



EUROPEAN CENTRAL BANK

EUROSYSTEM

SCoREBOARD

Corporate Actions – H2 2021

Belgian NSG






The Single Collateral Management Rulebook for Europe (SCoRE) contains 15 Standards related to the processing of corporate actions (published as the [SCoRE Standards for Corporate Actions](#)). Implementation progress is monitored twice per year. This summary report presents the results of the H2 2021 monitoring exercise conducted by the Belgian NSG. The NSG covers the following stakeholders:

- 3 CSDs – Euroclear Bank, Euroclear Belgium, NBB-SSS
- 2 TPAs – BNY Mellon, Euroclear Bank
- 5 Custodians
- 4 Issuers

14 entities are monitored in the Belgian NSG

The SCoRE Overview provides a high-level summary of the H2-21 monitoring exercise.

SCoRE Overview

	 Response Rate	 Implementation Status	 Milestone achieved?	 Implemented on Time?
Custodians	80%	Implemented 24.2% Analysis started 35.5% Implementation started 3.37%	0%	80%
Issuers	75%	Yes 46.0% No 28.9%	n/a	n/a
CSD - Euroclear Bank	100%	Implemented 22.7% Analysis started 17.4% Implementation started 58.4%	No	Yes
CSD - Euroclear Belgium	100%	Implemented 37.5% Analysis started 17.3% Implementation started 44.6%	No	Yes
CSD - NBB-SSS	100%	Implemented 26.9% Analysis started 65.2% Implementation started 0.86%	No	11/25
TPA - BNY Mellon	100%	Implemented 0% Analysis started 0% Implementation started 100%	No	Yes
TPA - Euroclear Bank	100%	Implemented 37.5% Analysis started 0% Implementation started 62.5%	No	Yes

Note: "Implemented on Time" reflects the entity's expected ability to achieve the final milestone on time.

This NSG summary report is structured as follows: The Executive Summary provides an overview of the responses received per Entity Type i.e. CSD, TPA, Custodian etc. Section 1 presents the compliance status. Section 2 then provides an overview of the progress against the individual milestones. Section 3 then provides a more detailed overview of the implementation status per Standard for each entity type.

Executive Summary

Implementation of the Corporate Action Standards in the Belgian market is currently partly on track

Implementation of the Corporate Actions Standards in the Belgian market is partly on track. The Belgian CSDs and TPAs have all met the first two milestones and the majority is on track to meet all future milestones. One CSD (NBB-SSS) has already implemented most of the SCoRE Standards which are relevant for its current functionalities but reports later dates for new functionalities, which in turn affects timely implementation of some of the applicable Standards by November 2023.

The majority of the reporting entities active in the Belgian market responded to the survey. This section presents the key findings of the survey for each entity type.

CSD - Euroclear Bank

Euroclear Bank reports a high-level of compliance with the Standards

Euroclear Bank reports a high level of compliance with the Corporate Action Standards. More than 20% of the Standards was already implemented. Most of the non-implemented Standards (76%) are currently being implemented. Some elements of Standards 2 and 3 are still being analysed.

Milestones 1 and 2 are being met. AMI-SeCo finalised the updates to the Corporate Action Rulebook in December 2021. It was therefore not feasible to meet Milestone 3 in time. However, Euroclear Bank is on track to meet all future milestones.

CSD - Euroclear Belgium

Euroclear Belgium implementation is fully on track

In total, Euroclear Belgium is already fully compliant with 8 of the 15 Standards. Standard 12 is not applicable since there is no market practice of consent fees in the ESES CSDs. The remaining standards are currently being implemented or under analysis in view of achieving full compliance by November 2023.

Milestones 1 and 2 are being met. AMI-SeCo finalised the updates to the Corporate Action Rulebook in December 2021. It was therefore not feasible to meet Milestone 3 in time. However, Euroclear Belgium is on track to meet all future milestones.

CSD - NBB-SSS

NBB-SSS implementation is partly on track

NBB-SSS is already fully compliant with 6 of the 15 Standards. Standard 3 (Consistency of Information) is not applicable to NBB-SSS as it only acts as an Issuer CSD.

Milestones 1 and 2 are being met. Since the AMI-SeCo finalised the updates to the Corporate Action Rulebook in December 2021 and analysis for most of the non-implemented standards is still ongoing, NBB-SSS was not able to meet Milestone 3

in time. Later dates are reported for 7 future milestones with the result that full compliance is not envisaged until 2025 which is later than the date agreed by AMI-SeCo. The milestones regarding the start of the adaptation (6), internal testing (8) and external testing (9) are on track.

