Reply Form

Consultation Paper on the Amendments to the RTS on Settlement Discipline

Responding to this Consultation Paper

ESMA invites comments on all matters in this Consultation Paper and in particular on the specific questions summarised in Annex 1. Comments are most helpful if they:

* respond to the question stated;
* indicate the specific question to which the comment relates;
* contain a clear rationale; and
* describe any alternatives ESMA should consider.

ESMA will consider all comments received by **14 April 2025.**

All contributions should be submitted online at [www.esma.europa.eu](http://www.esma.europa.eu) under the heading ‘Your input - Consultations’.

Instructions

In order to facilitate analysis of responses to the Consultation Paper, respondents are requested to follow the below steps when preparing and submitting their response:

• Insert your responses to the questions in the Consultation Paper in this reply form.

• Please do not remove tags of the type < ESMA\_QUESTION\_CSDC\_0>. Your response to each question has to be framed by the two tags corresponding to the question.

• If you do not wish to respond to a given question, please do not delete it but simply leave the text “TYPE YOUR TEXT HERE” between the tags.

• When you have drafted your responses, save the reply form according to the following convention: ESMA\_CP1\_ CSDC\_nameofrespondent.

For example, for a respondent named ABCD, the reply form would be saved with the following name: ESMA\_CP1\_ CSDC\_ABCD.

• Upload the Word reply form containing your responses to ESMA’s website (**pdf documents will not be considered except for annexes**). All contributions should be submitted online at *www.esma.europa.eu* under the heading *‘Your input - Consultations’.*

**Publication of responses**

All contributions received will be published following the close of the consultation, unless you request otherwise. Please clearly and prominently indicate in your submission any part you do not wish to be publicly disclosed. A standard confidentiality statement in an email message will not be treated as a request for non-disclosure. A confidential response may be requested from us in accordance with ESMA’s rules on access to documents. We may consult you if we receive such a request. Any decision we make not to disclose the response is reviewable by ESMA’s Board of Appeal and the European Ombudsman.

**Data protection**

Information on data protection can be found at [www.esma.europa.eu](http://www.esma.europa.eu) under the heading ‘[Data protection](https://www.esma.europa.eu/about-esma/data-protection)’.

**Who should read this paper?**

All interested stakeholders are invited to respond to this consultation paper. In particular, ESMA invites market infrastructures (CSDs, CCPs, trading venues), their members and participants, other investment firms, credit institutions, issuers, fund managers, retail and wholesale investors, and their representatives to provide their views to the questions asked in this paper.

# General information about respondent

|  |  |
| --- | --- |
| Name of the company / organisation | DTCC |
| Activity | Other |
| Are you representing an association? |  |
| Country / Region | Europe |

# Questions

**3.1.1 Timing of allocations and confirmations**

1. Do you agree with the proposed amendments to Articles 2(2) and 3 of CDR 2018/1229?

<ESMA\_QUESTION\_CSDC\_1>

*Yes. DTCC believes the objective is to have trade confirmation, allocation and matching on Trade day (i.e. same day as the execution). We therefore believe the suggested changes will certainly help ESMA and the market participants to achieve this.*

*Trade matching is a critical part of the post-trade lifecycle and helps mitigate settlement fails, especially as transactions are pre-matched at the CSD level before entering the settlement cycle. In fact, matching transactions at the post execution stage on the same day as execution provides a greater opportunity for trades to be matched at the CSD layer, which leads in turn to greater settlement efficiencies. In other words, matching allows the buyer and the seller to agree on all constituents to their transaction, thereby facilitating the settlement process. Most importantly, matching allows counterparties to identify any exceptions as quickly as possible prior to intended settlement date that may cause the transaction to fail.*

<ESMA\_QUESTION\_CSDC\_1>

1. Would you see merit in introducing an obligation for investment firms to notify their professional clients the execution details of their orders as soon as these orders are fulfilled (in a way that allows STP)? If yes, should it be cumulative to the proposed amendments to Articles 2(2) and 3 of CDR 2018/1229?

