ECB
DG-MIP
T2-T2S Consolidation

Clarification on Messaging Topics from Previous TCCG Meetings

TARGET Consolidation Contact Group

6th Meeting on 04 September 2018

Introduction

- As part of the T2-T2S Consolidation realisation phase the work on ISO 20022 messaging will be triggering a series of clarification and discussion topics for attention of the TCCG

- Follow up on previous messaging topics
  – Used Amount Information Related to Direct Debit Mandate (18 July 2018)
  – Message Subscription for Notifications (Written Procedure until 17 August 2018)
  – Objective: Conclude discussion on the subject

Follow up on Used Amount Information Related to Direct Debit Mandate

target services

- **Question to the TCCG:**
  - In order to validate the working assumption that information about the "used amount" in the context of direct debit mandates should be available via U2A only, we would like to receive your feedback on whether providing this information via U2A is required (or could be de-scoped from the project).

- **Feedback Summary*:**
  - In total eleven TCCG members replied to the written procedure
  - More than half of the responses (six out of eleven) requested "used amount" to be available via U2A.
  - None of the responses requested "used amount" via A2A.

- **Conclusion:**
  - Information about the used amount in the context of direct debit mandates is to be provided via U2A only.

* For further information, please also refer to the consolidated feedback excel file

Follow up on Message Subscription for Notifications (1/5)

- **Original Request to the TCCG:**
  - Please familiarise with the provided note and raise questions if required
  - Please indicate if the subscription criteria for ISO20022 notifications on slides 5 to 7 [slides 13 to 15 of this presentation] meet your expectations in terms of:
    - Mandatory distribution vs. optional distribution
    - Notification recipient (e.g. account owner, sender of original instruction, etc.)
    - Subscription parameter type (e.g. message type, business case, priority, etc.)

- **Feedback Summary*:**
  - In total 20 comments have been provided by nine TCCG members, thereof:
    - Twelve questions were raised and clarifications were sought
    - Four comments were related to "mandatory vs. optional distribution"
    - One comment was related to "notification recipient"
    - No comments were provided related to subscription parameter type
    - Three additional/AOB comments were provided

  * For further information, please also refer to the consolidated feedback excel file

Follow up on Message Subscription for Notifications (2/5)

target services

- **Questions/Clarifications (twelve comments):**
  - Majority of questions have been replied to in the consolidated feedback form or clarifications triggered an update of the message subscription for notification presentation (pls. also refer to the annex)
  - However, three similar comments require special attention of the TCCG
  - Please note that the principles stated in the message subscription for notifications presentation deviate from the current URD and UDFS documents
  - In detail, the principles do not foresee the possibility of a message subscription for "another party" (in addition or instead of the account owner) as this requirement is lacking a concrete use case
  - Hence this requirement is proposed for de-scoping

- **Proposed TCCG Conclusion on Message Subscription for "Another Party":**
  - A CR is to be raised to remove the reference of message subscription for "another party" from the URD.

Follow up on Message Subscription for Notifications (3/5)

target services

- **Mandatory vs. Optional Distribution (four comments):**
  - Two comments raised the question if camt.054 shall become mandatory for all business cases or at least mandatory for a sub-set of business cases
  - The mandatory subscription of camt.054 is not meeting the user requirements of all participants. In order to address these user requirements, the proposal is to allow every participant to select individually which business cases will trigger a camt.054 message, e.g. all business cases or a subset of business cases
  - One comment questioned why camt.029 is optional and not mandatory as documented in the latest UDFS version
  - In general the camt.029 is mandatory (i.e. in case of final status: reject or success). However, the proposal is to distribute camt.029 optionally in case an interim status is reached, i.e. camt.056 is forwarded to next agent only

- **Proposed TCCG Conclusion on Mandatory vs. Optional Distribution of "camt.054" and "camt.029" Messages:**
  - Every participant to select individually which business case will trigger a camt.054
  - Optional distribution of camt.029 to notify "forwarded to next agent"

Follow up on Message Subscription for Notifications (4/5)

target services

- **Notification Recipient (one comment):**
  - One comment questioned why camt.025 is send to the sender only and not additionally to the account owner as documented in the latest UDFS version
  - As camt.025 is classified as so called "sender notification", always the sender of the underlying message (e.g. camt.048) will receive the receipt notification