TPA - BNY Mellon

BNY Mellon TPA implementation is on track

As a TPA, Standards 1A to 1H are of relevance to BNY Mellon. One of the Standards (1B) is currently under analysis, while Standards 1F, 1G and 1H are not applicable since these messages are not part of the collateral management product offering. Implementation is ongoing for the 4 remaining components.

Milestones 1 and 2 are being met. Furthermore, BNY Mellon is on track to meet all future milestones. Since analysis of Standard 1B is still ongoing, BNY Mellon has not fully achieved Milestone 3. In addition, as the AMI-SeCo finalised the updates to the Corporate Action Rulebook in December 2021, it was not feasible to meet Milestone 3 in time.

TPA - Euroclear Bank

Euroclear Bank TPA implementation is on track

As a TPA, Standards 1A to 1H are of relevance to Euroclear Bank. Most of the Standards (87,5%) are either implemented or in implementation phase. One Standard (1A) is currently under analysis. This is the reason why Euroclear Bank as a TPA hasn't fully achieved Milestone 3 (analysis to be completed by 31/7/21). In addition, the AMI-SeCo finalised the updates to the Corporate Action Rulebook in December 2021. It was therefore not feasible to meet Milestone 3 in time. Euroclear Bank remains on track to meet all future milestones.

Custodians

Most of the custodians have commenced internal analysis of most of the standards

The level of compliance varies significantly across the different Standards. The lowest levels of compliance are observed with Standards 1F, 1G, 1H, 5 and 15. While most of the reporting entities have at least started internal analysis, there is one custodian that reported 'not applicable' for most of the Standards. This custodian argues that the Corporate Actions Standards are not applicable since they will not be using ISO 20022 messages. Two custodians have not started the analysis with regard to the ISO 20022 messaging Standard 15.

In general, there is evidence of engagement by Belgian custodians in the process with the majority of Standards yet to be implemented currently in the process of being analysed. Nonetheless, the milestone reporting identifies the needs for further future efforts in view of achieving full compliance with the Standards in accordance with the timeframe agreed by AMI-SeCo.

Issuers

50% of the issuers exhibit awareness of obligations

Half of the monitored issuers in the Belgian market exhibit a high level of awareness of their obligations under the SCoRE Corporate Action Standards. Nonetheless, the monitoring exercise highlights that some further work could be envisaged to increase issuer awareness around Standard 2 (Calculation of Proceeds), Standard 5

(Negative Cash Flows) and Standard 13 (Reversal) as well as to involve the other issuers.

NCB

National Bank of Belgium is on track to adopt the SCoRE Standards in November 2023

National Bank of Belgium is on track to implement the SCoRE Standards for Corporate Actions for its collateral management activities by November 2023.

SCoREBOARD

This section presents the overall compliance status in the market. CSDs and TPAs are monitored on an individual basis and are assigned a colour-code status in accordance with the methodology outlined in Box 1¹. Custodians and Issuers are monitored on an aggregated basis and assigned a percentage compliance status.

Box 1

SCoREBOARD – Implementation Phase



- The Standard has been implemented
- Implementation of the Standard is on schedule (based on the agreed milestones)
- Implementation is behind schedule (based on the agreed milestones)
- Implementation has not started

For custodians and issuers, progress is monitored and reported as a percentage; for example the % of custodians in a given market who have started internal adaptation of IT systems.

¹ For further details please refer to the [AMI-SeCo Monitoring Framework](#)

