

## 1. General Information

**CR Raised by:** ECB T2S Project Team      **Institute:** ECB      **Date Raised:** 04/05/09

**Change Request Title:** Query of Liquidity      **CR Ref.:** T2S URD 199

**Change Request Classification:** Substance      **Status:** Approved by the AG  
(Typo, Consistency, Clarification, Substance)

**Change Type:** New Requirement, Modification, Deletion      **Requestor Category:** ECB T2S Project Team  
(New Requirement/Modification/Deletion)      (User, 4CB, ECB T2S Project Team)

**Chapter Number/Annex Number:** Chapter 6, Chapter 14      **Req No:** T2S.14.870, T2S.14.840, T2S.14.936, T2S.14.937, T2S.14.938, T2S.06.480

**Priority (S,H,M,L):** M      **Proposed Implementation Date/Release:** Version 4.2

### Description of Requested Change:

The liquidity monitoring tools need to be consolidated in order to view the overall liquidity available over a T2S dedicated cash account and also the collateral available from its linked security account.. Also the current URD has no requirements for querying standing and predefined liquidity transfer orders.

### Reason for Change / Expected Benefits / Business Case:

The current description in the URD does not provide a complete overview of the liquidity monitoring tools for liquidity.. Also, a treasurer of a payment bank must be able to query its standing and predefined liquidity transfer orders.

### Submitted Annexes / Related Documents:

### Proposed wording for the Change Request:

#### 1. The requirement T2S.14.870 is to be modified as below

T2S.14.870 Information Relating to Overall Liquidity

The amount of the overall liquidity available to a payment bank shall provide (including a possible credit line in the RTGS system and possible intraday credit stemming from auto-collateralisation on stock). ~~The information can be used by the treasurer of a payment bank or, settlement bank, or NCB can use this information~~ to get an overview of the sum of liquidity available for the institution.

Since T2S will allow the payment bank to reserve liquidity in any of its T2S dedicated cash accounts, the treasurer of the payment bank, settlement bank or NCBs will need to be able to query both reserved liquidity and liquidity available for normal operations.

Securities on flow ~~will not be taken into account~~ shall not be considered because they will be used automatically during the settlement process.

The query shall support the following selection parameters:

1. A specific T2S party (Settlement bank, payment bank),

The query shall return the following information:

1. T2S party (Settlement bank, payment bank),
2. Currency
3. Intraday credit limit (i.e. auto-collateralisation limit) set by NCB
4. Intraday credit limit (i.e. auto-collateralisation limit) utilisation
5. Sum of the value of eligible securities in the security accounts (linked to each T2S dedicated cash account) for auto collateralisation
6. Sum of cash available (across all its T2S dedicated cash accounts)
7. Sum of cash blocked (across all its T2S dedicated cash accounts)

8. Sum of cash reserved (across all its T2S dedicated cash accounts)
9. Sum of liquidity available (across all its T2S dedicated cash accounts).
  - a. Here, sum of liquidity available =  
[value of eligible securities (5)] + [sum of cash available in the T2S dedicated cash account (6)] – [sum of cash blocked (7)] – [sum of cash reserved (8)]

Notes:

1. The query response must provide the credit limits and the cash balances in the same currency (it can be in any ISO currency).
2. If the NCB query by T2S Party, then the query shall output the response for a list of T2S parties, so that the NCB gets an overview for its sphere of responsibility.
3. When the query initiator is a NCB,
  - a. if the query input has a T2S party, then the response shall be limited to the T2S party.
  - b. if the query input does not have a T2S party, then the response shall include every T2S party under the sphere of responsibility of the NCB
4. The query response shall be limited by controlled access to the data, as setup for NCB/ settlement bank/ payment bank

**2. The requirement T2S.14.840 is to be modified as below**

T2S.14.840 Outstanding ~~Intraday Credit~~ Auto-Collateralisation Credit

The amount of outstanding intraday credit stemming from auto-collateralisation ~~should~~ shall be available to NCBs, settlement banks and payment banks, according to their access rights.

Here, the outstanding intraday credit means, the difference between the credit utilised and the credit reimbursed

The query shall support the following selection parameters:

1. T2S party (Settlement bank, payment bank, CSD),

The query shall return the following information:

1. T2S party (Settlement bank, payment bank, CSD),
2. Currency
3. Auto-collateral intraday credit limit set by NCB on a settlement or payment bank (if it is set by NCB)
4. Sum of auto-collateral intraday credit limit set by settlement bank/ payment bank (on one or more of the security account(s) associated to its T2S dedicated cash accounts)
5. Outstanding intraday credit

Notes

1. The query response must provide the credit limits and the outstanding limits in the same currency (it can be in any ISO currency).
2. Only if the limit set by NCB (3) is available, then the outstanding credit (7) has to be provided, else it shall be shown as 0
3. When the query initiator is a NCB,
  - a. if the query input has a T2S party, then the response shall be limited to the T2S party.
  - b. if the query input does not have a T2S party, then the response shall include every T2S party under the sphere of responsibility of the NCB
4. When the query initiator is a settlement bank/ payment bank,

- a. The query input has to be defaulted to the settlement bank/ payment bank
- 5. The query response shall be limited by controlled access to the data, as setup for NCB/ settlement bank/ payment bank

**3. The CR proposes an additional section 14.5.3 in chapter 14 for liquidity transfer order queries:**

14.5.3 Liquidity transfer order queries

T2S static data stores pre-defined and standing liquidity transfer orders. The section specifies the requirements for querying pre-defined and standing liquidity transfer orders, as defined in static data.

