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## Year-End Message

On a personal level seeing the end of 2021 is a joy. I am hoping that 2022 sees the full human potential come to the fore and that the daily restrictions can end.

Professionally things could not be more different. ISSA, through the dedication, intellect and perseverance of our membership has successfully continued our journey towards “Shaping the future of Securities Services”. Karen and I feel privileged to be working with exceptional people, who are at the top of their field, on a daily basis. We learn each day and hope that these experiences are encapsulated in the published work. It is not always possible to capture the richness of the discussions at the Working Groups (WG) on paper, so we would encourage the membership to join the WGs and experience first-hand the creativity and knowledge of their peers. The WGs continue to produce quality documents (see below) and the topics we are pursuing resonate not only with the present membership but also with new members.

However, that is not all that ISSA has accomplished in 2021. You will have noticed our refresh of the ISSA brand, website and emails and trust that you like it. We hope that you have also seen the increased presence across traditional and social media as great content generates the opportunity to showcase the topics that matter to the membership.

In 2022 we will continue to engage fully with the membership, starting with a virtual Event and AGM on the 19 and 20 January and then the 20<sup>th</sup> ISSA Symposium that is scheduled for the 10 to 12 May. The WG agenda is also full and the conclusion of two topics this year will allow us to engage with the next areas of interest to the membership.

We wish you seasons greeting for 2021 and all the very best for 2022.

Colin Parry, ISSA CEO



*“A very busy year - Shaping the future of securities services”  
The message of ISSA can be summed up as “Connecting, Collaborating and Changing”*

## Phil Brown's Year-End Message

Visit the ISSA website, LinkedIn or the link below to hear the ISSA Chair, Phil Brown, talk through the last year and what ISSA's focus will be for 2022. [Phil's message](#)

### New ISSA Board Members

ISSA is delighted to welcome the following new Board Members:



Juliette Kennel, SWIFT



Suvir Loomba, HSBC

### Symposium Update

The ISSA Board and CEO Office are delighted to confirm that the 20<sup>th</sup> Symposium will be held on the 10 - 12 May 2022 at the Palacio de la Bolsa de Madrid building in Spain.

The agenda is shaping up well with a focus on the themes coming from the Future of Securities Services paper, including Investor Behaviour and Technology, Artificial Intelligence, Data and DLT as well as more fundamental questions on the impact of the future of cash, successful deployment of technology for benefit and people in a digitizing world. Invitations will follow shortly.

### ISSA Virtual Conference & AGM

Whilst the ISSA Working Group participants may not have been able to meet this year, this has not meant that the work has stopped. Every Working Group has continued to create content and important output to support the membership. To communicate this effort, ISSA will host a Virtual Conference on 19 and 20 January 2022. The focus of the conference will be three-fold:

- To communicate the key WG output
- To position ISSA for 2022
- To hold the annual ISSA AGM

The conference will comprise a number of both speaker and panel sessions, focusing on the following topics:

- DLT in the Real World
- FCC – the new ISSA Questionnaire
- New Norm – SSIs and Automation
- Asset Servicing – Data Sourcing
- Future of Securities Services, Digitisation and Standards
- ISO 20022
- CBDC in Securities Services

A registration mail has gone out and ISSA would encourage you to sign up. The format is reasonably casual so you can attend as many - or as few - of the sessions as you wish. Additionally, please do ask your colleagues to join. The event is free.

The AGM is a Member Representative only event which will take place at the end of the second day of the conference. A separate invitation was sent to the Members, and will cover, in addition to the WG updates, the present status of the Association, the final revision of the Articles and a Q&A session.

## ISSA Operating Committee Changes

As with all good organizations, there is ongoing change at ISSA. The most recent is the handover of the Chair of the ISSA Operating Committee (OC), from Jyi-Chen Chueh to Juliette Kennel.

The ISSA CEO Office and the Board want to offer their heartfelt thanks to Jyi-Chen for his excellent work in managing the OC and driving forward the ISSA agenda over the last two years. Jyi-Chen will continue as the OC Member for Standard Chartered Bank moving forward.

We are also delighted that Juliette will now take on the role of OC Chair. She will be joined by Haroun Bouchetta, who has kindly agreed to become the OC Vice Chair. We will look forward to their active involvement and to them both joining us at the Virtual Conference in January.

