General Information (Origin of Request)			
☐ User Requirements (URD)			
☒ Other User Functional or Technical Documentation (SYS)			

Request raised by: Euroclear	Institute: CSD		Date raised: 19/11/2018
Request title: Unprune fields in settlement allegements		Request ref. no: T2S-0690-SYS	
Request type: Common	Classification: Scope Enhancement		Urgency: Normal
1. Legal/business importance parameter: High		2. Market implementation efforts parameter: Medium	
3. Operational/Technical risk parameter: Medium		4. Financial impact parameter: Medium	
Requestor Category: CSD		Status: Implemented	

Reason for change and expected benefits/business motivation:

Currently T2S is pruning a lot of fields available in the settlement instruction (sese.023) from the allegement message (sese.028) and the allegement report (semt.019). The fact that this information is missing may create several issues:

- reconciliation issues for the counterpart

- delay in the creation of the counterparts instruction

- delay in the matching process

- increased risk of settlement after ISD

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Description of change requested

The aim of this CR is to make available in the allegement those fields provided in a settlement instruction sent in A2A mode (sese.023), which can be relevant for the counterparty. Adding these fields will help the receiving party of the allegement to allocate the allegement to the appropriate client. It will also help the receiving party to find a possible matching instruction in a more accurate way.

Name	XML tag	Remark	Fields to be unpruned in sese.028 and semt.019
Place of Clearing	**sese.028:** SctiesSttlmTxAllgmtNtfctn/TradDtls/PlcOfClr **semt.019:** SctiesSttlmTxAllgmtRpt/AllgmtDtls/PlcOfClr		1 field
Settlement Parties: Party 1			
Declaration Details	**sese.028:** SctiesSttlmTxAllgmtNtfctn/DlvrgSttlmPties/Pty1/AddtlInf/DclrtnDtls (delivering party 1) SctiesSttlmTxAllgmtNtfctn/RcvgSttlmPties/Pty1/AddtlInf/DclrtnDtls (receiving party 1) **semt.019:** SctiesSttlmTxAllgmtRpt/AllgmtDtls/DlvrgSttlmPties/Pty1/AddtlInf/DclrtnDtls (delivering party 1) SctiesSttlmTxAllgmtRpt/AllgmtDtls/RcvgSttlmPties/Pty1/AddtlInf/DclrtnDtls (receiving party 1)		2 fields: Unprune Declaration Details (350 characters)
Settlement Parties : Party 2			
Safekeeping Account	**sese.028:** SctiesSttlmTxAllgmtNtfctn/DlvrgSttlmPties/Pty2/SfkpgA		2 fields:

Name	XML tag	Remark	Fields to be unpruned in sese.028 and semt.019
	cct (delivering party 2) SctiesSttlmTxAllgmtNtfctn/RcvgSttlmPties/Pty2/SfkpgAcct (receiving party 2) **semt.019:** SctiesSttlmTxAllgmtRpt/AllgmtDtls/DlvrgSttlmPties/Pty2/SfkpgAcct (delivering party 2) SctiesSttlmTxAllgmtRpt/AllgmtDtls/RcvgSttlmPties/Pty2/SfkpgAcct (receiving party 2)		unprune Safekeeping account / "Identification" field (35 characters).
Party 3	**sese.028:** SctiesSttlmTxAllgmtNtfctn/DlvrgSttlmPties/Pty3/SfkpgAcct (delivering party 3) SctiesSttlmTxAllgmtNtfctn/RcvgSttlmPties/Pty3/SfkpgAcct (receiving party 3) **semt.019:** SctiesSttlmTxAllgmtRpt/AllgmtDtls/DlvrgSttlmPties/Pty3/SfkpgAcct (delivering party 3) SctiesSttlmTxAllgmtRpt/AllgmtDtls/RcvgSttlmPties/Pty3/SfkpgAcct (receiving party 3)		2 fields: Unprune "Safekeeping Account" of Party 3: only "Identification" field (35 characters).
SUM			**7**

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Submitted annexes / related documents:
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Proposed wording for the Change request:

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UHB:

    A)   Section 2.4.1.19 Available Report – Statement of Settlement Allegements Details Screen:

A) Allegement Details	
Trade Information	
...	...
Place of Trade Identifier	Shows the identification of the place of trade via the market identifier code. Either this field or the description of the place of trade is available.
Place of Clearing	Shows the BIC code of the Clearing House involved in the settlement (if any).
...	...
Settlement Parties	
Delivering Parties	
Delivering CSD Participant	
…	…
Contact Details	Shows the contact details of the delivering CSD participant. This field is optional.
Declaration Details	Provides declaration details narrative relative to the party.

