

SCoREBOARD

Corporate Actions – H2 2021






Slovak NSG

The Single Collateral Management Rulebook for Europe (SCoRE) contains 15 Standards related to the processing of corporate actions (published as the [SCoRE Standards for Corporate Actions](#)). Implementation progress is monitored twice per year. This summary report presents the results of the H2 2021 monitoring exercise conducted by the Slovak NSG with the involvement of the following stakeholders:

- 1 CSD – CDCP
- 6 Custodians
- 5 Issuers

12 entities are monitored in the Slovak market

The SCoRE Overview provides a high-level summary of the H221 monitoring exercise.

 <small>SINGLE COLLATERAL MANAGEMENT RULEBOOK FOR EUROPE</small>	 Response Rate	 Implementation Status	 Milestone achieved?	 Implemented on Time?
Custodians	50%	Implemented 13.3% Analysis started 4.03% Implementation started 27.5%	50%	83%
Issuers	20%	Yes 4% No 45.3%	n/a	n/a
CSD - CDCP	100%	Implemented 1.69% Analysis started 93.2% Implementation started 5.08%	No	Yes

Note: Implemented on Time reflects the entity's ability to meet the final reporting milestone prior to the adoption of the Standards.

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

Not all entities participated in the H2 2021 monitoring exercise. Not all monitored entities in the Slovakian market (totally 12 actors) responded to the H2 2021 monitoring exercise due to technical reasons. Nevertheless, we can report that implementations of Corporate Action standards in the Slovak market is ongoing. We confirm that final implementation date of all standards (November 2023) is largely planned to be met by all participants.

CSD – CDCP

CDCP implementation has started and is aimed to be on track

CDCP is already compliant with all rules of Standard 7. The implementation of all other Standards is slightly deteriorated (based on the agreed milestones) compared to the last reporting period, with the being that, during the monitored time, it was necessary to finalize another big project (the termination of the activity of NCDP in Slovak market and the transfer of assets of its clients to CDCP). Irrespective, there are no issues of concern which need to be highlighted, except that the current reporting milestones are slightly delayed. It is expected that future milestones and the implementation date of November 2023 will be met.

Custodians

Custodians are expected to meet future milestones

Work on meeting the reporting milestone is ongoing. Implementation of the Standards is processing. Custodian´s compliance status in the Slovak market for reported standards is as follows: About 13.3% of custodians have reported that the standards are already implemented. About 4.03% reported that analysis is started. Furthermore, 27.5% of custodians have reported that implementation has started. The highest compliance status of 67% is achieved for Standard 13 (Reversal), and the lowest compliance status of 33% is achieved for Standard 4 (Rounding rules), Standard 5 (Negative cash flows) and Standard 10 (Blocking rules).

Custodians are aware of their task to process information as communicated by the CDCP and to disseminate this information to clients. It is expected that future milestones and the implementation date of November 2023 will be met. There are no issues of concern which need to be highlighted. Standards 6, 8,14 are not deemed relevant for custodians and, therefore, there is no listed percentage for these Standards in Table A.

Issuers

Issuers' involvement in monitoring is expected to increase

Only one fifth of issuers responded to the survey. Custodians in their position as issuers did not respond to the survey, nevertheless they confirm their awareness of the Standards relevant to issuers. They confirm that they are aware of their task to provide all relevant data to the Issuer CSD.

One issuer reported that they already fulfil the obligations of Standards 6, 7 and 8. Standards 10, 12, 14 and 15 are not deemed relevant for Issuers and, therefore, there is no listed percentage in Table A.

NCB

Národná banka Slovenska is on track to adopt the SCoRE Standards in November 2023

Národná banka Slovenska is on track to implement the SCoRE Standards for Corporate Actions for its collateral management activities by November 2023.

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 1¹. Custodians and Issuers 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 and issuers, 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.