<ESMA\_QUESTION\_CSDC\_2>

*Yes. DTCC fully agrees and supports the notification of a transaction as soon as the execution is fulfilled. The DTCC’s matching platform (ITP CTM), an electronic platform which has been offering services across the EU for over 20 years, supports 2 levels of post execution matching: a. Block level matching – where the full transaction can be matched and agreed in a single shape; b. Allocation matching – where the buy-side firm can notify the execution broker on details of the allocation (i.e. which exact funds and shares the block level transaction should be allocated into). We believe that this 2-level process can be easily achieved on execution day (T0), and, in various instances, is already taking place as a business-as-usual (BAU) procedure for firms, which are utilising electronic matching platforms.*

<ESMA\_QUESTION\_CSDC\_2>

1. If you support an obligation for investment firms to notify their professional clients the execution as soon as the orders are fulfilled, do you think that clients should be allowed a maximum number of business hours for the allocations and confirmations from the moment of notification by investment firms, instead of having fixed deadlines? If yes, how many hours would be necessary for that?

<ESMA\_QUESTION\_CSDC\_3>

*The DTCC believes that market’s best practice can be helpful. Historically, practices used by the International Securities Association for Institutional Trade Communication (ISITC), called for transactions to be block matched within 2 hours of execution, allocated within 2 hours of block matching and confirmed within 2 hours of allocation receipt. In reality, those firms that have fully automated their post trade workflow, can complete the process of matching to agreement within minutes (after execution). Obviously, there are occasions where firms transact in different timezones, which in fact amplifies the need to automate the post-trade lifecycle to achieve settlement efficiencies and eventually achieve a T+1 cycle. Post-trade automation and the use of electronic matching platforms allows for same day matching and agreement at any time through the business day. Therefore, we believe it is realistic to implement regulatory mandates to have transactions fully allocated, confirmed and matched before midnight (CET).*

<ESMA\_QUESTION\_CSDC\_3>

1. Should CDR 2018/1229 further specify the term ‘close of business’ for the purpose of Article 2(2)? If yes, how should this take into account the business day at CSD level?

<ESMA\_QUESTION\_CSDC\_4>

*In our experience from the US transition to a T+1 settlement cycle, DTCC incorporated a rule for all in-scope transactions to be fully ‘Affirmed’ by 9pm EST on execution date. This allowed a window of time before the settlement night cycle cut off at 23:30pm EST. EU CSDs currently have divergent settlement cut-off timings so we believe the EU CSDs will need to probably align on an agreed settlement cut-off time. If that is not the case, EU authorities may need to agree on whether ‘close of business’ is aligned with the latest closing EU domiciled exchange or whether close of business should be 23:59pm CET on execution date.*

<ESMA\_QUESTION\_CSDC\_4>

1. Should the 10:00 CET deadline for professional clients in different time zones and retail clients be brought forward to 07:00 CET on T+1, to be aligned with the UK deadline?

<ESMA\_QUESTION\_CSDC\_5>

*Yes. We believe that aligning with the UK deadlines is critical and would certainly help achieve a successful T+1 in the EU and in Europe as a whole.*

<ESMA\_QUESTION\_CSDC\_5>

1. Can you suggest any other means to achieve the same objective? If yes, please elaborate

<ESMA\_QUESTION\_CSDC\_6>

*An alternative would be for EU authorities to agree on a specific time (CET) that allows execution to take place and gives enough time for post trade matching.*

*As we have previously stated, mandating the use of electronic matching platforms, that are readily available to EU and international clients, will increase settlement efficiencies as we move towards accelerated settlement cycles. Electronic platforms allow participants to match their transactions as soon as possible as central matching does not rely on sequential workflows, where one side of the transaction has to wait for their trading participant to complete their process. Transactions can therefore be sent into the matching platforms at any time of the day, so firms have a high level of confidence that their transactions are visible and ready to be efficiently completed without delay.*

<ESMA\_QUESTION\_CSDC\_6>

**3.1.2 Means for sending allocations and confirmations**

1. Do you agree to make the use of electronic and machine-readable format that allow for STP mandatory for written allocations?