…	…
Client of the Delivering CSD Participant	
…	…
Contact Details	Shows the contact details of the client.This field is optional.
Safekeeping Account	Account to or from which a securities entry is made.
Delivering Party 3	
…	…
Contact Details	Shows the contact details of the delivering party 3.This field is optional.
Safekeeping Account	Account to or from which a securities entry is made.
…	…
Settlement Parties	
Receiving Parties	
Receiving CSD Participant	
…	…
Contact Details	Shows the contact details of the receiving CSD participant. This field is optional.
Declaration Details	Provides declaration details narrative relative to the party.
…	…
Client of the Receiving CSD Participant	
…	…
Contact Details	Shows the contact details of the client. This field is optional.
Safekeeping Account	Account to or from which a securities entry is made.
Receiving Party 3	
…	…
Contact Details	Shows the contact details of the receiving party 3. This field is optional.
Safekeeping Account	Account to or from which a securities entry is made.

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Outcome/Decisions:

* CRG on 23 January 2019: The CRG has agreed to launch the preliminary assessment of CR-690.

* CRG on 23 September 2019 (wp): The CRG recommended CR-690 for authorisation by the T2S Steering Level

* AMI-SeCo on 16 October 2019: The AMI-SeCo agreed with the recommendation of the CRG.

* CSG on 25 October 2019: The CSG authorised the CR for allocation to a T2S release.

* NECSG on 28 October 2019: The NECSG authorised the CR for allocation to a T2S release.

* MIB on 8 October 2019: The MIB authorised CR-690.

* PMG on 23 January 2020: The PMG asked the 4CB to launch the detailed assessment of CR-690 in view of R5.0.

* OMG on 11 May 2020: the OMG did not identify an operational impact for CR-690.

* PMG on 28 May 2020: the PMG recommended to the Steering Level the inclusion of the CR in the scope of R5.0.

* NECSG on 10 June 2020: the CSG approved the allocation of the CR to R5.0.

* CSG on 18 June 2020: the CSG approved the allocation of the CR to R5.0.

* MIB on 9 July 2020: The MIB approved the inclusion of the CR in R5.0.

* CRG on 17 September 2020: the CRG agreed to corrections of the wording of the scope defining documents of CR-690.

* OMG on 29 September 2020: The OMG confirmed their earlier operational assessment of CR-690.

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Preliminary assessment:

- **Impact:** high

- **Impacted modules:** LCMM, REM, INTF (A2A, U2A), LTSI

  Findings:
  - The wording of the CR needs to be refined provided that each XML tag could contain many nested levels. In our analysis we have identified around 500 new fields that must be managed in the inbound/outbound processes and also must be included in the interfaces between INTF and LCMM. To narrow the scope of the CR, the real customer needs should be clarified as well as how many of these new fields could come into T2S simultaneously and if these new fields required for statistics.
  - As the input messages could dramatically increase its size, there could be performance issues. Sese.023 messages are on the T2S critical path for all the incoming Settlement Instructions and performance impact should be carefully assessed.

  Open issues/ questions to be clarified by the originator:

- It needs to be confirmed that there is no impact in Screens:
  - Fields to be unpruned in the sese.028 do not need to be shown in the following screens:
    - Allegement_Selection_Criteria
    - Settlement Instruction Allegement Details

    Today, both screens do not show all the fields of sese.028 that are already unpruned, for that reason our assumption is that both screens are not impacted with the unpruning of the new fields.

  - "Settlement Instruction Details screen" reports the same information as sese.024, which is not impacted, for that reason our assumption is that this screen is not impacted.

  - "Settlement Instruction New screen", all fields to be unpruned by CR-690 are already available in this screen, in the block Additional Info, so there is not impact in this screen.

    However, as these fields are inside the block "Additional Information", this information is not sent from Interface to LCMM and therefore T2S is not able to report that information neither in the sese.028 nor in semt.019 for the Settlement Instructions submitted by U2A.
    All in all, changing this behaviour of the "Additional Information" is an important change and can also impact the performance.
    It needs to be confirmed if this change has to be included in the scope of the CR or not.

