

# Cash Collateral

Mobilization/Demobilization U2A/A2A – Test principles and screen tutorial for ECMS

Test Cases: ECMS\_TC\_CPTY\_8 and ECMS\_TC\_CPTY\_9

Version	Date	Amendments
1.0	10.08.2023	Initial Version
1.1	23.10.2023	Update of the test principles with regard to the test procedure and background information on the use of cash collateral
1.2	27.11.2023	Update of the cut-off time (now 14:15 CET)

1. Test Principles
2. Manual (De-)Mobilization Instructions
3. 2.1 U2A - Instructions
  - 2.2 A2A – pacs.010 Instructions
  - 2.3 A2A – pacs.009 Instructions
  - 2.4 U2A/A2A – Monitoring

# 1. Test Principles

## Scenarios and Preconditions

## Test Scenarios:

- **Manual** cash (de-)mobilization by the Counterparty via U2A & A2A
- **Automatic** cash mobilization (14:15 CET) and demobilization (19:25 CET) by ECMS.

## Required roles:

- The 4-Eyes-Principle is **not yet available** in ECMS. Therefore, the instruction is entered using the **2-Eyes-Principle**. Please check whether your user has the required “Super Validator“ role.
- U2A User: ECMS ENTITY - U2A CASH COLLATERAL EXECUTION - #61
- A2A User: ECMS ENTITY - A2A CASH COLLATERAL AND MAXIMUM CREDIT LINE EXECUTION

**CLM MCA:** An existing main cash account in T2/CLM PreProd/UTEST is required and must be linked to the counterparty collateral pool in ECMS. The linkage was done by Bundesbank (cp. following page)

For successful end-to-end tests (**CPT2c**) the Bundesbank ensures that enough liquidity for the cash mobilisation is available on the MCA.

# 1. Test Principles

## Check link between MCA and Pool:

Collateral and Credit >> Pool overview >> Pool overview >> Search >> Select pool >> View

Pool Overview

Display : Counterparty Pool

List Pools Overview > View : Pool

**POOL GENERAL DETAILS**

Pool Identifier DEPOOL000010040001	Pool Reference EUCODE50090-5000099090	Counterparty DE50090	RTGS ACCESS No
<b>CLM MCA ZYRMDEFFXXX</b>	CLM CB Account MARKDEFFCMS	Contingency Cash Account ....	CB Contingency Cash Account ....
Absolute Credit Limit	NCB MaCL 0	Counterparty Maximum Credit Line Value 0	

**LAST MODIFICATION DETAILS**

Update Date 19/10/2023 04:32:26:634	Modification Reason ValuationEvent	Last Movement Details DEPM23101957701001	Amount 0
Pool Variation Amount -271,961.75	MCL Online 0	CP Online 0	Last Pool Position ID DEPLP01023045001
Position Date 19/10/2023	Last Cash Collateral Interest Calcul Date	Last Cash Collateral Mobilization Date	

**POOL POSITIONS**

Please note...

...the information letter sent by Bundesbank for the purpose of conducting the tests. Every counterparty was assigned individual test periods and times.

...testing other functionalities may not be possible or may have an impact on the margin call created for the cash collateral tests.

## Cash Collateral testing procedure

### A. Mobilization

1. **Forced Margin Call** - triggered through a credit freezing by Bundesbank.
2. **Manual mobilization** of cash collateral by Counterparty via U2A/A2A. The amount to be mobilized can not be larger than the margin call.
3. **If necessary: automatic mobilization** of cash collateral by ECMS (14:15 CET).
4. **Interest calculation** for mobilized cash collateral happens at 19:00 CET.

## B. Demobilization

1. **Credit freezing is set to 0** by Bundesbank to ensure sufficient free collateral value in the Counterparty pool.
2. **Manual demobilization** of cash collateral by the Counterparty via U2A/A2A. The amount of cash collateral that can be demobilized depends on the free collateral value of the pool.
3. **If necessary: automatic demobilization** of cash collateral by ECMS at 19:25 CET.

Cash collateral can only be mobilized (cent-precise) in case of a margin call. It is not permitted to create further free collateral value using cash collateral or to use cash to collateralize new credit positions in the monetary policy pool. (General terms and conditions of the Deutsche Bundesbank, section V no.3 (4) and no. 13a)



## **2. Manual (De-)Mobilization instructions** **Screen tutorial and Monitoring**

## 2. Manual Mobilization instructions

### 2.1 U2A – Instructions

**Modul:** Collateral and Credit

Collateral and Credit >> Collateral >> Cash Collateral >> **Input Cash Collateral Instruction**

**Pool ID:** Click on the magnifying glass to open the list of your collateral pools.

**Cash Collateral Instruction ID:** is assigned automatically.

**Party's Instruction Reference:** unique reference (max. 35 characters) per instruction.

**Instruction Type:** Select the Cash Collateral Instruction type via Dropdown (**Mobilization or Demobilization instructions available for selection**).

