

General Information (Origin of Request)		
<input type="checkbox"/> User Requirements (URD) <input checked="" type="checkbox"/> Other User Functional or Technical Documentation (SYS)		
Request raised by: Project Managers Group	Institute: ECB	Date raised: 06/08/2014
Request title: Functional improvements for Statement of Pending Instructions (semt.018) and Securities Account Position Query (semt.025) and Settlement Instruction Queries (semt.026)		Request ref. no: T2S 0462 SYS
Request type: Common	Urgency: Normal	
1. Legal/business importance parameter: Medium	2. Market implementation efforts parameter: Low	
3. Operational/Technical risk parameter: Low	4. Financial impact parameter: Low	
Requestor Category: T2S sub-group	Status: Rejected at Steering Level	

Reason for change and expected benefits/business motivation:

In spring 2014 several workshops on volumetric assumptions and timeline of End-of-Day/Start-of-Day took place. Within these workshops the possibilities to query information on all securities positions resp. settlement instructions of a CSD were discussed with the aim to facilitate the CSD's reconciliation of settlement instructions and securities positions.

The option to send several queries (e. g. per account owning party or per instructing party) and to receive for each query one query response was not deemed useful. Instead, some CSDs intend to send one query and to receive one query response. Thus, the need to query securities positions and settlement instructions by CSD has arisen.

The participants of the workshop identified the need to retrieve all settlement instructions within the CSD by sending a single query.

Similarly, there is a need to retrieve all securities positions of previous business days on securities accounts of the CSD itself and all its CSD participants by sending a single query.

Moreover, it was identified in these workshops that there is a need to include in a Statement of Pending Instructions not only those Settlement Instructions which expect settlement at the current business day. For complete and delta reports, all Settlement Instructions within the data scope covered by the report shall be taken into account regardless of their intended settlement date. This allows CSDs to correctly reconcile the pending instructions before sending the reporting to their ICPs as well as sending settlement instructions for transformations and market claims to T2S (corporate actions).

Note: The removal of restrictions for queries on securities positions and settlement instructions increase the probability of query responses exceeding the size of 32 MB. Therefore, this change request is complemented by another CR on the application of pagination for semt.027 (Query response messages for business data for Settlement Instruction Queries) and semt.040 (Query response messages for business data for Securities Account Position (History) Query). If the other CR was not approved, the transmission of query responses exceeding 32 MB would be aborted.

Description of requested change:

Issue 1

Allow querying all Securities Positions of Securities Accounts within the same CSD without specifying all securities accounts of the CSD in semt.025 query message by

- Removing QMPC063 from Securities Account Position History Query (semt.025)

and

- Allowing querying securities positions without the specification of any search criterion via Securities Positions – Search/List Screen. Removal of mandatory designation of the Party BIC and Parent BIC fields.

Issue 2

Allow querying all Settlement Instructions within the same CSD in one single semt.026 query message by

- Removing IIMP100 from Settlement Instruction queries (semt.026)

And

- Removing Cross Field Validation 0001 from Settlement Instructions – Search Screen

Issue 3

The Statement of Pending Instructions shall include all pending Settlement Instructions regardless of their intended settlement date (ISD).

Therefore, this report includes in complete version as “pending” instructions all settlement instructions which are unsettled or partially settled and not cancelled regardless of their other status values and their ISD.

Similarly, this report includes in delta version:

- newly “pending” instructions which are unsettled or partially settled and not cancelled regardless of their other status values and their ISD
- settlement instructions which were “pending” at the beginning of the reporting period and underwent an amendment, status or reason change but remain unsettled or partially settled during the reporting period, regardless of their ISD
- settlement instructions which were “pending” at the beginning of the reporting period and underwent a cancellation during the reporting period, regardless of their ISD.

Submitted annexes / related documents:

Proposed wording for the Change request:

1. Issue 1

UDFS

UDFS Chapter 3.3.7.11 SecuritiesAccountPositionQueryV01 (semt.025.001.01), page 1238

Remove business rule QMPC063 from the tags

Document/SctiesAcctPosQry/SchCrit/AcctOwnr/AnyBIC

Document/SctiesAcctPosQry/SchCrit/SfkpgAcct/Acct/Id

Business rules applicable to the schema

MESSAGE ITEM	DATA TYPE / CODE	BUSINESS RULES
...		
AnyBIC Document/SctiesAcctPosQry/SchCrit/AcctOwnr/AnyBIC	AnyBICIdentifier	QMPC032 QMPC063 QMPC065
AnyBIC Document/SctiesAcctPosQry/SchCrit/AcctSvcr/AnyBIC	AnyBICIdentifier	QMPC065 QMPC048
Identification Document/SctiesAcctPosQry/SchCrit/SfkpgAcct/Acct/Id	RestrictedFINXMax35Text	QMPC063 QMPC065 QMPC030
...		

