

ISSA Recommendations 2000

Update for the 11th ISSA Symposium

Ray Parodi

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Monitoring of Recommendations

- ◆ Two half day meetings of validating team in New York
- ◆ Preparation of formal report
- ◆ Posting of issues on the ISSA web site
- ◆ Working with G30
- ▶ Active contributions from senior executives from 13 global firms
- ▶ Collective effort by the Board Working Group drawn from 5 firms
- ▶ Input from 64 organisations in 45 markets. 550 plus pages of information
- ▶ 3 ISSA board members actively involved in all stages

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Key Issues

- ◆ Plans needed for contingency events and these need to be communicated / discussed
- ◆ ISO 15022 global expansion and appointment of BIC to non SWIFT community
- ◆ Standardisation of corporate action information
- ◆ Simultaneity of cash / stock transfers and legal certainty on finality
- ◆ Recognition of beneficial ownership in local laws

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Value Added of the Process

- ◆ Focus on the key issues concerning markets
- ◆ Divergent opinions on material risk issues can be aired, with a "gap" often evident between many local markets and the views of the network manager teams

Examples of Divergence

- ◆ Need or otherwise for a guarantee fund in Switzerland
- ◆ Inefficiency of the UK income collection process
- ◆ DvP processes in UK's CMO, HK's CCAS, Spain's SCLV and Turkey's Takasbank among others
- ◆ Perceived inadequacy of matching process in Germany, Holland, Italy and many others

The Way Forward

- ◆ ISSA will work with G30 to ensure that common recommendations can be aligned for monitoring purposes
- ◆ The ISSA recommendation monitoring process will continue, especially as there is value in sharing intelligence and concerns among major market users