**Amount:** Cash Collateral Amount in Euro (max. up to the „Margin Call“ Value).

**Collateral Asset ID:** filling is optional.

Fields highlighted in grey are filled automatically by ECMS.

## 2. Manual Demobilization instructions

### 2.1 U2A – Instructions

**Modul:** Collateral and Credit

Collateral and Credit >> Collateral >> Cash Collateral >> **Input Cash Collateral Instruction**

Instruction Details		
Cash Collateral Instruction ID	Party's Instruction Reference	Instruction Type
PLMDE00000145976		Demobilisation of cash collateral
Total Cash Collateral	Amount	Collateral Asset Id
1,639,230.58	1,639,230.58	
Margin Call Value	Intended Settlement Date	
	09/11/2023	

**Pool ID:** Click on the magnifying glass to open the list of your collateral pools.

**Cash Collateral Instruction ID:** is assigned automatically.

**Party's Instruction Reference:** unique reference (max. 35 characters) per instruction.

**Instruction Type:** Select the Cash Collateral Instruction type via Dropdown (**Mobilization or Demobilization instructions available for selection**).

**Amount:** Cash Collateral Amount in Euro (max. up to the free collateral or cash collateral value, which ever is lower).

**Collateral Asset ID:** filling is optional.

Fields highlighted in grey are filled automatically by ECMS.

## 2. Manual (De-)Mobilization instructions

### 2.2 A2A – pacs.010 Instructions

Only applicable to A2A users!

#### Application Header:

```
<AppHdr xmlns="urn:iso:std:iso:20022:tech:xsd:head.001.001.01">
  <Fr>
    <FIId>
      <FinInstnId>
        <BICFI>INSTITUTS-BIC</BICFI>
        <ClrSysMmbId>
          <ClrSysId>
            <Prtry>ECMS</Prtry>
          </ClrSysId>
          <MmbId>A2A-USER-REFERENZ</MmbId>
        </ClrSysMmbId>
        <Othr>
          <Id>MARKDEFFXXX</Id>
        </Othr>
      </FinInstnId>
    </FIId>
  </Fr>
  <To>
    <FIId>
      <FinInstnId>
        <BICFI>TRGTXTETECM</BICFI>
        <Othr>
          <Id>MARKDEFFXXX</Id>
        </Othr>
      </FinInstnId>
    </FIId>
  </To>
  <BizMsgIdr>202303050002</BizMsgIdr>
  <MsgDefIdr>admi.005.001.01</MsgDefIdr>
  <CreDt>2023-05-03T06:41:24Z</CreDt>
</AppHdr>
```

Please check your A2A user in the reference data module.

1. User reference
2. Are the necessary roles assigned?
3. Is the DN\* of the signature certificate stored?

\*DN: Distinguished Name

<BizMsgIdr> must correspond to an individual one-off value

<MsgDefIdr> corresponds to the value „pacs.010.001.03“ for Cash Collateral Mobilization

# 2. Manual (De-)Mobilization instructions

## 2.2 A2A –pacs.010 Instructions

Only applicable to A2A users!

Adjust the mandatory fields.

Information on how to fill in the message area for each common ECMS message type, can also be found in the published catalogue of messages.

[ECMS catalogue of messages and credit claim files \(europa.eu\)](https://ecms.europa.eu)

```
<AppHdr xmlns="urn:iso:std:iso:20022:tech:xsd:head.001.001.01">...</AppHdr>
<Document xmlns="urn:iso:std:iso:20022:tech:xsd:pacs.010.001.03">
  <FIDrctDbt>
    <GrpHdr>
      <MsgId>NONREF</MsgId>
      <CreDtTm>2023-06-29T10:29:25+02:00</CreDtTm>
      <NbOfTx>1</NbOfTx>
    </GrpHdr>
    <CdtInstr>
      <CdtId>CC20230629003</CdtId>
      <InstgAgt>
        <FinInstnId>
          <BICFI>MARKDEFFCMS</BICFI>
        </FinInstnId>
      </InstgAgt>
      <InstdAgt>
        <FinInstnId>
          <BICFI>INSTITUTS-BIC DES CLM MCA</BICFI>
        </FinInstnId>
      </InstdAgt>
      <Cdttr>
        <FinInstnId>
          <BICFI>MARKDEFFXXX</BICFI>
        </FinInstnId>
      </Cdttr>
      <DrctDbtTxInf>
        <PmtId>
          <InstrId>CC20230629003</InstrId>
          <EndToEndId>CC20230629003</EndToEndId>
          <UETR>f8efbf14-b9e0-4c73-8155-ea1f473d787d</UETR>
        </PmtId>
        <PmtTpInf>
          <LclInstrm>
            <Prtry>CCOL/INTERNAL POOL ID IHRES POOLS</Prtry>
          </LclInstrm>
        </PmtTpInf>
        <IntrBkSttlmAmt Ccy="EUR">1439189.14</IntrBkSttlmAmt>
        <IntrBkSttlmDt>2023-06-29</IntrBkSttlmDt>
        <Dbtr>
          <FinInstnId>
            <BICFI>INSTITUTS-BIC IN ECMS</BICFI>
          </FinInstnId>
        </Dbtr>
      </DrctDbtTxInf>
    </CdtInstr>
  </FIDrctDbt>
</Document>
```

