



T2S CHANGE REVIEW GROUP

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Outcome

Meeting of the T2S Change Review Group (CRG)

23 January 2025 from 09:30 to 13:00 CET (held remotely)

1. Introductory remarks and approval of the agenda

Background documentation

- Recent resolutions on CRs since last meeting
- Final CRG meeting Agenda

Outcome

Recent resolutions on CRs since last meeting

The CRG chairperson, Karen Birkel, welcomed the participants and introduced the meeting, held via Microsoft Teams.

The CRG Chairperson also introduced the new CRG participants:

- From Bank of Latvia: Janis Katkovkis (CRG representative) and Olga Bepalko (Alternate).
- From National Bank of Slovakia: Roman Zahradník (CRG representative).

A CRG member remarked that most of the background documents had been shared after the deadline, i.e., less than five business days before the meeting. It was also noted that the Action Points (APs) had not been aligned with the meeting agenda items as previously agreed. The ECB team took note and proposed initiating this practice as of the February 2025 meeting.

The CRG agreed with the proposed changes and approved the final meeting agenda.

The CRG took note of the updated status of the following change requests (CRs):

- CRs under implementation:
 - **T2S-0820-SYS** 'CRDM Certificate DN management restrictions'. The detailed re-assessment of the CR in view of R2025.NOV is ongoing. The review of the simulation of the migration continues as expected.
- CRs already authorised/ under detailed assessment (DA):
 - **T2S-0798-SYS** 'T2S COSD logic should support partial release of instructions subject to COSD and partial COSD release'. The MIB written procedure for the authorisation of CR-0798 is on-going. The PMG requested the DA in view of R2026.JUN on 10 December 2024.
 - **T2S-0841-SYS** 'Upgrade of T2S messages to ISO MR 2025'. The MIB written procedure for the authorisation of CR-0841 is on-going. The PMG requested the DA in view of R2026.JUN on 10 December 2024.
 - **T2S-0843-SYS** 'Support UTI in T2S messages according to ISO 20022 CR 1408 "Change of UTI implementation". The PMG requested the DA in view of R2026.JUN on 10 December 2024.



- CRs not yet authorised at T2S Steering Level
 - **T2S-0844-SYS** 'T2S should process settlement instructions with ISD in the future outside the Start of Day period'. The CRG approved the scope of CR-0844 and agreed to request the Preliminary Assessment on 8 January 2025.
 - **T2S-0845-SYS** 'RTS Enhancements: Optimisation process, reduce coupling and stop sending internal messages'. The CRG approved the scope of CR-0845 and agreed to request the Preliminary Assessment on 8 January 2025.

The CRG also took note of the current PA delivery timeline, notably:

- PA for T2S-0834-SYS (Un-prune additional attributes in T2S settlement messages to enhance STP processing) and T2S-0835-SYS (T2S should streamline business validations for intended settlement date in the past) are expected by 14 March 2025;
- PAs for the above mentioned T2S-0844-SYS and T2S-0845-SYS are expected by 30 April 2025.

The CRG was also informed of the progress made on the ISO Unfreeze topic following the Trilateral Group meeting on 14 January 2025.

The T2 banking community requested a one-step approach to upgrade the ISO messages to the MR 2026 version by R2026.NOV, i.e., as opposed to the two-step approach previously approved by the Steering Level whereby: i) as a first step, ISO messages would be upgraded to the MR 2024 version, and potentially also to the MR 2025 version (subject to the DA results) by R2026.JUN; and ii) as a second step, ISO messages would be upgraded to the MR 2026 version, and potentially also to the MR 2025 (if not possible as part of the first step) by R2026.NOV.

The TG is analysing the different options to accommodate this request for T2 core payment messages only, i.e., with no impact for T2S settlement messages. If this approach is confirmed, the existing T2 CR will be updated and rescheduled from R2026.JUN to R2026.NOV (subject to detailed re-assessment). The corresponding ECMS CR will also be re-assessed for R2026.NOV.

The CRG requested more information on the current timeline for a decision on the final ISO unfreeze strategy and reminded of the known dependencies of the ECMS ISO unfreeze CR with some T2S settlement messages.

