

<b>General Information (Origin of Request)</b>		
<input type="checkbox"/> User Requirements (URD) <input checked="" type="checkbox"/> Other User Functional or Technical Documentation (SYS)		
<b>Request raised by:</b> Migration Sub-group	<b>Institute:</b> ECB	<b>Date raised:</b> 05/03/2015
<b>Request title:</b> Automated scripts for clean-up of dynamic data of leaving CSD in contingency scenario		<b>Request ref. no:</b> T2S 0508 SYS
<b>Request type:</b> Common	<b>Urgency:</b> Normal	
<b>1. Legal/business importance parameter:</b> High	<b>2. Market implementation efforts parameter:</b> Low	
<b>3. Operational/Technical risk parameter:</b> High	<b>4. Financial impact parameter:</b>	
<b>Requestor Category:</b> Sub-group	<b>Status:</b> Withdrawn by initiator	

**Reason for change and expected benefits/business motivation:**

One contingency scenario was identified where one or more CSDs may decide to leave the migration wave, during the migration weekend.

In such a scenario the T2S system might have below classes of dynamic data pertaining to the leaving CSD, when the contingency scenario occurs:

- a) Securities positions and sub-positions
- b) Pending settlement instructions/ restrictions, and new settlement instructions uploaded

For the handling of contingency scenarios it is foreseen that the leaving CSD is blocked using an intraday restriction (type 2) in order to prevent any settlement on its accounts. The dynamic data already in the system must be cleaned up from the T2S system so as to not to cause any impact on the migrating/ already migrated CSDs/CBs. During the clean-up, the following activities should be performed

- a) Securities positions and sub-positions in all securities accounts of the leaving CSD must be set to zero
- b) All pending settlement instructions/restrictions and all new settlement instructions of the leaving CSD must be removed from the T2S system

The static data of the leaving CSD need not be considered for clean-up with this solution, as it might be reused for another migration attempt at a later point in time or can be cleaned up at a later point. Cross-CSD instructions need not be considered for clean-up as they are scheduled to be sent to T2S only after the Point of No Return (PoNR), which is the last point in time at which a CSD can step out during the migration.

The clean-up should be limited to the dynamic data of CSDs. The contingency scenarios where a Central Bank would leave a migration wave during the pre-migration phase or during the migration weekend have been considered by the MSG/PMG as not realistic.

It is to be considered that the leaving CSD may not have the communication channels to T2S active to send the necessary instructions to T2S. For this reason, T2S Operator should act on behalf of the leaving CSD. T2S operator should take care of all necessary privileges needed to act on behalf of the leaving CSD.

**Description of requested change:**

The leaving CSD should request the T2S Operator through an e-mail for cleaning-up of its dynamic data.

The clean-up of the dynamic data of the leaving CSD should be performed using standard T2S functionalities. The T2S Operator should instruct the necessary instructions to T2S to effect clean-up of the dynamic data by using automated scripts, on behalf of the leaving CSD.

- a) Clean-up of initial securities positions: The automated script should create and instruct settlement restrictions (intra-position movements) to T2S, whose settlement would result in the securities sub-positions in all securities accounts in the purview of the leaving CSD to become zero.

The automated script should also create and instruct FOP settlement instructions to T2S, whose settlement would result in the securities positions in all securities accounts in the purview of the leaving CSD to become zero.

**b) Clean-up of pending/ new settlement instructions:**

The automated script should create and instruct cancellation instructions, whose execution would result in cancellation of all pending/ new settlement instructions and settlement restrictions in the purview of the leaving CSD.

As standard T2S functionality would be used it would result in creation of audit trail related to the FOP instructions, Settlement restrictions and cancellation instructions. The audit and archival should be done as per the other production data. The clean-up activities should not generate any messages/reports/status advices to the leaving CSD.

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**Submitted annexes / related documents:**

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**Proposed wording for the Change request:**

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**High level description of Impact:**

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**Outcome/Decisions:**

- \* Migration Sub-group meeting of 4 March 2015: The MSG agreed to submit the Change Request to the CRG.
- \* CRG meeting of 12 March 2015: The CRG recommended to launch the detailed assessment of the Change Request and indicated that the Change Request is required for the Contingency Testing for Wave 2. The 4CB will analyse when the Change Request and its detailed assessment can be available. The CRG agreed that the MSG should further analyse a solution for wave 1 in case a CSD needed to clean up dynamic data in a contingency scenario.
- \* Advisory Group's meeting on 23 March 2015: The AG was in favour of launching the detailed assessment on the Change Request.
- \* CSG resolution on 27 March 2015: Following a written procedure, the CSG was in favour of launching the detailed assessment on the Change Request.
- \* OMG on 27 March 2015: During a written procedure from 16 March 2015 to 27 March 2015, the Operations Managers Group did not identify any operational impact of the Change Request.
- \* CRG meeting of 9 July 2015: The CRG agreed that the Change Request T2S-0508-SYS is not required for Release 1.1 anymore following the 4CB confirmation that the proposed operational procedure for wave 1 can also be applied to the other migration waves.
- \* CRG meeting of 26 October 2016: The CRG agreed to postpone the preliminary assessment on the Change Request.
- \* CRG meeting of 28 February 2017: The CRG was informed about the withdrawal of the Change Request.