NL ECMS Market Consultation Group

27 February 2025

DeNederlandscheBank

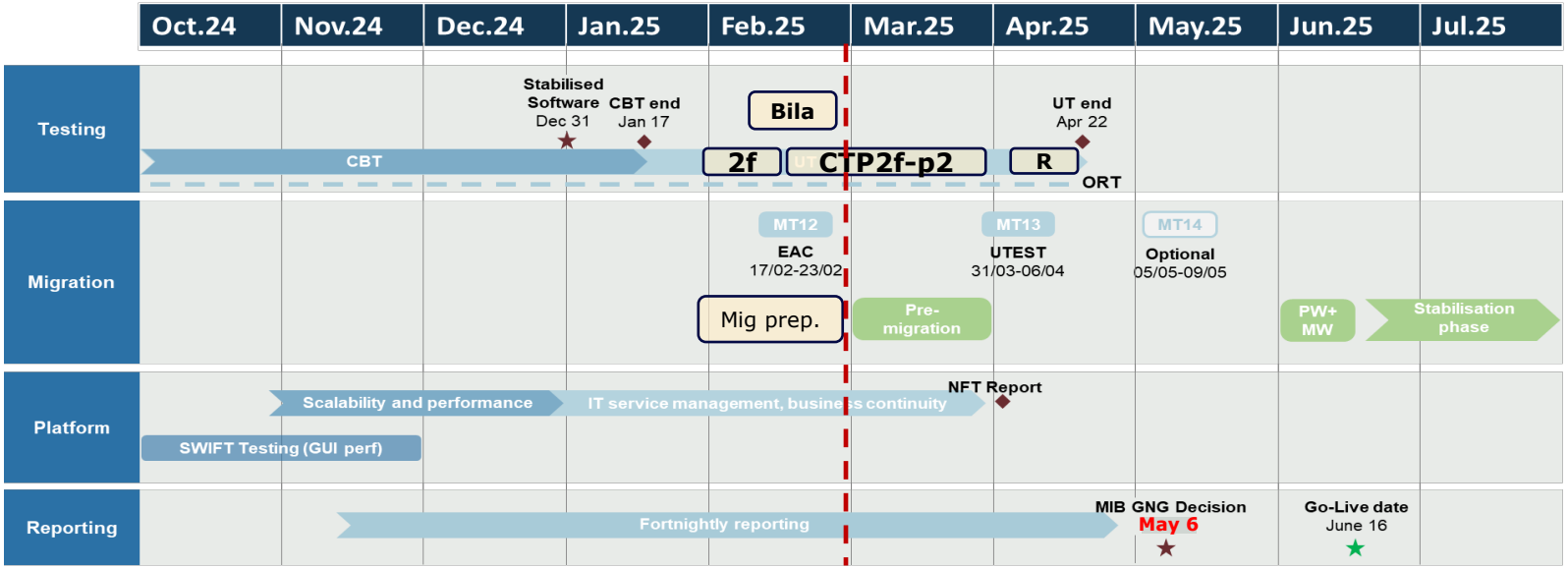
EUROSYSTEEM

Agenda

1. **Introduction**
2. **ECMS project planning**
3. **Eurosystem Readiness – status update**
4. **Migration – Roadmap to ECMS go-live**
5. **Legal Framework**
6. **Matters to take note of**
7. **AOB**

ECMS Project planning

ECMS project plan



8 March 2025 all blocking PBI's will resolved [DNB has two]
22 March Software code freeze.
17 March until 7 April 2025 Euroclear Bank test environment will not be available.

