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Eurosystem Collateral Management System (ECMS)

Presentation to the AMI-SeCo

Frankfurt, Friday, 22 June 2018

Current status of ECMS work - UDFS

- Realisation phase approved in December 2017 and started January 2018.
- Working Group on ECMS (ECMS-WG) has been established with expert representatives from the Eurosystem central banks to contribute to critical project activities and deliverables, inter alia to review the ECMS documentation.
- Drafting of the User Detailed Functional Specifications (UDFS) → provides the functional description and design of ECMS and how the user requirements will be implemented – ongoing on the Eurosystem and Service Provider side.

Eurosystem Collateral Management System

High-level planning for the realisation phase

Go-live: November 2022

Phase	2018			2019			2020				2021					20	22		2023					
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Overall ECMS realisation phase																				\diamondsuit	Ope	rationa	al pha	se
Specifications phase							\supset																	
Development and internal testing													\supset											
Eurosystem Acceptance Testing															\supset									
User Testing																			\supset	,				
Migration implementation																				>				
Stabilisation and closing																						\supset		

Organising ECMS follow-up work - UDFS

- Applicable sections of UDFS will be provided to relevant actors (Counterparties, CSDs, TPAs, etc.) after finalisation.
- ECB Project Team views value in involving some of the external actors that will need to interact with the ECMS already in the reviewing stage within the defined planning – i.e. at the same time it is made available to Eurosystem Central Banks.
- This could be implemented by having representatives from CSDs and TPAs review relevant sections of the UDFS. Interest from the AMI-SeCo to be involved in UDFS review?

Follow up on CMH-TF harmonised business processes (1/2)

ECMS project team has been following closely the work of the CMH-TF to ensure that they can be timely incorporated into the project. Approved harmonisation proposals will be used by the ECMS project team in its follow-up work.

- For triparty:
 - The ECB will *elaborate the new user requirements* for the Eurosystem triparty model and consult the Eurosystem National Central Banks, by following the Change Management Procedure;
 - Service Provider will *draft the UDFS* to be reviewed by the Eurosystem National Central Banks and start the *development*.

Triparty: planning

Activities		2018										2019									
	Jan	Fel	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
CMH-TF harmonisation report																					
Drafting and review of the ECMS User Requirements for the triparty functionality													`								
Messaging: ISO 20022 messages for triparty collateral management (not limited to ECMS needs)										/											
ECMS UDFS: triparty											\rightarrow			(

ACTORS	
CMH-TF and Eurosystem	
ECMS Service Provider	
Eurosystem National Central Banks	

Eurosystem Collateral Management System

Follow up on CMH-TF harmonised business processes (2/2)

- For corporate actions:
 - Eurosystem will perform a *gap analysis* between the ECMS user requirements related to corporate actions and the harmonisation proposals;
 - Monitor the progress in follow-up items identified by CMH-TF (e.g.: handling of fees for meeting) or if further inputs from the CMH-TF are needed;
 - Service Provider will *draft the UDFS* to be reviewed by the Eurosystem National Central Banks and start *development*.

Corporate actions: planning

Activities		2018										2019										
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	
CMH-TF harmonisation report							$\overline{\ }$															
Messaging: potential additional ISO 20022 messaging and/or amendment of existing messages.																						
ECMS UDFS: corporate actions																						

ACTORS	
CMH-TF and Eurosystem	
ECMS Service Provider	
Eurosystem National Central Banks	