- **Proposed TCCG Conclusion on Notification Recipient of "camt.025" Messages:**
  - Sender notification is to be send to the sender of the underlying instruction only
  - Latest UDFS version to be adjusted accordingly

Follow up on Message Subscription for Notifications (5/5)

- **Additional/AOB comments (three comments):**
  - Three similar comments requested that in case of the settlement of a former settlement procedure 2 & 3 payment instruction the creditor shall receive a camt.054 notification instead of a pacs.009 message
  - Following the discussion in the last July TCCG meeting, a presentation addressing open questions has been prepared on this subject and is part of the background documentation of the September TCCG meeting
  - A pacs.009 send by an AS will trigger the standard reporting of a pacs.009, i.e. the debtor will receive a camt.054 and the creditor receives a pacs.009 according to HVPS+.
  - However, the message content of the pacs.009 will allow the creditor to identify that the payment was initiated by an AS
  - In detail, the forwarded pacs.009 message will contain the code word "ASTI", the message will contain an additional party "DebtorAgent" quoting the AS and the message will be sent with "urgent" priority

Annex –
Message Subscription for Notifications

- An updated version of the written procedure on message subscription for notifications has been annexed to facilitate the discussion and document the proposed changes

- Please note that all changes are highlighted in red compared to the original written procedure

Introduction

- This presentation shall provide further clarification in regard to the envisaged message subscription functionality as well as an overview on ISO20022 notification, query response and report messages. Furthermore, it intends to reconfirm the related TCCG expectations

- Presentation Structure:
  - Introduction
  - Principles and considerations related to message subscription
  - List of ISO20022 notifications (flagging if distribution is subject to message subscription)
  - List of floor/ceiling and AS business related notifications (n/a to message subscription)
  - List of ISO20022 query responses and reports (n/a to message subscription)

- **Request to TCCG:**
  - Please familiarise with the provided note and raise questions if required
  - Please indicate if the subscription criteria for ISO20022 notifications on slides 5 to 7 meet your expectations in terms of:
    - Mandatory distribution vs. optional distribution
    - Notification recipient (e.g. account owner, sender of original instruction, etc.)
    - Subscription parameter type (e.g. message type, business case, priority, etc.)

Principles

- The message subscription is done at a cash account level in CRDM

- The message subscription has a "valid from" date and will become active at the earliest as of the next business day

- The message subscription has an optional "valid to" date and the subscription can be amended or cancelled as of the next business day

- The message subscription can be created, amended or deleted via U2A

- The party owning the cash account should not be able to elect another party to receive the message either instead or in addition to the account owner

- Relevant references:
  - Outcome 7th Task Force on Future RTGS Services (Agenda Item 2)
  - SHRD.UR.BDD.190
  - SHRD.UR.CRDM.UI.180
  - SHRD.UR.CRDM.UI.190
  - SHRD.UR.CRDM.UI.200

Considerations

target services

- Distribution of most ISO20022 notification messages is pre-defined:
    - **Example:** The admi.007 (Receipt Acknowledgement) message is sent to the sender in case of message or file rejects compulsorily, i.e. without message subscription

- Distribution of AS business related notifications (AS settlement procedures A-D) remains pre-defined:
    - **Example:** The pain.998 (ASTransferNotice) message is sent to the AS mandatorily

- Distribution of floor/ceiling notifications is covered by dedicated floor/ceiling configuration

- Distribution of ISO20022 query responses is pre-defined:
    - **Example:** The camt.006 (ReturnTransaction) message in response to a camt.005 (GetTransaction) message will be provided to the query sender

- Distribution of ISO20022 reports is covered by the report configuration:
    - **Example:** A camt.053 (BankToCustomerStatement) is set up in the report configuration

- Forwarding of ISO20022 inbound messages is pre-defined:
    - In detail, forwarding of payment instructions and cancellation requests (pacs.004, pacs.008, pacs.009, pacs.010 and camt.056) to the creditor is built into the future RTGS

- Further detailed information can be found on the following slides

Overview of ISO20022 Notifications (1/3)

