migration to T2S in September 2016. Compliance with the standards having a high impact on the T2S Community (non-generation of market claims on cross-CSD instructions and the transformed instructions in almost all transformations) will be achieved in Q1 2017. Full compliance with all T2S CA Standards is planned for Q1 2018.
	Transformations (13 standards)	0%		Major technical change				
	Buyer protection (18 standards)	0%		Other				
Legal harmonisation	8. Settlement Finality II: irrevocability and enforceability transfer order	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: T2S NUG surveys 2011 and 2012, SP2 and bilateral input. EoC already complies with T2S SFII rule (bilateral cancellation).
	9. Settlement Finality III: irrevocability of securities transfers.	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: T2S NUG surveys 2011 and 2012, SP2 and bilateral input. Straight-forward to implement before migration to T2S. Euroclear France will update its operating rules according to the T2S SF III rule and have them approved by the French financial markets authority. No barriers are identified.
	10. Outsourcing IT (Settlement) services	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: 2014 HSG survey on IT outsourcing.
12. Settlement cycles		Fully compliant	B	N/A	N/A	N/A	N/A	Info source: Bilateral confirmation from NUG. Fully compliant since 6 October 2014.
CSD account structures	13. Availability of omnibus accounts	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: T2S NUG survey and bilateral input. Full compliance with omnibus account availability in France.
	14. Restrictions on omnibus accounts	Not compliant	R - ?	Legal and Market practice change/Regulation	Not available	Not available	National legislator	Info source: EoC FR. Euroclear FR requires participants to maintain two omnibus accounts based on type of securities holdings per one ISIN (registered and non-registered securities). Investor CSDs and their participants are forced to propagate this segregation throughout the custody chain. Since the implementation of T2S, Investor CSDs holding such securities need now also to propagate this segregation to the securities accounts of their participants, in order to allow T2S platform to technically perform the cross CSD realignment.
T2S accounts numbering	15. Securities account numbering	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: HSG survey on T2S securities account numbering, April-May 2013. French market plans for full compliance prior to migration to T2S.
	16. Dedicated cash account numbering	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: FR NUG
Activity	**Sub-activity**	**Compliance** Indicates level of compliance with the relevant standards/rules	**Status** Green (G), yellow (Y), red (R)	**Type of implementation gap** If the standards/rules are not yet implemented, please specify what the type of gap is (use the dropdown list).	**Implementation plan/date** **If standards/rules are not fulfilled, please provide the timetable and various milestones/dates in the implementation plan.** Ready for T2S testing	 Fully operational according to the T2S standard	**Implementation actor(s)** Relevant national actors for implementation	**Further comments**
Priority 2								
18. Corporate actions	CA market standards (68)	82%	G	Market practice change	Q4 2017	February 2018.	Euroclear	Info source: BSG/E-MIG Survey (September 2016). Final implementation expected with Euroclear launch of Stream 6 in February 2018. The EMIG provided statistics have been adjusted, for consistency and comparison reasons, to the common denominator of the 68 CAJWG prioritised standards.
23. Securities amount static data		Fully compliant	B	N/A	N/A	N/A	N/A	Info source: T2S NUG survey and bilateral input. Fully compliant with European market practice.

T2S harmonisation activities: Greece (BOGS)

Activity	Sub-activity	Compliance Indicates level of compliance with the relevant standards/rules	Status Green (G), yellow (Y), red (R), blue (B)	Type of implementation gap If the standards/rules are not yet implemented, please specify what the type of gap is	Implementation plan/date If standards/rules are not fulfilled, please provide the timetable and various milestones/dates in the implementation plan.		Implementation actor(s) Relevant national actors for implementation	Further comments
					Ready for T2S testing	Fully operational according to the T2S standard		
Priority 1								
T2S messages	1. T2S ISO 20022 messages	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: GR NUG. T2S ISO messages in operation.
	2. T2S matching fields	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: GR NUG. T2S matching fields in operation.
	3. Interaction for registration	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: GR NUG. No registration information relevant for BOGS ISINs.
	4. Interaction for tax info	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: GR NUG. No tax info in T2S messages.
5. T2S schedule of settlement day		Fully compliant	B	N/A	N/A	N/A	N/A	Info source: GR NUG. T2S schedule of settlement day in production.
6. Corporate actions T2S CA standards (59)	Market claims (28 standards)	100%	B	N/ A	N/A	N/A	N/A	Info source: October 2016 CASG gap analysis update. Full compliance with all relevant T2S CA standards (sovereign debt securities).
	Transformations (13 standards)	100%		N/ A				
	Buyer protection (18 standards)	100%		N/ A				
Legal harmonisation	8. Settlement Finality II: irrevocability and enforceability transfer order	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: GR NUG. BOGs rules in line with T2S SF II.
	9. Settlement Finality III: irrevocability of securities transfers.	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: GR NUG. BOGs rules in line with T2S SF III.
	10. Outsourcing IT (Settlement) services	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: GR NUG, 2014 HSG survey on IT outsourcing.
12. Settlement cycles		Fully compliant	B	N/A	N/A	N/A	N/A	Info source: GR NUG. Fully compliant since 6 October 2014.
CSD account structures	13. Availability of omnibus accounts	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: GR NUG. Full compliance with omnibus account availability.
	14. Restrictions on omnibus accounts	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: GR NUG. No restrictions on the use of omnibus accounts.
T2S accounts numbering	15. Securities account numbering	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: GR NUG. HSG survey on T2S securities account numbering, April-May 2013.
	16. Dedicated cash account numbering	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: GR NUG.
Activity	**Sub-activity**	**Compliance** Indicates level of compliance with the relevant standards/rules	**Status** Green (G), yellow (Y), red (R)	**Type of implementation gap** If the standards/rules are not yet implemented, please specify what the type of gap is (use the dropdown list).	**Implementation plan/date** **If standards/rules are not fulfilled, please provide the timetable and various milestones/dates in the implementation plan.**		**Implementation actor(s)** Relevant national actors for implementation	**Further comments**
					Ready for T2S testing	Fully operational according to the T2S standard		
Priority 2								
18. Corporate actions	CA market standards (68)	100%	B	N/A	N/A	N/A	N/A	Info source: BSG/E-MIG Survey (Sep 2016). 23 (out of 23 relevant for government debt securities) standards already met.
23. Securities amount static data		Fully compliant	B	N/A	N/A	N/A	N/A	Info source: GR NUG.