**4. Addition of a new requirement in T2S.14.936 in section 14.5.3**

T2S.14.936 - Liquidity transfer order list query

T2S shall enable NCBs, settlement banks and payment banks to query a list of predefined and standing liquidity transfer orders, according to their access rights (T2S.14.060).

The query shall support the following selection parameters:

- a specific T2S party (NCB, settlement bank, payment bank);
- a specific T2S dedicated cash account;
- and/or a specific T2S settlement currency.

Furthermore, the query shall support a parameter as to whether the query shall output keys fields of the liquidity transfer only, i.e. those fields from which a user can identify the transfer order.

The query shall return the following information as output when the query should output key fields only:

- NCB of the T2S party;
- T2S party;
- currency;
- debit cash account;
- credit cash account;
- amount;
- all cash (yes/no);
- liquidity transfer order identifier;
- execution type;
- valid from date;
- valid to date.

The query shall return all attributes of a predefined or standing liquidity transfer order when the querying party does not select the key field option:

- NCB of the T2S party;
- T2S party;
- currency;
- credit cash account;
- debit cash account;
- valid from date
- valid to date
- the execution type and the description of the execution type
- execution event and execution event description for triggering the execution
- unique technical identifier of the standing order
- authorization status

- deletion Status
- last change date/timestamp
- user ID and name of user for last update.

Examples and further descriptions regarding the liquidity transfer order list query:

If the query parameter specifies T2S party, then the query result set will include all liquidity transfer orders, defined for the party's T2S dedicated cash accounts.

If the query parameter specifies a T2S dedicated cash account, then the query result set will include all liquidity transfer orders, defined for the specified T2S dedicated cash account.

If the query parameter specifies T2S party and a T2S settlement currency, then the query result set will include all liquidity transfer orders for the party's T2S dedicated cash accounts in the specified T2S settlement currency.

### **5. Addition of a new requirement in T2S.14.937 in section 14.5.3**

T2S.14.937 - Liquidity transfer detail query

T2S shall enable NCBs, settlement banks and payment banks to query the details of a specific predefined or standing liquidity transfer orders, according to their access rights (T2S.14.060).

The query shall support only the unique technical identifier as parameter.

The query shall return all attributes of a predefined or standing liquidity transfer order when the querying party does not select the key field option:

- NCB of the T2S party;
- T2S party;
- currency;
- debit cash account;
- valid from date
- valid to date
- the execution type and the description of the execution type
- execution event and execution event description for triggering the execution
- unique technical identifier of the standing order
- revision number
- authorization status
- deletion Status
- last change date/timestamp
- user ID and name of user for last update.

### **6. Deletion of the requirement T2S.06.480 (Total amount of predefined and standing liquidity transfer orders) in Chapter 6**

In response to a query T2S shall provide an NCB with the overall amount of predefined liquidity transfer orders, and the overall amount of standing liquidity transfer orders defined by payment banks in its sphere of responsibility.

### **7. Addition of the requirement T2S.14.938 (i.e. T2S.06.480) as below in the section 14.5.3**

T2S.14.938: Total amount of predefined and standing liquidity transfer orders

T2S shall provide an NCBs/ settlement bank/ payment bank with the possibility to query the overall amount of Not yet executed predefined liquidity transfer orders, and the overall amount of Not yet executed standing liquidity transfer orders defined by settlement banks/ payment banks in its sphere of responsibility.

The query shall support the following selection parameters:

1. A specific T2S party (Settlement bank, payment bank),

The query shall return the following information:

1. T2S party (Settlement bank, payment bank),
2. Currency
3. Total DEFINED amount of predefined liquidity transfer orders
4. Total amount of NOT YET EXECUTED predefined liquidity transfer orders
5. Total DEFINED amount of standing liquidity transfer orders
6. Total amount of NOT YET EXECUTED standing liquidity transfer orders

#### Notes

1. The query shall respond with a list of the above amounts in each currency as defined by the settlement/ payment bank
2. The total amount in the response means, the sum of all the individual order amounts
3. If the query input has a T2S party, then the response shall be limited to the T2S party.
4. When the query initiator is a NCB, If the query input does not have a T2S party, then the response shall include every T2S party under its sphere of responsibility
5. When the query initiator is a settlement bank/ payment bank, If the query input does not have a T2S party, then the response shall include details pertaining only to the query initiator
6. The query response shall be limited by controlled access to the data, as setup for NCB/ settlement bank/ payment bank

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#### Outcome of meetings:

\* SG meeting on 2 June 2009

Recommendation to the AG: Approval

\* AG meeting on 15 June 2009

Approval of SG recommendation