#	Name	Classification	Description	Distribution
1	Receipt Acknowledgement (admi.007)	Notification	Notifies about: a) the "technical" reject of any previously sent A2A message (xxxx.999) b) the "technical" reject of any previously sent A2A file (head.002) c) the successful processing of a ResendRequest (admi.006)	- Mandatory - To sender of original message or file
2	Receipt (camt.025)	Notification	Indicates for CLM/RTGS/CRDM: a) the success of any creation, modification or deletion request: - ModifyTransaction (camt.007) - ModifyLimit (camt.011)*, DeleteLimit (camt.012) - ModifyStandingOrder (camt.024), DeleteStandingOrder (camt.071) - ModifyReservation (camt.048)*, DeleteReservation (camt.049) - ModifyCreditLine (prop. XML respectively camt.998) b) the "business" reject of any modification or deletion request	- Mandatory - To sender of original request
3	Receipt (camt.025)	Notification	Indicates: a) the successful settlement of a LiquidityCreditTransfer (camt.050) b) the "business" reject of a LiquidityCreditTransfer (camt.050)	- Mandatory - To sender of liquidity credit transfer

* For intraday ModifyLimit (camt.011) and ModifyReservation (camt.048) a final status (i.e. completed or rejected) and the first intermediate status (i.e. pending or partially pending) are notified via camt.025.

Overview of ISO20022 Notifications (2/3)

target services

#	Name	Classification	Description	Distribution
4	Resolution Of Investigation (camt.029)	Notification	Indicates: a) the successful cancellation (camt.056) of a pending payment instruction: - PaymentReturn (pacs.004) - CustomerCreditTransfer (pacs.008) - FIToFICreditTransfer (GEN and COV) (pacs.009) - FIDirectDebit (pacs.010) b) the unsuccessful cancellation (camt.056) of a pending payment instruction	- Mandatory - To sender of cancellation request
5	Resolution Of Investigation (camt.029)	Notification	Indicates the successful forwarding of a cancellation request (camt.056) related to a payment instruction: - RTGS: CustomerCreditTransfer (pacs.008) - RTGS: FIToFICreditTransfer (pacs.009)	- Optional - To sender of cancellation request - Depending on message subscription
6	Bank To Customer Debit Credit Notification (camt.054)	Notification	Indicates the successful settlement of any credit or debit which was not instructed by the account owner nor instructed via pacs.004, pacs.008 and pacs.009, pacs.010 e.g. due to one of the following business cases: - A liquidity credit transfer (camt.050) credited to the account - Automatic liquidity credit transfer (triggered by reaching a certain floor/ceiling amount) by the RTGS and CLM - A mandated payment by the responsible central bank - A connected payment by the responsible central bank - A transfer initiation order by an AS (NB: notification send to account owner of debited participant account side and account owner of credited participant account) - A FIToFICreditTransfer (pacs.009) send by an AS (NB: notification send to account owner of debited account)	- Optional - To account owner - Depending on message subscription by business case

Overview of ISO20022 Notifications (3/3)

#	Name	Classification	Description	Distribution
7	Payment Status Report (pacs.002)	Notification	Notifies about the successful settlement of any payment instruction: - PaymentReturn (pacs.004) - CustomerCreditTransfer (pacs.008) - FIToFICreditTransfer (GEN and COV) (pacs.009) - FIDirectDebit (pacs.010)	- Optional - To sender of payment instruction - Depending on message subscription by priority and by message type of original payment instruction
8	Payment Status Report (pacs.002)	Notification	Notifies about the business "reject" of any payment instruction	- Mandatory - To sender of payment instruction