<ESMA\_QUESTION\_CSDC\_7>

*Yes. We believe that electronic platforms / mechanisms should be utilised for the trade allocation, confirmation, and matching process to reduce operational risk and ensure these post-trade processes are completed on T (trade date). In fact, DTCC’s internal analysis demonstrates that most transactions that are matched on an electronic platform are matched and agreed on Trade Date. These metrics demonstrate that T+1 settlement is already achievable and could be implemented further using existing electronic solutions available today.*

*We also believe that successful implementation of these post-trade activities on Trade Date will require regulatory and supervisory support. A crucial part of the U.S. success was that, in the final T+1 rules, the Securities and Exchange Commission (SEC), included new requirements around same-day affirmation practices for broker-dealers to help ensure timely settlement. In fact, a regulatory mandate will provide the certainty that EU market participants require to commit budget and resources to the development and implementation of necessary solutions and automation, which are critical to the success of the transition; and will ensure compliance in a timely and consistent manner.*

<ESMA\_QUESTION\_CSDC\_7>

1. Would you see merit in introducing optionality for investment firms to set deadlines based on whether an electronic, machine-readable format of the communication is used? In such case, do you agree that an earlier deadline could be set for non-machine readable formats, so clients are disincentivised to use them? Which should be such deadline?

<ESMA\_QUESTION\_CSDC\_8>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_CSDC\_8>

1. Please provide quantitative evidence regarding the use of non-machine readable formats for written allocations and confirmations.

<ESMA\_QUESTION\_CSDC\_9>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_CSDC\_9>

1. Would it be necessary to introduce a similar obligation in other steps of the settlement chain? If yes, please elaborate.

<ESMA\_QUESTION\_CSDC\_10>

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<ESMA\_QUESTION\_CSDC\_10>

1. Can you suggest any other means to achieve the same objective? If yes, please elaborate

<ESMA\_QUESTION\_CSDC\_11>

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<ESMA\_QUESTION\_CSDC\_11>

**3.1.3 The use of international open communication procedures and standards for messaging and reference data to exchange allocations and confirmations**

1. Do you agree with the proposed amendment to Article 2 of CDR 2018/1229?

<ESMA\_QUESTION\_CSDC\_12>

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<ESMA\_QUESTION\_CSDC\_12>

1. Do you agree that settlement efficiency would improve if all parties in the transaction and settlement chain used the latest international standards, such as the ISO 20022 messaging standards, in particular whenever A2A messages and data are exchanged? If not, please elaborate. How long would it take for all parties to adapt to ISO20022?

<ESMA\_QUESTION\_CSDC\_13>

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<ESMA\_QUESTION\_CSDC\_13>

1. Can you provide figures (by number and type of financial entities, jurisdictions) regarding the current use of international open communication procedures and standards such as: a) ISO 20022, b) ISO 15022, c) others (please specify)?

<ESMA\_QUESTION\_CSDC\_14>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_CSDC\_14>

1. Do you agree with the proposal of the EU Industry Task Force whereby allocation requirements should be aligned with CSD-level matching requirements? If not, please elaborate.

<ESMA\_QUESTION\_CSDC\_15>

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<ESMA\_QUESTION\_CSDC\_15>

1. Can you suggest any other means to achieve the same objective? If yes, please elaborate.

<ESMA\_QUESTION\_CSDC\_16>

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<ESMA\_QUESTION\_CSDC\_16>

**3.1.4 Onboarding of new clients**

1. Do you agree with the proposed regulatory change to introduce an obligation for investment firms to collect the data necessary to settle a trade from professional clients during their onboarding and to keep it updated? If not, please explain.