- We assume that new fields to be reported in sese.028 and semt.019 will not be validated, as already done today with some of them that are already unpruned in the sese.023 and not reported (i.e. they will be accepted and reported in the sese.028 and semt.019 but without any **business validation**).

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High level description of Impact:

EUROSYSTEM ANALYSIS – GENERAL INFORMATION		

T2S Specific Components		Common Components	
LCMM			
x	Instructions validation		
x	Status management		
	Instruction matching		
	Instructions maintenance		
	Penalty Mechanism		
Settlement			
	Standardisation and preparation to settlement		
	Night-time Settlement		
	Daytime Recycling and optimisation		
	Daytime Validation, provisioning & booking		
	Auto-collateralisation		
Liquidity Management			
	Outbound Information Management		
	NCB Business Procedures		
	Liquidity Operations		
T2S Interface *(as of June 2022 without Static Data Management, Communication for SDMG, Scheduler, Billing)*			
	Communication		
	Outbound Processing		
	Inbound Processing		
Static Data Management *(until June 2022)*		**Common Reference Data Management** *(from PROD R6.0 June 2022)*	
	Party data management		Party data management
	Securities data management		Securities data management
	Cash account data management		Cash account data management
	Securities account data management		Securities account data management
	Rules and parameters data management		Rules and parameters data management
Statistics and archive		**Statistics and archive**	
x	Statistical information (until June 2022)		Short term statistical information
	Legal archiving (until June 2022)		Legal archiving (from PROD R6.0)
		x	Data Warehouse (from PROD R6.0)
Information *(until June 2022 containing reference data)*		**CRDM business interface** *(from PROD R6.0 June 2022)*	
X	Report management		Report management
	Query management		Query management
			Communication
			Outbound Processing
			Inbound Processing
Operational Services			
	Data Migration (T2S DMT)		Data Migration (CRDM DMT, from PROD R6.0)
	Scheduling (until June 2022)		Business Day Management (from PROD R6.0)
			Business Day Management business interface (from PROD R6.0)
	Billing (until June 2022)		Billing (from PROD R6.0)
			Billing business interface (from PROD R6.0)
	Operational Monitoring		Operational and Business Monitoring

Impact on major documentation		
Document	**Chapter**	**Change**
Impacted GFS chapter		
Impacted UDFS chapter		
Additional deliveries for Message Specification	Securities Settlement Transaction Allegement. (sese.028.001.06) SecuritiesSettlementTransactionAllegementReportV06 (semt.019.001.06)	Customization in Mystandars of sese.028 and semt.019 as described hererunder.
UHB	2.4.1.19 Available Report - Statement of Settlement Allegements - Details Screen	Add the name and description of the 7 new fields
Other documentations		
Links with other requests		
Links	Reference		Title	

Summary of functional, development, infrastructure and migration impacts

The LCMM Status Management module has to be enhanced to be able to report the following fields in the sese.028 outbound message whenever they are informed via A2A in the sese.023:
- Place of clearing: This field is the only one already available in LCMM,
- Declaration details of the delivering and receiving party 1
- Safekeeping account of delivering and receiving party 2 and 3

For that purpose, the inbound flow received from INTF has to be enriched with the following fields that currently are not sent from INTF to LCMM:
– Declaration details for the receiving and delivering party 1
– Safekeeping Account of the receiving and delivering party 2 and 3.

These new fields will be stored in the database only for information purposes. This means that no business validation will be performed.

Messages

This CR requires the following changes in Mystandards:

- Customization for **sese.028:**

  - Un-pruning the block of SctiesSttlmTxAllgmtNtfctn/TradDtls/PlcOfClr :
    - Un-pruning the element SctiesSttlmTxAllgmtNtfctn/TradDtls/PlcOfClr/id and updating the T2S use and T2S Mapping.
    - Prune out the element SctiesSttlmTxAllgmtNtfctn/TradDtls/PlcOfClr/LEI
  - Un-pruning element SctiesSttlmTxAllgmtNtfctn/DlvrgSttlmPties/Pty1/AddtlInf/DclrtnDtls message and updating theT2S-Use and T2S-Mapping
  - Un-pruning element SctiesSttlmTxAllgmtNtfctn/RcvgSttlmPties/Pty1/AddtlInf/DclrtnDtls message and updating theT2S-Use and T2S-Mapping
  - Un-pruning the block SctiesSttlmTxAllgmtNtfctn/DlvrgSttlmPties/Pty2/SfkpgAcct message
    - Un-pruning the element SctiesSttlmTxAllgmtNtfctn/DlvrgSttlmPties/Pty2/SfkpgAcct/id and updating the T2S use and T2S Mapping
    - Prune out the element SctiesSttlmTxAllgmtNtfctn/DlvrgSttlmPties/Pty2/SfkpgAcct/Tp
    - Prune out the element SctiesSttlmTxAllgmtNtfctn/DlvrgSttlmPties/Pty2/SfkpgAcct/Nm
  - Un-pruning the block SctiesSttlmTxAllgmtNtfctn/RcvgSttlmPties/Pty2/SfkpgAcct
    - Un-pruning the element SctiesSttlmTxAllgmtNtfctn/RcvgSttlmPties/Pty2/SfkpgAcct/Id and updating the T2S use and T2S Mapping
    - Prune out the element SctiesSttlmTxAllgmtNtfctn/RcvgSttlmPties/Pty2/SfkpgAcct/Tp
    - Prune out the element SctiesSttlmTxAllgmtNtfctn/RcvgSttlmPties/Pty2/SfkpgAcct/Nm
  - Un-pruning the blockSctiesSttlmTxAllgmtNtfctn/DlvrgSttlmPties/Pty3/SfkpgAcct
    - Un-pruning the element SctiesSttlmTxAllgmtNtfctn/DlvrgSttlmPties/Pty3/SfkpgAcct/Id and updating the T2S use and T2S Mapping

- - Prune out the element SctiesSttlmTxAllgmtNtfctn/DlvrgSttlmPties/Pty3/SfkpgAcct/Tp
    - Prune out the element SctiesSttlmTxAllgmtNtfctn/DlvrgSttlmPties/Pty3/SfkpgAcct/Nm
  - Un-pruning the block SctiesSttlmTxAllgmtNtfctn/RcvgSttlmPties/Pty3/SfkpgAcct
    - Un-pruning the element SctiesSttlmTxAllgmtNtfctn/RcvgSttlmPties/Pty3/SfkpgAcct/id and updating the T2S use and T2S Mapping
    - Prune out the element SctiesSttlmTxAllgmtNtfctn/RcvgSttlmPties/Pty3/SfkpgAcct/Tp
    - Prune out the element SctiesSttlmTxAllgmtNtfctn/RcvgSttlmPties/Pty3/SfkpgAcct/Nm

- Customization for **semt.019**:

  - Un-pruning the block SctiesSttlmTxAllgmtRpt/AllgmtDtls/PlcOfClr
    - Un-pruning the element SctiesSttlmTxAllgmtRpt/AllgmtDtls/PlcOfClr/Id and updating the T2S use and T2S Mapping
    - Prune out the element SctiesSttlmTxAllgmtRpt/AllgmtDtls/PlcOfClr/LEI
  - Un-pruning element SctiesSttlmTxAllgmtRpt/AllgmtDtls/DlvrgSttlmPties/Pty1/AddtlInf/DclrtnDtls and updating the T2S-Use and T2S-Mapping
  - Un-pruning element SctiesSttlmTxAllgmtRpt/AllgmtDtls/RcvgSttlmPties/Pty1/AddtlInf/DclrtnDtls and updating the T2S-Use and T2S-Mapping
  - Un-pruning the block SctiesSttlmTxAllgmtRpt/AllgmtDtls/DlvrgSttlmPties/Pty2/SfkpgAcct:
    - Un-pruning the element SctiesSttlmTxAllgmtRpt/AllgmtDtls/DlvrgSttlmPties/Pty2/SfkpgAcct/Id and updating the T2S use and T2S Mapping
    - Prune out the element SctiesSttlmTxAllgmtRpt/AllgmtDtls/DlvrgSttlmPties/Pty2/SfkpgAcct/Tp
    - Prune out the element SctiesSttlmTxAllgmtRpt/AllgmtDtls/DlvrgSttlmPties/Pty2/SfkpgAcct/Nm
  - Un-pruning the block SctiesSttlmTxAllgmtRpt/AllgmtDtls/RcvgSttlmPties/Pty2/SfkpgAcct
    - Un-pruning the element SctiesSttlmTxAllgmtRpt/AllgmtDtls/RcvgSttlmPties/Pty2/SfkpgAcct/Id and updating the T2S use and T2S Mapping
    - Prune out the element SctiesSttlmTxAllgmtRpt/AllgmtDtls/RcvgSttlmPties/Pty2/SfkpgAcct/Tp
    - Prune out the element SctiesSttlmTxAllgmtRpt/AllgmtDtls/RcvgSttlmPties/Pty2/SfkpgAcct/Nm
  - Un-pruning the block SctiesSttlmTxAllgmtRpt/AllgmtDtls/DlvrgSttlmPties/Pty3/SfkpgAcct:
    - Un-pruning the element SctiesSttlmTxAllgmtRpt/AllgmtDtls/DlvrgSttlmPties/Pty3/SfkpgAcct/Id and updating the T2S use and T2S Mapping
    - Prune out the element SctiesSttlmTxAllgmtRpt/AllgmtDtls/DlvrgSttlmPties/Pty3/SfkpgAcct/Tp
    - Prune out the element SctiesSttlmTxAllgmtRpt/AllgmtDtls/DlvrgSttlmPties/Pty3/SfkpgAcct/Nm
  - Un-pruning the block SctiesSttlmTxAllgmtRpt/AllgmtDtls/RcvgSttlmPties/Pty3/SfkpgAcct
    - Un-pruning the element SctiesSttlmTxAllgmtRpt/AllgmtDtls/RcvgSttlmPties/Pty3/SfkpgAcct/Id and updating the T2S use and T2S Mapping
    - Prune out the element SctiesSttlmTxAllgmtRpt/AllgmtDtls/RcvgSttlmPties/Pty3/SfkpgAcct/Tp
    - Prune out the element SctiesSttlmTxAllgmtRpt/AllgmtDtls/RcvgSttlmPties/Pty3/SfkpgAcct/Nm

LCMM logical data model has to be updated to create a new attribute to store the new 'Declaration details'. For the 'Safekeeping Account' of the receiving /delivering party 2 and 3, there are already existing attributes in the data model to accommodate this new information that needs to be stored..

Report Management:

In order to provide more information about the allegement in Statement of Settlement Allegements Report (semt.019) will add 7 new fields: Place of Clearing, Declaration Details (for delivering party 1 & receiving party 1); Safekeeping Account (for delivering party 2 & receiving party 2); Party 3 (delivering party 3 & receiving party 3).

This information will be provided in the respective, optional fields in the message. Additionally, the details screen of this report is enhanced with 7 new fields in order to show this information also in the GUI (U2A).

Short-Term Statistical Information

Inclusion of new fields (Declaration details for receiving and delivering party 1; Safekeeping account of receiving and delivering party 2 and 3) for loading into STSI for statistical purposes.

Long-term Statistical Information

LTSI logical data model has to be updated to create a new attribute to store the new attribute "Declaration details".

Update the allegements data group with the new attribute and make this information available for reporting (information).

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Main Cost drivers:

- Update the instruction database to accommodate "Declaration Details" and "Safekeeping Account" of Party 2 and Party 3 information in order to report this information in the Securities Settlement Transaction Allegement Notification (sese.028) when the settlement instruction is sent in A2A mode.
- Update the outbound communication processes to enrich the impacted message with "Place of Clearing", "Declaration Details" and "Safekeeping Account" of Party 2 and Party 3 information when the settlement instruction is sent in A2A mode.
- Enhancement of the A2A and U2A Report to provide the requested information

The changes described in this Change Request do not impact TIPS and the CSLD and ECMS projects.

Summary of project risk
n.a.
Security analysis
No potentially adverse effect has been detected during the detailed assessment.

target | T2S
services

08 April 2020

Cost assessment on Change Requests

T2S-690-SYS – Unprune fields in settlement allegements			
One-off	Assessment costs* - Preliminary - Detailed	2,000.00 10,000.00	Euro Euro
One-off	Development costs	333,209.69	Euro
Annual	Operational costs - Maintenance costs - Running costs	 30,181.70 0.00	 Euro Euro

*The relevant assessment costs will be charged regardless of whether the CR is implemented (Cf. T2S Framework Agreement, Schedule 7, par. 5.2.3).