

Update September 2020 – CSD-R Settlement Discipline

On 28 Augustus 2020, the European Securities and Markets Authority (ESMA) published an [announcement](#) to further postpone the implementation date of the CSD-R Settlement Discipline regime until 1 February 2022.

The main reason behind this decision is the impact of the COVID-19 pandemic on regulatory projects and IT deliveries by financial market infrastructures and by a majority of market actors. This postponement also follows a [request](#) from the European Commission (EC).

Following the future endorsement by the EC, the new Delegated Regulation will be subject to the non-objection of the European Parliament and of the Council.

The impacts of this postponement are the following:

- The migration to the UTEST environment is still planned for 25/09/2020 and subject to the regular go/no-go T2S process.
- The migration to the PROD environment is still planned for 21/11/2020 and subject to the regular go/no-go T2S process.
- Some topics, i.e. the collection & redistribution process and the buy-in notification, will be reopened to assess other solutions.
- The production dry-run test planned from 14/12/2020 to 01/02/2021 has been cancelled and will be rescheduled towards 2021.
- Penalties related to CCPs' transactions: the postponement did not hold any statement about the non-application of CSD-R SD Art 19. Therefore, the work allowing the collection & redistribution of CCP related penalties by the CCPs will continue.
- The integration of CSD-R Settlement Discipline in the NBB-SSS T&C and the discontinuation of the current NBB-SSS fines has been postponed in order to align with the new date of entry into force of the CSD-R Settlement Discipline.