

SCoREBOARD

Billing Processes – H1 2021

Hungarian NSG





The Single Collateral Management Rulebook for Europe (SCoRE) contains 4 Standards related to billing processes (published as the [AMI-SeCo Standards for Billing Processes](#)). Implementation progress is monitored twice per year. This summary report presents the results of the H1 2021 monitoring exercise conducted by the Hungarian NSG with the involvement of the following stakeholders:

- 1 CSD – KELER
- 8 Custodians

9 entities are monitored in the Hungarian market

The SCoRE Overview provides a high-level summary of the H121 monitoring exercise.

SCoRE Overview

SCoRE SINGLE COLLATERAL MANAGEMENT RULEBOOK FOR EUROPE	 Response Rate	 Implementation Status	 Milestones achieved?	 Implemented on Time?
Custodians	75%	Implemented 20% Analysis started 32.5% Implementation started 5%	38%	50%
CSD - KELER	100%	Implemented 0% Analysis started 60% Implementation started 0%	No	Yes

Note: Implemented on time reflects the entity's expected ability to achieve the final milestone on time.

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.

Implementation of the Billing Processes Standards in the Hungarian market is partially on track

Executive Summary

KELER CSD and 6 Custodians⁸ responded to the survey (although one custodian did not submit an updated reply in H1-21). This section presents the key findings of the survey for each entity type.

KELER CSD is on track, but some custodians are still expected to start their wide-scale internal analyses. Based on this, the monitored Hungarian entities are deemed to be partially on track to implement the Billing Processes Standards.

CSD - KELER

KELER CSD is partly on track, with analysis being conducted regarding Standards 2 to 4.

KELER CSD plans to start the necessary analyses regarding the implementation of Billing Standard 1 on ISO 20022 messaging on 1 June 2023 with a planned implementation date of 20 November 2026. This assumes that the deadline for non-Euro Area Member States is extended with one year – by 2026 –, similarly to the deadline applicable to Euro Area Member States – which was extended to 2025.

KELER CSD started the analysis on Standards 2 to 4 on 1 January 2021 and plans to implement them by the expected 20 November 2023 deadline.

KELER CSD indicated that it expects delays in milestones 1, 3, 4, 5, 7, 8, 10 and 11, but will meet the other milestones on time – taking the abovementioned two-tiered approach into consideration.

Custodians

32.5% of Custodian answers show that internal analysis has started

The 7 responding Custodians indicated different levels of compliance with the Standards, out of these only 6 submitted updated replies for H1-21.

For Standard 1 on providing ISO messages, 4 Custodians indicated ongoing analysis, 1 indicated that the analysis has not started yet and 1 indicated that it does not find the Standard applicable.

For Standard 1 on receiving ISO messages, 3 Custodians indicated ongoing analysis, 1 indicated that the analysis has not started yet, 1 indicated that it does not find the Standard applicable and 1 did not answer the question.

For Standard 2 on Billing cycles, 5 Custodians indicated full compliance, 1 indicated ongoing analysis¹ indicated that the analysis has not started yet.

For Standard 3 on Cut-off dates, 2 Custodians indicated full compliance, 1 indicated ongoing development and analysis, 1 indicated ongoing analysis, 1 indicated that the analysis has not started yet and 2 indicated that it does not find the Standard applicable.

For Standard 4 on Dates for payment fees, 1 Custodian indicated full compliance, 3 indicated ongoing analysis, 1 indicated ongoing development and implementation, 1 indicated that the analysis has not started yet and 1 does not find the Standard applicable.

2 of the 7 respondent Custodians indicated that the milestones will be met on time. Out of the other 5 Custodians, one entity indicated 4-25 month delays for milestones 1 to 10 but timely completion of milestones 11 to 13, one entity indicated 5-22 month delays for milestones 1 to 3 but timely completion of milestones 4 to 13, one entity indicated timely completion of milestones 1 and 2 but delays for milestones 3 to 13 with a finish date of 30 November 2023, one entity indicated delays for all milestones with a finish date of 30 November 2026 and one entity did not provide answers regarding the milestones.

1 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 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, 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.

Table A
SCoREBOARD

STANDARD	Custodians	CSD - KELER
1: ISO 20022 messaging	50%	Y
2: Billing cycles	75%	G
3: Cut-off date	50%	G
4: Dates for payments fees	63%	G

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.
- 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.
- Percentages are calculated on the basis of expected respondents, i.e. number of entities monitored in the market.

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

2 Milestones

This section presents the compliance 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	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

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 - KELER
Milestone 1 June 2020	38%	01/21
Milestone 2 March 2021	38%	Yes
Milestone 3 July 2021	25%	06/22
Milestone 4 December 2021	38%	08/22
Milestone 5 December 2021	38%	06/23
Milestone 6 January 2022	38%	Yes
Milestone 7 June 2022	38%	03/23
Milestone 8 July 2022	38%	04/23
Milestone 9 December 2022	38%	Yes
Milestone 10 December 2022	38%	08/23
Milestone 11 April 2023	50%	07/23
Milestone 12 October 2023	50%	Yes
Milestone 13 November 2023	50%	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

Out of the 8 respondent entities 3 indicated that they met the first two milestones on time and 2 wrote that they will meet the upcoming milestone (Milestone 3) according to the expected deadline.

As for the following milestones, 3 entities expect full compliance with milestones 4 to 13, 2 entities – KELER CSD included – expect delays with some interim milestones but full compliance with the final deadline, 2 entities expect delays also with the final deadline and 1 entity did not provide answers regarding the milestones.

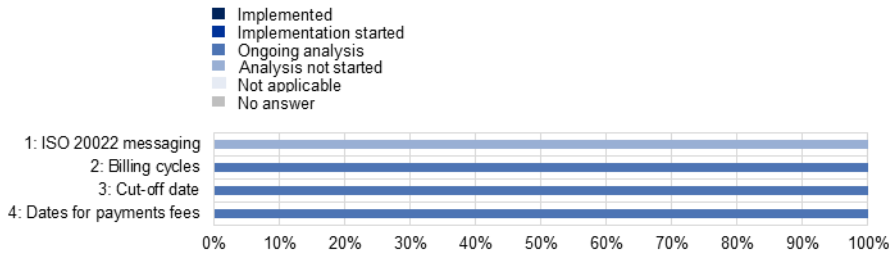
Several entities indicated the postponement of the ISO 20022 migration of non-Euro Area Member States as the reason of the delays.

3 Implementation status per AMI-SeCo Standard

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

CSD - KELER

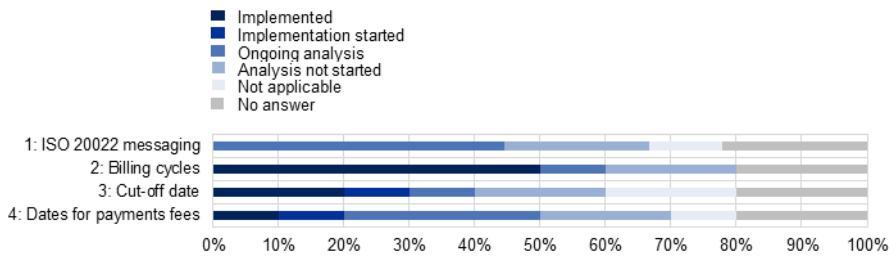
Implementation status per AMI-SeCo Standard



Notes
N/A

Custodians

Implementation status per AMI-SeCo Standard



Notes
N/A

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The cut-off date for the data included in this report was 21 May 2021.

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