Table A
SCoREBOARD

STANDARD	Custodians	Issuers	CSD - Euroclear Bank	CSD - Euroclear Belgium	CSD - NBB-SSS	TPA - BNY Mellon	TPA - Euroclear Bank
1A: Notification	77%	38%	G	G	Y	G	Y
1B: Instruction	77%		G	G	Y	Y	G
1C: Advise	76%		G	G	B	G	G
1D: Confirmation	77%		G	G	Y	G	G
1E: Reversal	78%		G	G	Y	G	G
1F: Meeting Notification	70%	35%	G	B	Y	N/A	B
1G: Meeting Instruction	63%		G	G	Y	N/A	B
1H: Meeting Results	71%		G	N/A	Y	N/A	B
2: Calculation of Proceeds	74%	25%	Y	Y	Y		
3: Consistency of Information	67%	50%	Y	Y	N/A		
4: Rounding Rule 1	75%	50%	B	B	B		
4: Rounding Rule 2	75%	50%	G	B	N/A		
4: Rounding Rule 3	80%	50%	B	B	N/A		
4: Rounding Rule 4	75%	50%	G	B	B		
4: Rounding Rule 5	75%	50%	B	B	B		
5: Negative Cash Flows	67%	25%	B	B	B		
6: Business Day Rule		50%	B	B	B		
7: Securities Amount Data Rule 1		50%	B	B	B		
7: Securities Amount Data Rule 2		50%	B	B	N/A		
7: Securities Amount Data Rule 3		50%	B	B	N/A		
7: Securities Amount Data Rule 4		50%	B	B	N/A		
8: Payment Time Rule 1		50%	G	G	B		
8: Payment Time Rule 2		75%	G	G	B		
8: Payment Time General Principle 3		75%	B	B	B		
9: Processing Status	75%	50%	G	B	Y		
10: Blocking Rule 1	75%		G	G	Y		
10: Blocking Rule 2	75%		G	N/A	Y		
10: Blocking Rule 3	75%		G	N/A	Y		
10: Blocking Rule 4	75%		G	G	Y		
10: Blocking Rule 5	67%		G	N/A	Y		
11: Default Option	75%	50%	B	B	Y		
12: Handling of Fees	75%		B	N/A	Y		
13: Reversal	75%	25%	B	B	Y		
14: Foreign Currency			B	B	B		
15: ISO 20022 Messaging	4%		G	G	Y		

Notes:

- For CSDs and TPAs the colour-code reflects the current implementation status of each Standard in accordance with the methodology outlined in Box 1 above.
- TPAs are using custody services provided by CSDs or Custodians in order to disseminate CA information to Collateral Givers and Collateral Takers. Monitoring of TPAs thus focuses on the implementation of triparty specific workflows described in Standard 1.
- For custodians the % indicates that the standard has either already been implemented, or that implementation is on track i.e. at a minimum that analysis has already started or that implementation has started per Standard.
- Issuers were asked to confirm awareness of their obligation to provide all relevant information to the Issuer CSD (on a Yes/No basis). The % reflects the number of issuers who responded yes to the survey
- Percentages are calculated on the basis of expected respondents, i.e. number of entities monitored in the market.

2 Milestones

This section tracks an entity's progress in implementing the Standards on an ongoing basis. 13 milestones have been defined as listed in the box below.

Box 2 SCoRE Milestones

Milestone	Description	Date
M1	Analysis Started: Have you commenced an in-depth analysis of all applicable SCoRE Standards in order to identify and document all the changes required to internal processes and procedures in order to comply with the SCoRE Standards?	30/06/2020
M2	Initial Communication: Has initial high-level communication with external stakeholders on the changes introduced by SCoRE commenced?	01/03/2021
M3	Analysis Completed: Have you completed an in-depth analysis of all applicable SCoRE Standards?	31/07/2021
M4	Documentation Completed: Have you documented all the internal processes and procedures which need to be adapted in order to comply with the SCoRE Standards?	31/12/2021
M5	Detailed External Communication: Has detailed communication started regarding (i) upcoming changes in business processes, (ii) messaging formats and usage guidelines (in the case of new messages based on non-registered latest drafts by SWIFT) and (iii) planned testing activities been provided to users?	31/12/2021
M6	SCoRE Adaptation Started: Have you started to adapt/develop the processes and procedures in order to comply with the SCoRE Standards?	01/01/2022
M7	SCoRE Adaptation Complete: Have you completed the necessary adaptations/developments for the processes and procedures in order to comply with the SCoRE Standards?	30/06/2022
M8	Internal Testing Started for SCoRE: Have you started to test the changes to your internal processes and procedures which have been introduced in order to comply with the SCoRE Standards?	01/07/2022
M9	Internal Testing Complete for SCoRE: Have you completed the necessary internal testing?	02/12/2022
M10	External Testing Started for SCoRE: Are you in a position to test the changes introduced in order to comply with the SCoRE Standards with your user community (i.e. CSD participants / Collateral Givers and Collateral Takers in the context of the Standards applicable to TPAs)?	05/12/2022
M11	Final External Communication on SCoRE: has final communication to users been provided (i.e. updated user guide to reflect the changes implemented, final message usage guidelines for A2A communication) related to the SCoRE Standards?	01/04/2023
M12	External Testing Completed for SCoRE: Is the testing of the changes introduced in order to comply with the SCoRE Standards with your user community completed (i.e. CSD participants / Collateral Givers and Collateral Takers in the context of the Standards applicable to TPAs)?	13/10/2023
M13	SCoRE Standards Implemented: have the SCoRE Standards been implemented?	20/11/2023

