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

Request raised by: CSDR Task Force	Institute: ECB	Date raised: 16/03/2021
Request title: T2S Penalty Mechanism: Reporting with reason code 'new penalty' (NEWP) in the List of Modified Penalties		**Request ref. no:** T2S 759 URD

Request type: Common	Classification: Regulatory requirement	Urgency: Fast-track
1. Legal/business importance parameter[1]: High		**2. Market implementation efforts parameter[2]:** Low
3. Operational/Technical risk parameter[3]: Low		**4. Financial impact parameter:** Low[4]
Requestor Category:		**Status:** Implemented

Reason for change and expected benefits/business motivation:

The T2S CSDR Task Force was established by the T2S Steering level, in order to identify the necessary changes to the T2S platform resulting from the CSD Regulation (CSDR), with the objective to facilitate T2S CSDs' timely compliance to CSDR.

The core of the work of the T2S CSDR Task Force (CSDR TF) is reflected in the T2S Penalty Mechanism's user requirements (implemented with CR-654, CR-715 and CR-727): it focuses on the daily calculation and reporting of cash penalties for settlement fails, a monthly reporting of the aggregated amounts of cash penalties computed for a given month as well as the operational tools which are necessary for T2S Actors.

According to CR-715, cash penalties with status ''Not computed'', i.e. those for which the financial instrument of the settlement instruction is not subject to cash penalties in any of the applicable business days, are:

- Not reported by T2S, but;
- Kept in the T2S database to be able to perform a recalculation of cash penalties whose underlying financial instrument becomes eligible with a "Valid From" in the past, and visible for CSDs, which can query them as this information may be useful to investigate whether there are inconsistencies in the scope of financial instruments subject to cash penalties.

In case a financial instrument becomes subject to cash penalties with a "Valid From" in the past, affecting a 'Not computed'' cash penalty, T2S will automatically recalculate the penalty and report it in the List of Modified Penalties with status active and reason code 'Updated'.

It is worth mentioning that these cash penalties are reported in the List of Modified Penalties, not only because from a T2S perspective the penalty existed already in T2S (with status ''Not computed''), but because from a business perspective, the detection date of the cash penalty must remain being the original date when the penalty should have been originally computed by the calculation process. The detection date is the business day on which i) the instruction matched in T2S for LMFPs, or ii) the instruction failed to settle in T2S for SEFPs. This date is consequently not affected by the fact that the cash penalty is computed at a later date by the recalculation. Additionally, this date is the one considered for the appeal period process and for the calculation of daily bilateral net amounts as well as for the aggregated net amounts.

In this sense, in the T2S architecture, the List of Modified Penalties is the report providing the result of the recalculation process (in which the penalties at stake become computed) and, consequently, it is the only report defined to provide information about cash penalties from several business days (i.e. with detection date within a range defined by in the ReportPeriod – FromDateToDate)[5]. Furthermore, when a new penalty for a former date is computed in the recalculation process, the outcome of the recalculation is needed in order to update the daily bilateral net amounts of that date.

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1 Legal/business importance: High because the change will be beneficial to all recipients of penalty reports

2 Market implementation efforts: Low because the change has a limited impact on the contents of penalty reports.

3 Operational/technical risk: Low because the change affects the reporting but not the calculation of penalties.

4 Financial impact parameter: Low (<100kEUR)

5 The Daily Penalty List provides information on the result of the calculation process, hence, it reports new cash penalties from a single business day (the previous business day). I.e. As defined in the ReportPeriod – Date, the Daily Penalty List reports new penalties with detection date equal to the previous business day.

This being said, although from a T2S perspective the cash penalty existed and it has been updated, from a user perspective, these cash penalties are reported for first time, creating difficulties in user reconciliation if they are reported with reason code 'Updated'.

Hence, it is requested to enhance the T2S Penalty Mechanism to report in the List of Modified Penalties the cash penalties that are computed for the first time by the recalculation process with reason code 'new penalty' (instead of 'Updated')[6].

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Description of requested change:

13.5.2.5 List of modified penalties

List of Modified Penalties

Reference ID	T2S.13.390

T2S shall transmit to T2S actors the modifications on the previous reports of cash penalties made in existing cash penalties that have occurred since the previous recalculation process, and make them available in a List of Modified Penalties.

