**Change Request**

**for the update of ISO 20022 financial repository items**

1. **Origin of the request:**

*A.1 Submitter*:

- Deutsche Bundesbank, on behalf of the Eurosystem

- TARGET2-Securities Project

*A.2 Contact person:*

- Alexander Topel / Julia Lohle

- +49 69 – 9566 8184 / +49 69 – 9566 8843

- T2S-FAM@bundesbank.de

*A.3 Sponsors*:

- European Central Bank; Karen Birkel - karen.birkel@ecb.int

- TARGET2-Securities Community

1. **Related messages:**

- sese.023.001.06 - SecuritiesSettlementTransactionInstructionV06

- sese.024.001.07 - SecuritiesSettlementTransactionStatusAdviceV07

- sese.028.001.05 - SecuritiesSettlementTransactionAllegementNotificationV05

- semt.018.001.07 - SecuritiesTransactionPendingReportV07

- semt.019.001.05 - SecuritiesSettlementTransactionAllegementReportV05

1. **Description of the change request:**

Currently, the transaction code ‘BIYI’ (BuyIn) is not available consistently across ISO 20022 messages. To ensure a consistent usage of the code it is necessary to align some messages:

* It is excluded from the valid ISO 20022 transaction code set (SecuritiesTransactionType7Code) pertaining to ‘sese.023’ message (Securities Settlement Transaction Instruction) and the status advice ‘sese.024’ (Securities Settlement Transaction Status Advice), however it is available in the ‘sese.025’ (Securities Settlement Transaction Confirmation) based on ISO 20022 transaction code set (SecuritiesTransactionType8Code).
* It is excluded from the valid ISO 20022 transaction code set (SecuritiesTransactionType10Code) pertaining to ‘sese.028’ (Securities Settlement Transaction Allegement Notification) and ‘semt.019’ (Securities Settlement Transaction Allegement Report).
* It is excluded from the valid ISO 20022 transaction code set (SecuritiesTransactionType9Code) pertaining to ‘semt.018’ message (Securities Transaction Pending Report), however it is available in ‘semt.017’ (Statement of Transactions) based on ISO 20022 transaction code set (SecuritiesTransactionType8Code).

With this CR it is requested to add the transaction code “BIYI” (Buy In) to the code sets

* SecuritiesTranscactionType7Code,
* SecuritiesTransactionType9Code and
* SecuritiesTransactionType10 Code.

1. **Purpose of the change:**

During the discussions on the European CSD Regulation (CSDR) requirements, it has been identified that CSDs must keep record of settlement instructions related to buy-ins, including, if applicable, the amount of cash compensation and cancellation of initial settlement instructions.

Reference to this requirement can be found in European Securities and Markets Authority (ESMA) Regulatory Technical Standards (RTS) on CSD Requirements under CSDR, Article 54, ‘Transaction/Settlement Instruction (Flow) Records’, point (x) and the corresponding ‘Annex IV: Format of CSD records’, Table 1, ‘Transaction/settlement instruction (flow) records’ (row 24), that defines the actual format to be followed for each record[[1]](#footnote-1).

In order for CSDs to identify buy-in transactions and be able to satisfy CSDR requirements related to buy-ins, it must be guaranteed that buy-in instructions information are identified, stored, and reported consistently across several messages: the usage of the ISO transaction type code ‘BIYI’ (BuyIn) is proposed to fulfil this purpose.

1. **Urgency of the request:**

We request the SEG to consider this change request for the next maintenance cycle.

1. **Business examples:**

BuyIn code ‘BIYI’ is missing in SecuritiesTransactionType7Code, SecuritiesTransactionType9Code and SecuritiesTransactionType10Code but included in SecuritiesTransactionType8Code.

|  |  |
| --- | --- |
| SecuritiesTransactionType7Code | |
| **Name** | **Code** |
| CentralBankCollateralOperation | CNCB |
| BuyIn | BIYI |
| BuySellBack | BSBK |
| CollateralIn | COLI |
| CollateralOut | COLO |
| DepositoryReceiptConversion | CONV |
| FactorUpdate | FCTA |
| MoveOfStock | INSP |
| Issuance | ISSU |
| MarkDown | MKDW |
| MarkUp | MKUP |
| Netting | NETT |
| NonSyndicated | NSYN |
| ExternalAccountTransfer | OWNE |
| InternalAccountTransfer | OWNI |
| PairOff | PAIR |
| Placement | PLAC |
| PortfolioMove | PORT |
| Realignment | REAL |
| Withdrawal | REDI |
| Redemption | REDM |
| DepositoryReceiptReleaseCancellation | RELE |
| Repo | REPU |
| ReturnDeliveryWithoutMatching | RODE |
| ReverseRepo | RVPO |
| SellBuyBack | SBBK |
| BorrowingReallocation | SBRE |
| SecuritiesBorrowing | SECB |
| SecuritiesLending | SECL |
| LendingReallocation | SLRE |
| Subscription | SUBS |
| SyndicateUnderwriters | SYND |
| TBAClosing | TBAC |
| Trade | TRAD |
| TripartyRepo | TRPO |
| TripartyReverseRepo | TRVO |
| Turnaround | TURN |
| CorporateAction | CORP |
| MarketClaim | CLAI |
| AutoCollateralisation | AUTO |
| ExchangeTradedFunds | ETFT |