The respective html and pdf documentation will be updated accordingly. The message schema is not impacted

UDFS chapter 4.1 Index of Business Rules and Error Codes p. 1460

BR NAME	DESCRIPTION	INBOUND MESSAGE	REPLY MESSAGE	CODE USE	REASON CODE	ERROR TEXT
QMPC063	For the Securities Account Position History Query at least one of the following fields has to be specified: → Securities Account → Account Owner	semt.025	sese.022	<Rjctd>	OTHR	Neither the Securities Account Number nor the Account Owner is specified. At least one of these fields must be filled.

UHB

UHB 2.2.2.15 Securities Positions - Search/List Screen, page 173.

“Party BIC” and “Parent BIC” fields updated so they are not mandatory.

Party BIC field description update:

‘Select the BIC of the party owning the securities positions you want to retrieve from the drop-down menu or search via the magnifier icon.

When querying all securities positions related to securities accounts of a CSD and its participants you must not provide the ‘Party BIC’ and the ‘Parent BIC’.

Parent BIC field description update:

‘Select the BIC of the CSD where the above party holds the securities positions you want to retrieve from the drop-down menu.

When querying all securities positions related to securities accounts of a CSD and its participants you must not provide the ‘Party BIC’ and the ‘Parent BIC’.

2. Issue 2

UDFS

UDFS chapter 3.3.7.12 SecuritiesSettlementTransactionQueryV01 (semt.026.001.01)

Section 3.3.7.12.2 The T2S-specific schema page 1241

Remove business rule IIMP100 from the tag

Document/SciesSttlmTxQry/QryDef/SchCrit

Business rules applicable to the schema

MESSAGE ITEM	DATA TYPE / CODE	BUSINESS RULES
...		
SearchCriteria Document/SciesSttlmTxQry/QryDef/SchCrit	SettlementInstructionQueryCriteria1	IIMP100
...		

The respective html and pdf documentation will be updated accordingly. The message schema is not impacted.

Section 3.3.7.12.3 page 1242

Query Type: Settlement Instruction Query

This query type enables the sender to request information on the details of specific settlement instructions by specifying the pertinent criteria.

~~At least one of the following criteria must be present:~~

- ~~• Account Servicer Reference;~~
- ~~• Account Owner Reference;~~
- ~~• T2S Settlement Instruction Reference;~~
- ~~• Securities Account Number;~~
- ~~• T2S Dedicated Cash Account Number;~~
- ~~• Instructing Party;~~
- ~~• Sending Party;~~
- ~~• Counterparty;~~
- ~~• ISIN.~~

If a field is not specified the user query returns all information consistent with the access rights.

When querying all settlement instructions related to securities accounts of a CSD and its participants no search criteria should be provided.

Section 3.3.7.12.3 page 1243

If a field is not specified the user query returns all information consistent with the access rights.

When querying all settlement instructions related to securities accounts of a CSD and its participants no search criteria should be provided.

Section 3.3.7.12.3 page 1244

If a field is not specified the user query returns all information consistent with the access rights.

When querying all settlement instructions related to securities accounts of a CSD and its participants no search criteria should be provided.

UDFS chapter 4.1 Index of Business Rules and Error Codes

BR NAME	DESCRIPTION	INBOUND MESSAGE	REPLY MESSAGE	CODE USE	REASON CODE	ERROR TEXT
HMP100	At least one of the following selection criteria has to be specified: <ul style="list-style-type: none"> • Third Party Reference • Account Servicer Reference • Account Owner Reference • Unique T2S Technical Identifier of the Settlement Instruction • Securities Account Identifier • T2S Dedicated Cash Account Identifier • BIC and Parent BIC of Instructing Party • BIC and Parent BIC of Sending Party • BIC of Counterparty • ISIN 	Semt.026	sese.022	<Rjctd>	OTHR	At least one selection criteria has to be specified. Please refer to the list of minimum selection criteria

UHB

UHB chapter 2.2.2.17 Settlement Instructions – Search/List Screen, page 181

Update the “General Criteria” frame from mandatory to optional (i.e. to remove the asterisk next to General Criteria in the screenshot of page 181)

UHB Chapter 3.15.1.2 Copy a Settlement Instruction, page 1400

1. Go to the settlement instructions – search/list screen:
Securities >> Settlement >> Settlement Instructions
2. Enter the relevant information ~~known to you~~ about the settlement instruction you want to copy. ~~At least one field of the general criteria frame has to be specified to perform the search.~~

UHB Chapter 3.15.1.4 View Settlement Instruction Details, page 1411

1. Go to the *settlement instructions – search/list* screen:
Securities >> Settlement >> Settlement Instructions
2. Enter ~~at least one general search criterion known to you~~ the relevant information about the settlement instruction for which you want to view the details.

