

Gap Overview: Settlement services

Euronext Securities Copenhagen (ES-CPH)

Area	Function		Current	Target	Impact
Connectivity	T2S		ICP and DCP	ICP and DCP	No impact
	Channels	U2A	vp.Online	MyEuronext	Adaptation to new layout, navigation paths, user administration.
		A2A	SWIFT (ISO15022, ISO20022)	SWIFT (ISO15022, ISO20022)	No impact
			MQ (Proprietary, ISO15022, ISO20022)	MQ (ISO15022, ISO20022)	Support of proprietary messages for a limited period of time is under analysis.
	Types of settlement instructions		DvP/RvP, DFoP/RFoP, DwP/RwP, PFoD	DvP/RvP, DFoP/RFoP, DwP/RwP, PFoD	No impact
General	Types of settlement		Intra-CSD settlement, Cross-CSD settlement	Intra-CSD settlement, Cross-CSD settlement	The Settlement SDD will be updated in accordance with any changes in links and securities held through links by ES-CPH.
	Settlement transaction types		List available on MyStandards	See Settlement SDD	All current settlement transaction types will continue to be supported, with the addition of new types.
	Eligible currencies		T2S, DvP: DKK, EUR VP, DvP: SEK	DvP: DKK, EUR DvP through CoSD: SEK	No impact for DKK and EUR. New technical solution for settlement instructions in SEK against payment to settle on T2S through CoSD.

Area	Function	Current	Target	Impact
Validation	Technical validation	Validation of the technical sender of the instruction. Validation on whether the submitting actor has the permission to perform the activity for the account.	Validation of the technical sender of the instruction. Validation on whether the submitting actor has the permission to perform the activity for the account.	New technical solution, similar service scope as today.
	Business validation	Validation on VP Validation on T2S Depending on securities account type and role of the actor, certain information is required in specific fields for both part and counterpart.	Validation on T2S Validation may be conducted by ES-CPH for specific flows, limited to ICPs where T2S does not provide adequate validation.	Decommissioning of local validation rules as current securities account types will no longer apply. Specific information/role requirements no longer apply.
Settlement	Settlement platform	Local Settlement Platform (VP) & T2S	T2S	All settlement to take place on T2S.
	T2S transfers	Transfers of securities position between VP and T2S securities accounts.	Decommissioned as all securities accounts will be on T2S.	No longer relevant after full migration to T2S.
	Matching	Matching takes place in VP for VP settlement and in T2S for T2S settlement.	All matching takes place on T2S using T2S standards.	No impact for T2S settlement.
	Already matched instructions	N/A	Possibility to submit an already matched instruction if the actor is authorised to instruct for both parties' securities accounts.	Amended service scope of existing T2S functionality.
	Internal transfers	Solutions for one-sided transfers for VP settlement.	Actors may submit already matched instruction if permitted to instruct on behalf of both securities accounts involved.	Decommissioning of local functionality. Amended service scope utilising existing T2S functionality.

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Settlement	Bilateral transfers		Solutions for one-sided transfers for VP settlement. Both legs submitted for T2S settlement.	As default, both legs must be submitted for T2S settlement. Actors may submit already matched instruction if permitted to instruct on behalf of both involved securities accounts.	Decommissioning of local functionality. Amended service scope for T2S settlement utilising existing T2S functionality.
	Partial settlement		Supported for both VP and T2S settlement.	Supported for T2S settlement.	No impact for T2S settlement.
	PoA	ICP	PoA can be granted on level of role and on securities account.	PoA can be granted on level of role and on securities account.	New technical solution, similar service scope as today.
		DCP	Privileges can be registered in T2S.	Privileges can be registered in T2S.	No impact for T2S settlement.
	Settlement restrictions		Supported	Supported Settlement restrictions may be submitted in relation to registration of rights in ES-CPH's book-entry system.	No impact
	Settlement cancellation		Supported	Supported	No impact
	Maintenance instruction		Supported	Supported	No impact
	Settlement in securities with turnover limitation		Settlement in securities with turnover limitation available on VP platform and for ICPs on T2S.	Settlement in securities with turnover limitation available for ICPs on T2S.	Settlement on T2S as today. Securities Management handled in other service description.

