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"It really was very useful and interesting to attend and the contributors had clearly done a lot of work to put on such high grade and informed presentations. You managed to gather a pretty illustrious group of speakers and attendees too."

Attendee Virtual Event

Welcome to 2022 Message

2022 has started well for ISSA.

The Virtual Event on 19 and 20 January was a great success, with more than 170 participants attending different sessions. It reconfirmed to me the value of what we do. We had panel after panel of world-renowned experts communicating, collaborating and supporting change. The short sessions kept focus on the important elements and, although a number of sessions could have run much longer, I think short and punchy worked very well. The interactive polling supported the ISSA view, which was heartening to see. The write ups for the sessions can be found at the following links: [19 Jan](#), [20 Jan](#).

Following the Virtual Event, Phil Brown, the ISSA Chair, hosted the AGM outlining how he believes ISSA is both "Shaping the Future of Securities Services" and supporting the membership. The AGM also covered the election of new Board Members, the financials and the membership trajectory - which was all good news. Juliette Kennel, the Operating Committee Chair, then gave an excellent presentation on the Working Groups and what they have done and are doing next.

As you will also see below, we continue to move forward with the agenda for 2022 and have even released the first two articles of the year on Automation from 'The New Norm' Working Group and the 2021 Review of Critical Functions and Stress Scenarios from the 'Recovery, Resolution and Resilience' (RRR) Working Group - with two more articles queued up behind these. As this was the last article from 'The New Norm' Working Group, our thanks go to all the participants and, in particular, to our two Co-Chairs - Sonia Paston-Bedingfeld (UBS) and Suman Bhadresha (HSBC) - who ensured that five great articles were produced in record time.

The capacity generated will be used to launch another Working Group - focused on Operational Resilience and ensuring that we, as an industry, coalesce on a solution that works for us all and is administratively simple. Please volunteer to join the group or, if you are not the right person, please volunteer a suitable colleague.

Finally, a reminder that the 20th ISSA Symposium is scheduled for 10-12 May in Madrid, Spain. We are looking forward to seeing as many of our Member Representatives as possible at this event and we will report on it in the next newsletter.

I wish you all the very best for 2022.

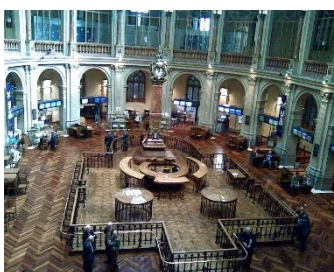
Colin Parry, ISSA CEO

Phil Brown's Year-End Message

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



Palacio de la Bolsa, Madrid



Symposium 2022 Update

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

The agenda for this year's Symposium, based on the Future of Securities Services paper, is entitled "**Securities Services – Where next?**". Our keynote speaker will be Martin Moloney, Secretary General of IOSCO. There will also be sessions that will challenge our thinking with presentations about DLT, Artificial Intelligence and big data with real-life examples of each.

Finally, there will be breakout groups, looking at the future impacts on the Securities Services landscape, such as:

- Instant payments
- Retail investors behaviour
- Digitization and digitalization
- Potential of technology to improve profitability
- Digital assets and CBDC

ISSA's Virtual Event

ISSA's Virtual Event, on 19 and 20 January, was deemed a huge success by all who attended. The two days were structured to be both updates on what has happened and will happen in each of the Working Groups, and equally importantly to allow a debate on the issues that are relevant to the membership. A combination of polls and open Q&A kept both days interactive.

Write ups are available on the ISSA website ([19 Jan](#), [20 Jan](#)) but the following summary captures the key elements:

- FCCP - the revised Due Diligence Questionnaire is now available.
- DLT – Successes are being evidenced, but challenges to scale remain. Wallet and crypto custody have the highest focus. The next DLT survey will go out in the spring so please respond.
- The New Norm - the industry needs to use technology to help in transformation.
- Asset Servicing - in Golden Copy data sourcing markets are 20% more efficient and improve client outcomes whilst reducing risk.
- Future of Securities Services - cannot be discussed in 45 minutes! Many positives and ISSA Working Groups are aligned to the needs, but flexibility is still required.
- ISO 20022 – The direction of travel within the payments industry will impact the securities related payments shortly. If you do not understand the linkages you should. Regulation continues to give impetus to ISO 20022 adoption in securities.
- CBDC – is coming. It will impact securities, maybe over a longer timescale than stable coins, and the securities processes need to be designed to optimally use DLT on both the cash and securities legs. Understand the implications of DEFI.