The List of Modified Penalties should be based on an event.

The possible modifications that may occur in the penalties since the previous report a penalty, and hence reported in the List of Modified Penalties, are:

- Whether a cash penalty has been removed, re-included, re-allocated or switched by a CSD (see Chapter 22.5), or

- Whether a cash penalty has been automatically updated by T2S after the recalculation of the penalty triggered by a change in the relevant reference data, including the case where it is computed for the first time by recalculation process (see Chapter 22.6).

Note: The List of Modified Penalties provides the updates on previously computed penalties whereas the Daily Cash Penalty List is a different report that provides newly computed penalties.

Note: Whereas the Daily Cash Penalty List provides the newly computed penalties related to the previous business day, the List of Modified Penalties provides the changes on the penalties for former business days.

Consequently, depending on the changes occurred since the previous recalculation process, the List of Modified Penalties can report both, i) modifications made in existing cash penalties, as well as ii) new cash penalties that are computed late i.e. computed by recalculation after their corresponding business day has passed.

22.6 Automatic update of existing cash penalties by T2S

Cash penalty automatically updated by T2S

Reference ID	T2S.22.480

After recalculation, T2S shall reflect the updates of the cash penalty with the following attributes:

- Reason code:
    - 'New penalty' for penalties computed for the first time by the recalculation process; or
    - 'Updated' otherwise;
- New or updated amount and values.

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Submitted annexes / related documents:

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Outcome/Decisions:
*CRG on 24 March 2021: the CRG agreed to recommend CR-758 for authorisation by the T2S Steering Level, following a fast-track approach.
* AMI-SeCo on 31 March 2021: the AMI-SeCo agreed to recommend CR-758 for authorisation by the T2S Steering Level.
* CSG on 31 March 2021: The CSG authorised the CR for allocation to a T2S release
* NECSG on 31 March 2021: The CSG authorised the CR for allocation to a T2S release

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[6] As envisaged in the resolution of PBI-213752, cash penalties that are calculated "late" in a contingency scenario (i.e. where the calculation process is skipped and recovered by the recalculation process of a following business day) are also reported with the reason code 'new penalty' (NEWP) in the List of Modified Penalties

* PMG on 9 April 2021: The PMG launched the detailed assessment of the CR in view on R5.2

* MIB on 22 April 2021: the MIB authorised CR-759 for allocation to a T2S release

* CRG on 20 May 2021: the CRG agreed to recommend to the PMG the inclusion of CR-759 in R5.2

* OMG on 20 May 2021: the OMG identified no additional operational impact from the inclusion of CR-759 in R5.2

* PMG on 21 May 2021: the PMG agreed to include CR-759 in the scope of R5.2

* CSG on 28 May 2021: the CSG approved the inclusion of CR-759 in the scope of R5.2.

* NECSG on 28 May 2021: the NECSG approved the inclusion of CR-759 in the scope of R5.2.

* MIB on 1 July 2021: the MIB approved the inclusion of CR-759 in the scope of R5.2.

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Documentation to be updated

Proposed wording for the Change request:

All italic words should be underlined when included in the respective Scope Defining Document.

<u>URD:</u> as described in the "Description of requested change" section

<u>GFS v9.0:</u>

Section 3.4.7.3 Description of the functions of the module
All italic words should be underlined when included in the respective Scope Defining Document.

4 - Selection for Recalculation

(…)

Updates on Security Subject to Penalties and related data

Reference Id	**LCMM.PEM.SFR.2.1.**

(…)

Depending on the possible type of update received, the sub-function performs as follows:

❙ **Insertion** of a new *Security Subject to Penalties* (and consequent provision of related data):
– The sub-function sets to "True" the <u>To be recalculated</u> of those *Penalties* that have~~:~~

~~(i)~~ ~~A~~ a *Sub-amount* with <u>Security</u> and <u>Date</u> as the ones informed in the update.