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	MTS Denmark	Settlement instructions may be submitted through MTS Denmark. Actors participating in MTS Denmark must register a trading agreement (PoA) with MTS at ES-CPH.	Settlement instructions may be submitted through MTS Denmark. Actors participating in MTS Denmark must register a PoA with MTS at ES-CPH.	No impact, similar service scope as today.
	UTI	Supported for ICPs for Intra-CSD settlement.	Supported. T2S is expected to implement a UTI field in its messages, which DCPs can also use.	New technical solution. Amended service scope based on future T2S functionality.
Collateral and Pledge	Right of pledge (DA: Panteretten)	Only available for VP settlement	Market Specific Restriction Type (MSRT) registered in T2S for the use of Right of Pledge. Actors to link the settlement instruction to a settlement restriction with the related MSRT when submitting. Retention of the Right of Pledge to be executed via GUI.	New technical solution, similar service scope as today
	Cash reservation (DA: Kontantforbeholdet)	Only available for VP settlement	Market Specific Restriction Type (MSRT) registered in T2S for the use of Cash reservation. Actors to link the settlement instruction to a settlement restriction with the related MSRT when submitting. Retention of the Cash reservation to be executed via GUI.	New technical solution, similar service scope as today

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	Pledge of Collateral (DA: Sikkerhedsstillelse)	Actors can either link a VP securities account or a T2S securities account to a securities account under Danmarks Nationalbank as part of the agreement on Pledge of Collateral with Danmarks Nationalbank. A PoA must be in place to allow Danmarks Nationalbank to instruct on behalf of the linked securities account.	Actors can link a T2S securities account to a securities account under Danmarks Nationalbank as part of the agreement on Pledge of Collateral with Danmarks Nationalbank. A PoA must be in place to allow Danmarks Nationalbank to instruct on behalf of the linked securities account.	No impact for T2S set-up. The option to link a VP securities account is not available as all securities accounts will be T2S accounts.
	T2S auto-collateral	T2S Auto-Collateral supported (repo-model)	T2S Auto-Collateral supported (repo-model)	No impact
Settlement in SEK	Securities settlement	VP settlement batches. Net settlement.	Settlement in SEK to take place in T2S by use of Conditional Securities Delivery (CoSD). When CoSD rule is detected by T2S the involved securities positions are blocked until released by ES-CPH upon receiving confirmation on payment.	New technical solution Settlement instruction type to be submitted: - ICP as DvP settlement instruction - DCP: FoP settlement instruction
	Cash settlement	VP settlement batches. Cash is settled at Sveriges Riksbank (RIX) in the batch upon the Actor's Payment bank in RIX transferring the required liquidity to ES-CPH's cash account in advance of the settlement batches.	Settlement in T2S by Conditional Securities Delivery. Cash settlement to take place in RIX. Details on cash settlement flow under analysis. Current assumption is similar flow as-is.	New technical solution. Details to be analysed.

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Liquidity management	Liquidity forecast	Liquidity forecast (both provisional and final book-entry information) provided to Cash Settlement Agent / DCA owner.	Messages on liquidity forecast and credit/debit confirmation can be subscribed via the NCB of the DCA.	Liquidity position forecast messages will not be provided to Cash Settlement Agents. ES-CPH will open a sub-group to look into providing a service in which ES-CPH sends cash management messages, 'camt', to Cash Settlement Agents.

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Euronext Securities Milan (ES-MIL)

Area	Function		Current	Target	Impact
Connectivity	T2S		ICP and DCP	ICP and DCP	No impact
	Channels	U2A	X-TRM On Line	MyEuronext	Adaptation to new layout, navigation paths, user administration
		A2A	SWIFT (ISO15022, ISO20022)	SWIFT (ISO15022, ISO20022)	No impact
			N/A	MQ (ISO15022, ISO20022)	Amended service scope
			MT-A2A (Proprietary)	N/A	Decommissioning of channel and proprietary format.
			SIA - RNI (Proprietary)	N/A	Decommissioning of channel and proprietary format.

Area	Function	Current	Target	Impact
General	Types of settlement instructions	DvP/RvP, DfOP/RfOP, DwP/RwP, PfOD	DvP/RvP, DfOP/RfOP, DwP/RwP, PfOD	No impact
	Types of settlement	Intra-CSD settlement, Cross-CSD settlement, External CSD settlement	Intra-CSD settlement, Cross-CSD settlement, External CSD settlement	The Settlement SDD will be updated in accordance with any changes in links and securities held through links by ES-MIL.
	Settlement transaction types	Documentation available on ES-MIL website and on MyStandards.	See Settlement SDD	All current settlement transaction types will continue to be supported with the possible addition of new types.
	Eligible currencies	T2S: DvP: EUR External CSD settlement: DvP: EUR (CoBM)	T2S: DvP: EUR External CSD settlement: DvP: EUR (CoBM)	Similar service scope as today. Details on External CSD settlement to be provided at a later stage.
Validation	Technical validation	Validation of the technical sender of the instruction. Validation on whether the submitting actor has the permission to perform the activity for the account.	Validation of the technical sender of the instruction. Validation on whether the submitting actor has the permission to perform the activity for the account.	New technical solution, similar service scope as today.
	Business validation	Validation on T2S Validations by ES-MIL	Validation on T2S	By default, validation takes place on T2S. Validation may be conducted by ES-MIL for specific flows, limited to ICPs where T2S does not provide adequate validation.

