

# SCoREBOARD

## Corporate Actions – H2 2021






### Slovenian 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 Slovenian NSG with the involvement of the following stakeholders:

6 entities are monitored in the Slovenian market

- 1 CSD – KDD
- 4 Custodians
- 1 Issuer

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

| <br><small>SINGLE COLLATERAL MANAGEMENT RULEBOOK FOR EUROPE</small> | <br><b>Response Rate</b> | <br><b>Implementation Status</b> | <br><b>Milestone achieved?</b> | <br><b>Implemented on Time?</b> |
|--|---|---|---|--|
| <b>Custodians</b>  | 100%  | Implemented 6.38%<br>Analysis started 56.6%<br>Implementation started 33.2%   | 25%   | 75%  |
| <b>Issuers</b>   | 100%  | Yes 83.3%<br>No 16.6%   | n/a   | n/a  |
| <b>CSD - KDD</b>   | 100%  | Implemented 0.84%<br>Analysis started 98.3%<br>Implementation started 0%  | 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

Implementation of the Standards related to the processing of corporate actions in the Slovenian market is progressing slowly.

All reporting entities responded to the survey. The majority of respondents expect to implement Standards related to the processing of corporate actions by 20 November 2023, while only one custodian indicated that implementation of Standards will be slightly delayed, i.e. until 31 December 2023. KDD (the Slovenian CSD), which is the entity responsible for timely implementation of Standards in the Slovenian market, stopped implementation activities in the period following the previous survey and is expected to resume these activities by the end of 2021. All four monitored custodians reported some progress on implementation of the Standards, while monitored issuer already complies with majority of relevant Standards.

### CSD – KDD

KDD has already implemented 2 out of 15 Standards related to the processing of corporate actions and expects to meet implementation date.

KDD has already implemented 2 out of 15 Standards related to the processing of corporate actions (Business Day Rule and Securities Amount Data Rule 1), while the progress of the implementation of other Standards is currently stalled due to interruptions caused by COVID-19 and work on other urgent projects at KDD. KDD expects to resume the analysis of adaptations needed for implementation of remaining Standards by the end of year 2021, with the exception of Standards on Negative Cash Flows and Foreign Currency, which are not applicable to KDD. KDD expects to be able to follow the envisaged milestones from 2022 onwards and remains committed to meet implementation date.

### Custodians

Despite some inconsistencies observed in the responses of the Slovenian custodians, the majority of the Slovenian custodians are expected to meet the implementation date of Standards related to the processing of corporate actions.

Slovenian custodians have already implemented 6.36% of the applicable Standards related to the processing of corporate actions, while the majority of Standards are either being implemented (33.2%) or being analysed (56.6%). As the responses of Slovenian custodians differ substantially from the responses collected in the previous survey (custodians indicated slightly higher share of implemented Standards and non-applicable Standards in the H121 survey than in the previous survey) it can be concluded that the Slovenian custodians are still predominantly in a phase of analysing the adaptations needed for the implementation of Standards and their progress in the period following the previous survey cannot be thoroughly assessed mostly due to their dependency on activities of KDD. Taking into account that the activities of KDD are expected to gain pace by the end of year 2021 it is reasonable to expect that majority of custodians will be able to follow pace of KDD activities and implement Standards by 20 November 2023.

## **NCB**

Banka Slovenije is on track to adopt the SCoRE Standards in November 2023.

Banka Slovenije is on track to implement the SCoRE Standards related to the processing of corporate actions for its collateral management activities by 20 November 2023.

## **Issuer**

The monitored issuer is on track to comply with SCoRE Standards.

No obstacles were discovered that would prevent the monitored issuer to meet requirements of SCoRE Standards related to the processing of corporate actions.

## 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 and Issuers are monitored on an aggregated basis and assigned a percentage compliance status.

### Box 1

#### SCoREBOARD – Implementation Phase

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- 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

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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.