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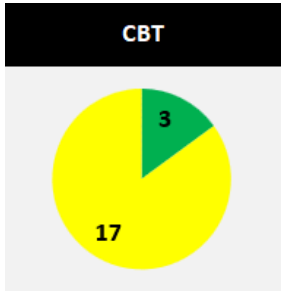
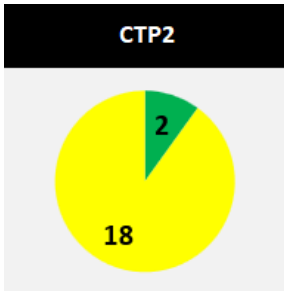
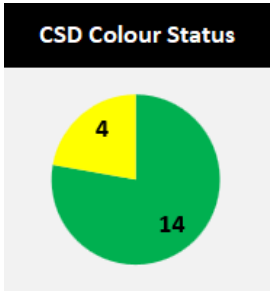
Eurosystem Readiness – status update

Readiness and confidence level

Eurosystem level (cut-off date: 14/2)







20 countries

CBT = Central Bank Testing

- 17 Yellow, 3 Green

CTP2 = Community Testing (NCBs view)

- 18 Yellow, 2 Green

CSD = Central Securities Depository

- 4 Yellow, 14 Green

Green	On track (Testing activities are evolving smoothly, according to the testing plan)
Yellow	On track, but with issues (Testing activities were impacted by unexpected issues; but not impacting the readiness by the planned Go-Live)
Red	Not on track (Testing activities were impacted by unexpected issues; impacting the readiness by the planned Go-Live)

Readiness and confidence level

Main challenges and topics to test

General issues

- Pool lock / unlock issue
- Operational day related issues → batch jobs and other automated activities
- Sometimes: interfaces e.g. RIAD

CBT (90% ready)

- "Use of Collateral" – issues for all countries
- Billing
- DWH
- Credit Claims – A2A testing

	Netherlands	Average
CBT	90%	91%
CTP2	92%	88%
CSD	80%	89%

Readiness and confidence level

Main challenges and topics to test

CTP2 – DNBs view (92% ready)

- Some backlogs with testing of some counterparties – main attention point is Marketable Assets – CCBM flows
- Credit Claims – A2A testing
- ECONS II

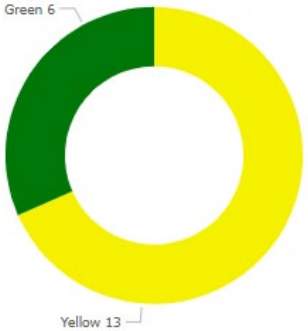
CSD (80% ready)

- Billing
- Testing elective events
- Testing CCBM events with other NCBs
- Some (non-blocking) issues e.g. with REVR

	Netherlands	Average
CBT	90%	91%
CTP2	92%	88%
CSD	80%	89%

Readiness and confidence level

Readiness of NL counterparties (week 7)



Confidence level

- 6 Green
- 13 Yellow
- 9 No report received last time

Main attention points

- Performance of the system – this is not going to be improved before go-live
- Some specific issues in the area of MA (complex settlement flows), sometimes related to issues with masterdata
- Some experience issues with Go Sign
- Some issues with Credit Claims

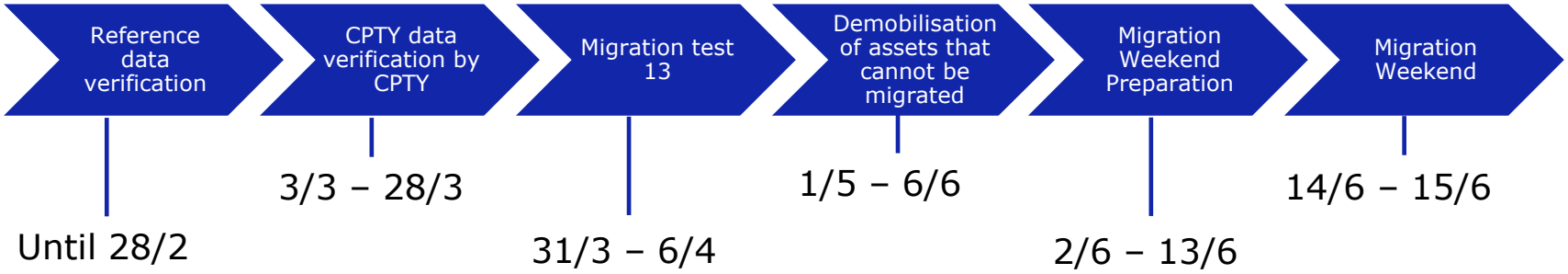
Readiness and confidence level

Update bilateral sessions

- Last week: 11 meetings, this week: 17 meetings
- Overall, we are happy with the counterparty testing progress
- Several counterparties currently report yellow, but tend to move to green
- Some counterparties have backlogs in testing, this is under the attention