Area	Function		Current	Target	Impact
Settlement	Settlement platform		T2S	T2S	No impact
	Matching		All matching takes place on T2S using T2S standards.	All matching takes place on T2S using T2S standards.	No impact
	Already matched instructions		<p>Some DCP entities (like CCPs) may submit 'already matched' if the required PoA (privilege) is registered in T2S (or within own accounts).</p> <p>Processing via X-TRM may trigger 'already matched' instructions.</p>	<p>Possibility to submit an already matched instruction if the actor is authorised to instruct for both parties' securities accounts.</p> <p>Services provided by X-TRM will, if continued, be provided by Euronext Clearing.</p>	<p>Amended service scope utilising existing T2S functionality of 'already matched'.</p> <p>Details on services provided currently by X-TRM to be provided at a later stage.</p>
	Internal transfers		Both legs must be submitted for T2S settlement.	Actors may submit already matched instruction if permitted to instruct on behalf of both involved securities accounts.	<p>No impact on current market practice.</p> <p>Amended service scope utilising existing T2S functionality of 'already matched'.</p>
	Bilateral transfers		<p>Both legs must be submitted for T2S settlement.</p> <p>Market practice defined on how the settlement instruction shall be specified.</p>	<p>As default, both legs must be submitted for T2S settlement.</p> <p>Actors may submit already matched instruction if permitted to instruct on behalf of both involved securities accounts.</p>	<p>As default, both legs must be submitted for T2S settlement.</p> <p>Amended service scope utilising existing T2S functionality of 'already matched'.</p>
	Partial settlement		Supported	Supported	No impact
	PoA	ICP	PoA can be registered for processing via X-TRM.	PoA can be granted on level of role and on securities account.	New technical solution, details to be provided at a later stage.
		DCP	Privileges can be registered in T2S.	Privileges can be registered in T2S.	No impact

Area	Function	Current	Target	Impact
	Settlement restrictions	Supported	Supported	No impact
	Settlement cancellation	Supported	Supported	No impact
	Maintenance instruction	Supported	Supported	No impact
	External settlement (ES-MIL as Investor CSD)	<p>External settlement provided via the following CSDs:</p> <p>CoBM, EUR: Euroclear Bank Clearstream Luxembourg Euroclear UK and International</p> <p>Only FoP: DTCC</p>	Similar service scope as today. Details on external settlement and managing CoBM to be provided at a later stage.	Similar service scope as today. Details on external settlement and managing CoBM to be provided at a later stage.
	UTI (Unique Transaction Identifier)	Not supported	Supported. T2S is expected to implement a UTI field in its messages, which DCPs can also use.	Amended service scope based on future T2S functionality.
	T2S auto-collateral	T2S auto-collateral supported (repo-model)	T2S auto-collateral supported (repo-model)	No impact

Gap Overview: Settlement services

Euronext Securities Porto (ES-PTO)

Area	Function		Current	Target	Impact
Connectivity	T2S		ICP and DCP	ICP and DCP	No impact
	Channels	U2A	STD (submittance in files or manually in GUI, Proprietary)	MyEuronext	Adaptation to new layout, navigation paths, user administration.
		A2A	SWIFT (ISO15022)	SWIFT (ISO15022, ISO20022)	Amended service scope
			STD (Proprietary)	Channel to be decommissioned	Channel to be decommissioned. Support of proprietary messages for a limited period of time is under analysis.
			N/A	MQ (ISO15022, ISO20022)	Amended service scope
General	Types of settlement instructions		DvP/RvP, DFoP/RFoP, DwP/RwP, PFoD	DvP/RvP, DFoP/RFoP, DwP/RwP, PFoD	No impact
	Types of settlement		Intra-CSD settlement, Cross-CSD settlement	Intra-CSD settlement, Cross-CSD settlement	The Settlement SDD will be updated in accordance with any changes in links and securities held through links by ES-PTO.
	Settlement transaction types		See manual for settlement messages (ES-PTO website).	See Settlement SDD	No impact. Current settlement transaction types will continue to be supported.
	Eligible currencies		T2S, DvP: EUR CoBM: AUD, CAD, CHF, CNY, GBP, JPY, NOK, SEK, USD	T2S, DvP: EUR CoBM: AUD, CAD, CHF, CNY, GBP, JPY, NOK, SEK, USD	Similar service scope as today. New technical solution for managing CoBM settlement. Details to be provided at a later stage.

