

# SCoRE Implementation Monitoring

## Billing Processes – H1 2021

### Polish NSG

The Single Collateral Management Rulebook for Europe (SCoRE) contains 4 Standards related to billing processes (published as the [AMI-SeCo Standards for Billing Processes](#)). Implementation progress is monitored twice per year. This summary report presents the results of the H1 2021 monitoring exercise conducted by the Polish NSG with the involvement of the following stakeholders:

33 entities are monitored in the Polish market

- 2 CSD – KDPW, SKARBNET4
- 31 Custodians

The SCoRE Overview provides a high-level summary of the H1 2021 monitoring exercise.

### SCoRE Overview

| <br><small>SINGLE COLLATERAL MANAGEMENT RULEBOOK FOR EUROPE</small> | <br><b>Response Rate</b> | <br><b>Implementation Status</b> | <br><b>Milestones achieved?</b> | <br><b>Implemented on Time?</b> |
|--|---|---|--|--|
| Custodians   | 6%  | Implemented 1.29%<br>Analysis started 0%<br>Implementation started 0%   | 3%   | 3%   |
| CSD - KDPW   | 100%  | Implemented 40%<br>Analysis started 60%<br>Implementation started 0%  | No   | Yes  |
| CSD - SKARBNET4  | 100%  | Implemented 0%<br>Analysis started 0%<br>Implementation started 0%  | No   | Yes  |

Note: Implemented on time reflects the entity's expected ability to achieve the final milestone on time.

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

Implementation of the Billing Processes Standards in the Polish market is mostly on track.

Concerning the major Poland financial market infrastructure institution, namely the KDPW SA, the implementation of the Billing Processes Standards is either completed or is on track. The Standards are deemed to be met on time. The process of implementation of the Standards by SKARBNET4 is also advanced although due to specific range of activities performed by the system, it is restricted to one standard as the remaining Standards were deemed not applicable. Regarding custodians, only three out of 31 reporting entities responded to the survey. The majority of the custodians did not participate in the monitoring process. AMI-SeCo NSG\_PL will endeavour to engage the custodians in the process within its next rounds.

### CSD - KDPW

The CSD KDPW is fully on track.

KDPW is already compliant to a large extent with the Billing Processes Standards. It is fully compliant with Standard 2 on billing cycles and Standard 3 on cut-off date. The implementation of the two remaining standards: Standard 1 on ISO 20022 messaging and Standard 4 on dates for payments fees, is subject to analysis scheduled to be finished by the beginning of 2022.

Although the initial communication has not started yet it is expected that most of the succeeding milestones will be met on time and the implementation date of November 2023 will be met.

### CSD – SKARBNET4

The CSD SKARBNET4 are experiencing some delays but still foresee to meet the final implementation date in November 2023.

SKARBNET4 is a system operated by Narodowy Bank Polski. It serves exclusively T-bills (issued by Ministry of Finance periodically) and NBP-bills (issued by NBP in open market operations which are the main instrument of monetary policy) basically primary market which entails relatively small group of highly expertised institutions (mainly banks). Moreover, SKARBNET4 has no operational connections with other deposits. Therefore, the billing processes in the system are simplified and additionally the billing cycle in SKARBNET4 is synchronized with the fees charged by NBP for keeping cash accounts in the RTGS PLN system - SORBNET2.

Full implementation of the Standards would increase unproportionally and counterproductively the processes currently in place. Against this background the operator of the system decided to implement Standard 1 on ISO messaging as far as it concerns provide camt.077 messages, recognising the remaining Standards as not applicable. With regard to the Standard 1 the operator of the system does not anticipate receiving any billing information using the Billing Report message (camt.077) from SKARBNET4 participants.

The remaining standards are not applicable as the only fee charged for providing deposit account in SKARBNET4 (in addition to a one-time fee of PLN 25,000.00 for opening the account) is a flat fee of PLN 3,000.00. The fee is collected once per quarter and is equal for all participants, therefore participants do not have to check the correctness of its calculation. Furthermore, the fee is collected by NBP by debiting a participant's bank account on the basis of its prior authorization.