|  |  |
| --- | --- |
| SecuritiesTransactionType9Code | |
| **Name** | **Code** |
| CentralBankCollateralOperation | CNCB |
| BuyIn | BIYI |
| BuySellBack | BSBK |
| CollateralIn | COLI |
| CollateralOut | COLO |
| DepositoryReceiptConversion | CONV |
| FactorUpdate | FCTA |
| MoveOfStock | INSP |
| Issuance | ISSU |
| MarkDown | MKDW |
| MarkUp | MKUP |
| Netting | NETT |
| NonSyndicated | NSYN |
| ExternalAccountTransfer | OWNE |
| InternalAccountTransfer | OWNI |
| PairOff | PAIR |
| Placement | PLAC |
| PortfolioMove | PORT |
| Realignment | REAL |
| Withdrawal | REDI |
| Redemption | REDM |
| DepositoryReceiptReleaseCancellation | RELE |
| Repo | REPU |
| ReturnDeliveryWithoutMatching | RODE |
| ReverseRepo | RVPO |
| SellBuyBack | SBBK |
| SecuritiesBorrowing | SECB |
| SecuritiesLending | SECL |
| Subscription | SUBS |
| SyndicateUnderwriters | SYND |
| TBAClosing | TBAC |
| Trade | TRAD |
| TripartyRepo | TRPO |
| TripartyReverseRepo | TRVO |
| Turnaround | TURN |
| AutoCollateralisation | AUTO |
| MarketClaim | CLAI |
| CorporateAction | CORP |
| ExchangeTradedFunds | ETFT |

|  |  |
| --- | --- |
| SecuritiesTransactionType10Code | |
| **Name** | **Code** |
| CentralBankCollateralOperation | CNCB |
| BuyIn | BIYI |
| BuySellBack | BSBK |
| CollateralIn | COLI |
| CollateralOut | COLO |
| Netting | NETT |
| ExternalAccountTransfer | OWNE |
| InternalAccountTransfer | OWNI |
| PairOff | PAIR |
| Placement | PLAC |
| PortfolioMove | PORT |
| Realignment | REAL |
| Redemption | REDM |
| Repo | REPU |
| ReverseRepo | RVPO |
| SecuritiesBorrowing | SECB |
| SecuritiesLending | SECL |
| Subscription | SUBS |
| Trade | TRAD |
| TripartyRepo | TRPO |
| TripartyReverseRepo | TRVO |
| Turnaround | TURN |
| AutoCollateralisation | AUTO |
| MarketClaim | CLAI |
| CorporateAction | CORP |
| ExchangeTradedFunds | ETFT |

|  |  |
| --- | --- |
| SecuritiesTransactionType8Code | |
| **Name** | **Code** |
| CentralBankCollateralOperation | CNCB |
| BuyIn | BIYI |
| BuySellBack | BSBK |
| CollateralIn | COLI |
| CollateralOut | COLO |
| DepositoryReceiptConversion | CONV |
| FactorUpdate | FCTA |
| MoveOfStock | INSP |
| Issuance | ISSU |
| MarkDown | MKDW |
| MarkUp | MKUP |
| Netting | NETT |
| NonSyndicated | NSYN |
| ExternalAccountTransfer | OWNE |
| InternalAccountTransfer | OWNI |
| PairOff | PAIR |
| Placement | PLAC |
| PortfolioMove | PORT |
| Realignment | REAL |
| Withdrawal | REDI |
| Redemption | REDM |
| DepositoryReceiptReleaseCancellation | RELE |
| Repo | REPU |
| ReturnDeliveryWithoutMatching | RODE |
| ReverseRepo | RVPO |
| SellBuyBack | SBBK |
| BorrowingReallocation | SBRE |
| SecuritiesBorrowing | SECB |
| SecuritiesLending | SECL |
| LendingReallocation | SLRE |
| Subscription | SUBS |
| SyndicateUnderwriters | SYND |
| TBAClosing | TBAC |
| Trade | TRAD |
| TripartyRepo | TRPO |
| TripartyReverseRepo | TRVO |
| Turnaround | TURN |
| CorporateAction | CORP |
| MarketClaim | CLAI |
| AutoCollateralisation | AUTO |
| ExchangeTradedFunds | ETFT |

1. **SEG recommendation:**

|  |  |  |  |
| --- | --- | --- | --- |
| **Consider** | | X | **Timing** |
|  | | - **Next yearly cycle: 2016/2017**  (the change will be considered for implementation in the yearly maintenance cycle which starts in 2016 and completes with the publication of new message versions in the spring of 2017) | | X |
|  | | - **At the occasion of the next maintenance of the messages**  (the change will be considered for implementation, but does not justify maintenance of the messages in its own right – will be pending until more critical change requests are received for the messages) | |  |
|  | | - **Urgent unscheduled**  (the change justifies an urgent implementation outside of the normal yearly cycle) | |  |  |
|  | | - **Other timing:** | | |  |

Comments:

|  |  |
| --- | --- |
| **Reject** |  |

Reason for rejection:

1. https://www.esma.europa.eu/sites/default/files/library/2015/11/2015-esma-1457\_-\_annex\_ii\_-\_csdr\_ts\_on\_csd\_requirements\_and\_internalised\_settlement.pdf [↑](#footnote-ref-1)