UHB chapter 3.15.2.2 Amend the Partial Settlement Indicator for a Settlement Instruction, page 1416

1. Go to the *settlement instructions – search/list* screen:
Securities >> Settlement >> Settlement Instructions
2. Enter ~~at least one general search criterion known to you~~ the relevant information about the settlement instruction for which you want to amend the partial settlement indicator.
3. Click on the *search* button.

UHB chapter 3.15.2.3 Amend the Priority for a Settlement Instruction, page 1418

1. Go to the settlement instructions – search/list screen:
Securities >> Settlement >> Settlement Instructions
2. Enter ~~all search criteria known to you~~ the relevant information about the settlement instruction for which you want to amend the priority.
3. Click on the search button.

UHB Chapter 3.15.2.4 Remove a Link for a Settlement Instruction, page 1420

1. Go to the settlement instructions – search/list screen:
Securities >> Settlement >> Settlement Instructions
2. Enter ~~all search criteria known to you~~ the relevant information about the settlement instruction you want to amend.

UHB Chapter 3.15.3.1 Put a Settlement Instruction on party Hold, page 1424

1. Go to the settlement instructions –search/list screen:
Securities >> Settlement >> Settlement Instructions
2. Enter ~~at least one general search criterion known to you~~ the relevant information about the settlement instruction you want to put on party hold.

UHB Chapter 3.15.3.2 Put a Settlement Instruction on CSD Hold, page 1426

1. Go to the settlement instructions –search/list screen:
Securities >> Settlement >> Settlement Instructions
2. Enter ~~at least one general search criterion known to you~~ the relevant information about the settlement instruction you want to put on CSD hold.

UHB Chapter 3.15.3.3 Release a Settlement Instruction from Party Hold, page 1428

1. Go to the settlement instructions –search/list screen:
Securities >> Settlement >> Settlement Instructions
2. Enter ~~at least one general search criterion known to you~~ the relevant information about the settlement instruction you want to release from party hold.

UHB Chapter 3.15.3.4 Release a Settlement Instruction from CSD Hold, page 1430

1. Go to the settlement instructions –search/list screen:
Securities >> Settlement >> Settlement Instructions
2. Enter ~~at least one general search criterion known to you~~ the relevant information about the settlement instruction you want to release from CSD hold.

UHB Chapter 3.15.3.5 Release a Settlement Instruction from CoSD Hold, page 1431

1. Go to the settlement instructions –search/list screen:
Securities >> Settlement >> Settlement Instructions
2. Enter ~~at least one general search criterion known to you~~ the relevant information about the settlement instruction you want to release from CoSD hold.

UHB Chapter 3.15.3.6 Release a Settlement Instruction from CSD Validation Hold, page 1433

1. Go to the settlement instructions –search/list screen:
Securities >> Settlement >> Settlement Instructions
2. Enter ~~at least one general search criterion known to you~~ the relevant information about the settlement instruction you want to release from CSD validation hold.

UHB Chapter 3.15.4.1 Cancel a Settlement Instruction, page 1437

1. Go to the settlement instructions – search/list screen:
Securities >> Settlement >> Settlement Instructions
2. Enter ~~at least one general search criterion known to you~~ the relevant information about the settlement instruction for which you want to view the details.
3. Click on the search button.

UHB Chapter 3.15.4.3 View Alleged Cancellation Instructions, page 1441

1. Go to the settlement instructions– search/list screen:
Securities >> Settlement >> Settlement Instructions
2. Enter ~~at least one general search criterion known to you~~ the relevant information about the settlement instruction for which you want to check if it has been requested for cancellation.

3. Issue 3**UDFS****UDFS chapter 1.6.4.2.3 Report generation process**

Section “Detailed information on the Sort of information - Report types”

Paragraph “Statement of Pending Instructions”

“This report is available in both in versions – complete and delta versions. The complete version informs the T2S Actor about pending Settlement Instructions that expect settlement at or after the current settlement day (including also recycled Settlement Instructions). They must not have a final status (e.g. “partially settled” status (here the unsettled amount and unsettled quantity are returned)) at the time of the report generation. The Statement provides information on the latest status and current attribute values of the reported Settlement Instructions.