The New Norm - Automation

In January, The New Norm Working Group (WG) published its fifth – and final - article focussed on another key topic for the Securities Services industry, that of [Automation](#).

The article explores how a combination of the pandemic, the increased capabilities of modern technology and the digital revolution are finally forcing the Securities Services industry to focus on improving long-standing, and previously tolerated, manual processes both within individual firms and in partnership across the industry.

The WG participants pose critical questions to the industry about the need for greater collaboration to encourage the creation and adoption of more industry tools and services. They also highlight the need for common standards in order to both eliminate the need for costly bespoke integrations and to enable the broader industry to benefit.

SWIFT KYC Registry

During 2021, the Financial Crime Compliance (FCC) WG undertook a review of the FCC ISSA Principles and supporting Due Diligence Questionnaire (DDQ). Initially published back in 2017, the Questionnaire was updated to reflect feedback from users as well as market changes and the updated [document](#) was published by ISSA in December 2021.

The Questionnaire has historically only been available as an electronic document. However, the WG, collaborating with SWIFT, has now arranged that the Questionnaire will also be available on the SWIFT KYC Registry. As Olivier Goffard, Co-Chair of the FCC WG, explains: “The introduction of the ISSA DDQ to the KYC Registry will benefit SWIFT members whilst contributing to prevent financial crime in the securities industry.”

DLT in the Real World – Longitudinal Survey

The DLT Working Group has agreed that there is value for all members to understand the continued developments within the DLT arena. ISSA will therefore, with the help of Value Exchange, launch the third “DLT in the Real World” survey in spring 2022.

Those member firms who participate will be provided with benchmarked data versus their peers and also the industry as a whole, allowing them to get a deep understanding of their position versus their competitors and the market. This has proved invaluable to a number of participants over the last two years. Those who chose not to participate will still receive the summarised information which has proved to be valuable but not actionable with as much confidence as the participants have.

In addition to the survey ISSA is partnering with Value Exchange to produce a number of podcasts on developments in DLT with individual members showcasing problems and solutions that are being developed across the globe. If your firm would like to participate please let Colin know.

The findings of the second survey can be found [here](#).



New ISSA Member

In January 2022, ISSA was delighted to welcome Cognizant UK as a new Member:



New Member of the ISSA Operating Committee

Boon-Hiong Chan, Global Head Securities Market and Technology Advocacy, at Deutsche Bank, joined the ISSA Operating Committee in February 2022



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Operational Resilience

Feedback from the participants at ISSA's Virtual Event confirmed ISSA's thinking that Operational Resilience continues to be one of the key areas of concern for Securities Services specialists. As a result, ISSA is pleased to announce the formation of a new Working Group that will focus on the key requirements to be operationally resilient.

All ISSA Members are invited to join the Working Group which will hold its first meeting shortly. Further information on the objectives of the WG can be found on the [ISSA website](#).



ISSA Working Group Updates

During the final quarter of 2021, the ISSA Working Groups continued to be very active focusing on the different topics.

The New Norm WG completed its final article (see section above) and - after 20 months of focusing on areas of the Securities Services industry that were impacted by the pandemic - the WG will now be closed. ISSA would like to thank all of the WG participants for their efforts in providing a series of both timely, and informative, articles highlighting what the industry needs to focus on moving forward.

The DLT WG also published two pieces of work: A paper providing a blueprint for Central Bank Digital Currencies (CBDC) in Post-Trade Settlement and a podcast of the findings from the Voice of the Customer survey. Additionally, the Asset Servicing WG worked with The Value Exchange and other partners to create and publish a survey on 'Corporate Action - Is it all about the Data?'.

Finally, the RRR WG finalized and published their report outlining scenarios that industry participants should consider when looking at the financial resilience of their firms. This WG will now be put on hold. Again, ISSA would like to thank the WG participants for their work over the last year.

Looking forward at this year, there is already a lot to report. As well as the addition of the ISSA FCC DDQ to the KYC SWIFT Registry and the publication of the RRR document, the Domestic CSD WG will publish their first articles soon.

Two further new WGs will also start in the first quarter:

- Operational Resilience
- Standards

As ISSA Member and interested in joining one - or both - of these new WGs, please contact karen.zeeb.issa@six-group.com.