Notes: N/A

Milestones expected to be achieved in the current reporting period are highlighted in blue in the header of Table B below. The blue colour-code is then assigned to those milestones which have been successfully achieved to date for each respective entity. Milestones which will only be achieved later are assigned a yellow status, while milestones which will only be achieved with significant delays / where work has not yet commenced are marked in red.

For the remaining milestones (i.e. milestones due to be achieved only after the current reporting cycle) the colour-code indicates an entity's expected ability to achieve a future milestone on time. The expected date of achievement is also indicated in the table if it is different to the milestone date defined by AMI-SeCo.

Table B
Milestones

	Custodians	CSD - Euroclear Bank	CSD - Euroclear Belgium	CSD - NBB-SSS	TPA - BNY Mellon	TPA - Euroclear Bank
Milestone 1 June 2020	40%	Yes	Yes	Yes	Yes	Yes
Milestone 2 March 2021	40%	Yes	Yes	Yes	Yes	Yes
Milestone 3 July 2021	0%	No	No	07/23	No	No
Milestone 4 December 2021	20%	Yes	Yes	12/23	Yes	Yes
Milestone 5 December 2021	20%	Yes	Yes	12/23	Yes	Yes
Milestone 6 January 2022	40%	Yes	Yes	Yes	Yes	Yes
Milestone 7 June 2022	20%	Yes	Yes	11/25	Yes	Yes
Milestone 8 July 2022	60%	Yes	Yes	Yes	Yes	Yes
Milestone 9 December 2022	80%	Yes	Yes	Yes	Yes	Yes
Milestone 10 December 2022	40%	Yes	Yes	12/24	Yes	Yes
Milestone 11 April 2023	40%	Yes	Yes	04/25	Yes	Yes
Milestone 12 October 2023	60%	Yes	Yes	10/25	Yes	Yes
Milestone 13 November 2023	80%	Yes	Yes	11/25	Yes	Yes

Notes: Actors were asked to report for all milestones, i.e. whether they meet the current milestones and whether they expect to meet the dates for future milestones.
Milestone 3 could not be achieved on time due to ongoing discussions on the Corporate Action Rulebook. AMI-SeCo finalised the updates to the Rulebook in December 2021.

Summary

According to the indicators, the majority of entities in the Belgian market will be fully compliant in accordance with the implementation timeline agreed by AMI-SeCo. NBB-SSS is the only entity that reported a delay in the implementation of some of the Corporate Action Standards by November 2023. The impact is expected to be limited since the delay is related to the implementation of corporate action events that rarely occur in NBB-SSS.