T2S harmonisation activities: Hungary

Activity	Sub-activity	Compliance Indicates level of compliance with the relevant standards/rules	Status Green (G), yellow (Y), red (R), blue (B)	Type of implementation gap If the standards/rules are not yet implemented, please specify what the type of gap is	Implementation plan/date If standards/rules are not fulfilled, please provide the timetable and various milestones/dates in the implementation plan.		Implementation actor(s) Relevant national actors for implementation	Further comments
					Ready for T2S testing	Fully operational according to the T2S standard		
Priority 1								
T2S messages	1. T2S ISO 20022 messages	N/A	N/A	N/A	N/A	N/A	N/A	Info source: SP2 and bilateral input. KELER will connect to T2S in U2A mode. A2A mode expected in June 2017.
	2. T2S matching fields	Not compliant	R - Jul 2017	Major technical change	Not available	03-07-17	KELER	Info source: SP2 and bilateral input. Full plan and implementation dates for full compliance to be confirmed by KELER. The non-compliance is limited to intra-CSD settlements, where KELER will continue to follow its current matching practices in its legacy platform before sending the instructions to T2S in an already matched status. However, due to the Hungarian market's set-up in T2S, in which only against payment instructions in euro will be migrated to T2S, the non-compliance is relevant only for this subset of transactions.
	3. Interaction for registration	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: T2S HSG surveys 2013. Settlement messages are not used for passing on registration information.
	4. Interaction for tax info	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: T2S HSG surveys 2013. Settlement messages are not used for passing on tax-related information
5. T2S schedule of settlement day		Not compliant	G	Major technical change	Testing readiness achieved	February 2017	KELER	Info source: SP2 and bilateral input, NUG Chairperson's response and NUG survey of 2014. CSD rules and procedures need to be amended, but there are no regulatory obstacles to adhering to the T2S settlement day schedule. No technical barriers identified for implementation. Detailed plan available to achieve full compliance before migration to T2S.
6. Corporate actions T2S CA standards (59)	Market claims (28 standards)	11%	R-Dec 2017	Regulatory/legislative/ technical change	16-08-17	31-12-17	KELER, regulator, NUG	Info source: October 2016 CASG gap analysis update and additional input from the Hungarian NUG. The Hungarian market will not generate market claims for equities as of its migration to T2S in February 2017 and initially will use default opt-out of market claims and transformation. Compliance with the standard on opt-out indicator is planned to be achieved with the launch of its A2A platform on 3 July 2017 and generation of market claims for equities is planned by the end of 2017. Therefore, the status of the HU market was changed from green to red.
	Transformations (13 standards)	8%		Major technical/ market practice and legal change				
	Buyer protection (18 standards)	6%		Market practice and legal change				
Legal harmonisation	8. Settlement Finality II: irrevocability and enforceability transfer order	Not compliant	G	CSD rules change	N/A	06-02-17	KELER/Regulator	Info source: T2S NUG surveys 2011 and 2012, SP2 and bilateral input and NUG response. However, no legislative changes are required. CSD rules change requires NCB approval. No barriers are foreseen in the procedure to incorporate these changes into the CSD rules.
	9. Settlement Finality III: irrevocability of securities transfers.	Not compliant	G	CSD rules change	N/A	06-02-17	KELER/ Regulator	Info source: T2S NUG surveys 2011 and 2012, SP2 and bilateral input. Plans and dates provided. However, no legislative changes are required. CSD rules change requires NCB approval. No barriers are foreseen in the procedure to incorporate these changes into the CSD rules.
	10. Outsourcing IT (Settlement) services	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: 2014 HSG survey on IT outsourcing.
12. Settlement cycles		Fully compliant	B	N/A	N/A	N/A	N/A	Info source: Bilateral confirmation from NUG. Fully compliant since 6 October 2014.
CSD account structures	13. Availability of omnibus accounts	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: T2S NUG survey and bilateral input. No barriers identified.
	14. Restrictions on omnibus accounts	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: T2S NUGs survey and bilateral input. No barriers identified.
T2S accounts numbering	15. Securities account numbering	Not compliant	G	Straight-forward to implement.	Testing readiness achieved	06-02-17	Keller	Info source: HSG survey on T2S securities account numbering, April-May 2013. No barriers identified preventing full compliance before migration to T2S.
	16. Dedicated cash account numbering	N/A	N/A	N/A	N/A	N/A	N/A	At the moment, the Hungarian NCB does not plan to open DCAs in T2S
Activity	**Sub-activity**	**Compliance** Indicates level of compliance with the relevant standards/rules	**Status** Green (G), yellow (Y), red (R)	**Type of implementation gap** If the standards/rules are not yet implemented, please specify what the type of gap is (use the dropdown list).	**Implementation plan/date** **If standards/rules are not fulfilled, please provide the timetable and various milestones/dates in the implementation plan.**		**Implementation actor(s)** Relevant national actors for implementation	**Further comments**
					Ready for T2S testing	Fully operational according to the T2S standard		
Priority 2								
18. Corporate actions	CA market standards (68)	24%	R	Technical change and market practice change for some standards	Testing readiness achieved	06-02-17	KELER	"Info source: BSG/E-MIG Survey (Sep 2016). The EMIG provided statistics have been adjusted, for consistency and comparison reasons, to the common denominator of the 68 CAJWG prioritised standards.
23. Securities amount static data		Fully compliant	B	N/A	N/A	N/A	N/A	Info source: T2S NUGs survey and bilateral input. Full compliance with the EU standard.

T2S harmonisation activities: Italy

Activity	Sub-activity	Compliance Indicates level of compliance with the relevant standards/rules	Status Green (G), yellow (Y), red (R), blue (B)	Type of implementation gap If the standards/rules are not yet implemented, please specify what the type of gap is	Implementation plan/date If standards/rules are not fulfilled, please provide the timetable and various milestones/dates in the implementation plan.		Implementation actor(s) Relevant national actors for implementation	Further comments
					Ready for T2S testing	Fully operational according to the T2S standard		
Priority 1								
T2S messages	1. T2S ISO 20022 messages	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: IT NUG. T2S ISO messages in operation.
	2. T2S matching fields	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: IT NUG. T2S matching fields in operation.
	3. Interaction for registration	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: T2S HSG surveys 2013. Settlement messages do not contain any registration information.
	4. Interaction for tax info	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: T2S HSG surveys 2013 and bilateral input. Settlement messages do not contain any tax-related information.
5. T2S schedule of settlement day		Fully compliant	B	N/A	N/A	N/A	N/A	Info source: IT NUG. Full compliance with the T2S schedule.
6. Corporate actions T2S CA standards (59)	Market claims (28 standards)	93%	R -Jan 2017	Market practice change	Testing readiness achieved	Monday, January 23, 2017	Monte Titoli and IT NUG	Info source: October 2016 CASG gap analysis update and additional input from the Italian NUG. The Italian market has already migrated to T2S and complies with most of the T2S standards on CA processing. The exceptions are market claim standard 6 (non-generation of market claims) and transformations standard 3 (transformations for OTC transactions). There is a detailed plan to comply with all the standards in the beginning of 2017.
	Transformations (13 standards)	92%		Market practice change				
	Buyer protection (18 standards)	100%		Other				
Legal harmonisation	8. Settlement Finality II: irrevocability and enforceability transfer order	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: T2S NUG surveys 2011 and 2012, SP2 and bilateral input. Fully compliant with T2S SF II rule.
	9. Settlement Finality III: irrevocability of securities transfers.	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: IT NUG. Full compliance with T2S SFIII rule.
	10. Outsourcing IT (Settlement) services	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: 2014 HSG survey on IT outsourcing.
12. Settlement cycles		Fully compliant	B	N/A	N/A	N/A	N/A	Info source: Bilateral confirmation from NUG. Fully compliant since 6 October 2014.
CSD account structures	13. Availability of omnibus accounts	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: T2S NUG survey and bilateral input. No barriers identified.
	14. Restrictions on omnibus accounts	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: T2S NUG survey and bilateral input. No barriers identified.
T2S accounts numbering	15. Securities account numbering	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: IT NUG confirmation on compliance with the standard.
	16. Dedicated cash account numbering	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: HSG survey on T2S DCA numbering, April-May 2013. BdI already complies fully with T2S standard.
Activity	**Sub-activity**	**Compliance** Indicates level of compliance with the relevant standards/rules	**Status** Green (G), yellow (Y), red (R)	**Type of implementation gap** If the standards/rules are not yet implemented, please specify what the type of gap is (use the dropdown list).	**Implementation plan/date** **If standards/rules are not fulfilled, please provide the timetable and various milestones/dates in the implementation plan.**		**Implementation actor(s)** Relevant national actors for implementation	**Further comments**
					Ready for T2S testing	Fully operational according to the T2S standard		
Priority 2								
18. Corporate actions	CA market standards (68)	100%	B	N/A	N/A	N/A	N/A	Info source: BSG/E-MIG Survey (Sep 2016). The EMIG provided statistics have been adjusted, for consistency and comparison reasons, to the common denominator of the 68 CAJWG prioritised standards.
23. Securities amount static data		Fully compliant	B	N/A	N/A	N/A	N/A	Info source: T2S NUG survey and bilateral input. IT market complies fully with the EU standard.