– Additionally, <u>depending on the status of the Penalty:</u>
   (i)   <u>If the *Penalty* has *Status* Not Computed "NCOM", the *Status* is set to Active "ACTV" and the *Reason* is set to *New Penalty* "NEWP";</u>
   (ii)   <u>If the *Penalty* has *Status* Active "ACTV", the *Reason* of the *Penalty* is set to Updated "UPDT"</u>
~~the~~ <u>~~Reason~~</u> ~~of the *Penalty* is set to Updated "UPDT" and, if the *Penalty* has~~ <u>~~Status~~</u> ~~not Computed "NCOM", the~~ <u>~~Status~~</u> ~~is set to Active "ACTV".~~

(…)

Recalculation Management

Reference Id	**LCMM.PEM.SFR.~~5~~6.1.**

After the previous sub-functions have finished their processing, this sub-function sends:

❙ The *Penalties* that are either flagged as <u>To be recalculated</u> "True" and that do not have *Sub-amounts*
(i.e. it is a new reallocated *Penalty* <u>or a *Penalty* with *Status* "ACTV" and *Reason* "NEWP")</u> or *Penalties* with <u>Detection Date</u> before the previous business day and <u>Status</u> "PEND" to the sub-function *Penalty Preparation* in the <u>Calculation</u> function;

(…)

Section 3.4.7.4 Description of Penalties status transactions

3

(…)

The <u>Selection for Recalculation</u> function can update the <u>Status</u> of the *Penalty* depending on the type of the Static Data update received:

I In case an insertion of *Securities subject to penalties* impacts a *Penalty* with <u>Status</u> Not Computed ("NCOM"), the *Penalty* <u>Status</u> is updated to Active ("ACTV") with <u>Reason</u> ~~Updated ("UPDT")~~ <u>New Penalty ("NEWP")</u>; and (…)

UDFS v6.0:

Section 1.6.1.14.7 Recalculation

(...)

TABLE 145 - SELECTION AND ACTIONS ON THE PENALTY FOR EACH UPDATE TYPE

Update Type	Selection and Actions on the Penalty
Insertion of a Security in the Securities Subject to Cash Penalties	T2S selects Penalties with the related Security and an appli-cable business day equal to the ones informed in the up-date. For each Penalty selected: **I** In case the Status is Not Computed "NCOM", it is up-dated to Active "ACTV" <u>and the Reason Code is set to New Penalty "NEWP"</u>; **I** <u>In case the Status is Active "ACTV",</u> ~~T~~the Reason Code is set to Updated "UPDT"; **I** The Penalty Amount is recalculated with the new Static data; and **I** It is flagged as "to be reported", so it is included in the next List of Modified Penalties Report.
(...)	(...)

Example - Insertion of Security Subject to Cash Penalties

(…)

T2S therefore, performs the following action on both Penalties:

I Updates the Status from Not Computed "NCOM" to Active "ACTV"

Note that the LMFP is set to Active "ACTV" ~~although the Security is not subject to penalties on one business day – 21st September 2021 –~~, because <u>now</u> the Security is subject to penalties in at least one of the applicable business days,~~–~~ in this case<u>, in two business days</u>: 22nd and 23rd September 2021~~–~~ <u>(the the Security is just not subject to penalties on 21st September 2021)</u>.

I Sets the Reason Code to ~~Updated "UPDT"~~ <u>New penalty "NEWP"</u>;

(…)

Section 1.6.4.1.3 Status management process

(…)

Penalty status transitions

(…)

The Recalculation process can update the Status of the Penalty depending on the type of the Static Data update received:

l In case an insertion of Securities subject to Cash Penalties impacts a Penalty with Status Not Computed ("NCOM"), the Penalty Status is updated to Active ("ACTV") with Reason ~~Updated ("UPDT")~~ New Penalty ("NEWP"); and

l In any other case, the Penalty Status remains as Active ("ACTV") but the Reason is changed to Updated ("UPDT").

(…)

Section 3.3.7.22.3 The message in business context

Message usage: List of Modified Penalties

(…)

Message usage example 3: semt.044.001.01_List of Modified Penalties_(automatic recalculation for securi-16 ties subject to penalties)

(…)

l Penalty 12 (Common Penalty Id: 201906270000012) described in Daily Penalty List message usage example 5, has been impacted by the update on ISIN00000010, which becomes subject to penalties from June 24th onwards (making the penalty to become Active).

l After the recalculation of the penalty, T2S reports it within the List of Modified Penalties by indicating:

– Status "ACTV", reason ~~"UPDT"~~ "NEWP"