Migration – Roadmap to ECMS go-live

Roadmap to ECMS go-live



CPTY Reference data verification by DNB

- Party's ref data and registration forms verification and potential updates.
- Please note that – if also connected to the ECMS via A2A - all messages are marked as subscribed by the counterparties.

CPTY data verification by CPTY

- CPTY ref data and registration forms verification and potential updates.
- Verification of CPTY Users and access rights.
- Newly created users should check if they can access the ECMS.

Roadmap to ECMS go-live

Demobilisation of assets that cannot be migrated

Assets mobilised to our Euroclear Bank account (92745) by CPTY's with **only** an account at CBL (e.g. assets in the 2nd pool, XS-ISIN's, EU-ISIN's, etc.)

Assets on our EB account (92745) for which EB has no eligible link (e.g. ES-bonds because there is no eligible link between EB and Iberclear)

Assets mobilised at Central Bank of Ireland

Assets with CA-event that have a record date before ECMS go-live and payment after go-live

Cash as collateral in the Second Pool

Roadmap to ECMS go-live

Migration Weekend Preparation

Migration of Credit Claims Reference Data (CC-registration).

Provision of the ECMS Credit Claim Id to the Counterparties.

Credit Claims: only update of outstanding amount instructions [9 -13 June 2025]

Marketable asset: No (de)mobilisations [Friday 13 June 2025].

Roadmap to ECMS go-live

Migration Weekend

Migration of transactional data

- Marketable Asset Position - domestic
- Marketable Asset Position - as CCB
- Credit Claim Positions
- Cash as Collateral
- Monetary Policy Operation
- Credit Freezing Position

Migration of outstanding CA

Roadmap to ECMS go-live - Synchronisation points

- Start Migration Weekend Preparation Weeks
- Completion of Migration Weekend Preparation Weeks Activities
- Confirmation that the migration of transactional data can start
- Confirmation of the migration of collateral and credit positions
- Start of the pool valuation processes
- Confirmation of the pool valuation processes

Roadmap to ECMS go-live - Synchronisation points

- Confirmation of the CL update in CLM
- Migration of ongoing CA events
- End of Migration Activities - Greenlight to open the system to the counterparties
- Counterparties checks of the migrated positions
- Penny test
- End of Migration Weekend Activities

Counterparty involvement during migration

- ***To summarise counterparty involvement during migration***
  - ***Pre-Migration***
    - *Setup CPTY User and Access Right Configuration*
    - *Verify reference data*
  - ***Preparation weeks***
    - *Check registered credit claims (link ECMS CC-reference)*
  - ***Migration weekend***
    - *No active CPTY involvement*

Counterparty involvement during migration

- ***However,…***
  - *Changes to your internal system/processes (e.g. switch to ISO 20022, new account set-up, reconciliation – no messages if U2A only, etc.);*
  - *Actively monitor your collateral via the GUI (e.g. Pool positions, Pool Projections);*
  - *Will receive an overview of:*
  - ❖ *marketable assets that will be migrated;*
  - ❖ *Credit Claim positions that will be migrated;*
  - ❖ *credit freezings that will be migrated;*
  - *Opportunity to access ECMS on Sunday during the migration weekend.*

Roadmap to ECMS go-live – Migration Test 13

- **MT 13: from 31 March until 6 April 2025**
- **Production data with snapshot date Friday 4 April 2025 COB:**
  - Credit Claim Positions
  - Cash as Collateral
  - Monetary Policy Operation
  - Credit Freezing Positions
  - Marketable Asset Positions

- **Only additional positions for functional Corporate Action testing:**

Roadmap to ECMS go-live – Migration Test 13

First three days after migration test 13 (from 7 till 9 April 2025) we are going to mirror production.