The ECB agreed to collect more information and bring it for the PMG meeting on 28 January 2025.

2. Outcome of previous meetings

Background documentation:

- Outcome of the CRG meeting on 5 December 2024

Outcome

Outcome of the CRG meeting on 5 December 2024

The CRG members approved the outcome of the CRG meeting on 5 December 2024.

One CRG member remarked that their agreement to close the Strategic Evolution APs was subject to the 4CBs clarifying the open questions during the PA.

Follow-up actions

- ECB team to publish on the ECB Webpage the outcome of the CRG meeting on 5 December 2024 [31 January 2025].

3. Analysis of change requests

3.1 Change requests under implementation

Background documentation: none.

3.2 Change requests already authorised at T2S Steering Level (not yet under implementation)

Background documentation

- CR-0802
 - T2S-0802-URD Penalty Mechanism calculation and storage extension
 - ECB presentation on CR-0802
- T2S-0837-URD New Mechanism for handling queries and access rights management for Direct Holding Markets – oral update
- T2S-0838-SYS Technical upgrade of the PROD environment to support increase in the number of Securities Accounts – oral update

Outcome

T2S-0802-URD Penalty Mechanism calculation and storage extension

The CRG was presented with an update on CR-0802 raised in 2022 to address a potential regulatory compliance gap in the Central Securities Depositories Regulation (CSDR).

The CRG took note that the ESMA Technical Advice on the CSDR penalty mechanism, if approved by the European Commission (EC) as part of the Regulatory Technical Standards expected by end of 2025, would imply that CR-0802 could be withdrawn. If this is approved, the T2S SDDs will need to be updated for the value of the penalty rates following ESMA's recommendation to use new penalty rates.

The CRG agreed to raise a new action point to monitor the approval of the Regulatory Technical Standards (RTS) by the EC and to request a Clarification Note (CN) for the related editorial updates thereafter. It was also agreed that a separate AP should be opened for the CRG to discuss if the penalty rates updates should be included in the T2S SDDs, considering that future updates would have to be informed via CNs.

The CRG agreed to inform the OMG accordingly.

Follow-up actions

- *CRG Secretariat to open a new AP to monitor the approval of the RTS by the EC and to request a CN for the related editorial updates [14 October 2025].*
- *CRG Secretariat to open a new AP to discuss if the penalty rates updates should be included in the T2S SDDs, considering that future updates would have to be informed via CNs [14 October 2025].*

Outcome

Outcome

T2S-0837-URD New Mechanism for handling queries and access rights management for Direct Holding Markets



The CRG was presented with an oral update on the ongoing DA for CR-0837 related with the optimisation of access rights management (ARM) processes for direct holding (DH) markets.

The 4CB is assessing the feasibility of updating the current data model in order to introduce a new securities account type for end-investor markets and enhance the DH flag at the CSD level.

If this approach is followed, ARM limitations can be expected for the DH CSD as the initial checks on the data model would be performed at System Entity level, and no longer at the Account level, i.e., data scope visibility would be checked according to the CSD owning the account and not according to the type of account. All accounts opened under a DH CSD would be subject to the same ARM limitation. This would yield significant performance improvements on ARM checks and queries due to the removal of the initial checks at account level.

Some CRG members requested a written procedure to review the current 4CB working assumption.

The 4CB clarified that the DH flag would not be visible at the account level to the users, i.e., in the GUI, but only to the T2S Operator. It was further clarified that the DA, including the solution presented, is still under assessment and was expected to be delivered in five weeks. It also clarified that CSDs not defined as DH markets would not be impacted by this limitation.

The CRG agreed to review the business impact of this functional limitation in written before making any decision.

Follow-up actions

- CRG Secretariat to initiate a written procedure for the CRG to review the 4CB working assumption in the context of CR-0837 and assess if it can be accepted as part of the DA. [31 January 2025].

Outcome

T2S-0838-SYS Technical upgrade of the PROD environment to support increase in the number of Securities Accounts

The CRG was informed that CR-0838 was withdrawn by the initiator since it does not comply with the Framework Agreement provisions regarding the definition of a Change Request. Instead, changes of this operational nature, should be implemented by other means, such as a minor change.