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

Table A
SCoREBOARD

STANDARD	Custodians	Issuers	CSD - CDCP
1A: Notification	47%	0%	G
1B: Instruction	43%		G
1C: Advise	43%		Y
1D: Confirmation	40%		G
1E: Reversal	39%		Y
1F: Meeting Notification	48%	0%	Y
1G: Meeting Instruction	43%		Y
1H: Meeting Results	43%		Y
2: Calculation of Proceeds	44%	0%	Y
3: Consistency of Information	43%	0%	Y
4: Rounding Rule 1	50%	0%	Y
4: Rounding Rule 2	50%	0%	Y
4: Rounding Rule 3	33%	0%	Y
4: Rounding Rule 4	50%	0%	Y
4: Rounding Rule 5	50%	0%	Y
5: Negative Cash Flows	33%	0%	Y
6: Business Day Rule		20%	Y
7: Securities Amount Data Rule 1		0%	B
7: Securities Amount Data Rule 2		20%	B
7: Securities Amount Data Rule 3		20%	B
7: Securities Amount Data Rule 4		20%	B
8: Payment Time Rule 1		0%	Y
8: Payment Time Rule 2		20%	Y
8: Payment Time General Principle 3		20%	Y
9: Processing Status	50%	0%	Y
10: Blocking Rule 1	50%		Y
10: Blocking Rule 2	33%		Y
10: Blocking Rule 3	33%		Y
10: Blocking Rule 4	33%		Y
10: Blocking Rule 5	33%		Y
11: Default Option	50%	0%	Y
12: Handling of Fees	50%		Y
13: Reversal	67%	0%	Y
14: Foreign Currency			Y
15: ISO 20022 Messaging	51%		Y

- 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.
- TPAs are using custody services provided by CSDs or Custodians in order to disseminate CA information to Collateral Givers and Collateral Takers. Monitoring of TPAs thus focuses on the implementation of triparty specific workflows described in Standard 1.
- 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.
- Issuers were asked to confirm awareness of their obligation to provide all relevant information to the Issuer CSD (on a Yes/No basis). The % reflects the number of issuers who responded yes to the survey
- Percentages are calculated on the basis of expected respondents, i.e. number of entities monitored in the market.

2

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

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

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
Milestones

	Custodians	CSD - CDCP
Milestone 1 June 2020	33%	Yes
Milestone 2 March 2021	50%	Yes
Milestone 3 July 2021	50%	01/22
Milestone 4 December 2021	50%	02/22
Milestone 5 December 2021	50%	Yes
Milestone 6 January 2022	50%	01/22
Milestone 7 June 2022	50%	Yes
Milestone 8 July 2022	50%	Yes
Milestone 9 December 2022	67%	Yes
Milestone 10 December 2022	67%	Yes
Milestone 11 April 2023	67%	Yes
Milestone 12 October 2023	67%	Yes
Milestone 13 November 2023	83%	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

CSD – CDCP is expected to achieve the reporting milestones in a short run. The in-depth analysis (Milestone 3) is ongoing and should be finished by January 2022. The same deadline is scheduled for Milestone 6 (ScoRe Addaptation Started). The documentation should be completed (Milestone 4) by February 2022. The remaining milestones are expected to be met on time.

All other reporting entities are largely in the process of achieving the expected milestones. Regarding custodians, Milestone 1 was met by over a third of custodians, Milestones 2 to 8 will be met by a half of custodians on time and Milestones 9 -13 will be met by 67 % of custodians or above on time. Reporting from issuers should be increased. Overall, the status of implementation of the standards is gradually improved in this monitoring round.