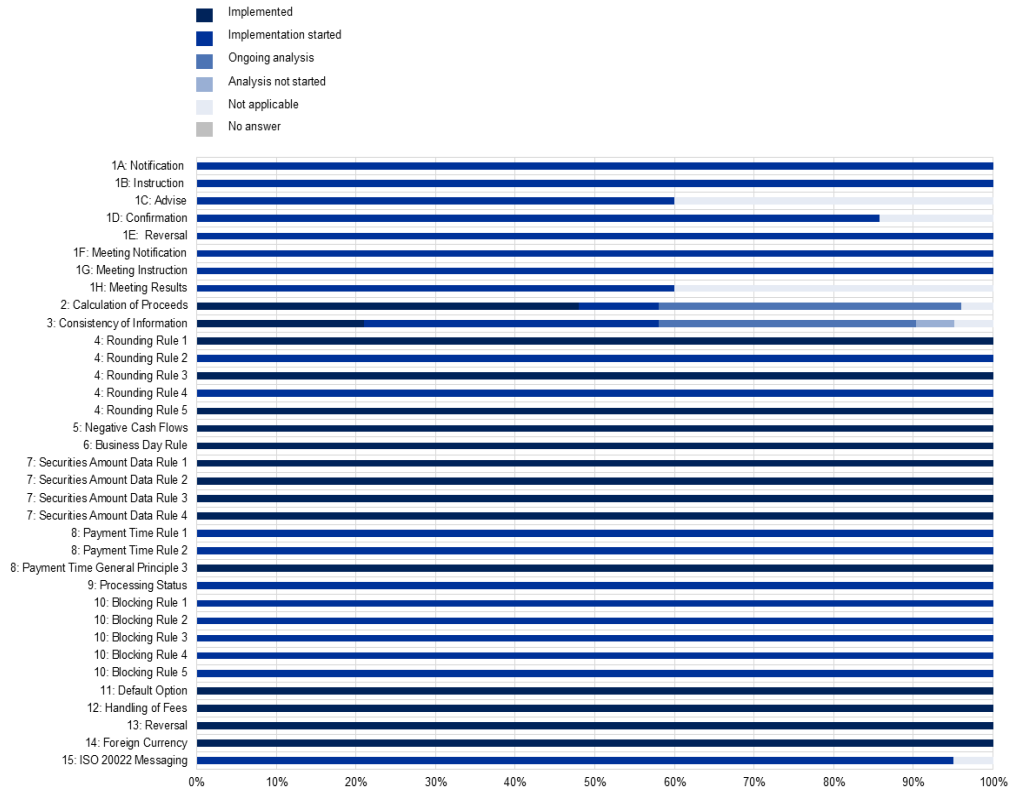
3

Implementation status per SCoRE Standard

This section presents the implementation status of each Standard per entity type.