(…)

l Penalty 13 (Common Penalty Id: 201906270000013) described in Daily Penalty List message usage example 5, has been impacted by the update on ISIN00000010, which becomes subject to penalties from June 24th onwards (making the penalty to become Active).

l After the recalculation of the penalty, T2S reports it within the List of Modified Penalties by indicating:

– Status "ACTV", reason ~~"UPDT"~~ "NEWP"

(…)

Section 4.10.2 List of Modified Penalties - Flat File Format Specifications

4.10.2.3.5 Format of Records

Details	7	Reason Code	CHAR(n)	4	Reason code of the status of each pen-alty reported.	M	Possible val-ues are: l UPDT - Active penalty that has been up-dated. l 'RALO' - Active or Removed penalty has been reallocated. l 'SWIC' - Active penalty has been switched (the failing and the non-failing participant have been swapped by the CSD). l 'INSO' - Penalty was re-moved because insolvency l 'SESU' - Penalty was re-moved because of ISIN suspen-sion from settle-ment due to a rec-onciliation issue un-der Arti-cle 65 (2) and (6) of the RTS on CSD Require-ments l 'SUSP' - Penalty was re-moved because of ISIN suspen-sion from trading l 'SEMP' - Penalty was re-moved because the set-tlement instruc-tions in-volved cash set-tlement outside the

						secu-rities set-tlement system operated by the CSD if, on the re-spective day, the relevant payment system is closed for settle-ment l 'TECH' - Penalty was re-moved because there were technical impossi-bilities at the CSD level that prevent settle-ment, such as: a failure of the in-frastruc-ture com-ponents, a cyber-attack, network problems l 'OTHR' - Removed Penalty due to a non-standard reason by the CSD. - 'NEWP' – New penalty resulting from <u>an Insertion of Security Subject to Penalties with Valid From in the past, or from</u> a contingency scenario (penalty calculated after the reason for failing of its underlying Settlement Instruction was added to the Failing Reasons dictionary; or penalty calculated at a later business day, because the penalty calculation process was skipped at its due date)

UHB v6.0:

2.2.2.23 Penalty – Search/List Screen

Penalty - Search Criteria	
System Entity Criteria	
Additional Search Criteria **(Use to limit query results of ISIN Code, T2S Party and System Entity Search Criteria)**	
[…]	
Reason	Select the reason of the penalty status from the possible values: l All (default value) l UPDT (updated) l <u>NEWP (New penalty resulting from the insertion of a Security Subject to Penalties with Valid From in the past, or from a contingency scenario)</u> l RALO (re-allocated) l SWIC (switched) l INSO (removed due to insolvency) l SESU (removed due to ISIN suspensión from SETT) l SUSP (removed due to ISIN suspensión from trading) l SEMP (removed due to settlement on multiple platforms) l TECH (removed due to technical impossibilities that prevent settlement) l OTHR (removed due to another reason) Required format is: 4 characters (SWIFT-x)
[…]	

Penalty – List	
[…]	
Reason	Shows the reason of the penalty status from the possible values: l Empty (default value) l UPDT (updated)

	I NEWP (New penalty resulting from the insertion of a Security Subject to Penalties with Valid From in the past, or from a contingency scenario) I RALO (re-allocated) I SWIC (switched) I INSO (removed due to insolvency) I SESU (removed due to ISIN suspensión from SETT) I SUSP (removed due to ISIN suspensión from trading) I SEMP (removed due to settlement on multiple platforms) I TECH (removed due to technical impossibilities that prevent settlement) I OTHR (removed due to another reason)
[...]	

2.2.2.24 Penalty - Details Screen

Penalty - Details	
General Details	
[...]	
Reason	Shows the reason of the penalty status from the possible values: I Empty (default value, for new penalties) I UPDT (updated) I NEWP (New penalty resulting from the insertion of a Security Subject to Penalties with Valid From in the past, or from a contingency scenario) I RALO (re-allocated) I SWIC (switched) I INSO (removed due to insolvency) I SESU (removed due to ISIN suspension from SETT) I SUSP (removed due to ISIN suspension from trading) I SEMP (removed due to settlement on multiple platforms) I TECH (removed due to technical impossibilities that prevent settlement) I OTHR (removed due to another reason)
[...]	