- *No functional testing.*
- *DNB will update ECMS with transactions from the production environment.*
- *If possible, CPTY's to instruct CC-transactions in both systems.*

As of Thursday April 10th, 2025, ECMS will be open for functional (regression) testing (we will inform you which ISINs will be available on your account)

Legal Framework

Legal Framework (1/3) – Eurosystem guidelines

- **General Documentation Guideline (GenDoc/GD):** Guideline (EU) 2015/510 of the European Central Bank of 19 December 2014 on the implementation of the Eurosystem monetary policy framework (ECB/2014/60) (**General Documentation Guideline**)
  - *Eurosystem monetary policy tools, operations, instruments and procedures*
  - *Monetary policy eligible counterparties*
  - *Eligibility criteria for assets (marketables/non-marketables)*
  - *Eurosystem Credit Assessment Framework (ECAF) rules*

- **Valuation haircuts Guideline**: Guideline (EU) 2016/65 of the European Central Bank of 18 November 2015 on the valuation haircuts applied in the implementation of the Eurosystem monetary policy framework (ECB/2015/35) (**Valuation haircuts Guideline**)

- **Temporary Guideline**: Guideline of the European Central Bank of 9 July 2014 on additional temporary measures relating to Eurosystem refinancing operations and eligibility of collateral (ECB/2014/31) **(Temporary Guideline)**

Legal Framework (2/3) – Eurosystem guidelines

- **Eurosystem Collateral Management Framework Documentation**

  Key processes, procedures and arrangements involved in the mobilisation and management of collateral via ECMS

  - **Collateral Management Guideline**: Guideline (EU) 2024/[XX] of the European Central Bank of 13 August 2024 on the management of collateral in Eurosystem credit operations (ECB/2024/22) (**Guideline on the management of collateral in Eurosystem credit operations**)
  - Specific document (i.e. manual) for CPTYs: **Collateral management in Eurosystem credit operations - information for counterparties**

Legal Framework (3/3) – NL legal documentation

Monetary Policy Transactions Conditions (MPTC)

NL specific requirements for eligibility and mobilisation of collateral in the Monetary Pool

Status update:

- MPTC - Edition June 2025 (application date: 16 June 2025) ready to be shared (no publication yet)

Second Pool Conditions (SPC)

Eligibility criteria and other requirements related to the use of the Second Pool

Latest developments:

- Eligibility requirements for collateral in Second Pool to be aligned with requirements for collateral in Monetary Pool
- DNB's Risk Management Committee to discuss the alignment by end March
- Internal discussion on incorporating Second Pool Conditions in the MPTC

Therefore:

- MPTC – Edition June 2025 (provisional) will be shared (via email) with MCG members beginning of March
- MPTC – Edition June 2025 (final) to be published on DNB's website in April

Matters to take note of

Matters to take note of

1. ECMS & ECONSII test in UTEST >>> to be replanned
2. Next ECMS Focus Session (online/ECB website) on 21 March 2025, 10:00-12:30
3. Euroclear ECMS fee structure (Newsletter 2025-N-011 (pdf-240KB))
4. NRO – Go Sign (v8.3.6): green light from 4CB expected by 5 March
5. Invitations sent out for in-person meeting 1 April (***registration by 21 March cob***)
6. Topics April MCG meeting:
   - Live timing testing in April
   - Mapping of relevant changes in ECMS in relation to the current CMS
   - Set-up of the ECMS National Service Desk at DNB
   - Billing & VAT

- Next meeting: Tuesday **1 April from 14:30 CET, in-person at DNB** (Frederiksplein 61, Amsterdam)