The delta version returns new pending Settlement Instructions or pending Settlement Instructions which were modified as well as a list of Settlement Instructions which were formerly pending but are now cancelled regardless of their intended settlement date. All these Settlement Instructions have to expect settlement at the current settlement day (including also recycled Settlement Instructions).–The delta version encompasses changes within the timeframe since the creation of the previous Statement of Pending Instructions of the current business day, or by default since the start of day if such report was not already created since the start of the current settlement day.”

UDFS chapter 4.1 Index of Business Rules and Error Codes

QRDR005 For a complete Statement of Pending Instructions the following information have to be extracted from data stores: Settlement Instructions that do not have a final settlement status at the event/time that triggered the report (e. g. at the end of night-time settlement) regardless of their intended settlement date. It ~~and~~ provides information on their latest status and current attribute values (as per the ISO 20022 structure of fields in the settlement instructions).

For delta reports that does not cover a reporting period starting at the SoD all newly pending, modified pending and cancelled but formerly pending settlement instructions will be reported. Settlement Instructions will be taken into account for this delta report regardless of their intended settlement date.

High level description of Impact:**Issue 1**

Deletion of Business Rule QMPC063.

T2S shall allow querying securities positions of former business days without specifying any selection criteria using XML messages and via the Graphical User Interface.

Issue 2

Deletion of Business Rule IIMP100.

T2S shall allow querying settlement instructions without specifying any selection criteria using XML messages and via the Graphical User Interface.

Issue 3

UDFS has to take into account that complete and delta reports, shall take into account all Settlement Instructions within the data scope covered by the report regardless of their intended settlement date.

Outcome/Decisions:

* CRG meeting of 8 September 2014: The CRG recommended to launch the detailed assessment on the Change Request.

* Advisory Group's advice on 2 October 2014: Following a written procedure from 25 September to 2 October 2014, the AG was in favour of launching the detailed assessment on the Change Request.

* CSG resolution on 2 October 2014: Following a written procedure from 25 September to 2 October 2014, the CSG was in favour of launching the detailed assessment on the Change Request.

* CRG telco of 2 December 2014: The CRG decided to recommend the rejection of the Change Request. The CRG agreed to create a new Change Request to address the amendment 3 of the Change Request to include all instructions irrespectively of the intended settlement date (ISD) in the Statement of Pending Instructions (semt.018).

* Advisory Group's advice on 20 January 2015: Following a written procedure, the AG was in favour of the rejection of the Change Request.

* CSG resolution on 21 January 2015: Following a written procedure, the CSG adopted the resolution to reject the Change Request.

L3 ANALYSIS – GENERAL INFORMATION

	Static data management		Interface	
		Party data management	x	Communication
	Securities data management		Outbound processing	
	T2S Dedicated Cash account data management	x	Inbound processing	
	Securities account data management			
	Rules and parameters data management			
Impact On T2S	Settlement		Liquidity management	
	x	Standardisation and preparation to settlement		Outbound Information Management
	Night-time Settlement		NCB Business Procedures	
	Daytime Recycling and optimisation		Liquidity Operations	
	Daytime Validation, provisioning & booking		LCMM	
	Auto-collateralisation		Instructions validation	
			Status management	
	Operational services		Instruction matching	
	Data Migration/Support tools		Instructions maintenance	
	Scheduling		Statistics, queries reports and archive	
	Billing	x	Report management	
	Operational monitoring	x	Query management	
			Statistical information	
			Legal archiving	
	All modules (Infrastructure request)			
	No modules (infrastructure request)			
	Business operational activities			
	Technical operational activities			

Impact on major documentation		
Impacted GFS chapter	n/a	
Impacted UDFS chapter	<p>Issue 1 3.3.7.11 SecuritiesAccountPositionQueryV01 (semt.025.001.01)</p> <p>4.1 Index of Business Rules and Error Codes</p>	<p>Issue 1 Deletion of business rule</p> <p>Issue 2 Update of message sections to remove reference</p>

