EUROPEAN CENTRAL BANK

EUROSYSTEM

T2S CHANGE REQUEST FORM		
General Information (Origin of Request) ☒ User Requirements (URD) or GUI Business Functionality Document (BFD) ☐ Other User Functional or Technical Documentation (SYS)		
Request raised by: Clearstream	**Institute:** CSD	**Date raised:** 24/06/2025
Request title: T2S should enable Updates of Alternative Security CSD Links in A2A mode		**Request No.:** T2S 0856 URD
Request type: Common	**Classification:** Scope Enhancement	**Urgency:** Fast-track[1]
1. Legal/business importance parameter[2]: High		**2. Market implementation efforts parameter**[3]: Low
3. Operational/Technical risk parameter[4]: Low		**4. Financial impact parameter**[5]: Low
Requestor Category: CSD		**Status:** Proposed for a release

Reason for change and expected benefits/business motivation:

With Change Request *T2S 0797 SYS,* the possibility to configure Alternative Security CSD Links was introduced. This CR allows to open additional Alternative Security CSD Links for a given ISIN, under the condition that a Default Link was already created. To support this setup, a new attribute "Default Link" was introduced into CRDM to differentiate whether a Security CSD Link is a default link or an alternative link.

It occurs that in the current implementation, updates to Alternative Security CSD Links are only possible in U2A mode while they are not possible in A2A mode. Incident INC000000448413 was raised for this issue.

Background of the issue is the current implementation of query logic for Security CSD Links to be updated
- Current query logic for A2A Updates assumes the Default Flag of the Security CSD Link is always "true"
- Therefore, it is possible to update Default Security CSD Links via A2A
- ***But it is not possible to update Alternative Security CSD Links via A2A.***

as per the Detailed Assessment of CR797 as justification for this gap: "*Miming the U2A approach, the Default Link flag will be removed from the CoCo UGs for reda.046, since not updatable (read only in edit mode).*"

However, while it is true that the Default Link flag cannot be updated (neither in U2A nor A2A mode), this does not imply that Alternative Security CSD Links cannot be updated at all. In fact, they can be updated, namely the ValidTo attribute can be adjusted. This is possible in U2A, and "*miming the U2A approach*", this should also be possible in A2A.

It should be noted that such updates via A2A channel do not depend on any update to the reda.046 message. In fact, an update to the reda.046 to include the Default Link flag would not even solve the issue to identify which links to be updated, as can be seen from the example below.

Assume the following situation where:
- a given CSD CSD A has a default link to CSD B,
- additionally, CSD A has various alternative links to CSD C, CSD D and CSD E.
- all of those alternative links have the same ValidFrom date.

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[1] Fast-track justification: A fast-track approach is requested due to the need to reduce as much as possible the impact on business operations that this functional gap entails.

[2] Legal/business importance parameter was set to 'High' because this change closes a gap within the management of alternative security CSD links since it reduces the operational effort of updating it in U2A only.

[3] Market implementation effort parameter was set to 'Low' since this change will just amend the logic for updating the links via the reda.046.

[4] Operational/technical risk parameter was set to 'Low' since this change does not create any operational of technical risk.

[5] Low < 100kEUR < Low-Medium < 200 kEUR < Medium < 400kEUR < High < 700kEUR < Very high

ISIN	Link Type	Default Ind	Start Date	End Date	Investor		Technical Issuer	
ISIN1	INVESTOR	Yes	25.01.2024	31.12.9999	TRGTXE2SXXX	CSDA	TRGTXE2SXXX	CSDB
ISIN1	INVESTOR	No	23.06.2025	31.12.9999	TRGTXE2SXXX	CSDA	TRGTXE2SXXX	CSDC
ISIN1	INVESTOR	No	23.06.2025	31.12.9999	TRGTXE2SXXX	CSDA	TRGTXE2SXXX	CSDD
ISIN1	INVESTOR	No	23.06.2025	31.12.9999	TRGTXE2SXXX	CSDA	TRGTXE2SXXX	CSDE

It can be seen that even with Default Flag, it will not be possible to identify which Alternative Security CSD Link to update. This will only be possible if they have different ValidFrom dates. But if this condition is met, then even the Default Flag is not needed any longer. This observation shows how to properly set up the query within T2S to identify the Security CSD Link to be updated.

