

ISSA

International Securities Services Association



Welcome

Dear ISSA Members and interested parties

We had been planning to use the 20th ISSA Symposium in June as the time to say thank you and goodbye to two great stalwarts of ISSA: Josef Landolt and Urs Stähli. Both Josef and Urs are retiring from ISSA in June this year so we felt it important to recognize their leadership of ISSA over the decades.

Josef's involvement with ISSA began in August 1989 when he became ISSA's second Chair. He continued in this role until May 2014 - almost hitting his 25th anniversary as Chair. As the structure of ISSA changed, and there was a desire to increase the voice of ISSA within the industry, Josef moved from the role of Chair to that of CEO. This allowed him to deliver the strategy in a more focused capacity. Two years ago he approached the Board to agree a timetable to embrace the next phase of his life and, in September 2019, he stepped down from the CEO role to guide the work on the 20th Symposium - all in all an incredible stint guiding and leading the work of the Association.

In these days of the ubiquitous internet it is hard to contextualize the importance of the ISSA Market Handbooks in enabling the globalization of the financial markets, or recall that the markets have moved a substantial way in adopting the G30 recommendations (although there is still work to be done). However, these were significant ISSA contributions to the industry which were guided by Josef. More recently, the work on risks within the securities servicing industry (including ISSA's focus on reducing the opportunity for financial crime and Cyber risk management) have continued to lead our industry to find common solutions and to deliver value to the ISSA membership and beyond. The latest papers on emerging technology in the form of the DLT work has again shown Josef's willingness to explore new topics and impart knowledge to the membership.

During this time, Urs Stähli has worked «hand in glove» with Josef. His detailed knowledge of the inner workings of the securities industry has been complemented by his attention to detail and the ability to help corral the membership around common conclusions. Urs has never been one to seek out the limelight but rather has sought to make the Association, and all the things involved in running one, as effective as they can be and to support the members and working groups in their aims. The role of the Secretary is often under-appreciated in many institutions but, as Josef alluded to in his article in the August Newsletter, without Urs, and the rest of the team's help, ISSA would not be the institution that it is today.

With that context, we hope you will all join us - albeit virtually instead of together at the Symposium - in offering a heartfelt thank you to both Josef and Urs. We wish them good health, happiness and all good wishes as they move to the next phases of their lives.

Lee Waite and Colin Parry

Josef Landolt



Dear ISSA Newsletter Readers and Friends,

In my note as part of the August 2019 Newsletter, I already addressed a couple of important milestones of ISSA and my related career with that organization. There is nothing to add in that respect and Urs Stähli, ISSA Secretary until the end of 2019, points out in this edition some important historical aspects, from the beginning until today and the forthcoming future.

As we all hoped to celebrate our 20th Symposium this June at Wolfsberg, Covid-19 forced us to postpone our get-together to May 2021. I can assure you that the agenda was well prepared and we all are convinced that the topics chosen would have given us an excellent opportunity to talk about current key challenges in the Securities Services Industry and to influence next tasks. The key topic «The Future of Securities Services» will stay relevant and ISSA exponents continue their work, joined by Partners and experts from Oliver Wyman. As Colin Parry, CEO ISSA, already communicated to you, we are currently planning a webinar session where we like to give you an update on our current thinking and to hearing your views.

I will be part of this next step, but at the end of June my direct involvement related to ISSA activities will be terminated. I just want to say again to all of you, that I was really proud and grateful for having had the opportunity to be involved with ISSA activities, first as their Chairman from 1989 to 2014, as their CEO from 2014 to 2019 and until now as the Program Manager of the 20th Symposium. I say thank you to all of you for your professional support granted and I wish you all the best in your business and private life. Stay healthy and finally I want to mention, ISSA keeps a great value in our business world and I only can motivate you to stay on Board as Member and Contributor. In co-operation with you, the ISSA Board and its CEO Office will launch the right initiatives also in the future and they deserve your support.

I see now my mission as completed. I will miss many friends and colleagues. But I am sure there are future opportunities to meet some of you again. And I will certainly be close to all ISSA activities, above all in connection with my several mandates with SIX Group, where I stay still involved in the nearer future.

Thank you and accept my best personal regards, Josef

Urs Stähli



From ISSA to ISSA

Come the end of June, a more than 40 years affiliation with ISSA is about to terminate. In the late seventies of the last century, I was given the chance to attend a business luncheon at Citi's headquarters in New York. The senior leaders of securities services from Citibank and then Union Bank of Switzerland used the lunch to solicit intellectual and financial support from Citi's General Management for an Association covering the needs of the *Securities Services Administrators*. This idea was based on the formation of the predecessor organization of ICMA, known as Association of International Bond Dealers, which was founded as a Swiss Association nearly 10 years before. I had of course no idea at that time that some 16 years later I would become Secretary of ISSA.

In October 1979, ISSA held its first Symposium with 48 attendees. ISSA stood for «International Symposium for Securities Administrators». Typically for those times, the Symposium theme was «Depository Environment / Eurobonds». Some more Symposia dealing with domestic and cross-border processing issues (automation, less paper, synchronization) followed in 3 year intervals. It was not until August 1989, when ISSA was officially incorporated as a Swiss Association. In the same year, the G-30 Organization published its famous Recommendations on Clearing & Settlement, the foundation for which was laid on the occasion of the 1988 ISSA Symposium.

