



EUROPEAN CENTRAL BANK

EUROSYSTEM

SCoREBOARD

Corporate Actions – H1 2021

Luxembourgish NSG

The Single Collateral Management Rulebook for Europe (SCoRE) contains 15 Standards related to the processing of corporate actions (published as the [AMI-SeCo Standards for Corporate Actions](#)). Implementation progress is monitored twice per year. This summary report presents the results of the H1 2021 monitoring exercise conducted by the Luxembourgish NSG with the involvement of the following stakeholders:

- 2 CSD – Clearstream Banking Luxembourg, LuxCSD
- 2 TPA – Clearstream Banking Luxembourg, JP Morgan
- 2 Custodians

6 entities are monitored in the Luxembourgish market

The SCoRE Overview provides a high-level summary of the H121 monitoring exercise.

SCoRE Overview

 <small>SMALL COLLATERAL MANAGEMENT REGULATOR FOR EUROPE</small>	 Response Rate	 Implementation Status	 Milestones achieved?	 Implemented on Time?
Custodians	0%	Implemented 22.5% Analysis started 0% Implementation started 0.64%	0%	0%
CSD - Clearstream Banking Luxembourg	100%	Implemented 48.4% Analysis started 47.8% Implementation started 0%	Yes	Yes
CSD - LuxCSD	100%	Implemented 49.0% Analysis started 47.2% Implementation started 0%	Yes	Yes
TPA - Clearstream Banking Luxembourg	100%	Implemented 0% Analysis started 100% Implementation started 0%	Yes	Yes
TPA - JP Morgan	100%	Implemented 0% Analysis started 0% Implementation started 87.5%	Yes	Yes

Note: Implemented on Time reflects the entity's ability to meet the final reporting milestone prior to the adoption of the Standards.

This NSG summary report is structured as follows: The Executive Summary provides an overview of the responses received per Entity Type i.e. CSD, TPA, Custodian etc. Section 1 presents the compliance status of each entity type. Section 2 provides an overview of the progress against the individual milestones. Section 3 then provides a more detailed overview of the implementation status per Standard for each entity type.

Executive Summary

The overall implementation of the Corporate Actions Standards in the Luxembourgish market is generally on track. However, further custodian and issuer engagement is needed in order to produce a fully representative picture of the status.

Clearstream Banking Luxembourg as CSD has already implemented 48.4% of the standards and is on track with implementation of the remaining standards. LuxCSD reports a similar compliance status (49% implemented). Clearstream Banking

Implementation of the Corporate Action Standards in the Luxembourgish market is on track

Luxembourg as TPA is still in the process of analysing standard one, which is the only relevant standard for TPAs. JP Morgan TPA is preparing for full compliance with Standard 1.

One custodian participated in the exercise in H1-20. No issuers participated.

CSD – Clearstream Banking Luxembourg

CBL as CSD is on track

CBL as CSD is on track. The CSD Clearstream Banking Luxembourg has already implemented 8 out of 15 standards and is on track with the remaining standards.

Clearstream Banking Luxembourg as CSD expects to be fully compliant by the implementation deadline agreed by AMI-SeCo.

CSD – LuxCSD

LuxCSD is on track

LuxCSD is on track. LuxCSD has already implemented 7 out of 15 standards and is on track with the remaining standards.

LuxCSD expects to be fully compliant by the implementation deadline agreed by AMI-SeCo.

TPA – Clearstream Banking Luxembourg

CBL as TPA is on track

The TPA Clearstream Banking Luxembourg is in the process of analysing Standard 1 which is the only dedicated CA standard for TPAs.

Clearstream Banking Luxembourg as TPA expects to be fully compliant by the implementation deadline agreed by AMI-SeCo.

TPA – JP Morgan

JP Morgan TPA is on track

The TPA JP Morgan is in the process of analysing and implementing Standard 1 which is the only dedicated CA standard for TPAs. Analysis is ongoing in view of achieving full compliance by November 2022.

Custodians

One custodian participated in the H1 2020 exercise

Only one custodian participated in the H1 2020 monitoring exercise with regard to the Corporate Actions Standards and did not submit an updated reply in H1-21. A high proportion of the Standards were reported as not applicable. The reasons cited for the non-applicability of the Standards will be further analysed in view of the H2 2021 exercise.

Issuers

Engagement with the issuer community is needed

Issuers did not participate in the H1 2021 exercise.