T2S harmonisation activities: Lithuania

Activity	Sub-activity	Compliance Indicates level of compliance with the relevant standards/rules	Status Green (G), yellow (Y), red (R), blue (B)	Type of implementation gap If the standards/rules are not yet implemented, please specify what the type of gap is	Implementation plan/date If standards/rules are not fulfilled, please provide the timetable and various milestones/dates in the implementation plan.		Implementation actor(s) Relevant national actors for implementation	Further comments
					Ready for T2S testing	Fully operational according to the T2S standard		
Priority 1								
T2S messages	1. T2S ISO 20022 messages	Not compliant	G	Straightforward to implement	Testing readiness achieved	18-Sep-17	LCVPD	Info source: SP2 and bilateral input. New IT system for LCVPD. Plans and dates for full compliance before migration to T2S have been provided.
	2. T2S matching fields	Not compliant	G	Straightforward to implement	Testing readiness achieved	18-Sep-17	LCVPD	Info source: SP2 and bilateral input. New IT system for LCVPD. Plans and dates for full compliance before migration to T2S have been provided.
	3. Interaction for registration	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: Bilateral confirmation from the NUG. Settlement messages are not used to transmit registration information.
	4. Interaction for tax info	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: T2S HSG surveys 2013. Settlement messages are not used to transmit tax-related information
5. T2S schedule of settlement day		Not compliant	G	Technical adaptations and CSD rule change	31.01.2017	18-Sep-17	LCVPD	Info source: SP2 and bilateral input and NUG survey. Plan and dates provided. No barriers identified.
6. Corporate actions T2S CA standards (59)	Market claims (28 standards)	0%	G	Regulatory/legislative change	Testing readiness will be achieved in Q2 2017	18-09-17	LCVPD	Info source: October 2016 CASG gap analysis update. Even if a number of barriers to full compliance have been identified by the Lithuanian market, the T2S NUG is confident that these will be resolved by migration to T2S. All necessary changes of CSD rules, as well as activation of new technical functionalities, will take effect as of migration to T2S (September 2017).
	Transformations (13 standards)	0%		Regulatory/legislative change				
	Buyer protection (18 standards)	0%		Regulatory/legislative change				
Legal harmonisation	8. Settlement Finality II: irrevocability and enforceability transfer order	Not compliant	G	CSD rules change	N/A	18-Sep-17	LCVPD	Info source: T2S NUG surveys 2011 and 2012, SP2 and bilateral input and NUG Chairperson's response. New draft CSD rules were submitted for regulatory approval at the beginning of 2016. No legal/regulatory barriers identified.
	9. Settlement Finality III: irrevocability of securities transfers.	Not compliant	G	CSD rules change	N/A	18-Sep-17	LCVPD	Info source: T2S NUG surveys 2011 and 2012, SP2 and bilateral input and NUG Chairperson's response. New draft CSD rules were submitted for regulatory approval at the beginning of 2016. No legal/regulatory barriers identified.
	10. Outsourcing IT (Settlement) services	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: 2014 HSG survey on IT outsourcing.
12. Settlement cycles		Fully compliant	B	N/A	N/A	N/A	N/A	Info source: Bilateral confirmation from NUG. Fully compliant since 6 October 2014.
CSD account structures	13. Availability of omnibus accounts	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: T2S NUG survey and bilateral input. No barriers identified.
	14. Restrictions on omnibus accounts	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: T2S NUG survey and bilateral input. No barriers identified.
T2S accounts numbering	15. Securities account numbering	Not compliant	G	Straightforward to implement. No issues foreseen	Testing readiness achieved	18-Sep-17	LCVPD	Info source: HSG survey on T2S securities account numbering, April-May 2013. Compliance with the T2S standard will be achieved with the implementation of the new CSD system. Plans and dates have been provided.
	16. Dedicated cash account numbering	Not compliant	G	Straightforward to implement	Testing readiness achieved	18-Sep-17	Bank of Lithuania	No obstacle for T2S standard adoption. Info source: HSG survey on T2S DCA numbering, April-May 2013. Plan and dates have been provided. The work is progressing according to plan, no delays foreseen.
Activity	**Sub-activity**	**Compliance** Indicates level of compliance with the relevant standards/rules	**Status** Green (G), yellow (Y), red (R)	**Type of implementation gap** If the standards/rules are not yet implemented, please specify what the type of gap is (use the dropdown list).	**Implementation plan/date** **If standards/rules are not fulfilled, please provide the timetable and various milestones/dates in the implementation plan.**		**Implementation actor(s)** Relevant national actors for implementation	**Further comments**
					Ready for T2S testing	Fully operational according to the T2S standard		
Priority 2								
18. Corporate actions	CA market standards (68)	25%	R	Legal barrier, Market practice change and changes in CSD rules and regulations	Testing readiness will be achieved in Q2 2017	18-Sep-17	LCVPD	Info source: BSG/E-MIG Survey (Sep 2016). The EMIG provided statistics have been adjusted, for consistency and comparison reasons, to the common denominator of the 68 CAJWG prioritised standards.
23. Securities amount static data		Fully compliant	B	N/A	N/A	N/A	N/A	Info source: T2S NUG survey and bilateral input. Fully compliant with WU standard.

T2S harmonisation activities: LUX CSD

Activity	Sub-activity	Compliance	Status	Type of implementation gap	Implementation plan/date If standards/rules are not fulfilled, please provide the timetable and various milestones/dates in the implementation plan.		Implementation actor(s)	Further comments
		Indicates level of compliance with the relevant standards/rules	Green (G), yellow (Y), red (R), blue (B)	If the standards/rules are not yet implemented, please specify what the type of gap is	Ready for T2S testing	Fully operational according to the T2S standard	Relevant national actors for implementation	
Priority 1								
T2S messages	1. T2S ISO 20022 messages	Not compliant	G	Straight-forward to implement	Testing readiness achieved	06-02-17	LUX CSD	Info source: SP2 and bilateral input.
	2. T2S matching fields	Not compliant	G	Straight-forward to implement	Testing readiness achieved	06-02-17	LUX CSD	Info source: SP2 and bilateral input. Lux CSD confirmed that there are no issues with full compliance with T2S mandatory matching fields.
	3. Interaction for registration	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: T2S HSG surveys 2013. Registration information is not transferred via settlement messages.
	4. Interaction for tax info	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: T2S HSG surveys 2013. Tax information is not transferred via settlement messages.
5. T2S schedule of settlement day		Not compliant	G	Straight-forward to implement	Testing readiness achieved	06-02-17	LUX CSD	Info source: SP2 and bilateral input. No issues foreseen in complying with T2S standards.
6. Corporate actions T2S CA standards (59)	Market claims (28 standards)	54%	R - ?	Straight-forward to implement	Not available	Not available	LUX CSD	Info source: October 2016 CASG gap analysis update and additional information provided by the LU NUG. Compliance with more than half of the MC standards has been achieved. However, compliance with market claims standards 19 and 23 will not be achieved by the time of Lux CSD migration to T2S due to the chosen way to process market claims, i.e. market claims will be detected as required but will be generated and sent for settlement only after the settlement of the underlying transaction.
	Transformations (13 standards)	0%		Straight-forward to implement				
	Buyer protection (18 standards)	94%		Straight-forward to implement				
Legal harmonisation	8. Settlement Finality II: irrevocability and enforceability transfer order	Not compliant	G	Regulatory/legislative change	N/A	06-02-17	LUX CSD	Info source: T2S NUG surveys 2011 and 2012, SP2 and bilateral input. Lux CSD will follow CBF instruction cancellation process.
	9. Settlement Finality III: irrevocability of securities transfers.	Fully compliant	B	N/A	N/A	N/ A	N/A	Info source: Survey on T2S settlement finality rule III and NUG response. SFIII is ensured via provisions in Luxembourg public law.
	10. Outsourcing IT (Settlement) services	Fully compliant	B	N/A	N/A	N/A		Info source: 2014 HSG survey on IT outsourcing.
12. Settlement cycles		Fully compliant	B	N/A	N/A	N/A	N/A	Info source: Bilateral confirmation from NUG. Fully compliant since 6 October 2014.
CSD account structures	13. Availability of omnibus accounts	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: T2S NUG survey and bilateral input.
	14. Restrictions on omnibus accounts	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: T2S NUG survey and bilateral input.
T2S accounts numbering	15. Securities account numbering	Not compliant	G	Straight-forward to implement	Testing readiness achieved	06-02-17	LUX CSD	Info source: HSG survey on T2S securities account numbering, April-May 2013
	16. Dedicated cash account numbering	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: T2S NUG survey on compliance with T2S harmonisation standards, May 2016 and bilateral input from LU NUG.
Activity	**Sub-activity**	**Compliance**	**Status**	**Type of implementation gap**	**Implementation plan/date If standards/rules are not fulfilled, please provide the timetable and various milestones/dates in the implementation plan.**		**Implementation actor(s)**	**Further comments**
		Indicates level of compliance with the relevant standards/rules	Green (G), yellow (Y), red (R)	If the standards/rules are not yet implemented, please specify what the type of gap is (use the dropdown list).	Ready for T2S testing	Fully operational according to the T2S standard	Relevant national actors for implementation	
Priority 2								
18. Corporate actions	CA market standards (68)	75%	G	Other	Not available	Not available	LUX CSD	Info source: BSG/E-MIG Survey (Sep 2016). The EMIG provided statistics have been adjusted, for consistency and comparison reasons, to the common denominator of the 68 CAJWG prioritised standards.
23. Securities amount static data		Fully compliant	B	N/A	N/A	N/A	N/A	Info source: T2S NUG survey and bilateral input.

