

T+1 Global Aspects Working Group

23 July 2024 Teams Call

Meeting Minutes

Participants (in attendance in bold):

Bill Hodash, Colin Parry (PMO)

- John Abel, DTCC
- Ekaterina Andropova, Cognizant
- Fabian Brederweld, ABN AMRO
- **Haroun Boucheta**, **BNP Paribas (Co-Chair)**
- **David Büchler**, **Liechtensteinische Landesbank**
- Christopher Butler, BNY Mellon
- Akhila Chaganti, Deutsche Bank AG
- Alex Chow, The Investment Association
- Jennifer Cryan, Citigroup
- **Simon Daniel**, **SWIFT**
- **Caroline Diggins**, **Northern Trust**
- Barbara Domenici, ECSDA
- Alex Duggan, Cognizant
- Hannah Elson, JP Morgan
- **Danny Green**, **Broadridge**
- Jonathan Hartwell, Northern Trust
- Kamala Kannan, S&P Global Market (Co-Chair)
- Prasanna Kumar Jha, Citibank
- Emma Johnson, JP Morgan
- Gareth Jones, Euroclear SA/NV
- Thomas Koehler, HKEX
- Loana Juka, Erste Group Bank AG
- Chris Lam, BNY Mello
- **Hector Lau**, **HKEX**
- Heidi Lee, Deutsche Bank AG
- Louis Lesnika, CIBC Mellon
- **Nadra Mueller**, **Deutsche Bank AG**
- Nicolas Mallia, ECSDA
- Katica Mandic, Privredna Banka Zagreb d.d.
- **Douglas McNaughton**, **U.S. Bank**
- Koen Mertens, KBC Bank
- Hui Ying Mew, Deutsche Bank AG
- Marco Palazzi, Bank Julius Bär & Co. Ltd
- Jack Parker, JP Morgan
- David Petiteville, Royal Bank of Canada
- **Jonas Prokop**, **Cofinpro AG**

- Lars Scheuerling, Deutsche WertpapierService Bank
- Sascha Schönsiegel, NEXGEN
- Sladjan Seferovic, NEXGEN, Business Consultants GmbH
- Kristi Sisa, Nasdaq
- Jan Stelzer, NEXGEN
- **AN Tran Quoc, Standard Chartered Bank**
- Gabor Varga, Swiss Re
- **Damien Veillard, BNP Paribas**
- Deepa Viswanathan, Deutsche Bank AG
- Frank Wang, Deutsche Bank AG
- Ron Van den Broek, ABN AMRO

Agenda

1. Value Exchange T+1 Impacts Survey – Proposed ISSA Involvement
2. UK Technical Group and European Task Force Updates

1. Value Exchange T+1 Impacts Survey – Proposed ISSA Involvement

Key Points Addressed

- Bill briefed the WG members on past ISSA collaboration on Value Exchange Surveys, including by the DLT WG and Asset Services WG. He then asked the WG members to welcome Barney Nelson of the Value Exchange who is planning a follow-up survey to their several T+1 Readiness Surveys and asked the members to consider our WG collaborating with the Value Exchange on this new survey.
- Barney Nelson then briefed the WG on past T+1 Readiness Surveys and the premise of this new follow-up survey. The Value Exchange is working closely to draft the survey and then distribute it widely with several other industry associations including EFAMA and The IA as well as the UK Technical Committee.
- In response to a question Barney said that this survey will focus on the global impacts of the implementations in the Americas but would start to get at readiness for the unique challenges for other jurisdictions exploring moving to T+1 including the UK, EU and Australia. Another survey is planned late in the year to address those jurisdictions' challenges more specifically.
- Barney then displayed the draft questions for the T+1 follow-up survey.
- There are sections on trade processing operating models, timing of allocations and affirmations, fund subscription cycles, impacts on operations and people resourcing, the level of automation introduced, measure of efficiency including fails rates and affirmation rates, trade volumes, FX transaction volumes and spreads and timings, any leftover post-implementation risks and planned follow-up projects to mitigate risks and further increase efficiency.
- The survey is set to launch on 6 August and be open into September. Initial high level theme findings will be ready on 2 September for discussion at the Post Trade 360 Conference being held that week and final key findings are planned for mid-September.
- If ISSA wishes to participate Barney asked that we forward any suggested changes to the survey by COB on Monday 29 July.
- After Barney left the meeting, Bill asked the WG if they wished to participate with Value Exchange and the members agreed we should. After the meeting, Bill distributed the draft survey questions to all WG members, asking for feedback by 29 July.

2. UK Technical Group and European Task Force Updates

Key points Addressed

- Bill showed the Q2 Update from the UK Technical Group and Simon Daniel reviewed the status of the next steps which are still on target for these key milestones:
 - **27 June** - Internal submission of TGT+1 workstream recommendations
 - **End September** - Submission of Interim Report with Recommendations to HMT to be followed by a short consultation on content
 - **End December** - Submission of Final Report with Recommendations to HMT
- The target date is still by the end of 2027, though this is expected to be firmed up in the consultation and final report.
- Haroun shared an update on some discussions with the European Task Force, of which ISSA is a member. Some documents on plans that need to be in place for a move to T+1 in Europe will be shared with ESMA, though no potential target implementation date will be mentioned. The trade associations feel it is premature to discuss a date until all parties are aligned on what regulatory, technical (including any necessary changes to T2S and market participants use of it for cross-CSD settlements) and market practice changes need to be in place and when they can be implemented. This is consistent with the ISSA recommendation included in our December 2023 white paper:
 - “Once the solutions and risk mitigants are agreed and scoped for implementation, the sponsors should include end-to-end testing of international transactions in their T+1 “Playbook”. This ensures that transactions related to the areas of enhanced challenges for international investors are solved prior to implementation. Ideally, regulators, central banks and/or market infrastructures could require that all critical market practice changes necessary to implement T+1 settlement successfully, be in place and utilized by all market participants for a significant period prior to the targeted implementation date of T+1 settlement.”
- Thus, a date will likely not be set very soon, but there is desire to be aligned with the UK to the extent possible.

AOB and Close

No other business raised. The meeting was then closed.

Summary of Follow Up Actions

No.	Action Description	Responsibility	Deadline
1.	Send any suggested additions/edits on the Value Exchange T+1 Survey to Bill	All WG Members	29 July