NCB

Banque centrale du Luxembourg is on track to adopt the AMI-SeCo Standards

Banque centrale du Luxembourg is on track to implement the AMI-SeCo Standards for Corporate Actions for its collateral management activities as of the go-live of the ECMS.

SCoREBOARD

This section presents the overall compliance status in the market. CSDs and TPAs are monitored on an individual basis and are assigned a colour-code status in accordance with the methodology outlined in Box 1¹. Custodians and Issuers are monitored on an aggregated basis and assigned a percentage compliance status.

Box 1

SCoREBOARD – Implementation Phase



- The Standard has been implemented
- Implementation of the Standard is on schedule (based on the agreed milestones)
- Implementation is behind schedule (based on the agreed milestones)
- Implementation has not started

For custodians and issuers, progress is monitored and reported as a percentage; for example the % of custodians in a given market who have started internal adaptation of IT systems.

¹ For further details please refer to the [AMI-SeCo Monitoring Framework](#)

Table A
SCoREBOARD

STANDARD	Custodians	CSD - Clearstream Banking Luxembourg	CSD - LuxCSD	TPA - Clearstream Banking Luxembourg	TPA - JP Morgan
1A: Notification	43%	G	G	G	G
1B: Instruction	0%	G	G	G	G
1C: Advise	0%	G	G	G	G
1D: Confirmation	0%	G	G	G	N/A
1E: Reversal	0%	G	G	G	G
1F: Meeting Notification	0%	G	G	G	G
1G: Meeting Instruction	0%	G	G	G	G
1H: Meeting Results	0%	G	G	G	G
2: Calculation of Proceeds	40%	G	G		
3: Consistency of Information	45%	G	G		
4: Rounding Rule 1	50%	G	G		
4: Rounding Rule 2	50%	B	B		
4: Rounding Rule 3	0%	G	G		
4: Rounding Rule 4	50%	G	G		
5: Negative Cash Flows	0%	B	G		
6: Business Day Rule		G	G		
7: Securities Amount Data		B	B		
8: Payment Time Rule 1		G	G		
8: Payment Time Rule 2		G	G		
8: Payment Time Rule 3		B	B		
9: Processing Status	50%	G	G		
10: Blocking	50%	G	G		
11: Default Option	50%	B	B		
12: Handling of Fees	0%	B	B		
13: Reversal	0%	B	B		
14: Foreign Currency		B	B		
15: ISO 20022 Messaging	0%	G	G		

Notes:

- For CSDs and TPAs the colour-code reflects the current implementation status of each Standard in accordance with the methodology outlined in Box 1 above.
- TPAs are using custody services provided by CSDs or Custodians in order to disseminate CA information to Collateral Givers and Collateral Takers. Monitoring of TPAs thus focuses on the implementation of triparty specific workflows described in Standard 1.
- For custodians the % indicates that the standard has either already been implemented, or that implementation is on track i.e. at a minimum that analysis has already started or that implementation has started per Standard.
- Issuers were asked to confirm awareness of their obligation to provide all relevant information to the Issuer CSD (on a Yes/No basis). The % reflects the number of issuers who responded yes to the survey
- Percentages are calculated on the basis of expected respondents, i.e. number of entities monitored in the market.
- A plausibility check was performed by the CMH-TF secretariat.

2 Milestones

This section tracks an entity's progress in implementing the Standards on an ongoing basis. 13 milestones have been defined as listed in the box below.