## 2. Manual (De-)Mobilization instructions

### 2.3 A2A – pacs.009 Instructions

#### Application Header:

```
<AppHdr xmlns="urn:iso:std:iso:20022:tech:xsd:head.001.001.01">
  <Fr>
    <FIId>
      <FinInstnId>
        <BICFI>INSTITUTS-BIC</BICFI>
        <ClrSysMmbId>
          <ClrSysId>
            <Prtry>ECMS</Prtry>
          </ClrSysId>
          <MmbId>A2A-USER-REFERENZ</MmbId>
        </ClrSysMmbId>
        <Othr>
          <Id>MARKDEFFXXX</Id>
        </Othr>
      </FinInstnId>
    </FIId>
  </Fr>
  <To>
    <FIId>
      <FinInstnId>
        <BICFI>TRGTXTETECM</BICFI>
        <Othr>
          <Id>MARKDEFFXXX</Id>
        </Othr>
      </FinInstnId>
    </FIId>
  </To>
  <BizMsgIdr>202303050002</BizMsgIdr>
  <MsgDefIdr>admi.005.001.01</MsgDefIdr>
  <CreDt>2023-05-03T06:41:24Z</CreDt>
</AppHdr>
```

Please check your A2A user in the reference data module.

1. User reference
2. Are the necessary roles assigned?
3. Is the DN\* of the signature certificate stored?

\*DN: Distinguished Name

<BizMsgIdr> must correspond to an individual one-off value

<MsgDefIdr> corresponds to the value „pacs.009.001.08“ for Cash Collateral Demobilization

## 2. Manual (De-)Mobilization instructions

### 2.3 A2A –pacs.009 Instructions

Only applicable to A2A users!

```
<Document xmlns="urn:iso:std:iso:20022:tech:xsd:pacs.009.001.08">
  <FICdtTrf>
    <GrpHdr>
      <MsgId>NONREF</MsgId>
      <CreDtTm>2023-06-29T10:41:27+02:00</CreDtTm>
      <NbOfTxs>1</NbOfTxs>
      <SttlmInf>
        <SttlmMtd>CLRG</SttlmMtd>
        <ClrSys>
          <Cd>TGT</Cd>
        </ClrSys>
      </SttlmInf>
    </GrpHdr>
    <CdtTrfTxInf>
      <PmtId>
        <InstrId>CCDEMOB20230629005</InstrId>
        <EndToEndId>CCDEMOB20230629005</EndToEndId>
        <UETR>79b42e55-894e-4916-98ef-dc5f5f6b20ca5</UETR>
      </PmtId>
      <PmtTpInf>
        <LclInstrm>
          <Prtry>CCOL/INTERNAL POOL ID IHRES POOLS</Prtry>
        </LclInstrm>
      </PmtTpInf>
      <IntrBkSttlmAmt Ccy="EUR">500000</IntrBkSttlmAmt>
      <IntrBkSttlmDt>2023-06-29</IntrBkSttlmDt>
      <InstgAgt>
        <FinInstnId>
          <BICFI>INSTITUTS-BIC DES CLM MCA</BICFI>
        </FinInstnId>
      </InstgAgt>
      <InstdAgt>
        <FinInstnId>
          <BICFI>MARKDEFFCMS</BICFI>
        </FinInstnId>
      </InstdAgt>
      <Dbtr>
        <FinInstnId>
          <BICFI>MARKDEFFXXX</BICFI>
        </FinInstnId>
      </Dbtr>
      <Cdtr>
        <FinInstnId>
          <BICFI>INSTITUTS-BIC IN ECMS</BICFI>
        </FinInstnId>
      </Cdtr>
    </CdtTrfTxInf>
  </FICdtTrf>
</Document>
```

Adjust the mandatory fields.