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

**Table A**  
**SCoREBOARD**

| STANDARD                            | Custodians | Issuers | CSD - KDD |
|-------------------------------------|------------|---------|-----------|
| 1A: Notification                    | 100%       | 100%    | Y         |
| 1B: Instruction                     | 97%        |         | Y         |
| 1C: Advise                          | 95%        |         | Y         |
| 1D: Confirmation                    | 96%        |         | Y         |
| 1E: Reversal                        | 88%        |         | Y         |
| 1F: Meeting Notification            | 97%        | 100%    | Y         |
| 1G: Meeting Instruction             | 100%       |         | Y         |
| 1H: Meeting Results                 | 95%        |         | Y         |
| 2: Calculation of Proceeds          | 100%       | 100%    | Y         |
| 3: Consistency of Information       | 99%        | 100%    | Y         |
| 4: Rounding Rule 1                  | 75%        | 100%    | Y         |
| 4: Rounding Rule 2                  | 75%        | 100%    | Y         |
| 4: Rounding Rule 3                  | 75%        | 100%    | Y         |
| 4: Rounding Rule 4                  | 50%        | 100%    | Y         |
| 4: Rounding Rule 5                  | 75%        | 100%    | Y         |
| 5: Negative Cash Flows              | 25%        | 100%    | N/A       |
| 6: Business Day Rule                |            | 100%    | B         |
| 7: Securities Amount Data Rule 1    |            | 100%    | B         |
| 7: Securities Amount Data Rule 2    |            | 0%      | Y         |
| 7: Securities Amount Data Rule 3    |            | 0%      | Y         |
| 7: Securities Amount Data Rule 4    |            | 0%      | Y         |
| 8: Payment Time Rule 1              |            | 0%      | Y         |
| 8: Payment Time Rule 2              |            | 0%      | Y         |
| 8: Payment Time General Principle 3 |            | 100%    | Y         |
| 9: Processing Status                | 50%        | 100%    | Y         |
| 10: Blocking Rule 1                 | 75%        |         | Y         |
| 10: Blocking Rule 2                 | 50%        |         | Y         |
| 10: Blocking Rule 3                 | 50%        |         | Y         |
| 10: Blocking Rule 4                 | 75%        |         | Y         |
| 10: Blocking Rule 5                 | 50%        |         | Y         |
| 11: Default Option                  | 75%        | 100%    | Y         |
| 12: Handling of Fees                | 50%        |         | Y         |
| 13: Reversal                        | 75%        | 100%    | Y         |
| 14: Foreign Currency                |            |         | N/A       |
| 15: ISO 20022 Messaging             | 100%       |         | Y         |

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.
- 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

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

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 - KDD |
|-------------------------------|------------|-----------|
| Milestone 1<br>June 2020      | 25%        | Yes       |
| Milestone 2<br>March 2021     | 25%        | Yes       |
| Milestone 3<br>July 2021      | 25%        | 02/22     |
| Milestone 4<br>December 2021  | 0%         | 03/22     |
| Milestone 5<br>December 2021  | 25%        | 02/22     |
| Milestone 6<br>January 2022   | 50%        | Yes       |
| Milestone 7<br>June 2022      | 50%        | Yes       |
| Milestone 8<br>July 2022      | 50%        | Yes       |
| Milestone 9<br>December 2022  | 50%        | Yes       |
| Milestone 10<br>December 2022 | 75%        | Yes       |
| Milestone 11<br>April 2023    | 100%       | Yes       |
| Milestone 12<br>October 2023  | 100%       | Yes       |
| Milestone 13<br>November 2023 | 75%        | 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

KDD is expected to meet all implementation milestones from 2022 onwards and implementation date for Standards related to the processing of corporate actions. Slovenian custodians also expect some delays in meeting early milestones due to the negative impact of COVID-19 pandemic on their business processes and their dependency on obtaining guidance from KDD as regards implementation of individual Standards. Nonetheless, the implementation date of Standards is expected to be met by all except one custodian, which is expected to implement Standards by the end of 2023.

