



“The ISSA Symposium is a ‘must do’ event....you have to understand something more about the industry and this is the right place to do so.”

*Stefano,
Symposium Attendee*

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Welcome Message

At a global level - with a war in Ukraine, market sell offs and high inflation - the potential for negativity in this quarter has been high. However, in the little corner of the world in which ISSA operates, we have done our best to bring some positivity.

I was told, on joining ISSA, that the Symposium was the jewel in the crown of ISSA. How accurate that assessment was became apparent during a very intense but rewarding 3 days. You can read further about the Symposium in the following pages and the full account from Dominic Hobson on the ISSA website. Our thanks to Tom Zeeb and Javier Hernani for the use of the Bolsa in Madrid - a fitting setting indeed.

Q2 has also seen the launch of two new Working Groups (WG), maintaining our aim to ensure that ISSA is addressing the most relevant topics for our members. You can read about the new Operational Resilience and Standardization WGs below - do not be shy about asking to join them as these topics are relevant to us all.

Other WGs continue to deliver and we tell some of their stories throughout the newsletter and there is more coming in Q3.

I thank the membership for their support throughout a challenging quarter and wish you all a good Q3, with the promise that we will continue our endeavours to effect positive change.

Colin Parry, ISSA CEO

ISSA and Sustainability

As ISSA looks to the future, it is focusing on how the Association can become more sustainable. The mission will be to create a more sustainable organization, whilst continuing to meet both the current and future needs of the Association and its members. To achieve this, the ISSA CEO Office has created a plan which, when implemented, will ensure ISSA, as an organization, has a neutral – or positive – impact on the environment, society and economy.

This effort has already started. At the recent Symposium, the ISSA CEO Office worked with local partners, businesses and suppliers on a number of key environmental initiatives to help ensure that the 2022 Symposium was as sustainable as possible. Additionally, ISSA will establish two forums during the second half of 2022:

- ISSA Sustainability Forum – a platform to inform and share information and educate members on key sustainability topics
- ISSA Women in Action Forum – a platform which will focus on the specific needs of, and challenges faced by, women who work in finance

Further details about the forums, and how you can join, will follow shortly. Additionally, further information on ISSA’s sustainability efforts can be found on the ISSA website via the following link: [Sustainability - ISSA \(issanet.org\)](https://www.issanet.org/sustainability).

The ISSA 2022 Symposium



The 20th ISSA Symposium was my first - and it was extremely rewarding. I was delighted to meet people face to face and enjoy discussions with experts from around the globe that it is so hard to manufacture in the virtual world. The spontaneous exchange of views on Symposium topics, and many others, was extremely valuable and insightful. We are now looking forward to the 21st Symposium (venue to be confirmed), which is planned for 6 to 8 June 2023 and the debate about how the Securities Services world has changed in the intervening time.

What did the attendees think? Was it relevant? Attendees scored us 87 out of 100 for strategic relevance; Was the balance of the days satisfying? Attendees scored us 89 out of 100 for satisfaction and 92/100 for logistics at the fantastic venue of the Bolsa Madrid and the Westin.

The theme of the Symposium was **“Securities Services – Where next?”** based on the ISSA report [“Future of Securities Services”](#) written in conjunction with Oliver Wyman. As well as focusing on the output from the paper, the sessions challenged the participants’ thinking with real-life examples of DLT, Artificial Intelligence and Big Data.

In my view the key messages received by the audience on day one were:

- ESG - the International Sustainability Standards Board (ISSB) will eventually report. The desire for quality reporting is high now and the Securities Services Industry can fill the gap and shape the thinking.
- Operational Resilience is paramount, this includes the cloud. Where the industry is using a common resource does that result in more infrequent but bigger impact events? Expect to be benchmarked in OR and show leadership as an industry. Cyber threats are growing – do organisations have the knowledge throughout the firm to counter and react successfully?
- Regulators and the industry need to re-establish a trust and move away from blame. A collaborative end state which is more likely to achieve the policy and commercial aims required for the best stakeholder outcomes.
- The Securities Services is at a cross roads and firms need to make a strategic decision to invest to capture new revenue streams. Stability is not the industry’s likely outcome. Private market assets, digital assets, MTFs and ESG all require answers from our industry and emergent firms servicing these assets are not capital constrained. Existing firms need to place their investment bets.
- Digital Assets (DA) are here to stay. The pace of change will alter as all aspects of the ecosystem are delivered. Central Bank Digital Currencies enable DA and are coming. New operating models are needed as doing the same thing with a new engine will not improve the market significantly.
- Technology’s evolution is faster than we think, we as leaders must master. A data driven operating model that stretches across all the silos of the firm enables success.