<ESMA\_QUESTION\_CSDC\_17>

*Accurate, automated SSIs are key to the success of accelerated settlement. We believe regulatory and supervisory support would be needed to bring about change and ensure broader adoption of electronic SSIs.*

*DTCC fully supports the specific recommendations made in the context of the UK Accelerated Settlement Taskforce AST (in particular Principal Recommendation on Static Data, STAT 02.00 SSI market practice), and in particular the recommendation to implement the Core Principles and templates contained in the FMSB’s Standard for Sharing of SSIs* [*FMSB Standard for Sharing SSIs*](https://fmsb.com/fmsb-publishes-final-standard-for-sharing-of-standard-settlement-instructions/)*(core principle 3: Timing).*

*We therefore strongly believe that moving to a shorter settlement, and less time to resolve settlement fails, should also mean the end of manual processes. Today’s prevalence of manual SSIs and the absence of storing and sharing SSI data in a standardised and automated way remains an important issue for wholesale markets today. Indeed, inaccurate or incomplete SSIs are evidently one of the primary reasons for settlement fails1. This is particularly important in times of stress, where delays arising from inconsistent SSI data that might also contribute to systemic risk and reduced market confidence.*

*Evidently, the use of electronic solutions that allow for standardisation and pre-authentication of settlement instructions and facilitate Straight-Through-Processing is critical: it provides transparency, increases automation, and significantly reduces trade failure. It allows all respective market participants to seed the SSI data, access the SSI data and enrich the SSI data from a single source, in an automated fashion. Automation of the SSI enrichment during the confirmation/allocation process ensures that SSIs are accurate and up-to-date, which in turn facilitates timely and accurate settlement. SSI golden source databases are already available to EU market participants today.*

*In addition, we would stress that electronic SSIs should also bring standardisation to foreign exchange (FX) settlement, and securities financing transactions (SFTs), alleviating some of the challenges, such as callbacks. Accurate, automated SSIs are therefore key to the implementation and success of an accelerated settlement.*

<ESMA\_QUESTION\_CSDC\_17>

1. Can you suggest any other means to achieve the same objective? If yes, please elaborate.

<ESMA\_QUESTION\_CSDC\_18>

*The Financial Markets Stability Board (FMSB)'s core principle on the Use of Industry Platforms advocates for the adoption of industry-standard platforms to ensure consistency and interoperability. Utilizing such platforms can streamline the integration of SSIs across different platforms and jurisdictions, thus supporting the interoperability of financial markets and fostering cooperation among market participants. Additionally, the off-platform principle underscores the importance of maintaining robust practices for exchanges that occur outside standardized platforms.*

*We believe that by incorporating these principles into industry practices, we can complement ESMA’s regulatory action, thereby promoting a more efficient and reliable settlement system. This dual approach would ensure that market participants adhere to high standards while benefiting from the advantages of electronic solutions and standardized templates.*

*In conclusion, adopting FMSB standards, utilizing industry platforms, and adhering to off-platform principles can effectively achieve the objective of improving SSI storage and exchange practices, complementing regulatory efforts to harmonize and enforce high standards across the industry.*

<ESMA\_QUESTION\_CSDC\_18>

**3.1.6 Partial settlement**

1. Do you agree with the proposed amendment to Article 10 of CDR 2018/1229? If not, please elaborate.

<ESMA\_QUESTION\_CSDC\_19>

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<ESMA\_QUESTION\_CSDC\_19>

1. Do you agree with the deletion of Article 12 of CDR 2018/1229? If not, please elaborate.

<ESMA\_QUESTION\_CSDC\_20>

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<ESMA\_QUESTION\_CSDC\_20>

1. Do you have other suggestions to incentivise partial settlement? If yes, please elaborate.

<ESMA\_QUESTION\_CSDC\_21>

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<ESMA\_QUESTION\_CSDC\_21>

1. Do you think that some types of transactions should not be subject to partial settlement? If yes, could you provide a list and the supporting reasoning?

<ESMA\_QUESTION\_CSDC\_22>

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<ESMA\_QUESTION\_CSDC\_22>

**3.1.7. Auto-collateralisation**

1. Do you agree with the introduction of an obligation for CSDs to facilitate the provision of intraday cash credit secured with collateral via an auto-collateralisation facility? If not, please elaborate.