CSD - Euroclear Bank

Implementation status per SCoRE Standard

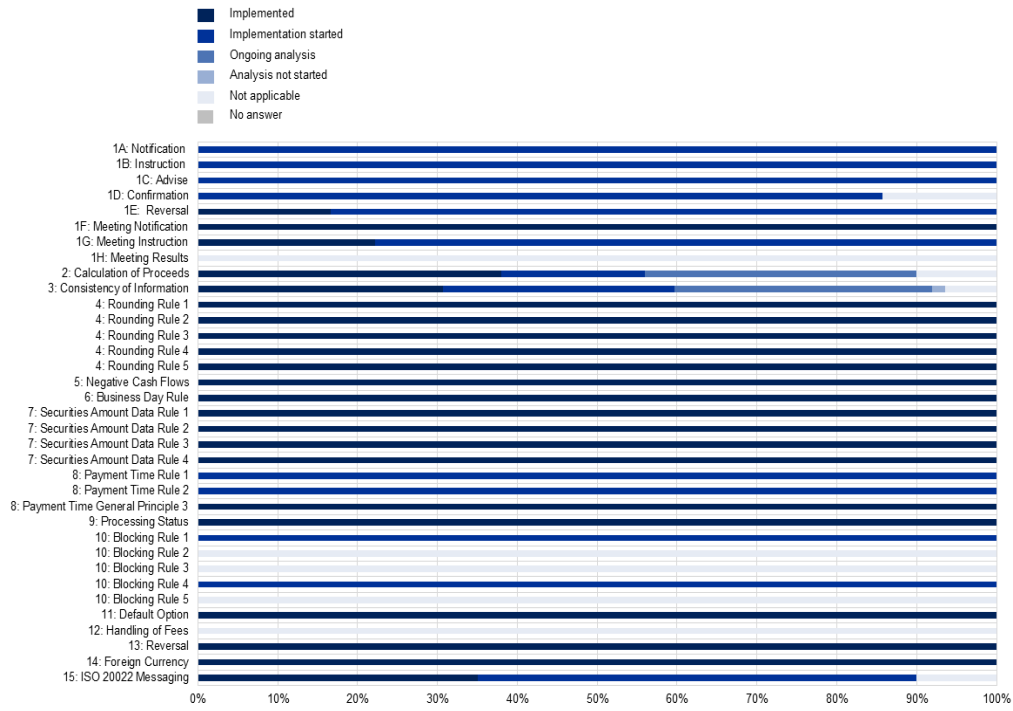


Notes

N/A

CSD - Euroclear Belgium

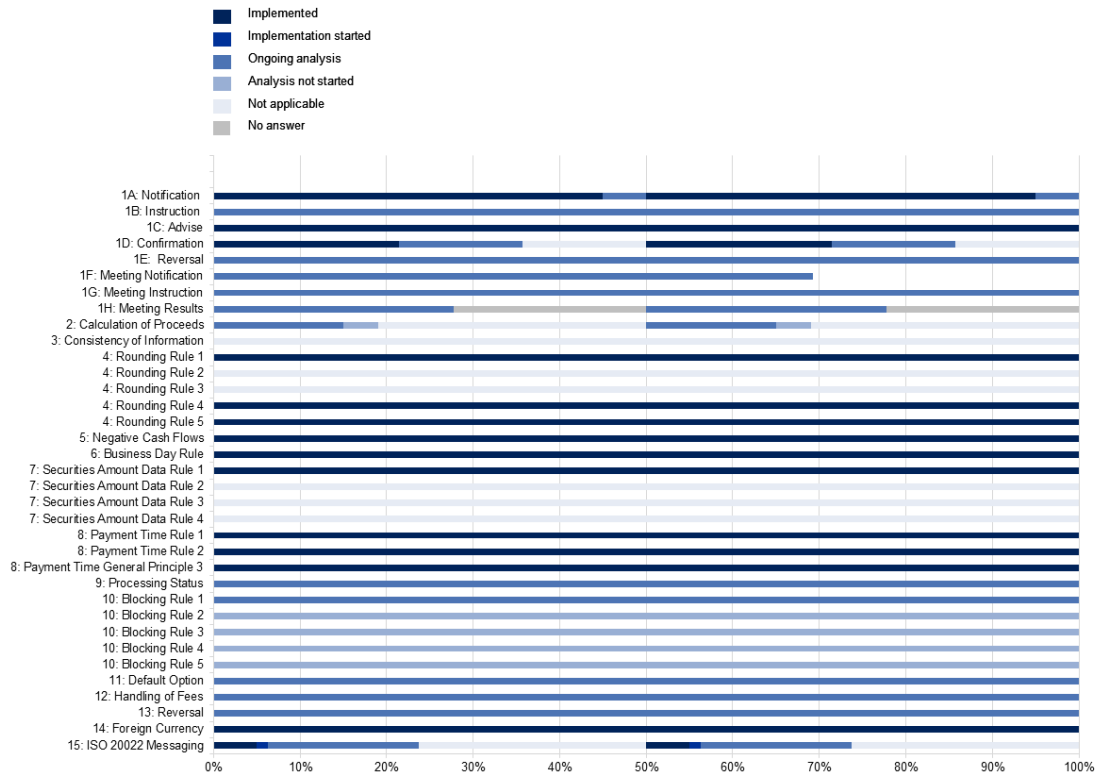
Implementation status per SCoRE Standard