T2S harmonisation activities: VP LUX

Activity	Sub-activity	Compliance Indicates level of compliance with the relevant standards/rules	Status Green (G), yellow (Y), red (R), blue (B)	Type of implementation gap If the standards/rules are not yet implemented, please specify what the type of gap is	Implementation plan/date If standards/rules are not fulfilled, please provide the timetable and various milestones/dates in the implementation plan.		Implementation actor(s) Relevant national actors for implementation	Further comments
					Ready for T2S testing	Fully operational according to the T2S standard		
Priority 1								
T2S messages	1. T2S ISO 20022 messages	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: LU NUG bilateral input.
	2. T2S matching fields	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: LU NUG bilateral input.
	3. Interaction for registration	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: T2S HSG surveys 2013. Registration information is not part of the instruction and information about registration is taken directly from the accounts.
	4. Interaction for tax info	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: T2S HSG surveys 2013. Tax information is directly associated with the account, hence no need to transfer the details in settlement message.
5. T2S schedule of settlement day		Fully compliant	B	N/A	N/A	N/A	N/A	Info source: SP2 and bilateral input and NUG response. Plans and dates for full implementation have been provided. General concern about the End Of Day reporting and Start Of Day time period.
6. Corporate actions T2S CA standards (59)	Market claims (28 standards)	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: October 2016 CASG gap analysis update. VP LUX achieved full compliance with the T2S CA standards with its migration to T2S in September 2016.
	Transformations (13 standards)	Fully compliant						
	Buyer protection (18 standards)	Fully compliant						
Legal harmonisation	8. Settlement Finality II: irrevocability and enforceability transfer order	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: T2S NUG surveys 2011 and 2012, SP2 and bilateral input. Full compliance with bilateral cancellation after matching.
	9. Settlement Finality III: irrevocability of securities transfers.	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: Survey on T2S settlement finality rule III and NUG response. SFIII is ensured via provisions in Luxembourg public law.
	10. Outsourcing IT (Settlement) services	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: 2014 HSG survey on IT outsourcing.
12. Settlement cycles		Fully compliant	B	N/A	N/A	N/A	N/A	Info source: Bilateral confirmation from NUG. Fully compliant since 6 October 2014.
CSD account structures	13. Availability of omnibus accounts	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: T2S NUG survey and bilateral input.
	14. Restrictions on omnibus accounts	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: T2S NUG survey and bilateral input.
T2S accounts numbering	15. Securities account numbering	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: HSG survey on T2S securities account numbering, April-May 2013. System changes are required.
	16. Dedicated cash account numbering	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: T2S NUG survey on compliance with T2S harmonisation standards, May 2016. BCL has fully complied since migration wave 1.
Activity	**Sub-activity**	**Compliance** Indicates level of compliance with the relevant standards/rules	**Status** Green (G), yellow (Y), red (R)	**Type of implementation gap** If the standards/rules are not yet implemented, please specify what the type of gap is (use the dropdown list).	**Implementation plan/date** **If standards/rules are not fulfilled, please provide the timetable and various milestones/dates in the implementation plan.**		**Implementation actor(s)** Relevant national actors for implementation	**Further comments**
					Ready for T2S testing	Fully operational according to the T2S standard		
Priority 2								
18. Corporate actions	CA market standards (68)	75%	G	Other	Not available	Not available	VP LUX	Info source: BSG/E-MIG Survey (Sep 2016). The EMIG provided statistics have been adjusted, for consistency and comparison reasons, to the common denominator of the 68 CAJWG prioritised standards.
23. Securities amount static data		Fully compliant	B	N/A	N/A	N/A	N/A	Info source: T2S NUG survey and bilateral input.

T2S harmonisation activities: Latvia

Activity	Sub-activity	Compliance Indicates level of compliance with the relevant standards/rules	Status Green (G), yellow (Y), red (R), blue (B)	Type of implementation gap If the standards/rules are not yet implemented, please specify what the type of gap is	Implementation plan/date If standards/rules are not fulfilled, please provide the timetable and various milestones/dates in the implementation plan.		Implementation actor(s) Relevant national actors for implementation	Further comments
					Ready for T2S testing	Fully operational according to the T2S standard		
Priority 1								
T2S messages	1. T2S ISO 20022 messages	Not compliant	G	Straight-forward to implement	Testing readiness achieved	18-Sep-17	Latvia CSD	Source: bilateral input and quarterly self assessment. Plans to comply fully by migration date.
	2. T2S matching fields	Not compliant	G	Market practice	Testing readiness achieved	18-Sep-17	Latvia CSD	Source: XMAP Survey 2015 and further bilateral clarification from the NUG on adaptation of initial register transactions according to T2S matching specifications.
	3. Interaction for registration	Fully compliant	B	N/A	N/A	N/A	N/A	Source: bilateral input. Registration information is not passed on through settlement messages.
	4. Interaction for tax info	Fully compliant	B	N/A	N/A	N/A	N/A	Source: bilateral input. Tax-related information is not passed on through settlement messages.
5. T2S schedule of settlement day		Not compliant	G	Major technical change	31-Jan-17	18-Sep-17	Latvia CSD	Source: LV NUG and quarterly self assessment, NUG survey 2014. Technical adaptations and amendments to the Latvian CSD's operational rules are required. No barriers exist, nevertheless testing has been postponed from 26/09/2016 to 31/01/2017.
6. Corporate actions T2S CA standards (59)	Market claims (28 standards)	0%	G	Regulatory/legislative change	Q2 2017	18-Sep-17	Latvia CSD	Info source: October 2016 CASG gap analysis update. Full compliance with the standards is planned to be finalised at the time of migration to T2S in September 2017.
	Transformations (13 standards)	0%		Regulatory/legislative change				
	Buyer protection (18 standards)	0%		Market practice				
Legal harmonisation	8. Settlement Finality II: irrevocability and enforceability transfer order	Not compliant	G	Regulatory/legislative change	N/A	18-Sep-17	Latvia CSD	Source: LV NUG. Existing rules need to be updated, and these updated rules must be approved by the market and the regulator. However, no barriers to compliance have been identified.
	9. Settlement Finality III: irrevocability of securities transfers.	Not compliant	G	Straight-forward to implement	N/A	18-Sep-17	Latvia CSD/FSA	Source: SFIII survey and bilateral input. CSD rules amendment and regulatory approval will take place before migration to T2S.
	10. Outsourcing IT (Settlement) services	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: 2014 HSG survey on IT outsourcing.
12. Settlement cycles		Fully compliant	B	N/A	N/A	N/A	N/A	Info source: LV NUG. Fully compliant since 6 October 2014.
CSD account structures	13. Availability of omnibus accounts	Fully compliant	B	N/A	N/A	N/A	N/A	Source: LV NUG.
	14. Restrictions on omnibus accounts	Fully compliant	B	N/A	N/A	N/A	N/A	Source: LV NUG. There are no restrictions rules regarding omnibus accounts in the Latvian CSD.
T2S accounts numbering	15. Securities account numbering	Fully compliant	G	Straight-forward to implement	Testing readiness achieved	18-Sep-17	Latvia CSD	Source: LV NUG and quarterly self assessment.
	16. Dedicated cash account numbering	Fully compliant	G	Straight-forward to implement	Testing readiness achieved	18-Sep-17	Latvia CB	Info source: HSG survey on T2S DCA numbering, April-May 2013.
Activity	**Sub-activity**	**Compliance** Indicates level of compliance with the relevant standards/rules	**Status** Green (G), yellow (Y), red (R)	**Type of implementation gap** If the standards/rules are not yet implemented, please specify what the type of gap is (use the dropdown list).	**Implementation plan/date** **If standards/rules are not fulfilled, please provide the timetable and various milestones/dates in the implementation plan.**		**Implementation actor(s)** Relevant national actors for implementation	**Further comments**
					Ready for T2S testing	Fully operational according to the T2S standard		
Priority 2								
18. Corporate actions	CA market standards (68)	71%	G	Major technical change	Q2 2017	18-Sep-17	Latvia CSD	Info source: BSG/E-MIG Survey (Sep 2016). The EMIG provided statistics have been adjusted, for consistency and comparison reasons, to the common denominator of the 68 CAJWG prioritised standards.
23. Securities amount static data		Not compliant	G	Straight-forward to implement	Testing readiness achieved	18-Sep-17	Latvia CSD	Source: LV NUG and quarterly self assessment.