Area	Function	Current	Target	Impact
Validation	Technical validation	Validation of the technical sender of the instruction. Validation on whether the submitting actor has the permission to perform the activity for the account.	Validation of the technical sender of the instruction. Validation on whether the submitting actor has the permission to perform the activity for the account.	New technical solution, similar service scope as today.
	Business validation	Validation on T2S Minimum validations by ES-PTO	Validation on T2S	By default, validation takes place on T2S. Validation may be conducted by ES-PTO for specific flows, limited to ICPs where T2S does not provide adequate validation.
Settlement	Settlement platform	T2S	T2S	No impact
	Matching	All matching takes place on T2S using T2S standards.	All matching takes place on T2S using T2S standards.	No impact
	Already matched instructions	Movements between accounts within the same Actor can through the STD GUI be submitted to T2S as 'already matched'. Some DCP entities (like CCPs) may submit 'Already matched' if the required PoA (privilege) is registered in T2S (or within own accounts).	Possibility to submit an already matched instruction if the actor is authorised to instruct for both parties' securities accounts.	Amended service scope of existing T2S functionality.
	Internal transfers	Movements between accounts within the same Actor can through the STD GUI be submitted to T2S as 'Already matched'.	Actors may submit already matched instruction if permitted to instruct on behalf of both securities accounts involved.	New technical solution, similar service scope as today. Details on submission of instructions through MyEuronext to be provided later.
	Bilateral transfers	Both legs must be submitted for T2S settlement.	As default, both legs must be submitted for T2S settlement.	As default, both legs must be submitted for T2S settlement.

Area	Function		Current	Target	Impact
				Actors may submit already matched instruction if permitted (PoA) to instruct on behalf of both involved securities accounts.	Amended service scope utilising existing T2S functionality.
	Partial settlement		Supported	Supported	No impact
	PoA	ICP	Third party agreements	PoA can be granted on level of role and on securities account.	New technical solution, similar service scope as today.
		DCP	Privileges can be registered in T2S.	Privileges can be registered in T2S.	No impact
	Settlement restrictions		Supported	Supported	No impact
	Settlement cancellation		Supported	Supported	No impact
	Maintenance instruction		Supported	Supported	No impact
	Settlement in CoBM		Supported through the non-euro payment system managed by Caixa Geral de Depósitos S.A. (CGD).	Similar service scope of currencies maintained. New technical solution for managing CoBM settlement. Details to be provided at a later stage.	Similar service scope of currencies maintained. New technical solution for managing CoBM settlement. Details to be provided at a later stage.
	UTI (Unique Transaction Identifier)		Not supported	Supported. T2S is expected to implement a UTI field in its messages, which DCPs can also use.	Amended service scope based on future T2S functionality.

Area	Function	Current	Target	Impact
Collateral and Pledge	Pledge of securities in favour of BdP/FGD - Fundo de Garantia de Depósitos (Deposit Guarantee Fund)	Securities on the Actor's securities account pledged in favour of the NCB as guarantee for the customers of the Actor (i.e. financial institution) to receive a percentage of their cash savings back should the financial institution (Actor) face bankruptcy.	New technical solution, similar service scope as today. Details to be provided at a later stage.	New technical solution, similar service scope as today.
	Pledge of securities in favour of CMVM (National Regulator)/ Investor Compensation System (SII)	Securities on the Actor's securities account pledged in favour of the National Regulator as guarantee for the customers of the Actor (i.e. financial institution) to receive a percentage of their securities holdings/investments back should the financial institution (Actor) face bankruptcy.	New technical solution, similar service scope as today. Details to be provided at a later stage.	New technical solution, similar service scope as today. Details to be provided at a later stage.
	Guarantees in securities in favour of Banco de Portugal (BdP)	Securities moved to a dedicated NCB securities account as collateral in return for credit facilities provided by the NCB.	Similar service scope as today. Details to be provided at a later stage.	No impact
	T2S auto-collateral	T2S auto-collateral supported (repo-model).	T2S auto-collateral supported (repo-model).	No impact