Day two and three took the set topics and formulated the likely impact of those topics within Securities Services and for that you will have to read [Domonic Hobson’s report](#).

Colin Parry, ISSA CEO

Domestic CSD WG – Working from Home and Resilience Papers

This Working Group's purpose is to research the key challenges and issues that impact the Domestic CSDs (i.e. those who mainly serve their local market and international flows into that market). The WG has been active during 2022 and has published two articles:

- [Domestic CSD Resilience Practices](#) highlighting practical steps to ensure resilience.
- [Domestic CSD Remote Working](#) again taking a practical approach to the consideration needed to successfully execute remote working.

The next two topics have now been selected and will focus on:

- Remote Network Due Diligence (including signatures on physical documentation)
- Best practices for markets about how (if they want to) they can open up to foreign investors and what they need to have in place.

If these topics resonate with you, please feel free to reach out to Colin at colin.parry.issa@six.group.com to join the WG.

ISO 2022 WG – Recent Outcomes

The "Education and Benefits" Sub-group of the ISO 2022 WG has also been busy this quarter. The participants wanted to expand the amount of information available to the Securities Services industry in relation ISO 2022. This [short article](#) explains the rationale for a shared data model and the opportunities it creates, how the industry could adopt such a model and, finally, the benefits rationale for doing so.

As a first for ISSA, an external [Resource Centre for ISO 2022](#) has been launched. The WG has collected a number of papers which have been used to inform the WG debates. These are useful papers that have now been collated in one place in the resource centre. The aim is to provide a single destination that members can utilize to inform themselves and their organisations and add to as they find useful documents

If you have any additional documents, please send these to colin.parry.issa@six-group.com for loading onto the site.

DLT WG – Survey Update Launched

The third annual ISSA Distributed Ledger Technology (DLT) survey has now been launched and closes this week. The previous two surveys have been a huge success. Those insights drove the 2021 DLT Working Group agenda and have led to papers on the Voice of Customers, CBDC and Interoperability & Standards.

The aim is the same for 2022: to deepen ISSA's and the industry's collective understanding of what is actually happening in the market place in respect of the DLT trends and evolutions year on year. To participate please use the following link: [ISSA 2022 DLT Survey](#).

ISSA Board Changes

Tom Zeeb resigned from the Board at the Symposium and was replaced by Javier Hernani, Head of Securities Services at SIX.



Phil Brown, ISSA Chairman, stated: *"It is extremely good news that Javier is joining the Board. He brings another perspective to the Board and will immediately add further strength to a great Board. I would also like to offer my own thanks to Tom who has been a stalwart Member of the Board for almost a decade and has served as Chair of the Board during his tenure. His contributions to the discussions on the ISSA strategy have truly caused ISSA to change and his contributions to the Working Groups have been equally strong. It has been a genuine pleasure to work alongside Tom and we will miss his active contributions greatly."*



**New Member of the ISSA
Operating Committee**

Isa Ribeiro
Clearstream Banking



New ISSA Members

In Q2 2022, ISSA has been delighted to welcome

- Saxo Bank and
- Metaco

as new Members.



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Operational Resilience WG - launch

The topic of Operational Resilience is increasingly becoming part of the regulators' requirements. ISSA anticipates that there will be a need for firms to both request, and provide, evidence and attestation around operational resilience standards. The purpose of the Operational Resilience Working Group will therefore be to assist our members understand and deal with future operational resilience requirements.. If you, or someone within your organization, is interested in joining the Operational Resilience WG, please contact Karen Zeeb at karen.zeeb.issa@six-group.com.



Standardization WG – ESG Standards in Securities Services



A second new WG has also recently been established. The Standardization WG's purpose will be to focus on the ISSA participants' standardization journey – understanding the challenges, as well as the opportunities available – so that ISSA is able to offer best practice guidance and to promote standardization. This will have a positive impact on the Securities Services (post-trade) industry through increased efficiency and reduced risk, as well as an improved investor experience.

The first topic that the WG will look at will be ESG Standards in Securities Services. The WG will initially focus on an explanation of ESG concepts, outlining the flows and the roles of each player in the investment lifecycle and looking at the impact of ESG on the Securities Services industry and the implications of this. The WG will then consider the current challenges, risks and pain points of ESG on the Securities Services industry, assess which ESG services and solutions exist and what is missing, as well as undertake a review of regional differences and their impact.

Again, if you, or someone within your organization, is interested in joining the Operational Resilience WG, please contact Karen Zeeb at karen.zeeb.issa@six-group.com.