The following lookup logic shall be implemented in T2S:
- If a reda.046 is sent to T2S to update a Security CSD Link, then T2S shall try to identify the Security CSD Link to be updated using *ISIN, Issuer/Investor* CSD and *ValidFrom* attributes as search criteria (while not putting any condition on Default Flag)
- Depending on how many Security CSD Links which meet the search criteria are found, T2S shall apply the following logic:
  - No such Security CSD Link is found => Update request is rejected with DSU4003 (existing logic)
  - Exactly one such Security CSD Link is found => Update request is applied (independent of applicable default flag, i.e. on Issuer Link, Default Link or Alternative Link as per the search criteria)
  - More than one such Security CSD Link is found => Update is rejected with a new Business Rule stating rejection reason "Multiple targets found".

In this way, A2A updates can be supported for Issuer type Security CSD Links, but also for Default and Alternative Investor type Security CSD Links. The only condition is that for a given ISIN and ValidFrom Date, the Investor CSD has opened only one Security CSD Link.

In case this condition is not met, because the Investor CSD has opened multiple Investor type Security CSD Links on with the same ValidFrom date, then the update request will be rejected. In this case, the Investor CSD must apply the update via U2A channel.

This approach will enable A2A updates for all type of Security CSD Links within the existing reda.046 message definition, i.e. it will not require any update of the related XSD.

Description of requested change:

Within a reda.046 SecurityCSDLinkMaintenanceRequest, the Security CSD link to be updated is identified through three mandatory attributes:
- ISIN
- Issuer or Investor CSD
- ValidFrom date

Name	Min	Max
Security CSD Link Maintenance Request V01 (DRAFT6reda.046.001.01)		
Identification	1	1
Security CSD Link Identification	1	1
Financial Instrument Identification	1	1
Issuer Investor CSD	1	1
Issuer CSD	1	1
Investor CSD	1	1
Valid From	1	1
Date	1	1
Update	1	1

When processing such update request, T2S shall try to look up the target Security CSD Link to be updated **with just those 3 selection criteria** (but not using any condition on the value of the default flag, i.e. the default flag can be

either "true" or "false" or it is not filled).

Depending on how many Security CSD Link meet those selection criteria, T2S shall process them as follows:
- In case no such target is found, the request is rejected with DSU4003 "Unknown instance" (this is existing logic).
- In case exactly one such target is found, then T2S will update the target as requested. (This is independent from the default flag)
- In case multiple targets are found, then T2S will reject the update with a new business rule IIMP*nnn* "Multiple targets found". (In this case, the update must be initiated via U2A channel.)

Submitted annexes / related documents:

Outcome/Decisions:
*PMG on 3 July 2025: the PMG agreed to launch the detailed assessment of CR-0856 with a view of scoping in R2026.NOV, subject to T2S Steering Level authorisation
*CRG on 14 July 2025: the CRG agreed to recommend CR-0856 for authorisation by the T2S Steering Level, following a fast-track approach.
*CSG on 18 July 2025: the CSG agreed to authorise CR-0856.
*NECSG on 18 July 2025: the NECSG agreed to authorise CR-0856.
*MIB on 31 July 2025: the MIB agreed to authorise CR-0856.
*CRG on 19 September 2025: the CRG agreed to recommend to the PMG the inclusion of CR-0856 in the scope of R2026.NOV.
*OMG on 19 September 2025: the OMG identified no operational impact from the implementation of CR-0850 with R2026.NOV.
*PMG on 22 September 2025: the PMG agreed to recommend the inclusion of CR-0856 in the scope of R2026.NOV.

Documentation to be updated:
CRDM UDFS
3.1.3.42 SecurityCSDLinkMaintenanceRequest (reda.046)
[…]

Business rules applicable to the schema

MESSAGE ITEM	BUSINESS RULES
SecurityCSDLinkMaintenanceRequest Document/SctyCSDLkMntncReq	DSU4001
ISIN Document/SctyCSDLkMntncReq/SctyCSDLkId/FinInstrmId/ISIN	DSU4003 IIMP153
IssuerInvestorCSD Document/SctyCSDLkMntncReq/SctyCSDLkId/IssrInvstrCSD	DSU4003 IIMP153
Date Document/SctyCSDLkMntncReq/SctyCSDLkId/VldFr/Dt	DSU4003 IIMP153
Date Document/SctyCSDLkMntncReq/Upd/VldTo/Dt	DSU4002 DSU4005 DSU4021

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5.1 Business Rules

Rule Id	Description	Inbound message	Outbound message	Reason Code	Error Text	T2S	TIPS	RTGS	CLM	ECONS2
IIMP153	The update is not allowed because the combination of ISIN, IssuerInvestorCSD and Valid From Date identified more the one security CSD Link.	reda.046	reda.047	REJT	Multiple targets found	Yes	No	No	No	No

Preliminary assessment:

n.a.

