

2 December 2023

# MANDATE OF THE SECURITY MANAGERS GROUP

## 1. Preamble

The Security Managers Group (SMG) was established by the T2S Steering Level. This is in accordance with the provision of the Schedule 8, Section 2, sub-section d) of the T2S Framework Agreement (FA) and the T2S Currency Participation Agreement (CPA).

## 2. Responsibilities and Tasks

The SMG is responsible for coordinating and monitoring the T2S Information Security Risk Management<sup>1</sup> and Cyber Resilience activities.

The SMG shall, *inter alia*:

- review the progress regarding the implementation of the Eurosystem Action Plan for Cyber Resilience to gradually meet regulatory requirements and provide input regarding future requirements in this respect;
- contribute to the T2S operational processes and procedures from an information security and cyber resilience perspective;
- contribute to the organisation of T2S Ecosystem (Eurosystem, CSDs, etc.) security tests and other activities with respect to information security and cyber resilience;
- review changes to the T2S software and infrastructure and assess related information security and cyber resilience aspects for other T2S Technical Groups;
- monitor the performance of the T2S Information Security risk management as defined in the T2S FA and T2S CPA and suggest appropriate action when a new Information Security risk is identified.

The SMG mandate shall:

- be reviewed every three years commencing on the date of its approval by the Market Infrastructure Board (MIB);
- expire with the termination of all T2S FAs and all T2S CPAs;

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<sup>1</sup> Information Security Risk Management: Process of identification, assessment and control of the risks that the confidentiality, integrity and availability of the organisation's assets, information, data and IT service do not match the agreed business needs. See T2S FA, Schedule 10 section 4 for a more detailed definition.

- expire when the legal basis for the establishment of the SMG in Schedule 8 of the T2S FA and the T2S CPA has been revoked.

### **3. Composition and Term**

#### **3.1 Chairperson**

The MIB shall appoint the Chairperson of the SMG on the basis of technical expertise, after consultation with the T2S CSD Steering Group (CSG) and T2S Non-Euro Currencies Steering Group (NECSG). As a rule, the SMG Chairperson shall be a staff member of the ECB. The SMG Chairperson shall be entitled to designate an alternate to replace him/her in exceptional circumstances. The SMG Chairperson shall have the following tasks and responsibilities:

- determine the frequency, format and agenda of the SMG meetings;
- conduct the SMG meetings;
- be accountable for the preparation and delivery to the SMG and the T2S Steering level of the SMG Deliverables;
- ensure that all SMG Members can express their views in the T2S SMG discussions and that all views expressed are duly considered;
- invite external experts and/or members of the T2S teams at the ECB and the 4CB to SMG meetings for discussion on specific topics;
- report to the T2S Steering Level.

#### **3.2 Secretary**

The Secretary of the SMG shall be a staff member of the ECB, designated by the SMG Chairperson.

The SMG Secretary shall have, *inter alia*, the following tasks and responsibilities:

- co-ordinate the organisation of regular and ad-hoc meetings and teleconferences and the preparation of relevant documents;
- support the SMG Chairperson in the preparation for the SMG meetings and teleconferences;
- draft the outcomes of the meetings;
- support the SMG Chairperson in preparing the reporting to the T2S Steering Level;
- maintain the SMG membership list, which includes the representatives of the SMG Members.;
- disseminate, following the approval of the SMG Chairperson, the deliverables of the SMG to the SMG and the T2S Steering level.

### **3.3 Members**

The Members of the SMG shall be Information Security and Cyber Resilience experts from the following organisations:

- the Signatories CSDs;
- non-euro area NCBs that have signed the T2S CPA;
- euro area NCBs and non-euro area NCBs participating in T2S for euro settlement because of a connection to T2;
- the ECB;
- the 4CB.

Whenever an SMG Member is no longer serving in the entity it represented, its role as SMG Member shall cease with immediate effect. The entity concerned shall nominate a new SMG Member without delay and inform the SMG Chairperson and the SMG Secretary.

### **3.4 Participation**

Participants in the SMG shall provide adequate resources in order to progress with the SMG work within a short period. The SMG Members can be replaced by one alternate in exceptional circumstances, who can attend the meetings and may express views on behalf. The alternates shall be notified to the SMG Chairperson and the SMG Secretary sufficiently in advance.

## **4. Reporting**

The SMG regularly reports to the T2S Steering Level, via the SMG Chairperson, and as agreed by the SMG.

## **5. Working procedures**

### **5.1 Meetings**

The SMG shall meet at least quarterly. The SMG Chairperson may convene additional meetings when this is required for the SMG to fulfil its mandate in an efficient manner. The SMG holds its meetings at the premises of the ECB. Meetings may also be held by means of conference calls. If considered feasible, written procedures may be applied. The dates and place of meetings shall be communicated to the SMG Members sufficiently in advance.

Meeting documentation will be circulated sufficiently in advance of meetings (at the latest five T2S Settlement Days prior to an SMG meeting) unless otherwise agreed by the SMG.

The agenda of the regular SMG meeting shall contain:

- i) regular agenda items, including, amongst others, the approval of the agenda, the approval of the outcome of the previous meeting, the review of the action points and items based on the SMG commitments defined in Section 2 of the SMG mandate;
- ii) ad-hoc agenda items, which either:
  - have been proposed sufficiently in advance of the meeting; or
  - are added at the beginning of a meeting by a member of which, if consensus is required, a written procedure will be initiated.

The SMG aims at working in consensus. Consensus means a process by which the SMG synthesises its ideas and concerns to form a common collaborative agreement acceptable to all members.

Any SMG Member, on receipt of the meeting material, can request a written procedure if cannot attend the meeting. Any SMG Member not present during the discussion and having not requested a written procedure beforehand is deemed to agree with the consensus achieved during the SMG discussion.

In case a consensus cannot be found, the SMG Chairperson reports differing views to the relevant bodies.

## **5.2 Deliverables**

The SMG shall produce the relevant Deliverables in accordance with the rules set out in Schedule 8, Annex 2 of the T2S FA and of the T2S CPA.

## **5.3 Interactions and information exchange**

The SMG shall maintain regular interaction with the other T2S Technical Groups and relevant substructures and may request relevant information directly from other T2S Technical Groups and provide relevant information directly to other T2S Technical Groups. The SMG may decide to issue consultations or questionnaires on dedicated topics to fulfil its mandate.

## **6. Substructures**

The SMG may establish substructures to support its work in an efficient manner. The mandate of such substructures shall be defined and approved by the SMG. The SMG shall coordinate with the T2S Steering level to avoid the duplication of substructures on similar topics.

## **7. Transparency**

All relevant documentation and information shall be made available in a secure workspace, EUDPR compliant and accessible to all SMG members.

The SMG mandate and the SMG Members list shall be made available to the public on the ECB website.

In exceptional cases, the SMG Chairperson may decide to restrict the publication of individual documents, if these documents contain confidential information (as defined in Schedule 1 of the T2S FA and the T2S CPA). The SMG Members and invited experts may not disclose such information to the public.

Any publication of documents must be in line with Articles 29 and 45 of the T2S FA and the T2S CPA respectively.