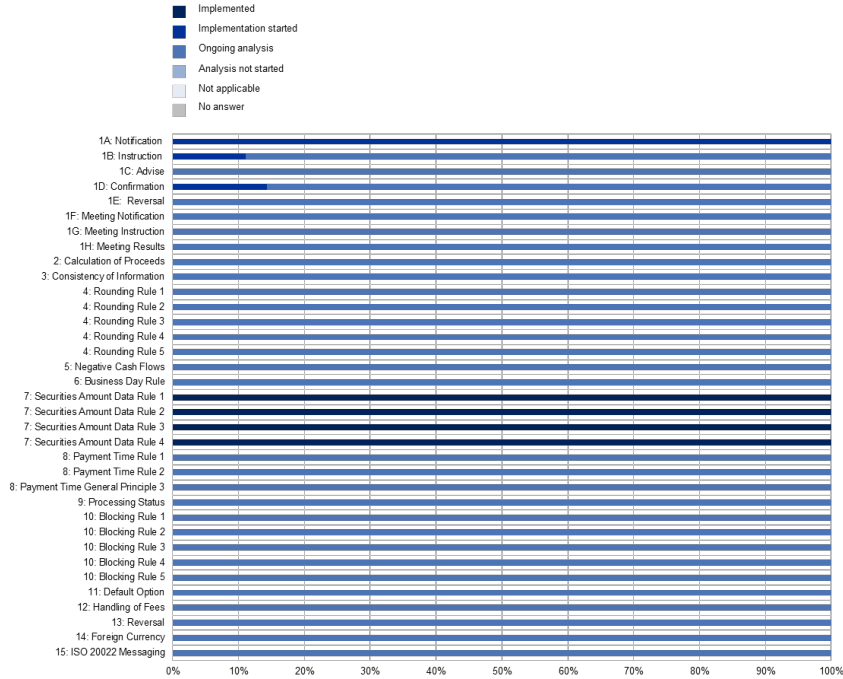
3

Implementation status per SCoRE Standard

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

CSD – CDCP

Implementation status per SCoRE Standard

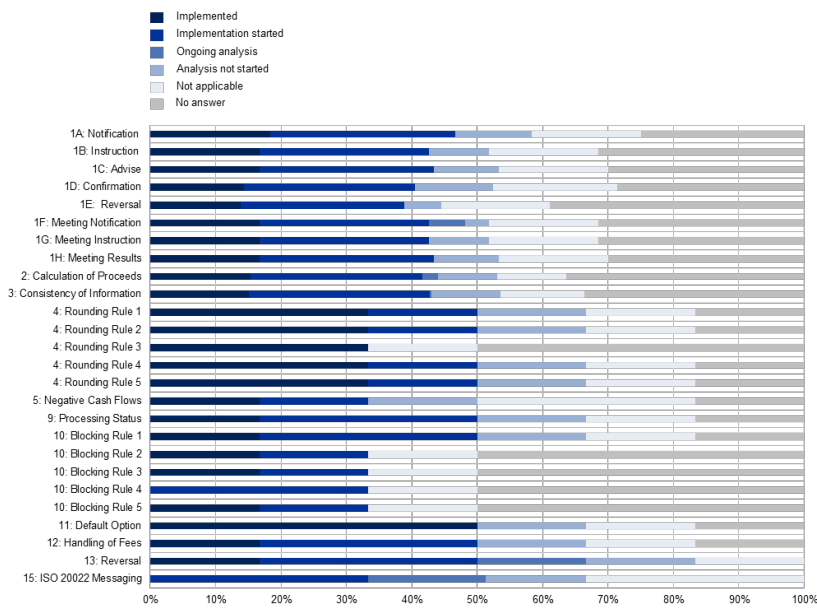


Notes

N/A

Custodians

Implementation status per SCoRE Standard

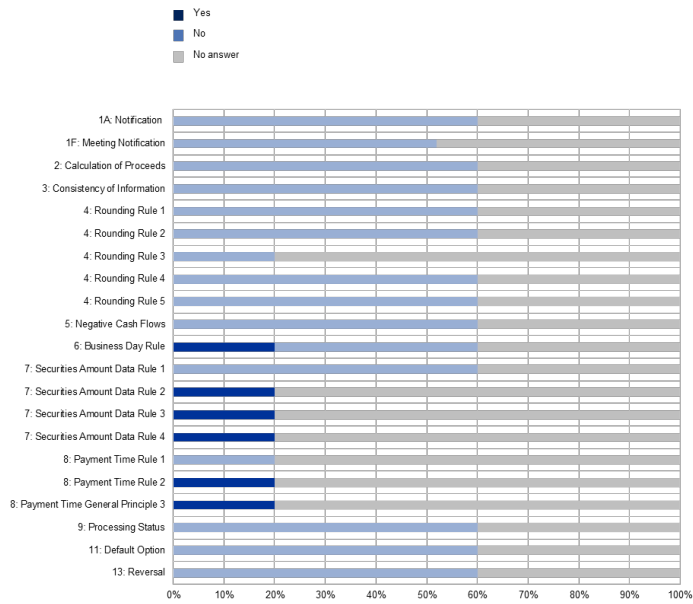


Notes

N/A

Issuers

Fulfilment of obligations per SCoRE Standard



Notes

N/A

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The cut-off date for the data included in this report was 17 November 2021.

For specific terminology please refer to the [ECB glossary](#) (available in English only).