Box 2

SCoRE Milestones

Milestone	Description	Date
M1	Analysis Started: Have you commenced an in-depth analysis of all applicable SCoRE Standards in order to identify and document all the changes required to internal processes and procedures in order to comply with the SCoRE Standards?	30/06/2020
M2	Initial Communication: Has initial high-level communication with external stakeholders on the changes introduced by SCoRE commenced?	01/03/2021
M3	Analysis Completed: Have you completed an in-depth analysis of all applicable SCoRE Standards?	31/07/2021
M4	Documentation Completed: Have you documented all the internal processes and procedures which need to be adapted in order to comply with the SCoRE Standards?	31/12/2021
M5	Detailed External Communication: Has detailed communication started regarding (i) upcoming changes in business processes, (ii) messaging formats and usage guidelines (in the case of new messages based on non-registered latest drafts by SWIFT) and (iii) planned testing activities been provided to users?	31/12/2021
M6	SCoRE Adaptation Started: Have you started to adapt/develop the processes and procedures in order to comply with the SCoRE Standards?	01/01/2022
M7	SCoRE Adaptation Complete: Have you completed the necessary adaptations/developments for the processes and procedures in order to comply with the SCoRE Standards?	30/06/2022
M8	Internal Testing Started for SCoRE: Have you started to test the changes to your internal processes and procedures which have been introduced in order to comply with the SCoRE Standards?	01/07/2022
M9	Internal Testing Complete for SCoRE: Have you completed the necessary internal testing?	02/12/2022
M10	External Testing Started for SCoRE: Are you in a position to test the changes introduced in order to comply with the SCoRE Standards with your user community (i.e. CSD participants / Collateral Givers and Collateral Takers in the context of the Standards applicable to TPAs)?	05/12/2022
M11	Final External Communication on SCoRE: has final communication to users been provided (i.e. updated user guide to reflect the changes implemented, final message usage guidelines for A2A communication) related to the SCoRE Standards?	01/04/2023
M12	External Testing Completed for SCoRE: Is the testing of the changes introduced in order to comply with the SCoRE Standards with your user community completed (i.e. CSD participants / Collateral Givers and Collateral Takers in the context of the Standards applicable to TPAs)?	13/10/2023
M13	SCoRE Standards Implemented: have the SCoRE Standards been implemented?	20/11/2023

Notes: N/A

Milestones expected to be achieved in the current reporting period are highlighted in blue in the header of Table B below. The blue colour-code is then assigned to those milestones which have been successfully achieved to date for each respective entity. Milestones which will only be achieved later are assigned a yellow status, while milestones which will only be achieved with significant delays / where work has not yet commenced are marked in red.

For the remaining milestones (i.e. milestones due to be achieved only after the current reporting cycle) the colour-code indicates an entity's expected ability to achieve a future milestone on time. The expected date of achievement is also indicated in the table if it is different to the milestone date defined by AMI-SeCo.

Table B
Milestones

	Custodians	CSD - Clearstream Banking Luxembourg	CSD - LuxCSD	TPA - Clearstream Banking Luxembourg	TPA - JP Morgan
Milestone 1 June 2020	0%	Yes	Yes	Yes	Yes
Milestone 2 March 2021	0%	Yes	Yes	Yes	Yes
Milestone 3 July 2021	0%	Yes	Yes	Yes	Yes
Milestone 4 December 2021	0%	Yes	Yes	Yes	Yes
Milestone 5 December 2021	0%	Yes	Yes	Yes	Yes
Milestone 6 January 2022	0%	Yes	Yes	Yes	Yes
Milestone 7 June 2022	0%	Yes	Yes	Yes	Yes
Milestone 8 July 2022	0%	Yes	Yes	Yes	Yes
Milestone 9 December 2022	0%	Yes	Yes	Yes	Yes
Milestone 10 December 2022	0%	Yes	Yes	Yes	Yes
Milestone 11 April 2023	0%	Yes	Yes	Yes	Yes
Milestone 12 October 2023	0%	Yes	Yes	Yes	Yes
Milestone 13 November 2023	0%	Yes	Yes	Yes	Yes

Notes: Actors were asked to report for all milestones, i.e. whether they meet the current milestone (1) and whether they expect to meet the dates for future milestones.

Summary

All reporting entities confirm that the Standards will be implemented in accordance with the implementation deadline agreed by AMI-SeCo.