<ESMA\_QUESTION\_CSDC\_23>

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<ESMA\_QUESTION\_CSDC\_23>

1. Can you suggest any other means to achieve the same objective? If yes, please elaborate.

<ESMA\_QUESTION\_CSDC\_24>

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<ESMA\_QUESTION\_CSDC\_24>

**3.1.8 Real-time gross settlement versus batches**

1. Should CDR 2018/1229 be amended to require all CSDs to offer real-time gross settlement for a minimum window of time of each business day as well as a minimum number of settlement batches? Please provide arguments to justify your answer.

<ESMA\_QUESTION\_CSDC\_25>

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<ESMA\_QUESTION\_CSDC\_25>

1. What should be the length of the minimum window of time of each business day for real-time gross settlement and the minimum number of settlement batches that should be offered, per business day? Please provide arguments to justify your answer.

<ESMA\_QUESTION\_CSDC\_26>

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<ESMA\_QUESTION\_CSDC\_26>

1. Can you suggest any other means to achieve the same objective? If yes, please elaborate.

<ESMA\_QUESTION\_CSDC\_27>

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<ESMA\_QUESTION\_CSDC\_27>

**3.1.9 Reporting top failing participants**

1. Do you agree with the proposed amendments to Table 1 of Annex I of CDR 2018/1229? If not, please elaborate.

<ESMA\_QUESTION\_CSDC\_28>

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<ESMA\_QUESTION\_CSDC\_28>

1. Should top 10 failing participants be reported both in absolute terms (current approach) and in relative terms (according to the proposed amendments to Table 1 of Annex I of CDR 2018/1229)?

<ESMA\_QUESTION\_CSDC\_29>

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<ESMA\_QUESTION\_CSDC\_29>

1. Do you have additional suggestions regarding the requirements for CSDs to report settlement fails data specified in Annex I and Annex II of CDR 2018/1229? If yes, please elaborate.

<ESMA\_QUESTION\_CSDC\_30>

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<ESMA\_QUESTION\_CSDC\_30>

**3.1.10 Reporting the reasons for settlement fails**

1. Do you agree with the proposed amendments to Article 13(1)(a) of CDR 2018/1229? Or can you suggest alternative options so that CSDs have visibility of the root causes of settlement fails at participants level?

<ESMA\_QUESTION\_CSDC\_31>

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<ESMA\_QUESTION\_CSDC\_31>

1. Based on the experience since the implementation of the settlement discipline regime under CSDR, please describe the main root causes of settlement fails identified so far. Please specify the relevant categories in more granular terms, going beyond “lack of securities”, “lack of cash” and “instructions put on hold”.

<ESMA\_QUESTION\_CSDC\_32>

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<ESMA\_QUESTION\_CSDC\_32>

1. According to Article 13(2) of the CDR, CSDs shall establish working arrangements with their top failing participants to analyse the main reasons for settlement fails. Do you believe that this provision has proven useful in analysing the root causes of fails and in preventing them? Do you have suggestions on other actions which CSDs could take with respect to top failing participants?

<ESMA\_QUESTION\_CSDC\_33>

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<ESMA\_QUESTION\_CSDC\_33>

**3.1.11 CSDs’ public disclosure on settlement fails**

1. Do you agree with the proposed amendments to Table 1 of Annex III of CDR 2018/1229 to include information on the breakdown of the settlement fails per asset class? If not, please elaborate.

<ESMA\_QUESTION\_CSDC\_34>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_CSDC\_34>

1. Do you think that CSDs should publish additional information on settlement fails? If yes, please specify.

<ESMA\_QUESTION\_CSDC\_35>

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<ESMA\_QUESTION\_CSDC\_35>

1. Should the frequency of publication of settlement fails data by CSDs increase? Which should be the right frequency?

<ESMA\_QUESTION\_CSDC\_36>

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<ESMA\_QUESTION\_CSDC\_36>

**3.2.1 Unique transaction identifier (UTI)**

1. Do you agree that the use of UTI should not be made mandatory through a regulatory change?

<ESMA\_QUESTION\_CSDC\_37>

*We agree that industry adoption of Unique Transaction Identifiers (UTI) could help identify and resolve mismatched trades, which would improve settlement efficiency. We do agree indeed that UTI should not be mandated but rather there can be optional fields.*

<ESMA\_QUESTION\_CSDC\_37>

1. What are your views on the use of UTI in general and in the case of netted transactions specifically?

<ESMA\_QUESTION\_CSDC\_38>

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<ESMA\_QUESTION\_CSDC\_38>

**3.2.2 SSIs format**

1. Should the market standards for the storage and exchange of SSIs be left to the industry or is regulatory action at EU level necessary?