	<p><u>Issue 2</u> 3.3.7.12 SecuritiesSettlementTransaction QueryV01 (semt.026.001.01)</p> <p>3.3.7.12.3 The message in business context 4.1 Index of Business Rules and Error Codes</p> <p><u>Issue 3</u> 1.6.4.2.3 Report Generation Process 4.1 Index of Business Rules and Error Codes</p>	<p>to impact of BR and add text clarifying how to query for all instructions. Removal of the BR from message mapping. Deletion of business rule</p> <p><u>Issue 3</u> Update paragraph for Statement of Pending Instructions Update of applicable business rule</p>
Additional deliveries for Message Specification	<p><u>Issue 1</u> 3.3.7.11 SecuritiesAccountPositionQueryV01 (semt.025.001.01)</p> <p><u>Issue 2</u> 3.3.7.12 SecuritiesSettlementTransactionQueryV01 (semt.026.001.01)</p>	<p><u>Issue 1</u> Deletion of business rule and its mapping</p> <p><u>Issue 2</u> Addition of text regarding specifics of querying for the system entity BIC. Removal of the BR from message mapping.</p>
UHB	<p><u>Issue 1</u> 2.2.2.15 Securities Positions - Search/List Screen</p> <p><u>Issue 2</u> 2.2.2.17 Settlement Instructions – Search/List Screen 3.15.1.2 Copy a Settlement Instruction 3.15.1.4 View Settlement Instruction Details 3.15.2.2 Amend the Partial Settlement Indicator for a Settlement Instruction 3.15.2.3 Amend the Priority for a Settlement Instruction 3.15.2.4 Remove a Link for a Settlement Instruction 3.15.3.1 Put a Settlement Instruction on party Hold 3.15.3.2 Put a Settlement Instruction on CSD Hold 3.15.3.3 Release a Settlement Instruction from Party Hold 3.15.3.4 Release a Settlement Instruction from CSD Hold 3.15.3.5 Release a Settlement Instruction from CoSD Hold 3.15.3.6 Release a Settlement Instruction from CSD Validation Hold 3.15.4.1 Cancel a Settlement Instruction 3.15.4.3 View Alleged Cancellation Instructions</p>	<p><u>Issue 1</u> Removal of the mandatory designation of the Party and Parent BIC fields. Addition of text regarding specifics of querying for all securities positions within the parent and party BIC field descriptions.</p> <p><u>Issue 2</u> Redrafting of the description of the Settlement Instruction Search/List screen in order to remove the “general criteria” requirement</p>

Internal training materials		
External training materials		
Other documents		
Links with other requests		
Links	Reference	Title

Overview of the impact of the request on the T2S system and on the project

Summary of functional, development, infrastructure and migration impacts

Issue 1

- **UDFS update**

SecuritiesAccountPositionQueryV01 (semt.025.001.01)

Removal of business rule QMPC063 from the tags:

Document/SctiesAcctPosQry/SchCrit/AcctOwnr/AnyBIC

Document/SctiesAcctPosQry/SchCrit/SfkpgAcct/Acct/Id

The old BR QMPC063 has to be deleted from the functional documentation.

In order to receive all securities positions of a CSD, the CSD has to ensure, that the query is sent by a CSD user with default data scope or by a user with data scope restricted to all securities accounts within the CSD's system entity sends the query.

- **UHB update**

Removal of mandatory designation from the Party BIC and Parent BIC fields within the Securities Position – Search/List Screen and modification of the description of each to specify how to perform system entity searches.

Issue 2

- **UDFS update**

SecuritiesSettlementTransaction QueryV01 (semt.026.001.01)

The old BR IIMP100 has to be deleted from the functional documentation.

In order to receive all settlement instructions of a CSD, the CSD has to ensure, that the query is sent by a CSD user with default data scope or by a user with data scope restricted to all securities accounts within the CSD's system entity sends the query.

- **UHB update**

Redrafting of the description of the Settlement Instruction Search/List screen in order to remove the “general criteria” requirement.

Issue 3:

- **UDFS update**

The Statement of Pending Instructions must not only include those settlement instructions which expect settlement at the current business day but all settlement instructions regardless of their intended settlement date. Consequently, the scope of settlement instructions which are included in complete and delta Statement of Pending Instructions is enlarged. Newly, also settlement instructions which expect settlement at a future business day have to be included in the report.

Therefore, the business Rule QRDR005 (B-SQRA-REM-EDR-0005) has to be updated in the UDFS.

Summary of project risk

Security analysis

No security impact (do not entail any additional costs related to the implementation of security controls).

T2S PROGRAMME OFFICE

ECB-PUBLIC
21 October 2014

COST ASSESSMENT ON CHANGE REQUESTS

T2S-0462-SYS Functional improvements for Statement of Pending Instructions (semt.018) and Securities Account Position Query (semt.025) and Settlement Instruction Queries (semt.026)		
Project phase costs (total)	88,541.25	in Euro
Running costs (annual average over cost recovery period)	8,051.17	in Euro