T2S harmonisation activities: Malta

Activity	Sub-activity	Compliance Indicates level of compliance with the relevant standards/rules	Status Green (G), yellow (Y), red (R), blue (B)	Type of implementation gap If the standards/rules are not yet implemented, please specify what the type of gap is	Implementation plan/date If standards/rules are not fulfilled, please provide the timetable and various milestones/dates in the implementation plan.		Implementation actor(s) Relevant national actors for implementation	Further comments
					Ready for T2S testing	Fully operational according to the T2S standard		
				Priority 1				
T2S messages	1. T2S ISO 20022 messages	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: MT NUG. T2S ISO messages in operation.
	2. T2S matching fields	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: MT NUG. T2S matching fields in operation.
	3. Interaction for registration	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: MT NUG. No registration info in T2S messages.
	4. Interaction for tax info	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: MT NUG. No tax info in T2S messages.
5. T2S schedule of settlement day		Fully compliant	B	N/A	N/A	N/A	N/A	Info source: MT NUG. T2S schedule for settlement day in production.
6. Corporate actions T2S CA standards (59)	Market claims (28 standards)	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: October 2016 CASG gap analysis update. As of 16 December 2015, the Maltese market has achieved full compliance with the T2S CA standards.
	Transformations (13 standards)	Fully compliant		N/A				
	Buyer protection (18 standards)	Fully compliant		N/A				
Legal harmonisation	8. Settlement Finality II: irrevocability and enforceability transfer order	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: MT NUG. CSD rules in line with T2S SF II.
	9. Settlement Finality III: irrevocability of securities transfers.	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: MT NUG. CSD rules in line with T2S SF III.
	10. Outsourcing IT (Settlement) services	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: Confirmation from the NUG received post-migration to T2S.
12. Settlement cycles		Fully compliant	B	N/A	N/A	N/A	N/A	Info source: MT NUG. Fully compliant since 6 October 2014.
CSD account structures	13. Availability of omnibus accounts	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: MT NUG. Full compliance with omnibus account availability.
	14. Restrictions on omnibus accounts	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: Confirmation from the NUG received post-migration to T2S.
T2S accounts numbering	15. Securities account numbering	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: MT NUG. No restrictions on the use of omnibus accounts.
	16. Dedicated cash account numbering	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: MT NUG. Confirmation from the NUG received post-migration to T2S.
Activity	Sub-activity	Compliance Indicates level of compliance with the relevant standards/rules	Status Green (G), yellow (Y), red (R)	Type of implementation gap If the standards/rules are not yet implemented, please specify what the type of gap is (use the dropdown list).	Implementation plan/date If standards/rules are not fulfilled, please provide the timetable and various milestones/dates in the implementation plan.		Implementation actor(s) Relevant national actors for implementation	Further comments
					Ready for T2S testing	Fully operational according to the T2S standard		
				Priority 2				
18. Corporate actions	CA market standards (68)	94%	G	Other	Not available	Not available	MSE	Info source: September 2016 EMIG survey. The EMIG provided statistics have been adjusted, for consistency and comparison reasons, to the common denominator of the 68 CAJWG prioritised standards.
23. Securities amount static data		Fully compliant	B	N/A	N/A	N/A	N/A	Info source: T2S NUG survey and bilateral input.

T2S harmonisation activities: the Netherlands

Activity	Sub-activity	Compliance Indicates level of compliance with the relevant standards/rules	Status Green (G), yellow (Y), red (R), blue (B)	Type of implementation gap If the standards/rules are not yet implemented, please specify what the type of gap is	Implementation plan/date If standards/rules are not fulfilled, please provide the timetable and various milestones/dates in the implementation plan.		Implementation actor(s) Relevant national actors for implementation	Further comments
					Ready for T2S testing	Fully operational according to the T2S standard		
Priority 1								
T2S messages	1. T2S ISO 20022 messages	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: SP2 and bilateral input. Plans and dates for full compliance have been provided.
	2. T2S matching fields	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: SP2 and bilateral input. Plans and dates for full compliance have been provided.
	3. Interaction for registration	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: T2S HSG surveys 2013. There are no registered securities in the Netherlands. Registration information is not transmitted via settlement messages.
	4. Interaction for tax info	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: T2S HSG surveys 2013. Settlement messages are not used to transmit tax-related information.
5. T2S schedule of settlement day		Fully compliant	B	N/A	N/A	N/A	N/A	Info source: SP2 and bilateral input. The ESES operational day will be amended to cope with the timing of T2S. T2S accounting day will be considered the master day.
6. Corporate actions T2S CA standards (59)	Market claims (28 standards)	89%	R- Feb 2018	Major technical change	Q4 - 2017	February 2018	NL-MIG	Info source: October 2016 CASG gap analysis report and further NUG clarification. Euroclear Netherlands does not fully comply with market claims standards (10, 11 and 13), transformations standards (non-generation of the transformed instructions) and buyer protection standards (for centrally cleared transactions) following its migration to T2S in September 2016. Compliance with the standards having a high impact on the T2S Community (non-generation of market claims on cross-CSD instructions and the transformed instructions in almost all transformations) as well as with all BP standards will be achieved in Q1 2017. Full compliance with all T2S CA Standards is planned for Q1 2018.
	Transformations (13 standards)	0%		Major technical change				
	Buyer protection (18 standards)	0%		Other				
Legal harmonisation	8. Settlement Finality II: irrevocability and enforceability transfer order	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: T2S NUG surveys 2011 and 2012, SP2 and bilateral input. EoC ESES already complies with bilateral cancellation after matching.
	9. Settlement Finality III: irrevocability of securities transfers.	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: T2S NUG surveys 2011 and 2012, SP2 and bilateral input. Seems straight-forward to achieve compliance based on the ESES set-up. Regulatory approval is required but no obstacles have been identified.
	10. Outsourcing IT (Settlement) services	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: 2014 HSG survey on IT outsourcing.
12. Settlement cycles		Fully compliant	B	N/A	N/A	N/A	N/A	Info source: Bilateral confirmation from NUG. Fully compliant since 6 October 2014.
CSD account structures	13. Availability of omnibus accounts	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: T2S NUG survey and bilateral input.
	14. Restrictions on omnibus accounts	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: T2S NUG survey and bilateral input.
T2S accounts numbering	15. Securities account numbering	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: HSG survey on T2S securities account numbering, April-May 2013. T2S NUG survey and bilateral input.
	16. Dedicated cash account numbering	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: List of cash and securities side DCPs as published by DCPG and further confirmation from the NL NUG
Activity	**Sub-activity**	**Compliance** Indicates level of compliance with the relevant standards/rules	**Status** Green (G), yellow (Y), red (R)	**Type of implementation gap** If the standards/rules are not yet implemented, please specify what the type of gap is (use the dropdown list).	**Implementation plan/date** **If standards/rules are not fulfilled, please provide the timetable and various milestones/dates in the implementation plan.**		**Implementation actor(s)** Relevant national actors for implementation	**Further comments**
					Ready for T2S testing	Fully operational according to the T2S standard		
Priority 2								
18. Corporate actions	CA market standards (68)	82%	G	Major technical change and market practice change	Q4 2017	01-02-18	Euroclear	Info source: BSG/E-MIG Survey (Sep 2016). The EMIG provided statistics have been adjusted, for consistency and comparison reasons, to the common denominator of the 68 CAJWG prioritised standards.
23. Securities amount static data		Fully compliant	B	N/A	N/A	N/A	N/A	Info source: T2S NUG survey and bilateral input. There are no issues with securities amount data for the ESES countries.

