

# TARGET2-SECURITIES

## National User Group

Madrid, 18<sup>th</sup> of March 2015 (10.30-12.30)

### 1. Introductory remarks

The chairman welcomed the participants of the Spanish National User Group and reminded that this would be the last meeting before the go-live in June.

### 2. Update on the status of the project

It was highlighted that the project, three months before the go-live, is in line with the agreed schedule and budget.

As far as the Governing Council decisions are concerned, the new composition of the T2S Board was approved in January and the pending chapters of the T2S MOP were approved in March. As of 2016, the T2S financial statements will be publicly available, thus fulfilling the reporting requirement stemming from the T2S Framework Agreement, Article 20.

The T2S Board monitors closely the evolution of the testing activities and the reduction of in the number of defects. The priorities are now both the stabilisation of the software, avoiding the approval of change requests unless these are completely necessary (14 in the last 3 months), as well as stabilisation of the operational day.

### 3. Reporting on the latest activities of the CSD Steering Group

Regarding the Settlement Finality 1, the Collective Agreement is expected to be signed in May. With respect to the User Testing, the CSG considers reducing the number of defects the biggest priority. As for the task force on insolvency procedures, the question of what to do with pending instructions after an insolvency procedure is declared (cancelation vs. recycling) requires further work.

### 4. Current state of adaptations to T2S Spanish market (tour-de-table)

Participants informed about the start of the voluntary testing for the first phase of the Reform. Mandatory testing will take place between May and June.

#### 4.2. Iberclear

Iberclear informed that its adaptations to T2S continue to progress according to the plan and that the risk of a delay in the implementation of the first phase of the Spanish Reform (planned for October 2015) remains low. Iberclear has started to upload static data for its role as System Maintaining Entity (SME) from the first migration wave. The configuration as a CSD in T2S will start at the end of March, after which Iberclear will begin its testing. Regarding the harmonization standards, the ECB was informed that no obstacles have been identified to the full compliance before migration.

#### 4.3. Banco de España

All aspects related to the adaptation of Banco de España are progressing according to the plan and without any identified risks. There are two participants carrying out pre-community testing activities successfully. The upload of static data in view of the go-live will start soon. As per the decision of the Eurosystem, the RTGS accounts must be configured in T2S since the first migration wave independently of the migration wave of the CSD. A written procedure will be open to flag participant's preference for the type of notification related to T2S

operations. Furthermore, participants will have until 19<sup>th</sup> of June to flag their interest in connecting U2A to T2S for the second migration wave.

## **5. Progress of T2S testing**

Community testing started at the beginning of March. This phase involves all actors directly connected to T2S from wave 1 onwards, as well as CSD and NCB participants of those markets. After the migration weekend dress rehearsal on the 7<sup>th</sup> and 8<sup>th</sup> of February, sequences and estimated times for the migration of wave 1 were confirmed. There will be three other rehearsal weekends before June.

## **6. T2S Volumes**

The ECB will present before the AG the results of the second semester survey on volumes for 2014, highlighting a small increase with respect to the previous period. This increase in volumes might have a positive impact on the revenue side.

## **7. Harmonisation workstream**

The NUG was informed about the recent activities within the harmonisation work stream, namely:

- The general state of compliance of the harmonisation standards has progressed positively in all markets since last year, remaining only in red the compliance with the corporate actions standards in five markets and the T2S schedule in another one. Among these, only the case of the German market would have a significant impact and an improvement is expected after 6 months of the migration of Clearstream. The Spanish market compliance is either green or blue in all activities, thus representing a clear improvement.
- A draft response to the European Commission document "Green Paper on the Capital Markets Union" (CMU) will be presented before the AG. The response will have a focus on the areas of interest for T2S: Securities Law legislation, insolvency procedures and withholding tax procedures.
- The XMAP will present the conclusions of the survey to the NUGs about the use of non-mandatory matching fields. The group is analyzing the possibility to make mandatory some/all of the optional matching fields for a future release.

## **8. AOB.**

Depending on the agenda of the next Advisory Group in July, the next meeting of the NUG might be held after the summer.

The slide presentations (in Spanish) used during the meeting will be available in the BdE website:

[http://www.bde.es/bde/en/areas/sispago/Sistemas\\_de\\_comp/TARGET2-Securiti/Documentacion\\_de\\_trabajo.html](http://www.bde.es/bde/en/areas/sispago/Sistemas_de_comp/TARGET2-Securiti/Documentacion_de_trabajo.html)

**Annex. Participants in the XXIV Meeting of the Spanish National User Group, March 18th 2014**

**Group Members**

Jesús López Pedruelo (President)  
Montserrat Jiménez de Lago (Secretary)  
Fernando Castaño  
Luis Miguel Rodríguez Caramelo  
Bárbara Gullón  
Jesús Benito  
Félix Redondo  
José Luis Rebollo  
Zaneida Voces  
Marta de Alba Basterrechea  
Fernando García Rojo  
Amadeo Lázaro  
Claudio Sancho Corrales  
Valentín Cerdán  
María José Teva Vázquez  
Florentino Arias  
María del Rosario Bejarano Navas  
Lily Corredor  
Francisco Béjar  
Lydia Mena

**Observers**

Alberto Palacios Elorriaga  
Mayte Arráez  
M<sup>a</sup> Ángeles Marqués  
José Peña  
Alberto Romera

**Institution**

Banco de España  
Banco de España  
Banco de España  
BdE / T2S Board  
CNMV  
Iberclear  
Iberclear  
CECA  
CECA  
BBVA  
BBVA  
Santander  
Santander  
Caixabank  
Caixabank  
Bankia  
Bankia  
Ibercaja  
BNP Paribas SS  
Citibank  
  
Bolsa de Bilbao  
Banco de España-4CB  
Banco de España  
Banco de España  
Banco de España