Therefore, NBP does not issue invoices and a participant does not have to issue the order himself.

The delay in starting the implementation of the abovementioned Standard was due to previously commenced process of implementation of the regulation 2018/1229 (settlement discipline), which turned out to be very demanding. Initial high-level communication with external stakeholders on the changes introduced by SCoRE has not yet commenced. It is however scheduled to start by the end of March 2022. Meeting the milestones no. 3-6 will be slightly delayed. The succeeding milestones are deemed to be met on time and the implementation date of November 2023 will be met.

### **Custodians**

Low participation among custodians.

Only three out of 31 reporting entities responded to the survey. The majority of custodians did not participate in the monitoring process. After the analysis of the Standards one of the three reporting custodians has withdrawn from participating in the study as it deemed SCoRE not relevant in terms of the scope of its activity.

The reporting entities declared to be compliant with Standard 2 on billing cycles. The standard is reported as implemented. The implementation of the remaining Standards is declared to be postponed until either 2025 or the Wave 2, when account servicers will be obliged to offer ISO20022 messaging to clients that have the capability to use the ISO20022 protocol.

# 1 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 1<sup>1</sup>. Custodians 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, 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.

**Table A**  
SCoREBOARD

| STANDARD                   | Custodians | CSD - KDPW | CSD - SKARBNET4 |
|----------------------------|------------|------------|-----------------|
| 1: ISO 20022 messaging     | 0%         | G          | Y               |
| 2: Billing cycles          | 6%         | B          | N/A             |
| 3: Cut-off date            | 0%         | B          | N/A             |
| 4: Dates for payments fees | 0%         | G          | N/A             |

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.
- 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.
- Percentages are calculated on the basis of actual respondents

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

## 2 Implementation 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              |
|------------|--|-------------------|
| <b>M1</b>  | <b>Analysis Started:</b> 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?  | <b>30/06/2020</b> |
| <b>M2</b>  | <b>Initial Communication:</b> Has initial high-level communication with external stakeholders on the changes introduced by SCoRE commenced?  | <b>01/03/2021</b> |
| <b>M3</b>  | <b>Analysis Completed:</b> Have you completed an in-depth analysis of all applicable SCoRE Standards?  | <b>31/07/2021</b> |
| <b>M4</b>  | <b>Documentation Completed:</b> Have you documented all the internal processes and procedures which need to be adapted in order to comply with the SCoRE Standards?  | <b>31/12/2021</b> |
| <b>M5</b>  | <b>Detailed External Communication:</b> 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? | <b>31/12/2021</b> |
| <b>M6</b>  | <b>SCoRE Adaptation Started:</b> Have you started to adapt/develop the processes and procedures in order to comply with the SCoRE Standards?   | <b>01/01/2022</b> |
| <b>M7</b>  | <b>SCoRE Adaptation Complete:</b> Have you completed the necessary adaptations/developments for the processes and procedures in order to comply with the SCoRE Standards?  | <b>30/06/2022</b> |
| <b>M8</b>  | <b>Internal Testing Started for SCoRE:</b> 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?  | <b>01/07/2022</b> |
| <b>M9</b>  | <b>Internal Testing Complete for SCoRE:</b> Have you completed the necessary internal testing?   | <b>02/12/2022</b> |
| <b>M10</b> | <b>External Testing Started for SCoRE:</b> 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)?                             | <b>05/12/2022</b> |
| <b>M11</b> | <b>Final External Communication on SCoRE:</b> 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?  | <b>01/04/2023</b> |
| <b>M12</b> | <b>External Testing Completed for SCoRE:</b> 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)?                             | <b>13/10/2023</b> |
| <b>M13</b> | <b>SCoRE Standards Implemented:</b> have the SCoRE Standards been implemented?   | <b>20/11/2023</b> |