T2S harmonisation activities: Portugal (Interbolsa)

Activity	Sub-activity	Compliance Indicates level of compliance with the relevant standards/rules	Status Green (G), yellow (Y), red (R), blue (B)	Type of implementation gap If the standards/rules are not yet implemented, please specify what the type of gap is	Implementation plan/date If standards/rules are not fulfilled, please provide the timetable and various milestones/dates in the implementation plan.		Implementation actor(s) Relevant national actors for implementation	Further comments
					Ready for T2S testing	Fully operational according to the T2S standard		
Priority 1								
T2S messages	1. T2S ISO 20022 messages	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: SP2 and bilateral input and quarterly status gathering templates.
	2. T2S matching fields	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: SP2 and bilateral input and quarterly status gathering templates.
	3. Interaction for registration	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: T2S HSG surveys 2013. No registration details are sent via settlement instructions.
	4. Interaction for tax info	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: T2S HSG surveys 2013 and further bilateral clarifications. Tax-related information is not passed on when sending settlement instructions.
5. T2S schedule of settlement day		Fully compliant	B	N/A	N/A	N/A	N/A	Info source: SP2 and bilateral input and T2S NUG survey. Adaptations are ongoing to meet the T2S schedule and conditions by migration to T2S. No barriers identified. However, there is concern regarding the short amount of time between the EOD and the beginning of NTS to process and send to T2S the corporate actions instructions.
6. Corporate actions T2S CA standards (59)	Market claims (28 standards)	100%	B	N/A	N/A	N/A	N/A	Info source: October 2016 CASG gap analysis update and bilateral input from PT NUG. Full compliance by the PT market reached on 14 November 2016.
	Transformations (13 standards)	100%		N/A				
	Buyer protection (18 standards)	100%		N/A				
Legal harmonisation	8. Settlement Finality II: irrevocability and enforceability transfer order	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: PT NUG. Full compliance with T2S SF II rule.
	9. Settlement Finality III: irrevocability of securities transfers.	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: PT NUG. Full compliance with T2S SF III rule.
	10. Outsourcing IT (Settlement) services	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: 2014 HSG survey on IT outsourcing.
12. Settlement cycles		Fully compliant	B	N/A	N/A	N/A	N/A	Info source: Bilateral confirmation from NUG. Fully compliant since 6 October 2014.
CSD account structures	13. Availability of omnibus accounts	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: T2S NUG survey and bilateral input. Omnibus accounts are available.
	14. Restrictions on omnibus accounts	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: HSG discussions (Feb 2015). There are no restrictions on the omnibus accounts that need to be propagated down the settlement chain.
T2S accounts numbering	15. Securities account numbering	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: HSG survey on T2S securities account numbering, April-May 2013. Implementation will coincide with system adaptation to T2S.
	16. Dedicated cash account numbering	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: HSG survey on T2S DCA numbering, April-May 2013.
Activity	**Sub-activity**	**Compliance** Indicates level of compliance with the relevant standards/rules	**Status** Green (G), yellow (Y), red (R)	**Type of implementation gap** If the standards/rules are not yet implemented, please specify what the type of gap is (use the dropdown list).	**Implementation plan/date** **If standards/rules are not fulfilled, please provide the timetable and various milestones/dates in the implementation plan.**		**Implementation actor(s)** Relevant national actors for implementation	**Further comments**
					Ready for T2S testing	Fully operational according to the T2S standard		
Priority 2								
18. Corporate actions	CA market standards (68)	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: BSG/E-MIG Survey (Sep 2016). The EMIG provided statistics have been adjusted, for consistency and comparison reasons, to the common denominator of the 68 CAJWG prioritised standards.
23. Securities amount static data		Fully compliant	B	N/A	N/A	N/A	N/A	Info source: T2S NUG. Full compliance following migration.

T2S harmonisation activities: Romania

Activity	Sub-activity	Compliance Indicates level of compliance with the relevant standards/rules	Status Green (G), yellow (Y), red (R), blue (B)	Type of implementation gap If the standards/rules are not yet implemented, please specify what the type of gap is	Implementation plan/date If standards/rules are not fulfilled, please provide the timetable and various milestones/dates in the implementation plan.		Implementation actor(s) Relevant national actors for implementation	Further comments
					Ready for T2S testing	Fully operational according to the T2S standard		
Priority 1								
T2S messages	1. T2S ISO 20022 messages	5	N/A	N/A	N/A	N/A	DC	Info source: NUG and bilateral exchanges. DC is connected to T2S in U2A mode. A2A mode expected on 17 January 2017.
	2. T2S matching fields	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: Confirmation from the NUG received post-migration to T2S.
	3. Interaction for registration	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: Confirmation from the NUG received post-migration to T2S.
	4. Interaction for tax info	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: Confirmation from the NUG received post-migration to T2S.
5. T2S schedule of settlement day		Fully compliant	B	N/A	N/A	N/A	N/A	Info source: Confirmation from the NUG received post-migration to T2S.
6. Corporate actions T2S CA standards (59)	Market claims (28 standards)	0%	R – Feb 2017	Market Practice	Testing readiness achieved	February 2017	CSD, Regulator, NCB	Info source: October 2016 CASG gap analysis update. The Romanian market was not fully compliant with the T2S CA standards by its migration to T2S in 2015. There is detailed plan for full compliance to be achieved in February 2017.
	Transformations (13 standards)	0%		Regulatory/legislative change				
	Buyer protection (18 standards)	0%		Technical				
Legal harmonisation	8. Settlement Finality II: irrevocability and enforceability transfer order	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: Confirmation from the NUG received post-migration to T2S.
	9. Settlement Finality III: irrevocability of securities transfers.	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: Confirmation from the NUG received post-migration to T2S.
	10. Outsourcing IT (Settlement) services	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: Confirmation from the NUG received post-migration to T2S.
12. Settlement cycles		Fully compliant	B	N/A	N/A	N/A	N/A	Info source: Confirmation from the NUG received post-migration to T2S.
CSD account structures	13. Availability of omnibus accounts	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: Confirmation from the NUG received post-migration to T2S.
	14. Restrictions on omnibus accounts	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: Confirmation from the NUG received post-migration to T2S.
T2S accounts numbering	15. Securities account numbering	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: Confirmation from the NUG received post-migration to T2S.
	16. Dedicated cash account numbering	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: Confirmation from the NUG received post-migration to T2S.
Activity	**Sub-activity**	**Compliance** Indicates level of compliance with the relevant standards/rules	**Status** Green (G), yellow (Y), red (R)	**Type of implementation gap** If the standards/rules are not yet implemented, please specify what the type of gap is (use the dropdown list).	**Implementation plan/date** **If standards/rules are not fulfilled, please provide the timetable and various milestones/dates in the implementation plan.**		**Implementation actor(s)** Relevant national actors for implementation	**Further comments**
					Ready for T2S testing	Fully operational according to the T2S standard		
Priority 2								
18. Corporate actions	CA market standards (68)	56%	Y	Market practice as well as regulatory changes	Testing readiness achieved	01-02-17	CSD, Regulator, NCB	Info source: BSG/E-MIG Survey (Sep 2016). The EMIG provided statistics have been adjusted, for consistency and comparison reasons, to the common denominator of the 68 CAJWG prioritised standards.
23. Securities amount static data		Fully compliant	B	N/A	N/A	N/A	N/A	Info source: T2S NUG survey and bilateral input.