Notes
N/A

CSD - NBB-SSS

Implementation status per SCoRE Standard

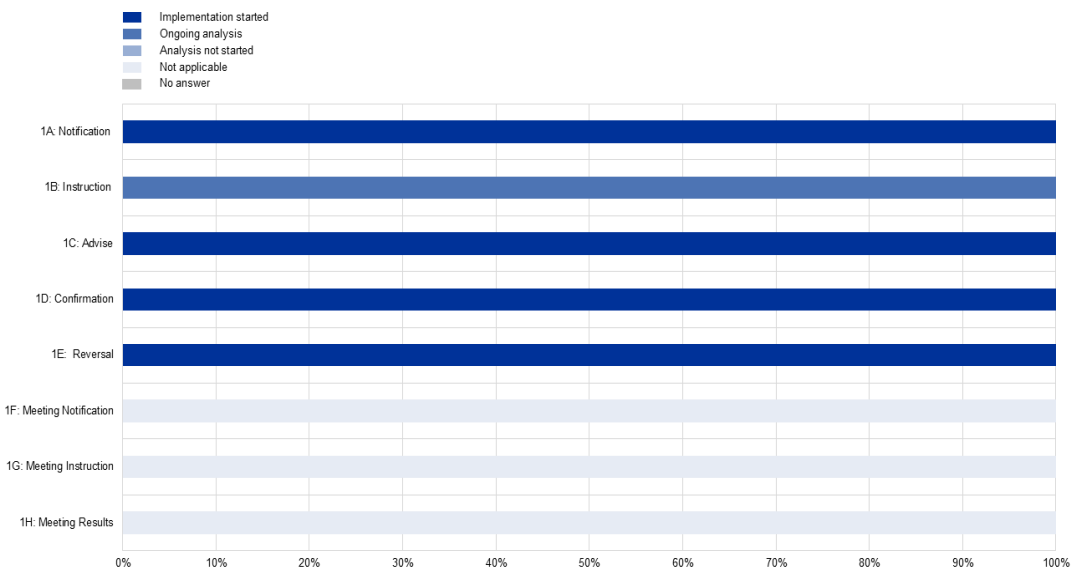


Notes

N/A

TPA - BNY Mellon

Implementation status per SCoRE Standard

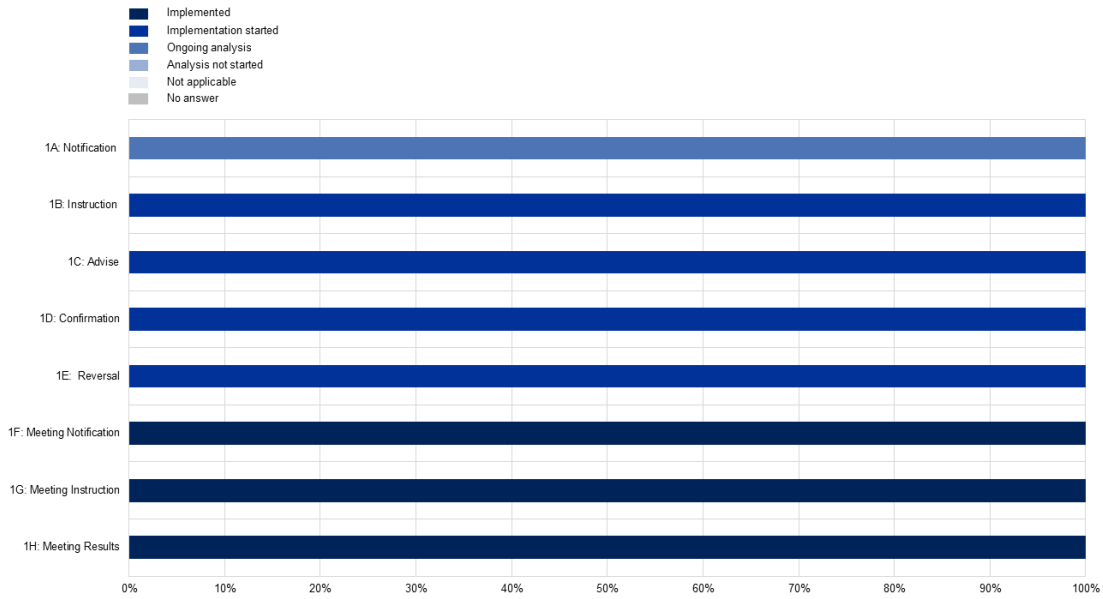


Notes

N/A

TPA - Euroclear Bank

Implementation status per SCoRE Standard

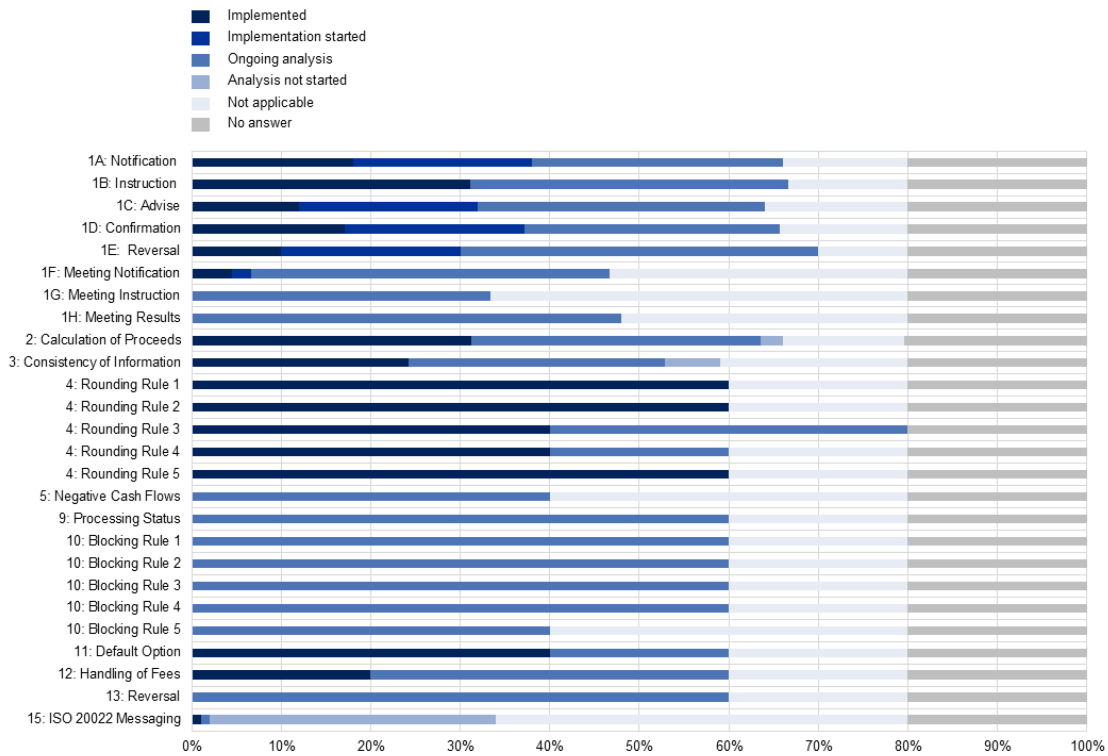


Notes

N/A

Custodians

