



EUROPEAN CENTRAL BANK

EUROSYSTEM

T2S CHANGE REQUEST FORM		
<b>General Information (Origin of Request)</b>		
<input type="checkbox"/> User Requirements (URD) or GUI Business Functionality Document (BFD) <input checked="" type="checkbox"/> Other User Functional or Technical Documentation (SYS)		
<b>Request raised by:</b> ECB	<b>Institute:</b> ECB	<b>Date raised:</b> 19/10/2023
<b>Request title:</b> Impact of T2S-ICN-0061 - CRDM business rules on Party and Cash Accounts validity period.		<b>Request No.:</b> T2S 0811 SYS
<b>Request type:</b> Common	<b>Classification:</b> Scope Enhancement	<b>Urgency:</b> Fast-track <sup>1</sup>
<b>1. Legal/business importance parameter<sup>2</sup>:</b> Low		<b>2. Market implementation efforts parameter<sup>3</sup>:</b> Low
<b>3. Operational/Technical risk parameter<sup>4</sup>:</b> Low		<b>4. Financial impact parameter<sup>5</sup>:</b> Not applicable.
<b>Requestor Category:</b> Eurosystem		<b>Status:</b> Authorised at T2S Steering Level

**Reason for change and expected benefits/business motivation:**

In the context of the detailed assessment of Change Request T2-0118-SYS 'CRDM business rules preventing propagation filtering and improving data consistency' different reference data objects will be modified in order to avoid data consistency issues with the data propagation from CRDM to T2. Among the impacted objects there are also Party and Cash Account that are also used on T2S side.

As a general remark, a T2S Actor willing to open a Cash Account can currently select the current date as opening date during creation. Similarly, when a 'Party Mnemonic' (i.e. the Party BIC code) is updated, its validity period can also start from the current business date.

Although the specifications allow T2S Actors to open/update the above reference data objects intraday, there are already today technical restrictions preventing this functionality to work as described. Any reference data created in CRDM and relevant to CLM and RTGS is propagated to CLM and RTGS during the data propagation and loading process at the end of the day, in order to be used on the following business day. This implies that CLM and RTGS cannot currently handle any intraday created cash account or change to a Party BIC code, even if this configuration is currently allowed in CRDM. With the deployment of CR T2-118, the following configuration options will no longer be available in CRDM:

- the Opening Date of any newly created Cash Account can only be strictly greater than the current business date. This restriction is only limited to Cash Accounts. Securities Accounts are not impacted by this change i.e. Securities and Parties can still be created with an Opening Date equal or greater than the current business date.
- The valid from of an updated 'Party Mnemonic' can only be set to a date greater than the current business date. This restriction impacts only the update of a "Party Mnemonic" of an existing party.

For further reference, the update/modification of the CRDM business rules described above are reported in the 'Description of requested change'.

**Description of requested change:**

To follow the timeline of the Target service requesting this change to reference data objects, T2S-0811-SYS should be allocated to the same release as change request T2-0118-SYS, initially proposed for T2.R2024.NOV.

<sup>1</sup> Fast-track approach justification: A fast-track approach is requested since this change request is raised in the context of the impacts shown by T2-0118-SYS in CRDM and the request to have a T2S change request covering them.

<sup>2</sup> Legal/business importance parameter was set to "Low" because with this change it will be possible to make sure that the impacts stemming from T2-0118-SYS are not negatively impacting the T2S community.

<sup>3</sup> Market implementation effort parameter was set to 'Low' because the change does not imply significant changes to T2S Actors.

<sup>4</sup> Operational/technical risk parameter was set to 'Low' because the change does not impact any other operations performed in T2S.

<sup>5</sup> Low < 100kEUR < Low-Medium < 200 kEUR < Medium < 400kEUR < High < 700kEUR < Very high

Due to the fact that there is no need to deliver any software change to T2S dedicated components (LCMM, SETT, LQMG, SDMG), this type of change request will not be detailed assessed and will follow the approval procedure of the new category of change request; "Cross service CR". With this, the T2S community will be able to track the testing of this change (i.e. to perform non-regression test campaign and to make sure that the new BR are changed as explained).

The following business rules will be changed as explained below:

#### Update Party:

- Amendment of existing Business Rules
  - DPU1009 → When performing a Party Update request, the create request of a historical (i.e. which has the validity date) 'minor' entity (such as Party Name Party code, Party Address, Party Contact) cannot have a past validity date. **Furthermore, Party code Valid from must be greater than the current date.**
- Introduction of a New Business Rule
  - DPU1014 → When performing a Party Update request, the change of the validity period or the change of the 'Party Mnemonic' in the Party Code section must not result in two or more Parties with same Party BIC owning an active Cash Account in the same period.

#### Create Cash Account:

- Amendment of existing Business Rule
  - DCC1205 → When creating a **cash account**, its opening date must be greater than the current date. This rule was already in place for RTGS/CLM Accounts only.
  - When performing a Cash Account create request the Opening Date must be ~~equal to or~~ greater than the current date and be equal or greater than the Account Holder Opening Date. Furthermore, it must be equal to or less than the Account Holder Closing Date. ~~For CLM and RTGS accounts, the Opening Date cannot be equal to the current date.~~
- Introduction of New Business Rule
  - DCC1255 -> It must be ensured that a **cash account** cannot be created if, in the same validity period, another party with same party BIC is also an account owner.

#### Update Cash Account:

- Amendment of existing Business Rule
  - DCU1213 → When performing a **Cash Account** update request, the Opening Date can be updated only if the existing one is greater than the current date and the new one must be ~~equal to or~~ greater than the current date. Furthermore, the Opening Date must be equal to or greater than the Account Holder Opening Date and equal to or less than the Account Holder Closing Date.
- Introduction of New Business Rule
  - DCU1255 → It must be ensured that a cash account validity period cannot be updated if, in the same validity period, another party with same party BIC is also an account owner.

#### **Submitted annexes / related documents:**

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T2S-ICN-0061

T2-0118-SYS 'CRDM business rules preventing propagation filtering and improving data consistency'

#### **Outcome/Decisions:**

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\*CRG on 26 March 2024: the CRG agreed to recommend CR-0811 for authorization by the T2S Steering Level, following a fast-track approach.

\*AMI-SeCo on 17 April 2024: the AMI-SeCo agreed with the CRG recommendation of CR-0811 for T2S Steering Level authorisation.

\*CSG on 17 April 2024: the CSG agreed to authorise CR-0811.

\*NECSG on 17 April 2024: the NECSG agreed to authorise CR-0811.

\*MIB on 18 April 2024: the MIB agreed to authorise CR-0811.

**Documentation to be updated:**

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**Preliminary assessment:**

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N/a

**Detailed assessment:**

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N/a