2.4.1.23 Available Report – List of Modified Penalties - Details Screen

Penalty	
[...]	
Reason	Shows the reason of the status. The possible values are: I ~~UPTD~~ UPDT - Active penalty that has been updated I NEWP (New penalty resulting from the insertion of a Security Subject to Penalties with Valid From in the past, or from a contingency scenario) I RALO - Active or Removed penalty has been re-allocated. I SWIC - Active penalty has been switched (the failing and the non-failing participant have been swaped by the CSD). I INSO - Penalty was removed because insolvency proceedings are opened against the failing participant. I SESU - Penalty was removed because of ISIN suspension from settlement due to a reconciliation issue under. I SUSP - Penalty was removed because of ISIN suspension from trading I SEMP - Penalty removed because of settlement on multiple platforms. I TECH - Penalty was removed because there were technical impossibilities at the CSD level that prevent settlement.

Penalty
I I OTHR - Removed Penalty due to a non-standard reason by the CSD.

[…]

Message documentation on MyStandards : Semt.044 UG

Editorial changes to update the description of the T2S Use (i.e. no change in the schema):

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1.DRAFT4semt.044.001.01/ReportGeneralDetails/PenaltyListType/Code
– T2S-Use:
Four character code that describes the usage of the message.
Possible values are:
- 'FWIS': This code is used for the Daily Penalty List. The message is used to report a Daily Penalty List created for the first time (i.e. the penalty list contains only new detected penalties).
- 'FWAM': This code is used for the List of Modified Penalties. The message is used to report a penalty~~esy~~ ~~list~~ that ha~~ves~~ been amended (i.e. ~~the penalty list contains only~~ updated and/or removed penalties that have already been previously reported in a FWIS Penalty List); or that are computed late (i.e. new penalties computed by the recalculation after their corresponding business day has passed).

2. DRAFT4semt.044.001.01/Penalty/PenaltyPerCounterparty/AggregatedNetAmount/Amount
– T2S-Use:
Daily or monthly bilateral net amount between party and counterparty.
-For the Daily Penalty List:
Daily bilateral net amount (per T2S party and counterparty). I.e.: The net amount of all the penalties reported for the given business day in the related currency for the relevant party and counterparty.
-For the List of Modified Penalties: Daily bilateral net amount (per T2S party and counterparty). I.e.: The updated net amount of penalties for the given business day in the related currency for the relevant party and counterparty, after the modifications and/or new in the penalties reported.

• DRAFT4semt.044.001.01/Penalty/PenaltyPerCounterparty/PenaltyDetails/Status/Reason/Reason/Code
– T2S-Use:
Four character code that indicates the reason of the status.
Possible values are:
- 'UPDT' - Active penalty that has been updated.
- 'NEWP' - 'New penalty' for penalties computed for the first time by the recalculation process, or resulting from the insertion of a Security Subject to Penalties with Valid From in the past.
- 'RALO' - Active or Removed penalty has been re-allocated.
- 'SWIC' - Active penalty has been swicthed (the failing and the non-failing participant have been swapped by the CSD)
- 'INSO' - Penalty was removed because insolvency proceedings are opened against the failing participant
- 'SESU' - Penalty was removed because of ISIN suspension from settlement due to a reconciliation issue under Article 65 (2) and (6) of the RTS on CSD Requirements
- 'SUSP' - Penalty was removed because of ISIN suspension from trading
- 'SEMP' - Penalty was removed because the settlement instructions involved cash settlement outside the securities settlement system operated by the CSD if, on the respective day, the relevant payment system is closed for settlement
- 'TECH' - Penalty was removed because there were t~~he~~chnical impos~~s~~sibilities at the CSD level that prevent settlement, such as: a failure of the infrastructure components, a cyber-attack, network problems
- 'OTHR' - Removed Penalty due to a non standard reason by the CSD.