T2S harmonisation activities: Slovenia

Activity	Sub-activity	Compliance Indicates level of compliance with the relevant standards/rules	Status Green (G), yellow (Y), red (R), blue (B)	Type of implementation gap If the standards/rules are not yet implemented, please specify what the type of gap is	Implementation plan/date If standards/rules are not fulfilled, please provide the timetable and various milestones/dates in the implementation plan. Ready for T2S testing	 Fully operational according to the T2S standard	Implementation actor(s) Relevant national actors for implementation	Further comments
Priority 1								
T2S messages	1. T2S ISO 20022 messages	Not compliant	G	Technical	Testing readiness achieved	February 2017	KDD	Info source: SP2 and bilateral input.
	2. T2S matching fields	Not compliant	G	Market practice	Testing readiness achieved	February 2017	KDD	Standards are implemented and in use in test environment.
	3. Interaction for registration	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: T2S HSG surveys 2013. Settlement messages are not used for transmission of registration information.
	4. Interaction for tax info	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: T2S HSG surveys 2013. Settlement messages are not used for transmission of tax information.
5. T2S schedule of settlement day		Not compliant	G	Technical	Testing readiness achieved	February 2017	KDD	Info source: SP2 and bilateral input and 2014 NUG survey.
6. Corporate actions T2S CA standards (59)	Market claims (28 standards)	0%	G	Regulatory/legislative/technical change	Testing readiness achieved	February 2017	KDD/national legislators and regulators	Info source: October 2016 CASG gap analysis update. Major legal reform has been adopted in the legislation in October 2015. The Slovenian T2S NUG plans to fully comply with the standards by its migration to T2S in February 2017.
	Transformations (13 standards)	0%		Regulatory/legislative/technical change				
	Buyer protection (18 standards)	0%		Other				
Legal harmonisation	8. Settlement Finality II: irrevocability and enforceability transfer order	Not compliant	G	Regulatory change	N/A	February 2017	KDD	"Info source: T2S NUG surveys 2011 and 2012, SP2, status gathering templates Q2 2013 and bilateral input.
	9. Settlement Finality III: irrevocability of securities transfers.	Not compliant	G	Legislative change and regulatory endorsement	N/A	February 2017	KDD/national legislators and regulators	"Info source: T2S NUG surveys 2011 and 2012, SP2, status gathering templates Q2 2013 and bilateral input.
	10. Outsourcing IT (Settlement) services	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: 2014 HSG survey on IT outsourcing.
12. Settlement cycles		Fully compliant	B	N/A	N/A	N/A	N/A	Info source: Bilateral confirmation from NUG. Fully compliant since 6 October 2014.
CSD account structures	13. Availability of omnibus accounts	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: T2S NUG survey and bilateral input. No issues.
	14. Restrictions on omnibus accounts	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: T2S NUG survey and bilateral input. No issues.
T2S accounts numbering	15. Securities account numbering	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: T2S NUG survey and bilateral input. No issues.
	16. Dedicated cash account numbering	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: T2S NUG survey and bilateral input. No issues.

Activity	Sub-activity	Compliance Indicates level of compliance with the relevant standards/rules	Status Green (G), yellow (Y), red (R)	Type of implementation gap If the standards/rules are not yet implemented, please specify what the type of gap is (use the dropdown list).	Implementation plan/date If standards/rules are not fulfilled, please provide the timetable and various milestones/dates in the implementation plan. Ready for T2S testing	 Fully operational according to the T2S standard	Implementation actor(s) Relevant national actors for implementation	Further comments
Priority 2								
18. Corporate actions	CA market standards (68)	22%	R	Major technical change and legislative change	Testing readiness achieved	February 2017	KDD/national legislators and regulators	Info source: BSG/E-MIG Survey (Sep 2016). The EMIG provided statistics have been adjusted, for consistency and comparison reasons, to the common denominator of the 68 CAJWG prioritised standards.
23. Securities amount static data		Not compliant	G	Straight-forward to implement	Testing readiness achieved	February 2017	KDD	Info source: Q2 2013 status gathering template.

T2S harmonisation activities: Slovakia

Activity	Sub-activity	Compliance Indicates level of compliance with the relevant standards/rules	Status Green (G), yellow (Y), red (R), blue (B)	Type of implementation gap If the standards/rules are not yet implemented, please specify what the type of gap is	Implementation plan/date If standards/rules are not fulfilled, please provide the timetable and various milestones/dates in the implementation plan.		Implementation actor(s) Relevant national actors for implementation	Further comments
					Ready for T2S testing	Fully operational according to the T2S standard		
Priority 1								
T2S messages	1. T2S ISO 20022 messages	Not compliant	G	Technical change	Testing readiness achieved	01-02-17	CDCP	"Info source: SP2 and bilateral input. Q2 2013 status gathering template.
	2. T2S matching fields	Not compliant	R-?	Market practice change	Not available	Not available	CDCP	Info source: XMAP survey 2015. Transaction code is a mandatory matching field in order to prevent incorrect intra-CSD matching of e.g. ordinary OTC trade with securities transfer stemming from inheritance, matching of instruction with available securities with instruction with pledged securities, etc. This is applicable to all transactions matched in the legacy system, since it is a mandatory matching field. The impact of non-compliance of the SK market to the rest of the T2S community was assessed by the MIB in March 2016 as low. There is no plan for the SK market to achieve full compliance.
	3. Interaction for registration	Not compliant	G	Technical change	Testing readiness achieved	01-02-17	CDCP	Info source: T2S HSG surveys 2013. Adaptation to the new practice will result from implementation of ISO20022 messaging standard.
	4. Interaction for tax info	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: T2S HSG surveys 2013. Settlement messages are not used for transmission of tax information.
5. T2S schedule of settlement day		Not compliant	G	Market practice change	Testing readiness achieved	01-02-17	CDCP	Info source: SP2/SP3 and bilateral input and NUG survey.
6. Corporate actions T2S CA standards (59)	Market claims (28 standards)	0%	G	Market practice /technical change /CSD rules change	Testing readiness achieved	01-02-17	CDCP	Info source: October 2016 CASG gap analysis update and bilateral input from SK NUG.
	Transformations (13 standards)	0%						
	Buyer protection (18 standards)	0%						
Legal harmonisation	8. Settlement Finality II: irrevocability and enforceability transfer order	Not compliant	G	Technical change	N/A	01-02-17	CDCP	Info source: Status gathering templates and NUG Chairperson's response. No legislative changes are required based on the updated legal analysis. The change required is part of business requirements for reshaping the internal IT system and there are no barriers to implementation.
	9. Settlement Finality III: irrevocability of securities transfers.	Not compliant	G	Technical change	N/A	01-02-17	CDCP	Info source: Status gathering templates and NUG Chairperson's response. No requirement for any legislative change. The change required is part of business requirements for reshaping the internal IT system and there are no barriers to implementation.
	10. Outsourcing IT (Settlement) services	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: 2014 HSG survey on IT outsourcing. With the CSDR now being law, no barriers to outsourcing to public entities remain.
12. Settlement cycles		Fully compliant	B	N/A	N/A	N/A	N/A	Info source: Bilateral confirmation from NUG. Fully compliant since 6 October 2014.
CSD account structures	13. Availability of omnibus accounts	Fully compliant	B	N/A	N/A	N/A	N/A	Info source: T2S NUG survey and bilateral input.
	14. Restrictions on omnibus accounts	Not compliant	Y	legislative change	N/A	01-02-17	CDCP	Info source: T2S NUG survey, bilateral input, SP3 feasibility assessment, Q2 2013 status gathering templates and NUG response. Restrictions on SK investors when CDCP acts as investor CSD. The CDCP is currently finalising a thorough, updated legal analysis for the adaptation of CDCP to T2S.
T2S accounts numbering	15. Securities account numbering	Not compliant	G	Straight-forward to implement	Testing readiness achieved	01-02-17	CDCP	Info source: HSG survey on T2S securities account numbering, April-May 2013
	16. Dedicated cash account numbering	Not compliant	G	Straight-forward to implement	Testing readiness achieved	01-02-17	National bank of Slovakia	Info source: HSG survey on T2S DCA numbering, April-May 2013. NCB plans full compliance. Dates are provided.
Activity	**Sub-activity**	**Compliance** Indicates level of compliance with the relevant standards/rules	**Status** Green (G), yellow (Y), red (R)	**Type of implementation gap** If the standards/rules are not yet implemented, please specify what the type of gap is (use the dropdown list).	**Implementation plan/date** **If standards/rules are not fulfilled, please provide the timetable and various milestones/dates in the implementation plan.**		**Implementation actor(s)** Relevant national actors for implementation	**Further comments**
					Ready for T2S testing	Fully operational according to the T2S standard		
Priority 2								
18. Corporate actions	CA market standards (68)	19%	R	Changes in the CSD rules, market practice changes and IT changes	Not available	Not available	SK market, CDCP, regulators (approval of amended CDCP rules)	Info source: BSG/E-MIG Survey (Sep 2016). The EMIG provided statistics have been adjusted, for consistency and comparison reasons, to the common denominator of the 68 CAJWG prioritised standards.
23. Securities amount static data		Not compliant yet	G	Market practice change/ Technical change/ Legislative change	Testing readiness achieved	01-02-17	CDCP	Info source: T2S NUG input. Legislative change has already taken place.

