

22nd ISSA Symposium - Context Document

Breakout Session 4: Realizing Evolving Technologies

HYPOTHESIS

According to the ISSA Future of Securities Services paper the three strategic drivers of change in Securities Services are:

- Investor Behaviour
- Technological Change
- Geopolitics and Regulation

This Breakout Session is focused on Technological Change.

Distributed Ledger Technology and Digital Assets have many attributes of the perfect system for Securities Services. They allow the elimination of data transportation and translation, whilst facilitating automation at levels not seen so far in our industry through smart contracts. They also have the capability to provide a consistent real-time centralized view of settlement and entitlement. Thus far, the implementation of these solutions has been slow (although real) and consists of many walled gardens.

Simultaneously, new technologies are being experimented with, or are being rolled out, which promise to provide an equally attractive nirvana. These include but are not limited to:

- Permissioned Data Sharing Marketplaces
- Artificial Intelligence, including LLMs
- Confidential Compute
- Cloud

It is the hypothesis that the Securities Services industry can successfully adopt all the new technological solutions in a rapid manner, scaling the industry to cope with increasing volumes and volatility, whilst moving the industry to a new cost paradigm.

The objective of the Breakout Session will therefore be to look at the response to the changing technological landscape and the adoption of solutions to make the industry more efficient and effective, whilst reducing risk.

The Breakout Session will then split into two sub-groups to discuss the following two sub-themes in greater detail:

- DLT and Digital Assets
- Evolving Technologies

One sub-group will focus on DLT and Digital Assets and the second on other evolving technologies before coming together to suggest themes for ISSA Working Groups. The aim is to establish whether there is a way to rapidly implement new technology across Securities Services – understanding the business challenges of doing so and identifying opportunities for collaborative efforts which would enable the industry transformation.

PRE-READING

Breakout Session participants should read the following collateral to familiarize themselves with the hypothesis prior to the Symposium:

[Digital Banking in Asia-Pacific | BCG](#)

[Digital Assets in 2024 – Beyond the hype - Securities Services](#)

[The Future of Digital Asset Custody: Trends and Innovations for 2025 – Fuze Blog](#)

[24-TechForecast25.pdf](#)

IDEAS FOR CONSIDERATION

Below is a list of ideas that the Breakout Session participants may wish to consider during their discussions:

DLT and Digital Assets

- Adoption challenges
- Standards
- Walled gardens becoming open fields
- The business case, including building scale
- Regulatory concerns – e.g. permissioned or permissionless / Smart contract audits
- Legacy assets versus digital assets liquidity

New Technologies

- Standards
- Picking the winners – which technologies really can transform Securities Services?
- How do we increase adoption of a solution set
- Data ownership and permissions
- Model audits
- Cyber Security