ECB-PUBLIC

28 February 2018

SUMMARY OF THE
23RD MEETING OF THE DCP GROUP

Friday, 9 February 2018, 13:00 - 14:30

Deutsche Bundesbank, 10 Leibnizstraße, Berlin, 10625, Germany

Conference call dial-in +49 69 1344 987 (pause) 2110# followed by the required PIN 3188#.

1. Welcome by the Chairperson

The Chairperson Marcello Topa welcomed the participants to the 23rd T2S DCP Group (DCPG) meeting. The agenda of the meeting was approved without adding any additional ad-hoc item.

2. Review and update of recent issues

The Chairperson presented the Summary document of the 22nd DCPG meeting and invited the DCPG members to approve it. The Summary document was approved without any objection.

2.1. Directly Connected participants consolidated list

The Chairperson informed the members of the DCPG that the DCP's consolidated list of DCP declarations was updated reducing the declared DCP list from 166 to 165.

2.2. DCPG Mandate

The Chairperson informed the DCPG members of the final approval by the CSG of the DCPG mandate on 9th February 2018. The Mandate will be sent to the MIB for approval and then published on the ECB website. The DCPG Mandate will be sent to the MIB and Ami-SeCo for approval.

He further debriefed the DCPG members on the topics discussed in the CSG meeting that were of interest to the DCPs, which was held the day before and earlier that same day, these were the following:

- Operational Governance discussions: analyse satisfaction of the principles and performance of the T2S models and if these meet the user's needs, especially concerning the auto-collateralisation and cross-CSD business. The CSG has requested a Workshop to analyse the topic, with representatives of CSDs, NCBs and users, including DCPs.

- The Information Security Sub-Group (ISSG) will be have a Work Shop on cyber resilience where users will be invited to participate, including DCPs. The Clearstream representative, Karla Amend, stressed that the representatives for this Task Force should be of a technical profile.

3. Debriefing from T2S Technical groups, CSDs and National Central Banks

The DCPG members took note of the information provided in this section, originating from other T2S groups, NCBs and CSDs activities on items that are also relevant for the DCPs.

3.1. Information from ECB

3.1.1. Information on the T2/T2S Consolidation

The ECB representative, Holger Thiemann, debriefed the DCPG members on the T2/T2S Consolidation project with a planned go-live date of November 2021. The presentation was focused on the following topics:

- Objectives of the project: find synergies between T2 and T2S with the aim to reduce costs.
- Liquidity Management: structure of the accounts
- Common modules that will be offered (Billing, Data Warehouse, CRDM etc..)
- highlight the identified impacts from the project on T2S
- Project timeline

It was also highlighted that the governance of T2S will not be impacted by the Consolidation projects.

3.2. Information from CSDs

CSDs representatives will share with the DCPG members information about relevant recent developments.

3.2.1. T2S Release Management process

The ESES representative, Dimitri Pattyn, debriefed the DCPG members on the Releases Status. In particular it was mentioned that the green light was given by the OMG/PMG to Release 1.3.2 in Production environment on 17 February 2018.

Mr Pattyn further presented the last Release 2.0 scope, informing that two PB tickets for Release 2.0 were already deployed in IAC. He also informed on the scope of Release 3.0.

3.2.2. Update on the Status of the Collective Agreement

The Chairperson informed the DCPG members that in the CSG meeting they were informed that the Collective Agreement Annex II was signed by the CSDs and NCBs and will be sent to the ECB Governing Council for approval in two weeks' time. Once the Collective Agreement is approved it will be published on the ECB website.

3.2.3. Re-certification and re-authorisation of DCP actors

The DCPG secretariat, Javier Castillo, presented to the DCPG the Re-Certification process of DCPs asking the DCPG members to agree on one of the two following options:

- Option 1
  - ✓ Include an additional column to the Declared DCP list populating the DCPs that do not have their IT systems directly connected to the T2S platform.
  - ✓ The DCPs included in the additional column would not require to undergo T2S certification or Re-certification.
  - ✓ Possible drawback: public disclosure of the DCPs that are not directly connected to T2S.
- Option 2
  - ✓ No change in the Declared DCP list reflecting both types of DCPs.
  - ✓ Request the DCPs that are directly connected to the T2S Platform would provide the list of those DCPs using their services to the Eurosystem.
  - ✓ Only certify/re-certify the DCPs that are directly connected to the T2S platform.

The DCPG members were in favour of option 2 with some changes as reflected below:

1. No change in the Declared DCP list reflecting both types of DCPs, which includes both those DCPs that do and those that do not have their IT systems directly connected to the T2S platform. The list will not explicitly differentiate those DCPs whose IT systems are directly connected to the platform.

2. The CSDs will provide the ECB the list of their DCP participants that directly connect their IT systems to the T2S platform and that should undertake the re-certification process (if and when required). This will be a one-off exercise, not a regular task, except for any changes to the IT connectivity setup of existing DCPs or for the addition of new DCPs to the DCP list.

3. The DCP re-certification process would be required only in case of functional changes of the T2S platform that have an impact on the IT infrastructures those DCP participants that have their IT systems directly connected to T2S. A decision on the need for re-certification will be requested to be taken by the PMG, with support by UTSG and RMSG as deemed appropriate, in connection with any new T2S releases that would require such re-certification exercise to be performed.

4. Following the T2S Governance rules, the proposed option will be send to the CSG for their approval.

3.3. Information from Central banks

The Central Bank representatives will share with the DCPG members information about relevant recent developments.

4. Information from DCPs

The DCPG members are invited to take note of the information provided in this section, originating from other DCPs activities on items that are also relevant for all DCPs.

5. Open Issues Register

The Chairperson debriefed the DCPG members on each individual open issue of the Register and suggested not to make any changes to the Register.

However for the open issue A.13 Definition of the T2S re-certification process for DCPs. – Mr Topa proposed to close the open issue once the CSG has approved the agreed procedure as per item 3.2.3 above.

6. Any other business

Members of the DCPG did not raise any issues.

7. Next steps: future DCPG meetings (suggested dates with CSG)

The Chairperson asked the DCPG members if there is still value in having the DCPG after the CSG meeting, given the low participation in person of the DCPG members, or whether there is more value in having the DCPG meeting on separate dates, e.g. via telco – for discussion at the next meeting.

The future meetings linked to the CSG are as follows:

- *12 April 2018 (ECB)*
- *14 June 2018 (Milan)*
- *10 October 2018 (ECB)*
- *13 December 2018 (ECB)*