<ESMA\_QUESTION\_CSDC\_39>

*While industry standards are valuable, regulatory action at the EU level is crucial to achieve harmonization and enforcement needed to improve SSI storage and exchange practices.*

*In our view, while industry-driven standards have their advantages, regulatory action at the EU level is essential to ensure clarity, uniformity and compliance across all Member States. Industry standards may be fragmented and lack the necessary enforcement mechanisms to ensure widespread adoption, which can then lead to inconsistencies and inefficiencies in the settlement process.*

*Regulatory action can provide a framework that mandates the use of standardized SSIs formats and processes, ensuring that all market participants adhere to the same high standards. In our view, this step would help mitigate risks associated with manual SSIs and promote a more efficient and reliable settlement system see also our response to Q 17 &18).*

*Moreover, regulatory measures can facilitate the integration of electronic SSIs across different jurisdictions, fostering greater cooperation and interoperability in the financial markets. We would argue that ESMA’s leadership would signal the importance of addressing SSI-related issues, potentially paving the way for more automation and reducing settlement fails.*

*Finally, the Financial Markets Standards Board (FMSB) has developed standards for sharing SSIs, which provide a robust framework for the secure and efficient exchange of SSI, ensuring consistency and reliability across industry participants. FMSB standards have been incorporated into UK Accelerated Settlement Taskforce recommendations. We believe that an incorporation of the FMSB standards into the EU would enhance the harmonization of SSI practices and support the broader adoption of electronic SSIs on the part towards T+1.*

<ESMA\_QUESTION\_CSDC\_39>

**3.2.3 Place of settlement (PSET) as mandatory field of written allocations**

1. How can the PSET contribute to improve settlement efficiency and reduce settlement fails? Do you have suggestions on how to make the use of PSET more consistent across the market? If yes, please elaborate.

<ESMA\_QUESTION\_CSDC\_40>

*PSET is an extremely important data point to capture as early in the post trade lifecycle as possible. PSET allows transaction participants to instantly understand where and how their counterparty wishes to settle the transaction. The importance of PSET’s transparency becomes amplified in a T+1 settlement cycle.*

*Central matching allows participants to the trade to include (and match) on PSET at the block and allocation level. In fact, this is important as some buy-side firms will need to settle allocations across different PSET locations, depending on the underlying fund set up and associated inventory positioning. The issue has increasing importance in the EU where fragmentation of the post trade ecosystem is higher than in other regions. We believe that without having access to this PSET information, trade failures could rise due to mis-matching at the CSD pre-settlement level, resulting in an increase in fails charges in a CSDR environment.*

<ESMA\_QUESTION\_CSDC\_40>

1. Do you agree that the PSET should not be made a mandatory field of written allocations under Article 2(1) of CDR 2018/1229? If you have a different view, please elaborate.

<ESMA\_QUESTION\_CSDC\_41>

*DTCC therefore fully supports the introduction of PSET. The industry has identified PSET mismatches as a common cause of settlement fails. We therefore agree that the appropriate PSET should be part of the mandatory dataset communicated for all transactions, as increasing the use of PSET matching can mitigate settlement risk. There are already solutions available today that market participants can leverage to incorporate PSET into confirm/allocation instructions as well as to match on PSET.*

<ESMA\_QUESTION\_CSDC\_41>

**3.2.4 Place of safe keeping (PSAF) and place of settlement (PSET) as mandatory fields of settlement instructions**

1. Do you agree that the decision to use the PSAF and the PSET in the settlement instructions should be left to the industry?