Annex 5
List of members of the T2S Advisory Group

The T2S Advisory Group (AG) provides advice to the Eurosystem on T2S-related issues to ensure that T2S is developed and implemented according to market needs. To this end, the AG is made up of representatives from all stakeholders, i.e. participating CSDs, banks and national central banks. In particular, the AG addresses T2S issues related to policy, pricing, governance and harmonisation in the field of securities settlement.

As far as harmonisation matters are concerned, the AG is supported by the HSG.

The AG's mandate is available on the T2S website. The group's meeting documents can also be downloaded from the website. The list of members is below.

Institution	Name
Chair and Secretariat	
European Central Bank	Marc Bayle (*Chairperson*)
European Central Bank	Meike Ströter (*Secretary*)
User banks	
Banco Santander	Amadeo Lázaro Fernández
Bank of America Merrill Lynch	John Whelan
BBVA	Fernando García Rojo
BNP Paribas	Alain Pochet
BNY Mellon	James Cunningham
CACEIS	Eric Derobert
CECA	José-Luis Rebollo Palomero
Citi	Richard Scavetta
Commerzbank	Roland Kipper
Danske Bank Plc	Tom S. Jensen
Danske Bank Plc	Päivi Nyrhilä
Deutsche Bank	Stephen Lomas
Deutsche Wertpapier Service Bank	Mark Hoßdorf
Eurex Clearing	Kay Schäfer
EuroCCP	Albert-Jan Huizing

Goldman Sachs	Isabelle Hennebelle
ICBPI	Paolo Callegaro
ING	Antoine Vonk
Intesa Sanpaolo	Mario-Domenico Recchia
JP Morgan	Diana Dijmarescu
Nordea	Marianne Sørensen
Société Générale	Eric de Gay de Nexon
Swedbank AS	Elo Tempel
Unicredit Bank Austria AG	Guenter Schnaitt
CSDs	
AS Eesti Väärtpaberikeskus (Estonia)	Kristi Sisa
Bank of Greece Securities Settlement System (BOGS)	Vicky Dellopoulou
Centrálny depozitár cenných papierov SR, a. s. (Slovakia)	Dagmar Kopuncová
Clearstream Banking AG (Germany)	Mathias Papenfuβ
Clearstream Banking AG (Germany)	Guido Wille
Clearstream Banking AG (Germany)	Karla Amend
Depozitarul Central S.A. (Romania)	Silvia Buicanescu
Euroclear Belgium	Michael Shipton
Euroclear Finland Oy	Hanna Vainio
Euroclear France	Brigitte Daurelle
Euroclear Nederland	Philip Van Hassel
Iberclear – BME Group (Spain)	Jesús Benito
Interbolsa (Portugal)	Rui de Matos
KDD - Centralna klirinško depotna družba, d.d. (Slovenia)	Davor Pavic
Központi Elszámolóház és Értéktár Zrt. – KELER (Hungary)	György Dudás
Latvijas Centralais depozitarijs (Latvia)	Indars Ašcuks
Lietuvos centrinis vertybinių popierių depozitoriumas (Lithuania)	Dalia Jasulaityte
LuxCSD S.A. (Luxembourg)	Patrick Georg
Malta Stock Exchange	Eileen Muscat
Monte Titoli S.p.A. (Italy)	Mauro Dognini
Monte Titoli S.p.A. (Italy)	Paolo Carabelli
National Bank of Belgium Securities Settlement System (NBB-SSS)	Marc Lejoly
NCDCP - Národný centrálny depozitár cenných papierov, a. s. (Slovakia)	Zuzana Libičová
NCDCP - Národný centrálny depozitár cenných papierov, a. s. (Slovakia)	Andrej Sinicyn

Österreichische Kontrollbank Aktiengesellschaft (Austria)	Georg Zinner
SIX SIS Ltd. (Switzerland)	Urs Wieland
VP LUX S.à.r.l. (Luxembourg)	Birger Schmidt
VP Securities A/S (Denmark)	Niels Olsen
Central banks (Eurosystem)	
European Central Bank	Sylvain Debeaumont
Nationale Bank van België/Banque Nationale de Belgique	Yvan Timmermans
Deutsche Bundesbank	Katharina Tobiasch
Eesti Pank	Mihkel Nômmela
Central Bank of Ireland	John Geelon
Bank of Greece	Vicky Dellopoulou
Banco de España	Jesús López Pedruelo
Banque de France	Emmanuelle Assouan
Banca d'Italia	Fabrizio Palmisani
Central Bank of Cyprus	George Nicolaou
Latvijas Banka	Egons Gailitis
Lietuvos bankas	Dainius Grikinis
Banque centrale du Luxembourg	Pierre Thissen
Central Bank of Malta	Sylvana Gatt
De Nederlandsche Bank	Annemarie Hondius
Österreichische Nationalbank	Hannes Hermanky
Banco de Portugal	Fernando Chau
Banka Slovenije	Simon Anko
Narodna banka Slovenska	Peter Holicka
Suomen Pankki	Kirsi Ripatti
Central banks (non-Eurosystem)	
Danmarks Nationalbank	Peter Restelli-Nielsen
Observers	
MIB in T2S composition	Marc Bayle Pierre Beck Manfred Skalitzky Ron Berndsen Karsten Biltoft Maria Tereza Cavaco Emerico Zautzik Peter Moller Restelli Nielsen Ivan Odonnat Johannes Luef Joël Mérère Jochen Metzger Michalis Michalopoulos Michael Power Jesús López Pedruelo

European Association of Co-operative Banks	Ilektra Zarzoura
Association for Financial Markets in Europe	Stephen Burton
European Association of Clearing Houses	Christoph Hemon
European Banking Federation	Daniele De Gennaro
European Savings Bank Group	Norbert Bielefeld
Federation of European Securities Exchanges	Judith Hardt
European Securities and Markets Authority	Alina Dragomir
European Commission	Agata Malczewska
Eurosystem oversight function	Fiona van Echelpoel
4CB	Siegfried Vonderau Lorenzo Giammò María Teresa Arraez Philippe Leblanc