3.3 Change requests not yet authorised at T2S Steering level

3.3.1 Change requests under preliminary assessment

Background documentation:

- CR-0832
 - T2S-0832-BFD Alignment of the T2S GUI screens to the TARGET Services Harmonised GUI Style v1.0
 - T2S-0832-BFD Annex Gap Analysis GUI Harmonisation Template
 - 4CB presentation on preliminary assessment for T2S-0832-BFD

Outcome

T2S-0832-BFD Alignment of the T2S GUI screens to the TARGET Services Harmonised GUI Style v1.0

The CRG was presented with the results of the PA for CR-0832 related to the harmonisation of the GUIs across the TARGET Services and the Common Components. It was noted that the associated financial impact is very high.

The 4CB clarified that the main cost driver is the cost of changing all GUI screens, and not the selected technology.



The DA showed that no risk had been identified.

The CRG approved the CR parameters as follows:

- Legal/business importance parameter was set to “Low” as the change harmonises the GUI style across TARGET Services which is deemed a nice to have enhancement from a business viewpoint.
- Market implementation effort parameter was set to “Medium” as multiple user design elements will be changed for the T2S GUI.
- Operational/technical risk parameter was set to “Medium” as the T2S GUI is foreseen to change and therefore also the User Experience for the T2S users.

The CRG agreed to recommend it for T2S Steering Level authorisation. The CRG also agreed that the CR is not urgent from a business perspective. Considering its high costs compared to the expected functional benefits, the CRG recommended the PMG to include the CR among other authorised CRs but not pursue its DA yet. The CRG secretariat will open a new AP to monitor the status of the parent CRs in the other services, i.e., T2 CR-144 and TIPS-0081.

It was acknowledged that the business values had already been collected in the context of the annual ranking review performed in October 2024.

Follow-up actions

- CRG Secretariat to open a new AP to monitor the status of the linked CRs in the other services, i.e., T2 CR-144 and TIPS-0081 [25 February 2025]

3.3.2 Candidates for preliminary assessment / Newly raised CRs

Background documentation

- T2S-0846-URD T2S should not create a realignment chain in mixed scenarios where one realignment chain ends in T2S but the other one ends outside of T2S with an External CSD
- T2S-0848-SYS General Ledger file tracking and integrity functionality for contingency procedures

Outcome

T2S-0846-URD T2S should not create a realignment chain in mixed scenarios where one realignment chain ends in T2S but the other one ends outside of T2S with an External CSD

The CRG was presented with CR-0846 raised by Clearstream to update the realignment chain when it involves a T2S issuer CSD and an external CSD.

The CRG will be invited to review the scope of the CR and request its PA via a written procedure.

Follow-up actions

- CRG Secretariat to launch a written procedure for the CRG review of CR-0846 and request the related PA [31 January 2025].

Outcome

T2S-0848-SYS General Ledger file tracking and integrity functionality for contingency procedures

The CRG was presented with CR-0848 raised by the 4CBs to implement an internal application to monitor the General Ledger File (GLF) transmission (per currency) and identify any issues related to the file structure and its integrity. The purpose is to prevent issues related to the integrity following contingency procedures by the Operator to manually upload these files.

The CRG will be invited to review the scope of the CR and request its PA via a written procedure.



Follow-up actions

- CRG Secretariat to launch a written procedure for the CRG review of CR-0848 and request the related PA [31 January 2025].

3.3.3 Change requests raised in other TARGET Services

Background documentation:

- T2-0150-UDFS T2 Adaptations due to the Digital Euro

Outcome

T2-0150-UDFS T2 Adaptations due to the Digital Euro

The CRG was informed of the newly raised T2 CR-0150 aimed to implement a new type of dedicated cash account to facilitate liquidity transfers between the Digital Euro Service Platform (DESP) and the T2 main cash accounts, enabling the DESP to interact with the TARGET Services account structure.

The CRG took note of a potential cross-service impact on the non-service specific CRDM object "Cash Accounts". The exact impact for T2S will be confirmed during the CR DA.

3.4 Editorial CRs

Background documentation:

- T2S-0847-SYS Multiplex Editorial Change Request (for R2025.JUN)

Outcome

T2S-0847-SYS Multiplex Editorial Change Request (for R2025.JUN)

The CRG was informed of the status of the Multiplex Editorial CR-0847 for R2025.JUN.

