

Strategic reflection on the future of NBB-SSS

Within the broader framework of a strategic review of all its activities at the horizon of 2020 and after a successful integration into T2S, the National Bank of Belgium will assess in the course of the year 2017 the appropriateness of either continuing or discontinuing the CSD functions it provides.

CSD functions are indeed not a core central bank activity. Few central banks operate a CSD.

The reflection will be prepared by the NBB-SSS Management Committee, under the chairmanship of Board member Jean Hilgers. Marc Lejoly is project manager.

During the process, all internal and external stakeholders will be invited to express their views. Among the external parties, the current participants and issuers, the Belgian Federal Public Service Finance and the European Central Bank are obvious stakeholders. The NBB-SSS User Committee will represent the participants and issuers in this strategic reflection.

Various legal, operational and financial aspects will have to be taken into consideration in order to feed the reflection. These include i.a. the following:

- from a legal point of view, all rules and regulations providing the NBB-SSS with exclusive rights have been removed. The impact of the CSD-Regulation, as well as tax issues ("X/N") are also important factors to consider;
- operational aspects include the life-cycle of the IT-platform, staffing, size and scope of current and potential future CSD-activities, etc.;
- financial considerations refer to the level of current and future costs and revenues, competition aspects (avoidance of cross-subsidization with other activities of the Bank), etc.

If and when the reflection would result in putting an end to the CSD functions, the National Bank will of course take all steps and precautions contributing to a smooth and orderly changeover process.

The objective is for the Board of the National Bank to take a decision before end 2017.

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