- Opportunity for questions
- AOB

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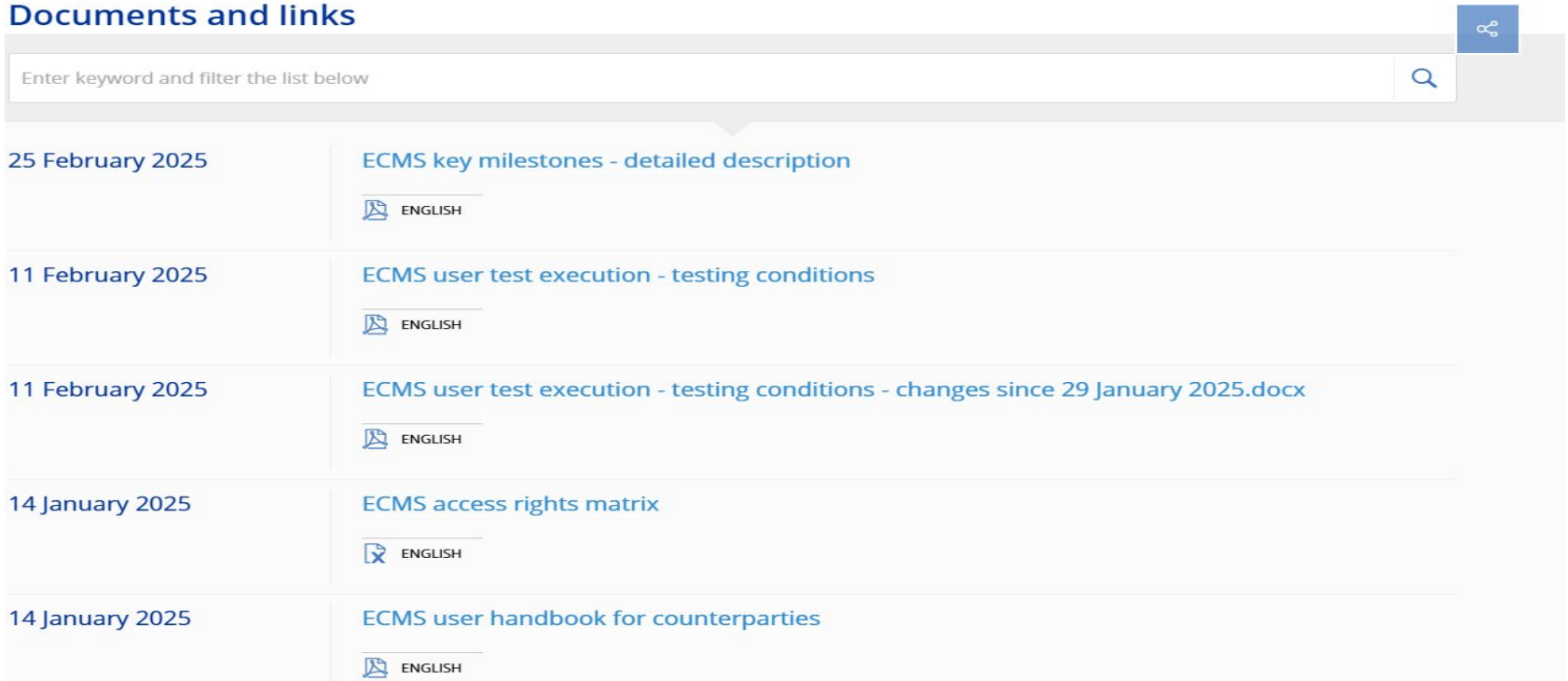
Documentation and tools