Following the CRG review of the CR scope, the ECB team is currently implementing some corrections and complementing it with additional information.

Once the outstanding CN concerning the external CSD scenario in a cross-CSD settlement, which was previously overlooked in the UDFS, is formally approved by the CRG, it will be incorporated into CR-0847.

Subsequently, the CRG will be invited to review the updated CR-0847 and provide their assessment for authorisation and approval via a written procedure.

Follow-up actions

- CRG Secretariat to launch a written procedure for the CRG review of the updated CR-0847 and provide their assessment for authorisation and approval, i.e., following the approval of the related CN until 28 January 2025 [7 February 2025].

4. Clarification notes

Background documentation:

- Clarification note on cross-CSD settlement
 - CRG-Clarification note on a cross-CSD settlement with an external CSD.



- Annex_CRG_CN-T2S_UDFS_SETT_Chapter 1.6.1.10_Realignment_INC000000297025_CR797
- SDD-PBR-0112 -PBI-234635 - A2A cash postings query returns no results when criteria is a past date-time period

Outcome

Clarification note on cross-CSD settlement

The CRG was presented with a CN on the external CSD scenario in a cross-CSD settlement. The CRG was invited to review it through the ongoing written procedure until 28 January 2025. If approved, the related editorial changes will be included in the scope of the editorial CR-0847 for R2025.JUN.

Outcome

SDD-PBR-0112-PBI-234635 – A2A cash postings query returns no results when criteria is a past date-time period

The CRG was presented with and approved SDD-PBR-0112 related to PBI-234635.

The OMG will also be invited to review and approve it, post which the 4CB will start the PBI feasibility assessment.

5. CRG action points

Background documentation

- List of CRG Action Points

Outcome

List of CRG action points

AP-4196 (CRG Secretariat to confirm that the editorial changes in R2025.JUN cover all the changes approved in the context of CR-797): *The 4CB provided the SDD changes related to CR-0797 to be incorporated in the editorial CR. The CRG agreed to close AP-4196 at the February meeting, pending the outcome of the written procedure to be completed by 28 January 2025.*

AP-4208 (The CRG to discuss the pruning mechanism approach related to the ISO MR): *The CRG asked this topic to be followed-up at the next meeting. The CRG agreed to update the due date from 23 January to 25 February 2025.*

AP-4213 (4CB to present CR-0837 and the preliminary findings to the OMG): *The 4CB presented CR-0837 to the OMG in their December meeting. The CRG agreed to close AP-4213.*

AP-4216 (The CRG Secretariat to provide an update on CR-0838 and the way forward): *The CRG was informed that CR-0838 is withdrawn by the CR initiator and agreed to close AP-4216.*

AP-4224 (4CB to provide feedback on whether the 'PATD' and 'PRSY' reason codes would be reported in the semt.022 if no functional change request would be raised and the message would only be upgraded to the ISOMR 2025 version): *The CRG asked this topic to be followed-up at the next meeting. The CRG agreed to update the due date from 23 January to 25 February 2025.*



AP-4225 (CRG Secretariat to seek volunteers using semt.022 to assess whether a functional CR is needed to implement the new reason codes): The CRG asked this topic to be followed-up at the next meeting. The CRG agreed to update the due date from 23 January to 25 February 2025.

6. Any other business

Background documentation

- Delivery plan of change requests (table document)
- Upcoming releases and change requests (table document)
- Dashboard on cross-service impact of CRs (table document)
- The following CRG meetings are planned in 2025 (to be confirmed at least 4 weeks in advance)

Outcome

Any other business

The CRG took note that the next CRG meeting will take place on 25 February 2025 and will be held remotely.

25 February 2025	09:30-15:00	Teams
8 April 2025	09:30-15:00	Teams
20 May 2025	09:30-15:00	Teams
1 July 2025	09:30-15:00	Teams
9 September 2025	09:30-15:00	Teams
14 October 2025	09:30-16:00	SIX SIS (Zurich)
2 December 2025	09:30-16:00	ECB Main Building