

Domestic CSD WG (CSD DDQ subgroup)

11 August 2026 Teams Call

Meeting Minutes

Participants (in attendance in bold):

▪ Julia	McKenny	ISSA, PMD
▪ Julie	Huxford	ISSA, PMD
▪ Fraser	Moodie	Australian Securities Exchange ASX
▪ Kenneth	Woo	CMU OmniClear Limited
▪ Adeyinka	Shonekan	CSCS PLC
▪ Lavinia	Gheorghe	Depozitarul Central S.A.
▪ Ahmed	Marzouk	Egyptian Central Securities Depository
▪ Sohayla	Ezzat	Egyptian Central Securities Depository
▪ Tarek	Khorshid	Egyptian Central Securities Depository
▪ Matthew	Pallett	Euroclear
▪ Jiahua	Liu	Macao Central Securities Depository and Clearing Limited
▪ Gemma	Campbell	NZX
▪ Ewan	Sturgeon	Royal Bank of Canada
▪ Jim	Harris	Royal Bank of Canada
▪ Palesa	Banda	Standard Bank
▪ Catherine	Tinavapi	Standard Chartered Bank
▪ Esther	Chen	Standard Chartered Bank
▪ Jim	Micklethwaite	Thomas Murray Network Management Ltd

Meeting purpose

Monthly meeting of Domestic CSD WG subgroup to catch up on status / tracking on review of CSD DDQ questionnaires (including AFME, AGC), with a particular emphasis on determination of the appropriate Questionnaire for CSDs.

Discussion

Overview

This meeting focused on reviewing the AI-assisted methodology for consolidating multiple questionnaire sources into a unified requirements framework and determining how to progress the WG's questionnaire harmonization effort. The discussion centered on the structure, traceability, validation, and governance of the consolidated requirements register, as well as the prioritization of issues requiring working group decisions. The group also examined the treatment of PFMI content within the framework and debated how stakeholder expectations, review cycles, and questionnaire objectives should influence the final approach.

Key updates

- **AI Consolidation Framework:** Julie explained that multiple questionnaire sources were consolidated using an AI-driven process that reduced the output to approximately 152 requirement families and surfaced 36 issues grouped into 8 broader decision areas. The group agreed to use the generated requirement register, issue register, and traceability framework as the basis for future working-group analysis and resolution.
- **Requirements Traceability Review:** Julie walked through the structure of the spreadsheet, including source questionnaires, requirement mappings, cross-source validation, and traceability controls. The outcome was confirmation that every requirement can be traced back to its original source records and that future decisions will preserve end-to-end traceability.

- **Open Issues and Decision Framework:** Julie described how 36 open issues were mapped to 8 broader decision themes, with AI-generated recommendations and implementation actions attached to each theme. The group accepted the approach of using these higher-level issues to guide questionnaire refinement while independently validating the AI's conclusions before adoption.
- **PFMI Scope and Integration Debate:** Ahmed, Catherine, and Julie discussed whether PFMI principles alone provide sufficient coverage or whether detailed PFMI questionnaire content should be incorporated. The discussion concluded that stakeholder acceptance, questionnaire frequency differences, and the negotiability of PFMI requirements needs to be better understood before deciding whether full PFMI integration is necessary.
- **Stakeholder and Review-Cycle Considerations:** Catherine and Ahmed highlighted that PFMI reviews may occur on different cycles from other questionnaires and that some stakeholders may not permit modifications to PFMI-based assessments. The group agreed that in an ideal world, engagement with relevant stakeholders would be needed to determine whether harmonization or negotiation is feasible before expanding the framework, however there are many / varied stakeholders in the mix here. This contrasts with the position with the AFME and AGC questionnaires, where those organisations have indicated flexibility and willingness to work with ISSA on improvements. Catherine and Ahmed also raised concerns about the PFMI's two-year review cycle versus the annual cycles of other questionnaires, debating whether to align frequencies or maintain separate versions, with the group confirming that 'success' would be a single questionnaire.
- **Audience Coverage and Industry Adoption:** Jim shared observations about questionnaire usage across depositories, noting that approximately 134 depositories had recently completed annual responses across two existing frameworks and that some organizations rely primarily on PFMI assessments. He suggested that incorporating PFMI content could broaden participation and increase the reach of the harmonization effort, leading to agreement to further investigate that possibility.
- **Extraneous items:** Ahmed noted that not all PFMI principles applied to every CSD, and that some entities do not complete the PFMI regularly, making comprehensive inclusion challenging. Julie responded that as the effort progresses, a further iteration will include the removal of non-CSD related requirements / questions (which will also address some of the earlier concerns with the current AFME questionnaire). In addition, the WG will consider whether any new items should be added, given the evolution the likes of AI and Cybersecurity topics since the existing questionnaires were developed.
- **PFMI Questionnaire Acquisition:** Julie requested access to a blank PFMI questionnaire to assess the effort required for retrofitting PFMI content into the framework. Jim agreed to attempt to obtain the latest version, and the resulting action item was to evaluate the potential impact and complexity of PFMI integration before proceeding materially further.
- **Historical and Retrospective Change Questions:** Parking the PFMI item for the remainder of the meeting, Catherine led the first detailed review of a WG decision area covering historical and forward-looking disclosure questions. The discussion identified the need to assess individual issues directly rather than relying solely on broad policy decisions, and the group agreed to continue detailed issue-by-issue analysis.
- **Mandatory 12-Month Change Disclosures:** In relation to the first WG issue discussed, Catherine, Ahmed, Jim, and Julie reviewed requirements concerning changes to securities account structures, naming conventions, terms and conditions, and rule books during the previous 12 months. The consensus was that these disclosures should remain mandatory with a 12-month retrospective period because they provide meaningful information for risk assessment and stakeholder due diligence.

- **Working Group Approach and Next Steps:** The group agreed to forge ahead in the coming meetings to conduct a detailed review of the 35 open issues, track and record decisions directly against each issue, and use those conclusions to refine the broader decision themes. Julie will recirculate the working spreadsheet to the WG participants that attended this meeting. Those participants will endeavour to continue to review issues ahead of the next meetings, and PFMI integration will be revisited once additional information (in the form of a blank questionnaire) has been obtained. Participants in subsequent meetings will be brought up to speed and join the effort.

Follow up actions

- Jim to source blank PFMI questionnaire and send to Julie
- Julie to recirculate the working spreadsheet to the WG participants that attended this meeting

Summary of Follow Up Actions

No.	Action Description	Responsibility	Deadline
1.	Julie to send Working Draft of current spreadsheet to the 11 August meeting attendees	Julie	Done
2.	Jim to source blank PFMI questionnaire and send to Julie	Jim	ASAP
3.	Julie to investigate effort required to retrofit full PFMI questionnaire to current AI model	Julie	Follows on from the above