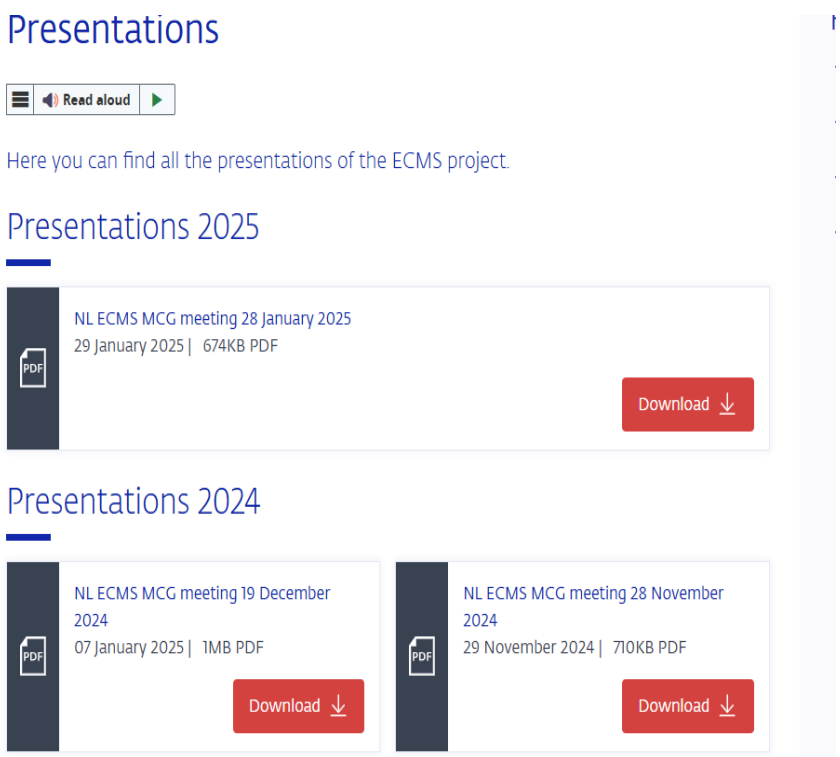
NL ECMS MCG: ECMS - Professional use (europa.eu)



NL ECMS MCG: Presentations, newsletters and one pagers (dnb.nl)

Above link to DNB website:

- For presentations, newsletters, one pagers, message templates, etc. on ECMS.
- Recently published documents:
  - NL ECMS MCG meeting 28 January 2025
  - NL ECMS MCG meeting 19 December 2024
  - NL ECMS MCG meeting 28 November 2024
  - NL ECMS MCG meeting 31 October 2024



Links to useful documents for connectivity testing

On the ECB website ECMS - Professional use

- ECMS info pack - user testing and migration (europa.eu)
- TARGET Services Connectivity Guide v2.2 - with revisions (europa.eu)
- ECMS user testing - terms of reference for pre-production environment (europa.eu)
- ECMS catalogue of messages and credit claim files - changes since version of 22 June 2023 (europa.eu)

SWIFT MyStandards

- ECMS actors that interact with the ECMS via A2A can request access to the ECMS group in the MyStandards web application.
- CPTYs can verify/test the compliance of message versions in the Readiness Portal, with specifications provided in MyStandards.

  The portal is a web application built on top of MyStandards.

  - Tests with the MyStandards Readiness Portal neither require nor verify the connectivity via ESMIG.
  - MyStandards Readiness Portal neither allows to reach nor test the ECMS.

Connectivity testing: Procedure to get access

The objective is to ensure full end-to-end connectivity to the ECMS via the Eurosystem Single Market Infrastructure Gateway (ESMIG)

Preparation:

- Registration form "data for connectivity"
- Complete the e-ordering process with the chosen Network Service Provider

- The TARGET Services Connectivity Guide on the ECB website describes in general terms the connectivity to ESMIG.
- This connectivity guide is not sufficient to achieve your connectivity to ESMIG. All NSPs specific steps and technical details (e.g. settings and tokens) to achieve the connectivity to TARGET Services, are described in the relevant NSP (SWIFT or Nexi-COLT) related documentation.

Connectivity testing: Procedure to get access

- Summary connectivity steps:

  - DNB will setup counterparty: based on registration form
  - DNB will create CPTY admin user(s)
  - CPTY Admin(s) connect to the ECMS GUI landing page U2A

  If also A2A:

  - CPTY Admin(s) create A2A-user(s)
  - CPTY checks receipt of an acknowledgement (admi.007) from ECMS after sending one A2A message [ECMS Catalogue of Messages]