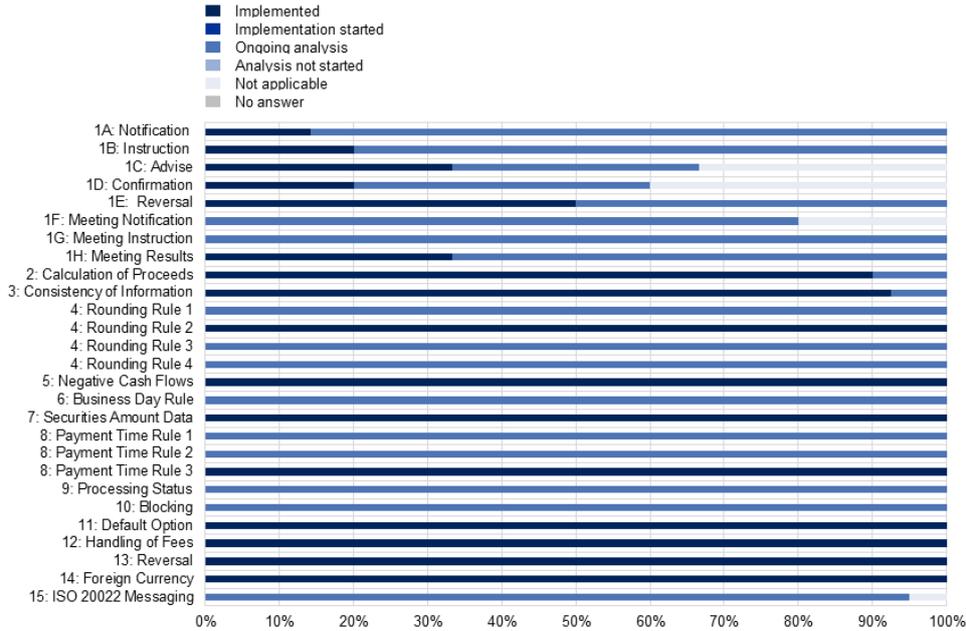
3

Implementation status per AMI-SeCo Standard

This section presents the implementation status of each Standard per entity type.

CSD – Clearstream Banking Luxembourg

Implementation status per AMI-SeCo Standard

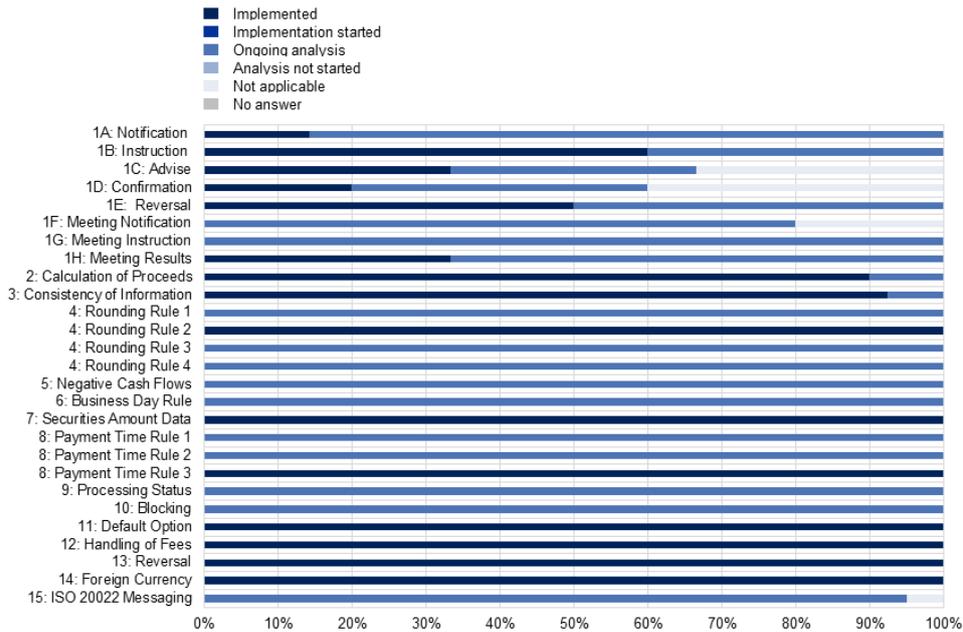


Notes

N/A

CSD – LuxCSD

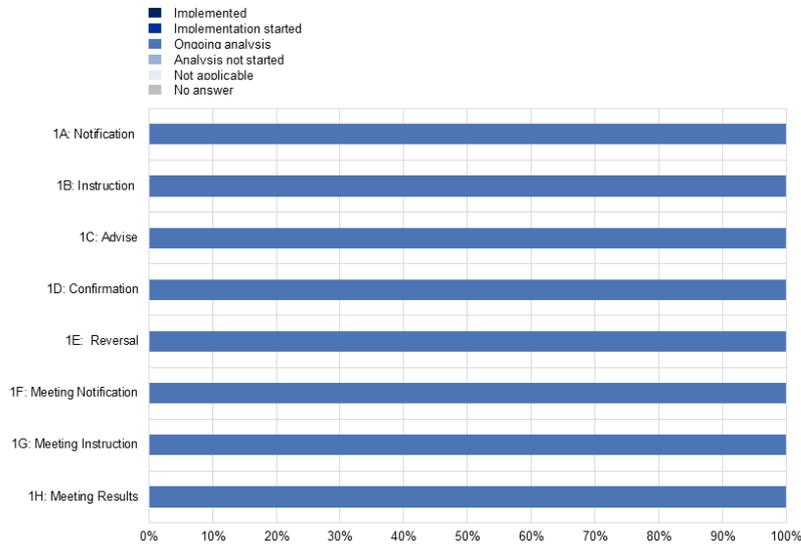
Implementation status per AMI-SeCo Standard