Implementation status per SCoRE Standard

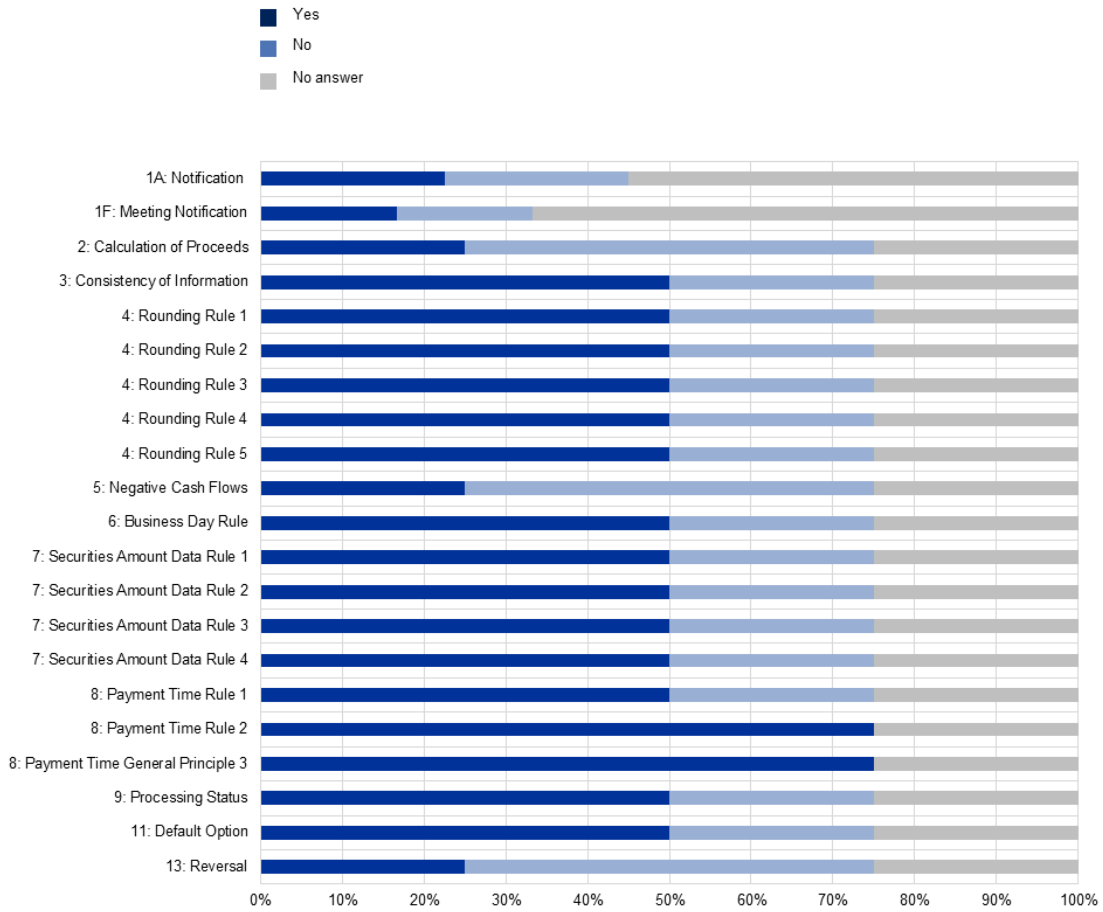


Notes

N/A

Issuers

Fulfilment of obligations per SCoRE Standard



Notes
N/A

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The cut-off date for the data included in this report was 17 November 2021.

For specific terminology please refer to the [ECB glossary](#) (available in English only).