Detailed assessment

T2S Specific Components		Common Components	
LCMM			
	Instructions validation		
	Status management		
	Instruction matching		
	Instructions maintenance		
X	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 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 R6.0)
			Data Warehouse (from R6.0)
Information *(until June 2022 containing reference data)*		**CRDM business interface** *(from R6.0 June 2022)*	
	Report management		Report management
	Query management		Query management
			Communication
			Outbound Processing
			Inbound Processing
Operational Services			
	Data Migration (T2S DMT)		Data Migration (CRDM DMT, from R6.0)
	Scheduling (until June 2022)		Business Day Management (from R6.0)
			Business Day Management business interface (from R6.0)
	Billing (until June 2022)		Billing (from R6.0)
			Billing business interface (from R6.0)
	Operational Monitoring		Operational and Business Monitoring
	MOP Contingency Templates		

Impact on major documentation		
Document	**Chapter**	**Change**
Impacted GFS chapter	3.4.7.3 Description of the functions of the module 3.4.7.4 Description of Penalties status transactions	Change the Penalty reason code from Updated ('UPDT') to New Penalty ('NEWP'), for those penalties calculated as 'Not computed' and recalculated when their related financial instrument becomes subject to cash penalties with a "Valid From" in the past.
	Logical data model Conceptual data model	Update the description of value NEWP for the attribute Reason
Impacted UDFS chapter	1.6.1.14.7 Recalculation	Change the Penalty reason code from Updated ('UPDT') to New Penalty ('NEWP') in table 145 and in Example - Insertion of Security Subject to Cash Penalties
	1.6.4.1.3 Status management process	Change the Penalty reason code from Updated ('UPDT') to New Penalty ('NEWP')
	3.3.7.22.3 The message in business context	Substitute the reason code Updated ('UPDT') for New Penalty ('NEWP') in example 3 for the List of Modified Penalties report, penalties 12 and 13. Update the corresponding Message Usage Example published on MyStandards
	4.10.2 List of Modified Penalties - Flat File Format Specifications	Update the description of the reason code 'NEWP'
Additional deliveries for Message Specification (UDFS, MyStandards, MOP contingency templates)	DRAFT4semt.044.001.01/ReportGeneralDetails/PenaltyListType/Code DRAFT4semt.044.001.01/Penalty/PenaltyPCounterparty/AggregatedNetAmount/Amou DRAFT4semt.044.001.01/Penalty/PenaltyPerCounterparty/PenaltyDetails/Status/Reason/Reason/Code	Editorial update the T2S Use to include the use case for the insertion of a security subject to penalties with Valid From in the past.
UHB	2.2.2.23 Penalty – Search/List Screen 2.2.2.24 Penalty - Details Screen 2.4.1.23 Available Report – List of Modified Penalties - Details Screen	Update description of 'NEWP' to include the use case for the insertion of a security subject to penalties with Valid From in the past.
External training materials		
Links with other requests		
Links	Reference		Title	

Summary of functional, development, infrastructure and migration impacts

The Penalty Mechanism must be enhanced to report, in the List of Modified Penalties report, a Penalty that becomes ACTV because its underlying security is Subject to Penalties with valid from in the past with Reason NEWP instead of UPDT.

This requires updating the Penalty Recalculation process, so any Penalty with status Not Computed (NCOM) impacted by an Insertion of a Security Subject to Penalties is updated to have Status ACTV and Reason NEWP.

The new use of the Reason Code NEWP also requires updating the T2S Use of the message in MyStandards and the equivalent description provided in the Flat File, as well as updating the UDFS examples where a Penalty becomes ACTV because its underlying security is inserted as Subject to Penalties with valid from in the past.
One of the accompanying xml examples published on MyStandards must be updated.

Main Cost Drivers:

- Updating the Penalty Recalculation process, so any Penalty with status Not Computed (NCOM) impacted by an Insertion of a Security Subject to Penalties is updated to have Status ACTV and Reason NEWP.

-	Testing of the recalculation process and its corresponding reporting (Flat File reporting and ISO reporting) for the change described above.
-	Non-Regression testing.
-	Update reference data: add the new reason code

Impact on other TARGET Services and projects
ECMS: No impact
TIPS: no impact
CSLD: no impact
TARGET2: no impact
DWH: no impact
Summary of project risk
None
Security analysis
No potentially adverse effect has been identified during security assessment.

target | T2S

12 May 2021

Cost assessment on Change Requests

T2S-759-SYS – T2S Penalty Mechanism: Reporting with reason code 'new penalty' (NEWP) in the List of Modified Penalties			
One-off	Assessment costs* - Preliminary - Detailed	2,000.00 10,000.00	Euro Euro
One-off	Development costs	86,264.02	Euro
Annual	Operational costs - Maintenance costs - Running costs	 7,614.10 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).