The increased globalization of capital market flows and the augmented awareness of inherent risks increasingly dominated ISSA's agenda in the 1990ies. In 1992, ISSA published its first comprehensive Securities Services Risk Report, which for a long-time was the only document of its kind. In order to highlight the securities services as a business line, ISSA changed its name to International Securities Services Association in the mid-nineties, carefully watching to maintain the acronym chosen back in 1979.

The Symposia held in the first decade of the new millennium and the various work items addressed by ISSA focused on specific issues related to commoditization, competition but also to specific processing issues like Mutual Funds. The second decade saw increased challenges posed by regulatory impacts and

related responses by the securities services industry. It was also the time when ISSA published most of its reports and recommendations, above all its Principles for Financial Crime Compliance. The decade has also seen the impact of transformative technologies and potential responses by the securities services industry.

As the present global situation with the Corona Virus demonstrates, the challenges will continue. Globalization of process chains may require some new definitions. Risk considerations will ask for new remedial actions. In order to address these challenges and assist securities services exponents in these tasks, ISSA has formed a new Working Group to address these aspects.

I am proud and extremely grateful for having had the opportunity to be a part of ISSA during the last 25 years, which saw a significant growth in ISSA's stature, membership and attendance at its biennial Symposia. It has also enabled me to make good friends within the industry whom I could rely on whenever needed. I wish ISSA all the best for its future activities and above all a successful Symposium 2021. I will certainly access ISSA's social media channels once in a while to keep in touch – although remote.

Urs

Other Hellos and Goodbyes

Another Thankyou

It is appropriate that this issue is mainly dedicated to Josef and Urs and our thanks to them. However, there are also others who have significantly contributed to ISSA over the years - whom we should take the time to recognize.

Our Web Administrator – Sara Frisch – has run the website, changed the content and substantially modernized the design and ease of use over many years with us. Her handover exemplified the professionalism that we have benefitted from for many years. We thank her for all of her support in the background running the tool which is the display case of ISSA.

The second additional goodbye is to Lee Waite, our outgoing Chair. Another long term supporter of ISSA, who has contributed to the successes of ISSA over a number of years, I would like to take the opportunity to personally thank him for the support and advice that I have received from him in the short time I have been at ISSA. He has selflessly continued his Chairmanship having moved to Japan in a new role as CEO & Country Officer for Citi Japan, for which we are very grateful. The rest of the ISSA family also thanks him for his help and dedication, not only during his tenure as Chair and Vice-Chair, but also for his whole time on the Board. We wish him well in his position in Japan and for his future thereafter.

Colin Parry

Lee Waite

Goodbye from the Outgoing Chair

Personally I have enjoyed my time in the ISSA Chair role but it is time to hand the baton on to Phil Brown. Unfortunately, this will not be at the Symposium - but the virtual baton is passed. I thank the membership for their support, suggestions, and enthusiasm for ISSA and myself. I am grateful to Josef, Urs, Colin and the rest of the team for keeping the wheels turning and I hope to see many of you over the coming years.

Kind regards, Lee



Phil Brown

Note from the Incoming Chair

I could not agree more with the words Lee and Colin have written above. Having known Josef and Urs since my first involvement with ISSA, I have experienced from them an unfailing focus on doing the right thing for the industry and a relentless push to help the industry get in front of emerging risks, always bringing the best of everyone's thinking to bear on problems.

Taking over as the Chair for the next two years is an honour and I am delighted to be doing so. I have been a lifelong supporter, not only of Liverpool FC, but also of firms joining forces to solve the big problems that the industry faces. It is my firm conviction that collective intelligence is so much more powerful than that within individual firms and, as I take over the reins from Lee, I would encourage the whole membership to continue to contribute to the Working Groups and let Colin and myself know of any issues that you feel can best be addressed through ISSA.

Lee has been a superb Chair with whom to work. His commitment to ISSA has been unstinting and he certainly leaves big boots to fill. ISSA will miss his guidance, his energy and his vast experience, and I want to take this opportunity to thank him for the incredible work done over the past two years in his Chair role.

I am also grateful to Vicky Kyproglou, of UBS, for agreeing to act as the Vice Chair of the Association. Vicky and I have worked together for many years and we are committed to bringing the relationship, built upon this longstanding business partnership, to the benefit of ISSA. I also wish to thank the other Board Members for their personal support and for their firms' sponsorship of the Working Groups to ensure that we keep moving forward.

We have an active agenda for the next two years, with an increase in the number of Working Groups addressing many different topics of critical interest to the post-trade industry. I am particularly excited by the first set of outputs from the Future of Securities Services WG which we will share with the membership over the coming months. This WG highlights both the opportunities and challenges the industry will face over the next decade and I am delighted to see ISSA driving this agenda.

As a Board we are here to direct the Association; to ensure that Colin, Karen and team are as successful as Josef and Urs were and - above all - be responsive to you and your needs as Members. Please feel free to drop myself or Colin a note, or give us a call, if there is something you want to see change.

My thanks again to Josef and Urs and I hope to see ISSA have another successful year. I also look forward to welcoming you to the 20th Symposium which is now due to be held from 4th to 7th May 2021 in Switzerland.

Kind regards

Phil