Detailed assessment:

T2S Specific Components		Common Components	
LCMM		**Common Reference Data Management**	
Instructions validation			Party data management
Status management		X	Securities data management
Instruction matching			Cash account data management
Instructions maintenance			Securities account data management
Penalty Mechanism			Rules and parameters data management
			Access rights management
Settlement		**CRDM business interface**	
Standardisation and preparation to settlement			Report management
Night-time Settlement			Query management
Daytime Recycling and optimisation			Communication
Daytime Validation, provisioning & booking			Outbound Processing
Auto-collateralisation		X	Inbound Processing
Liquidity Management			
Outbound Information Management			
NCB Business Procedures			
Liquidity Operations			
Statistics and archive			
Short term statistical information			Legal archiving
			Data Warehouse
T2S Interface		**Eurosystem Single Market Infrastructure Gateway**	
Communication			Communication
Outbound Processing			Outbound Processing
Inbound Processing			Inbound Processing
T2S information management			
Report management			
Query management			
Operational Services			
Data Migration (T2S DMT)			Data Migration (CRDM DMT)
MOP Contingency Templates			Business Day Management
Omega Tool			Business Day Management business interface
AID Tool			Billing

			Billing business interface
			Operational and Business Monitoring

Impact on major documentation		
Document	**Chapter**	**Change**
Impacted GFS chapter	--	n.i.
Impacted UDFS chapter	3.1.3.42 SecurityCSDLinkMaintenanceRequest (reda.046) 5.1 Business Rules	Introduction of business Rule IIMP153 for reda.046 message
Impacted URD chapter	--	n.i.
Additional deliveries for Message Specification (UDFS, MyStandards, MOP contingency templates)	reda.046	Editorial Update of reda.046 usage Guideline for the introduction of business Rule IIMP153
UHB	--	n.i.
External training materials	--	n.i.
Other impacted documentation (FA Sch. 05, FA Sch. 07)	--	n.i.
Impacted GDPR message/ screen fields	--	n.i.

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

CRDM:
Processing of reda.046 must be changed to consider links irrespectively of the default flag of the link to be modified. Currently, on A2A side, the Default is set always to True when CRDM searches for the object to update. This behaviour must be amended, not considering any value of default link when updating a security CSD link via reda.046 message. In case of multiple objects identified via the Security CSD Link Identification, composed by:

- ISIN - Document/SctyCSDLkMntncReq/SctyCSDLkId/FinInstrmId/ISIN
- IssuerInvestorCSD - Document/SctyCSDLkMntncReq/SctyCSDLkId/IssrInvstrCSD
- Date - Document/SctyCSDLkMntncReq/SctyCSDLkId/VldFr/Dt

The new business rule IIMP153 will be triggered rejecting the update operation.

Main Cost Drivers
- Modification of the CRDM Backend to remove the mandatory field Default Flag and implementation of the new Business Rule IIMP153 - "Multiple targets found" in the CRDM A2A - Business Interface: 82%
- Validation testing: 7 %
- Amendment of the internal and external (SDD) specifications and the reda.046 Usage Guidelines: 5%

Impact on other TARGET Services and projects

No impact on other Target Services.

Summary of project risk

No risks have been identified during detailed assessment.

Security analysis

No adverse effect has been identified during security assessment.

Other impacts (yes/no)

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15 September 2025

Cost assessment on Change Requests

T2S-856-URD – T2S should enable Updates of Alternative Security CSD Links in A2A mode			
One-off	Assessment costs* - Preliminary - Detailed	not charged 10,000.00	Euro Euro
One-off	Development costs	87,407.00	Euro
Annual	Operational costs - Maintenance costs - Running costs	 7,360.27 -	 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).