Information on how to fill in the message area for each common ECMS message type, can also be found in the published catalogue of messages.

[ECMS catalogue of messages and credit claim files \(europa.eu\)](https://ecms.europa.eu)

## 2. Manual (De-)Mobilization instructions

### 2.4 U2A/A2A - Monitoring

Monitoring of instructions issued:

Collateral and Credit >> Collateral >> Cash Collateral >> **Cash Collateral Display**

>> Click on the Search button (if necessary, enter search criteria) >> select the instruction and click on the View button.

The screenshot shows the 'Cash Collateral Display' search interface. At the top, there is a title bar with a search icon and the text 'Cash Collateral Display'. Below this is a section titled 'Display Cash Collateral Instruction' with a star icon and a close button. The search criteria are organized into three rows. The first row contains 'Cash Collateral Instruction ID', 'Party's Instruction Reference', and 'Intended Settlement Date'. The second row contains 'Counterparty', 'Pool ID', and 'Instruction Status'. The third row contains 'Instruction Type', 'U2A', and 'Update Date'. Each field has a dropdown menu and a search icon. Below the search criteria is a 'Reset' button on the left and a 'Search' button on the right. At the bottom, there are two sections: 'Latest Searches' and 'Stored Searches'. The 'Latest Searches' section has a table with columns 'Date' and 'Criteria'. The 'Stored Searches' section contains a message: 'You have no stored search. To start customizing, launch a search and use the "I favorite" button to start your first search.'



# 2. Manuelle (De-)Mobilisierungsinstruktionen

## 2.4 U2A/A2A - Monitoring

### Monitoring of Accrued Interests:

Collateral and Credit >> Collateral >> Cash Collateral >> Cash Collateral Interest >> **Monitor Cash Collateral Accrued Interests**

>> Click on the Search button (if necessary, enter search criteria) >> select the instruction and click on the View button.

Monitor Cash Collateral Accrued Interests

Cash Collateral Accrued Interest

Movement Reference \*\* ▾ Pool Identifier \*\* ▾ Calculation Date \*\* ▾

Creation Date \*\* ▾ Update Date \*\* ▾

Reset Search

Latest Searches

Date	Criteria

Stored Searches

Date	Name
27/12/2021	Cash Collateral Interest

# 2. Manual (De-)Mobilization instructions

## 2.4 A2A - Monitoring

**Only applicable to A2A users!**

Monitoring of Cash Collateral Instruction Messages (pacs. 010/pacs.009):

Collateral and Credit >> Notification >> Counterparties Notifications >> Cash Collateral Notifications >> **CCOL Instructions**

>> Click on the Search button (if necessary, enter search criteria) >> after selecting the instruction, you can download it by clicking the Download Button.

The screenshot shows the 'CCOL Instructions' search page. At the top, there is a search criteria section titled 'Search Criteria : Exposures Notification'. It contains several input fields with dropdown menus: Message Id, Pool Id, Instructed Agent, Update Date, Instruction Id, Instructing Agent, Creditor, End-to-End Id, Debtor, and Settlement Date. Below these fields are 'Reset', 'Create', and 'Search' buttons. The main content area is divided into 'Latest Searches' and 'Stored Searches'. The 'Latest Searches' table has columns for 'Date' and 'Criteria'. The 'Stored Searches' section contains a message: 'You have no stored search. To start customizing, launch a search and use the "I favorite" button to start your first search.'

## 2. Manual (De-)Mobilization instructions

### 2.4 A2A - Monitoring

**Only applicable to A2A users!**

Monitoring of Cash Collateral Status Messages (pacs. 002):

Collateral and Credit >> Notification >> Counterparties Notifications >> Cash Collateral Notifications >> **CCOL Instructions Status Notifications**

>> Click on the Search button (if necessary, enter search criteria) >> after selecting the instruction, you can download it by clicking the Download Button.

Cash Collateral Instruction Status Notifications

Search: CCOL Instruction Status notifications (pacs.002)

Cash Collateral Instruction ID \*\* ▾ Party's Instruction Reference \*\* ▾ Original Instruction Type \*\* ▾

Counterparty \*\* ▾ Notifications Status \*\* ▾ Update Date \*\* ▾

Creation Date \*\* ▾

Reset Create Search

Latest Searches

Date	Criteria
------	----------

Stored Searches

You have no stored search.  
To start customizing, launch a search and use the "Favorite" button to start your first search.