

OUTCOME OF 37TH CASG MEETING

Held on 30 September 2015 at ECB premises in Frankfurt

1. Introduction by the Chairman

The CASG chairman welcomed the participants in the meeting. He explained that the main item on the agenda is the seventh CASG gap analysis.

The CASG Chairman reported on his involvement in the CSG to present the issue of MSU/SUM there.

Action points:

- **The CASG Secretariat to ask the CSG to follow-up on its decision to launch a survey with the CSDs on the MSU/SUM topic.**

2. Seventh CASG gap analysis

The CASG made an analysis of each market based on the survey, which was submitted to it and any additional information presented by the CASG members. In particular, the following clarifications were made by the CASG members during the discussions:

- BP standards are mandatory to be implemented by all markets, including those managing only debt (or even government debt) securities;
- There should be a user friendly facility available to participants for managing the interdependence between the settlement of a market claim and the underlying transaction as required by MC standard 23 for all types of transactions in T2S;
- The 20 days detection period for transformations will become mandatory after the necessary technical changes are implemented in the T2S functionality (likely as of release 2). Therefore, even if detection will be done only once (as of end of day on Record day), CSDs and CCPs should be technically able to detect transformations in the 20 days after that when the necessary functionality (to allow instructions from CSD participants for 20 days after maturity

day) in T2S is changed

In addition, the CASG secretariat will ask a number of markets for further clarifications to be able to assess their compliance with the T2S CA Standards.

Overall, it was noted based on the preliminary results that there is increase in compliance with T2S CA Standards even if there is deterioration in the compliance status of a few wave 1 markets (no change in compliance for markets from the other waves). The CASG secretariat is to further investigate on the remaining non-compliance on wave 1 markets.

Action Points

- **The CASG secretariat is to send requests for additional clarifications to T2S markets, where relevant. Some CASG members are to do so respectively for some of the markets for which they act as contact persons.**
- **The CASG secretariat to prepare the next draft of the CASG gap analysis and send for comments to the CASG members before the next HSG meeting**
- **Further clarification on market claims and transformations are needed in the FAQ. The CASG secretariat to push for an update in the FAQ asap.**

3. Issues list of the CASG

The CASG went quickly through its list of open issues to review their status and found that it was ok with the current version. More specifically, it was briefed by the ECB team on the status of the CRs which have been initiated by it, on which it was consulted. These have been found to be on track, in particular:

- CR 495 will be implemented in release 1.1 for Feb 2016
- CR471 (MSU/SUM) will be implemented in release 1.1 for Feb 2016
- Currently the remaining CASG Change Requests are planned for release 2.
- CR 510 & CR511: SWIFT has approved the amendments to allow these Change Requests to be implemented.

Action Points

- **No**

4. ANY OTHER BUSINESS

4.1 Any other item proposed by CASG members

Frederic Beck brought a number of issues based on the first experience of its institution in T2S. A first preliminary analysis was made by the CASG members of the issues raised. It was realised that many such issues could be discovered further in the course of operation in T2S. The CASG agreed to add the

relevant issues to the CASG issues list for further analysis by the CASG or other more relevant groups.

Action Points

- **The issues raised by Frederic are to be addressed by the CASG or redirected to other relevant groups**

4.2 Next steps

The CASG members agreed that the next meetings of the CASG should be planned in the near future.

Action Points

- **CASG secretariat to propose dates for the next meetings of the CASG in the immediate future**