## DLT – CBDC Paper

ISSA has just published the CBDC report. The topic of Central Bank Digital Currency is a very active debate across the financial markets and amongst the central banks themselves. This has made the WG debate and output much more interesting, and it has proved harder to coalesce around a singular answer than a normal ISSA paper. The result therefore highlights the possible routes and opportunities. The DLT Surveys that ISSA has run in 2020 and 2021 have shown that CBDC capabilities are one of the three key enablers to many of our clients, and their ability to invest in tokenised assets, along with regulation and valuation. To quote from the paper's foreword:

“CBDC and Stablecoins (SC) are being investigated, experimented with and, in some cases, already used within the capital markets. The adoption of CBDC and SC potentially offers advantages over today's settlement methods. This is particularly apt when discussing the settlement of securities on DLT as the simultaneous exchange of CBDC/SC and securities tokens (aka atomic settlement) is a key attribute of a DLT solution and the creation of a Delivery versus Payment 1 (DvP1) (in central bank money or commercial bank money) settlement solution.

It is therefore of paramount importance that the securities services' sector, within the financial services industry, gains as complete a picture as possible of the potential use-cases, opportunities, threats and considerations of adopting CBDC or SC within the industry.”

ISSA offers its deep thanks to Shailee Adinolfi (Consensys) and Steve Everett (TMX) for chairing this DLT Working Group and the rest of the team. ISSA has had active participation from all of the WG members - from Argentina to Canada, Africa to Asia and all points between – a truly international effort representing the best of ISSA.



## New ISSA Members

During Q4, ISSA has been delighted to welcome the following new Members:

- Proximity Ltd, UK
- Intesa Sanpaolo S.p.A., Italy
- AITE NOVARICA GROUP, USA

*“It is therefore of paramount importance that the securities sector within the financial services industry gains as complete a picture as possible of the potential use-cases, opportunities, threats and considerations of adopting CBDC or SC within the industry.”*



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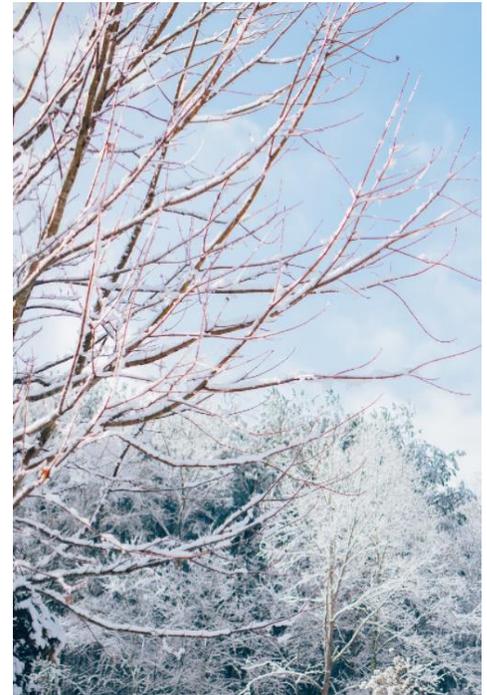
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## Data Sourcing – Survey Results

In October, The Value Exchange, in collaboration with ISSA and other partners, published its report on the back of the survey and findings on “Corporate Actions 2021: Is it all about the data?”. Outlining what the data problem is and why it is a problem, the report then went on to provide the case for the change, how this could be realized and then posed the question “What next?”

ISSA’s response to this question has been clear. The ISSA Data Sourcing subgroup will now take the report findings and, along with key information on single source markets, prepare a paper with their recommendations and best practice guidance. The aim is to have this White Paper ready for publication in the second quarter of 2022.



## The New Norm

During this last quarter, the New Norm Working Group (WG) has been working hard to finalize their last few articles which have been focusing on the impact of the pandemic.

In late September, the WG published their article on Operational Resilience. The topic was already of regulatory importance and was considered even more critical given the unprecedented and disruptive events of the pandemic. Focusing on three key areas – Technology, People & Processes and Geography & Sourcing, the article also highlighted recent regulatory considerations and the opportunity for the industry to collectively consider practical responses to effectively demonstrate and evidence operational resilience between providers and clients.

Then, in November, the WG published an article on Standard Settlement Instructions or SSIs. Whilst considered one of the most important data sets in the financial industry, SSI-related issues continue to be one of the most common reasons for settlement failure in the Securities Services industry. Offering practical suggestions as to how the issues can be overcome, the article has received very positive feedback from ISSA Members and the industry alike.

The final topic that the New Norm WG will cover is that of Automation. Currently being finalized, this article will be published shortly.

On the back of the Operational Resilience article, ISSA has decided to form a new WG in Q1 2022. The Operational Resilience WG will look at operational processes to ensure they are aligned and standardized in order to minimize the administrative burden on the industry. Please contact Karen at [karen.zeeb.issa@six-group.com](mailto:karen.zeeb.issa@six-group.com) if you would be interested in joining this WG.