Digitalization & Digitization Working Group

Working Group Chair: Michael McPolin, Broadridge
27 Working Group Members
17 ISSA Member Firms involved

PURPOSE

This Working Group's primary objective is to focus on the ISSA participants' digitalization and digitization journey post Covid 19 to understand the challenges and opportunities to promote digital standardization, share best practices and enhance efficiency, risk reduction and an improved investor experience within the industry.

The digitalization and digitization agenda is broad. This Working Group will focus upon the digitalization of processes as opposed to specific digitization of securities or currencies. Areas of focus should include topics which would benefit from best practice and industry standardisation and also interoperability between participants.

The current in scope topics include:

- Account opening and KYC

- Tax documentation, at source or reclaimed

- Corporate Actions & Proxy Voting - Achieving adoption of machine

- Manual processes that include hard copy documents & wet signatures

- API's - Development of standardized industry APIs in support of the digitization agenda (covered in ISO 20022 WG)

- DLT standards and market adoption (covered in DLT WG)

- ACTIVE TOPIC: Private Markets as demand for investments in this sector is increasing, there is a need to review and enhance the front to back processes and provide better investor outcomes and transparency.

PRIVATE MARKETS

Scope

Changing investor behaviour has increased demand for Private Equity and alternative investments - but the process of settlement and registration remains inefficient. The Working Group aims to review the current challenges and proposes an institutional solution for the market incorporating ISSA standards, controls, best practices and new disruptive technologies.

Key Deliverables

- Establishment of baseline standardized flows (COMPLETE)

- Validation global rather than localized problem & identification of best practices (COMPLETE)

- Create paper with DTCC and Strate as example markets and highlight the problem statement

- Define solutions and remedial action, promote industry adoption and a standard digitization agenda

- Publish a report and recommendations

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