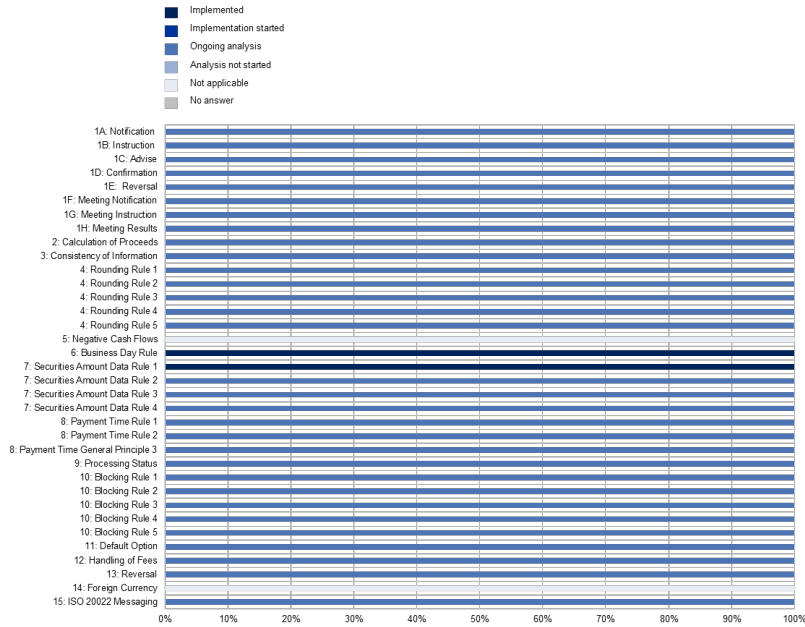
### 3

## Implementation status per SCoRE Standard

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

### CSD – KDD

#### Implementation status per SCoRE Standard

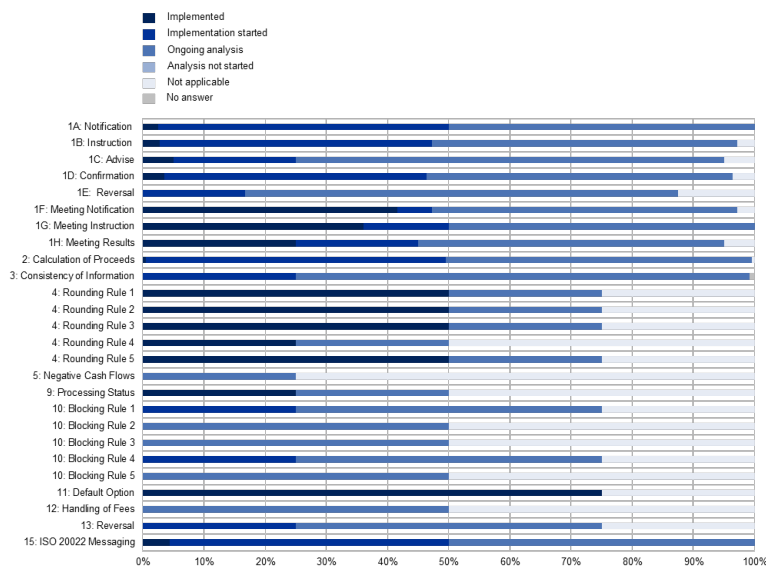


#### Notes

N/A

### Custodians

#### Implementation status per SCoRE Standard



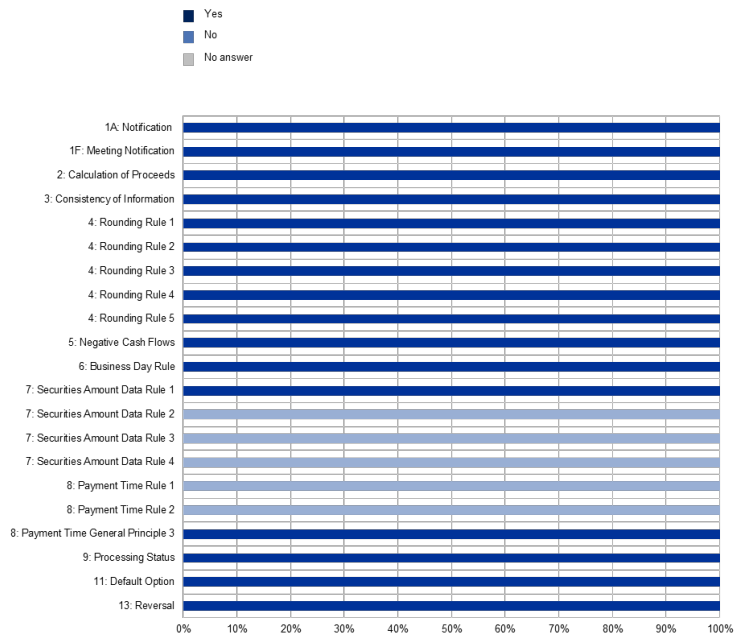
#### Notes

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).