<ESMA\_QUESTION\_CSDC\_42>

*DTCC supports and encourages the use of PSET on settlement instruction messaging. PSAF is a sensible data point to capture, but in cases of cross-border settlement it cannot always be achieved, leaving participants to the transaction needing to re-align their own inventory in order to settle transactions.*

<ESMA\_QUESTION\_CSDC\_42>

1. What are the current market practices regarding the use of PSAF and PSET, in particular in the case of netting along the trading and settlement chain?

<ESMA\_QUESTION\_CSDC\_43>

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<ESMA\_QUESTION\_CSDC\_43>

**3.2.5 Transaction type**

1. Do you agree that the transaction type should not become a mandatory matching field under Article 5(4) of CDR 2018/1229?

<ESMA\_QUESTION\_CSDC\_44>

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<ESMA\_QUESTION\_CSDC\_44>

1. Do you think the lists mentioned in Article 2(1)(a) and Article 5(4) of CDR 2018/1229 should be updated? If yes, please specify.

<ESMA\_QUESTION\_CSDC\_45>

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<ESMA\_QUESTION\_CSDC\_45>

**3.2.6 Timing for sending settlement instructions to the securities settlement system (SSS)**

1. What are your views on whether market participants should send settlement instructions intra-day rather than in bulk at the end of the day?

<ESMA\_QUESTION\_CSDC\_46>

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<ESMA\_QUESTION\_CSDC\_46>

1. Do you consider it necessary to introduce a deadline for the submission of settlement instructions through a regulatory amendment to CDR 2018/1229? If yes, what should be such a deadline? Please provide arguments to justify your answers.

<ESMA\_QUESTION\_CSDC\_47>

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<ESMA\_QUESTION\_CSDC\_47>

**3.2.7 Alignment of CSDs’ opening hours, real-time/night-time settlement and cut-off times**

1. Do you agree that CSDs’ business day schedule should be left to the industry? If not, please elaborate.

<ESMA\_QUESTION\_CSDC\_48>

*We believe that a broad alignment of cut off times across CSD and CCP will be beneficial.*

<ESMA\_QUESTION\_CSDC\_48>

1. What would be, in your view, the ideal business day schedule for CSDs taking also into account real-time settlement, night-time settlement and cut-off times? Should they be aligned? Please provide arguments.

<ESMA\_QUESTION\_CSDC\_49>

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<ESMA\_QUESTION\_CSDC\_49>

**3.2.8 Shaping**

1. Do you agree that shaping should be adopted as best practice? If you do not agree and believe that it should be adopted as regulatory change, please indicate which should be the most adequate size to shape transactions per type of financial instrument.

<ESMA\_QUESTION\_CSDC\_50>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_CSDC\_50>

**3.2.9 Automated securities lending**

1. Do you see the need for a regulatory action in this area? If yes, please elaborate.

<ESMA\_QUESTION\_CSDC\_51>

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<ESMA\_QUESTION\_CSDC\_51>

**3.2.10 Other proposals regarding settlement discipline measures and tools to improve settlement efficiency**

1. Do you have other proposals regarding settlement discipline measures and tools to improve settlement efficiency in areas not covered in the previous sections? Please give examples and provide arguments and data where available. If relevant, please also include the specific proposed amendments to CDR 2018/1229.

<ESMA\_QUESTION\_CSDC\_52>

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<ESMA\_QUESTION\_CSDC\_52>

**3.2.11 Costs and Benefits**

1. For all the topics covered in this CP please provide your input on the envisaged costs and benefits using the table below. Please include any operational challenges and the time it may take to implement the proposed requirements. Where relevant, additional tables, graphs and information may be included in order to support the arguments or calculations presented in the table below.

|  |  |  |
| --- | --- | --- |
| **ESMA or respondent’s proposal** |  | |
|  | **Qualitative description** | **Quantitative description/ Data** |
| **Benefits** |  |  |
| **Compliance costs:**  **- One-off**  **- On-going** |  |  |
| **Costs to other stakeholders** |  |  |
| **Indirect costs** |  |  |

<ESMA\_QUESTION\_CSDC\_53>

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