Notes

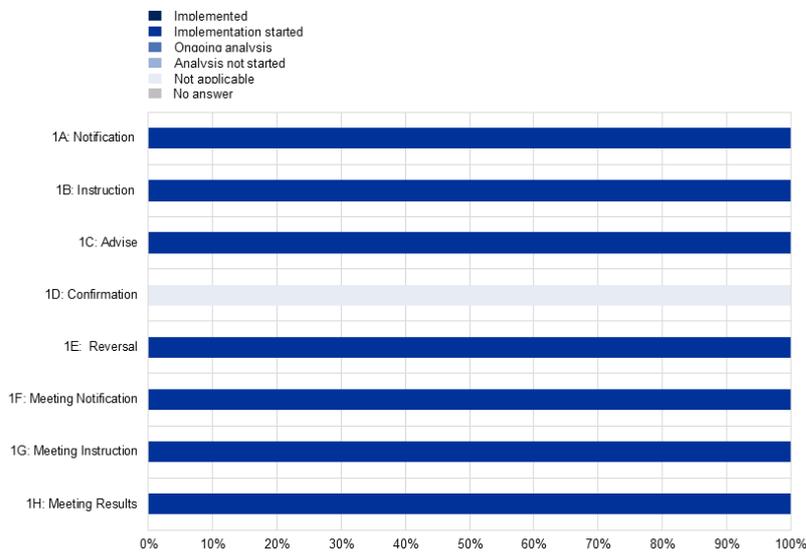
N/A

TPA – Clearstream Banking Luxembourg
Implementation status per AMI-SeCo Standard



Notes
 N/A

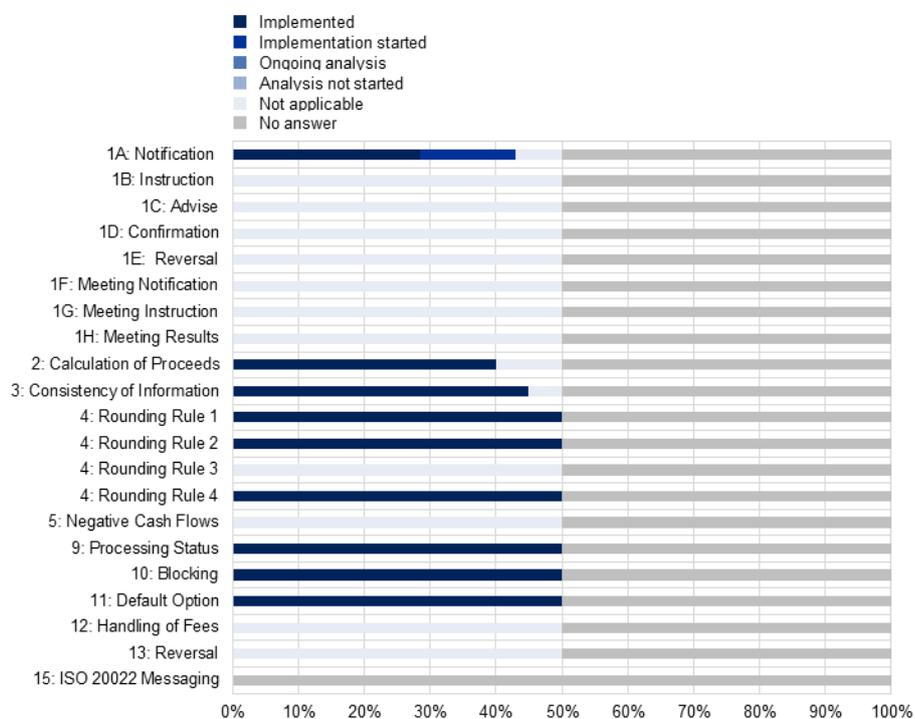
TPA – JP Morgan
Implementation status per AMI-SeCo Standard



Notes
 A plausibility check was performed by the CMH-TF secretariat.

Custodians

Implementation status per AMI-SeCo Standard



Notes

N/A

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The cut-off date for the data included in this report was 21 May 2021.

For specific terminology please refer to the [ECB glossary](#) (available in English only).