

CSDs: **VP Securities (Denmark)**

Date: 27 Apr 2012

SMI Markets: **Denmark**CMIRR Markets: **Denmark**

## VP Securities Decides to Join T2S

VP Securities, the Danish CSD, has informed the European Central Bank (ECB) its decision to join the TARGET2 Securities project by signing up to the system as per 30 April 2012. The CSD has also advised the ECB that it wants to connect its subsidiary, VP LUX.

VP Securities strategy is to connect to T2S with securities transactions in euro once the T2S system goes live, while transactions in Danish kroner will be included in 2018.

More information can be found here: [VP SECURITIES connects to a new common European clearing system for securities - updated version.](#)

## CSD Risk Impact

### VP Securities (Denmark)

CSD Rating: AA-

CSD Flash Impact: On Watch

Impacted Risk Type: Financial Risk

Current Rating = AA

Flash Impact = On Watch

Impacted Risk Type: Operational Risk

Current Rating = AA

Flash Impact = On Watch

Any CSDs joining T2S that plan to decommission their settlement services will need to restructure their businesses to rely on non-settlement revenue, while the project to link the depository to T2S is potentially open to operational disruption. The end model based on fragmentation of settlement from other CSD services may have an Operational Risk impact.

## Market Information Impact

### Denmark

This information affects the data contained in the Local Market Administrative Organisations and Settlement sections of the Securities Market Information Service.

## Infrastructure Risk Ratings Impact

### Denmark

Market Rating: AA-

Market Flash Impact: On Watch

Impacted Risk Type: Financial Risk

Current Rating = AA

Flash Impact = On Watch

Impacted Risk Type: Operational Risk

Current Rating = AA  
Flash Impact = On Watch

Any CSDs joining T2S that plan to decommission their settlement services will need to restructure their businesses to rely on non-settlement revenue, while the project to link the depository to T2S is potentially open to operational disruption. The end model based on fragmentation of settlement from other CSD services may have an Operational Risk impact.

Related Flash: [Clarification on T2S Pricing Policy, 28/03/2012 \(click to view\)](#)

#### For further information contact:

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