Overview of Floor/Ceiling and AS Business related Notifications

target services

#	Name	Classification	Description	Distribution
1	Return Account (camt.004)	Floor/Ceiling Notification	Indicates reaching of floor / ceiling amount	- Optional - To account owner - Depending on dedicated floor/ceiling configuration
2	Return Account (camt.004)	AS related Notification - Procedures C+D	Notifies about the liquidity on subaccounts. NB: Notification will be triggered in respective AS procedures as-is today.	- Mandatory - To Ancillary System
3	Return General Business Information (camt.021)	AS related Notification - Procedures C+D	Indicates: a) Start of AS procedure b) End of AS procedure c) Provides General Business Information in response to an AS order to start or end procedures and cycles NB: Notification will be triggered in respective AS procedures as-is today.	- Mandatory - To Ancillary System
4	AS Initiation Status (pain.998)	AS related Notification - Procedures A-D	Notifies about the "business" settlement, partial settlement or reject, of an ASTransferInitiation (pain.998) NB: Notification will be triggered in respective AS procedures as-is today.	- Mandatory - To Ancillary System - To Central Bank in case of act on behalf
5	AS Transfer Notice (pain.998)	AS related Notification - Procedure D	Notifies about the successful settlement of standing orders and immediate liquidity transfer orders in AS procedure D (former 6 real-time) NB: Notification will be triggered in respective AS procedure as-is today.	- Mandatory - To Ancillary System - To Central Bank in case of act on behalf

Overview of ISO20022 Query Responses and Reports (1/3)

target services

#	Name	Classification	Description	Distribution
1	Receipt Acknowledgement (admi.007)	Query Response	Replies to query: a) with time out, i.e. query could not be processed within a given time b) with oversize indication, i.e. response is too large for transmitting	- Mandatory - To sender of query
2	Return Account (camt.004)	Query Response	Indicates: a) the requested information in response to a GetAccount (camt.003) b) the error code in response to a GetAccount (camt.003)	- Mandatory - To sender of query
3	Return Transaction (camt.006)	Query Response	Indicates: a) the requested information in response to a GetTransaction (camt.005) b) the error code in response to a GetTransaction (camt.005)	- Mandatory - To sender of query
4	Return Limit (camt.010)	Query Response	Indicates: a) the requested information in response to a GetLimit (camt.009) b) the error code in response to a GetLimit (camt.009)	- Mandatory - To sender of query
5	Return Business Day Information (camt.019)	Query Response	Indicates: a) the requested information in response to a GetBusinessDayInformation (camt.018) b) the error code in response to a GetBusinessDayInformation (camt.018)	- Mandatory - To sender of query
6	Return Reservation (camt.047).	Query Response	Indicates: a) the requested information in response to a GetReservation (camt.046) b) the error code in response to a GetReservation (camt.046)	- Mandatory - To sender of query
7	Return Standing Order (camt.070)	Query Response	Indicates: a) the requested information in response to a GetStandingOrder (camt.069) b) the error code in response to a GetStandingOrder (camt.069)	- Mandatory - To sender of query

Overview of ISO20022
Query Responses and Reports (2/3)

tarGet services

#	Name	Classification	Description	Distribution
8	Billing Report (camt.077)	Query Response	Indicates the requested information in response to a BillingReportRequest (camt.076)	- Mandatory - To sender of query
9	Audit Trail Report (camt.098)	Query Response	Indicates: a) the requested information in response to a AuditTrailQuery (camt.097) b) the error code in response to a AuditTrailQuery (camt.097)	- Mandatory - To sender of query
10	Direct Debit Mandate Report (camt.100)	Query Response	Indicates: a) the requested information in response to a DirectDebitMandateQuery (camt.099) b) the error code in response to a DirectDebitMandateQuery (camt.099)	- Mandatory - To sender of query
11	Account Report (acmt.026)	Query Response	Indicates: a) the requested information in response to a AccountQueryList (acmt.025) b) the error code in response to a AccountQueryList (camt.025)	- Mandatory - To sender of query
12	Party Report (reda.017)	Query Response	Indicates: a) the requested information in response to a PartyQuery (reda.015) b) the error code in response to a PartyQuery (reda.015)	- Mandatory - To sender of query
13	Calendar Report (reda.065)	Query Response	Indicates: a) the requested information in response to a CalendarQuery (reda.064) b) the error code in response to a CalendarQuery (reda.064)	- Mandatory - To sender of query
14	Bank to Customer Statement (camt.053)	Report	Reports information for cash management and/or reconciliation on booked/settled entries	- Optional - To report subscriber - Depending on dedicated report configuration

Overview of ISO20022
Query Responses and Reports (3/3)

#	Name	Classification	Description	Distribution
15	RTGS Directory	Report	Provides routing information required to support payments settlement in RTGS	- Optional - To report subscriber - Depending on dedicated report configuration

Thank you for the attention!

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