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**  
Implementation Milestones

|                               | Custodians | CSD - KDPW | CSD - SKARBNET4 |
|-------------------------------|------------|------------|-----------------|
| Milestone 1<br>June 2020      | 3%         | 10/20      | 07/21           |
| Milestone 2<br>March 2021     | 3%         | 06/21      | 03/22           |
| Milestone 3<br>July 2021      | 3%         | Yes        | 12/21           |
| Milestone 4<br>December 2021  | 3%         | Yes        | 03/22           |
| Milestone 5<br>December 2021  | 3%         | Yes        | 03/22           |
| Milestone 6<br>January 2022   | 3%         | Yes        | 03/22           |
| Milestone 7<br>June 2022      | 3%         | Yes        | Yes             |
| Milestone 8<br>July 2022      | 3%         | Yes        | Yes             |
| Milestone 9<br>December 2022  | 3%         | Yes        | Yes             |
| Milestone 10<br>December 2022 | 3%         | 02/23      | Yes             |
| Milestone 11<br>April 2023    | 3%         | Yes        | Yes             |
| Milestone 12<br>October 2023  | 3%         | Yes        | Yes             |
| Milestone 13<br>November 2023 | 3%         | Yes        | Yes             |

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

### Summary

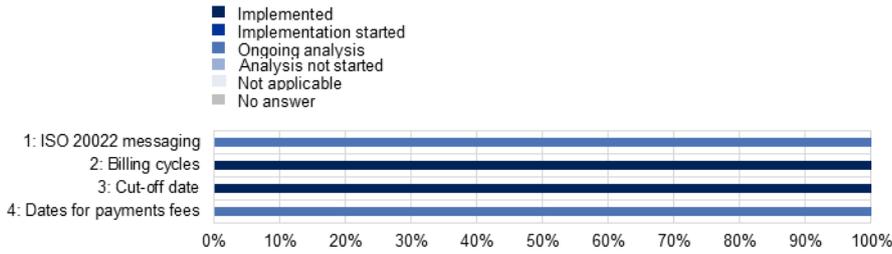
Both CSDs expect to meet the final implementation milestone.

### 3 Implementation Status per AMI-SeCo Standard

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

#### CSD - KDPW

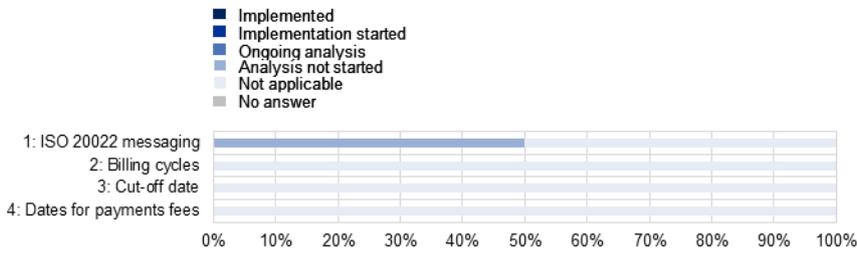
##### Implementation Status per AMI-SeCo Standard



Notes  
N/A

#### CSD – SKARBNET4

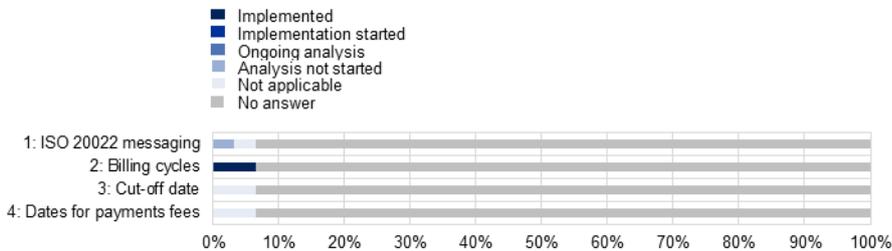
##### Implementation Status per AMI-SeCo Standard



Notes  
N/A

#### 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).