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World Forum of CSDs NEWS



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LETTER FROM THE CHAIRMAN

BYUNGRHAE LEE



Dear colleagues,

It is with my great delight to present to you the seventh WFC Newsletter that offers you a brief review of the events that kept our schedule busy last year.

I had the privilege of convening two board meetings last year: One in Zurich in connection with ISSA Symposium in May, and another one in Sydney on the sidelines of Sibos in October. I listened with great enthusiasm how each regional association had an eventful year with unique projects that facilitated regional cooperation.

Not only that, I had an opportunity to understand the fantastic work that the Working Group leaders are doing to promote collaboration and information-sharing in the worldwide CSD community through E-learning, Single Disclosure, and World CSD Fact Book. Their commitment is truly admirable and their activities vital to creating a tight-knit global network of member CSDs. I would like to urge CSD members around the world to show your support to these initiatives and add further momentum to them.

The most prominent event of WFC will take place this year. WFC 2019 will unfold in the beautiful city of Marrakech, Morocco in April for five days, inviting leading industry experts to provide their special insight on transformative dynamics that are reshaping the business landscape surrounding CSDs. I look forward to meeting everyone in April to share knowledge and experience, gain deeper understanding of the topics relevant to CSDs, and reconnect with one another through this premier event of the year.



Lee Byungrhae

WFC Chairman /ACG Chairman
Chairman & CEO, Korea Securities Depository (KSD)



RECENT EVENTS

RECENT EVENTS section highlights some of the key events that took place in the CSD industry during the last half of the year.

SIBOS 2018



Sibos 2018 took place at the International Convention Centre (ICC) Sydney during October 22-25, 2018. Over 7,500 attendees, including bankers, technologists and FinTech influencers, travelled to Australia from more than 150 countries to discuss the forces reshaping the financial services industry. Sibos 2019 will take place at ExCel London during September 23-26.



WFC Board Meeting

In conjunction with SIBOS 2018, the WFC Board held one of their biannual meetings on October 21, 2018, to discuss the various projects and initiatives. WFC Board members, observers from regional associations and securities market players (ISSA, AGC, SWIFT) attended the meeting. The attendees shared updates of Task Forces (WFC Single Disclosure, WFC E-learning, and World CSD Fact Book), the latest developments in the securities industry (ISSA, AGC, SWIFT, GLEIF), progress regarding the upcoming WFC 2019, and activities of each regional CSD group. The next meeting will be held during WFC 2019 in April in Marrakech, Morocco.



REGIONAL ASSOCIATIONS OF THE WFC

REGIONAL ASSOCIATIONS OF THE WFC section includes updates from five regional associations of the WFC.

Asia-Pacific Central Securities Depository Group (ACG)



The Asia-Pacific CSD Group held its 22nd Annual General Meeting at Kingsbury Hotel in Colombo, Sri Lanka in November 28-30, 2018. The premier annual event of the ACG drew more than 80 participants that included delegation from 24 members and 8 non-members. The four-day conference hosted by Central Depository System of Sri Lanka featured two panel discussions—“Sharing Challenges & Experiences by the Depositories in Adopting Infrastructure with New Technology” and “The Future Outlook of CSD Industry with Emphasis on Asia-Pacific”—as well as the Annual General Meeting.

During the General Meeting, ACG members voted on important matters that would shape the structure of the ACG, namely the change in the structure of chairmanship and consequent amendment to the Charter. To effectively reflect the roles and responsibilities of the position, the official title of the head of ACG is now “ACG Chairman/ACG Vice Chairman.” The participants also endorsed establishment of a new “Investor Services Task Force” by TDCC and welcomed MCXCCL as the 36th member of the Group.

In 2019, ACG aims to continue to implement the Medium-term Activity Plans with effective detailed tasks. For example, the ACG Secretariat will promote Task Forces by encouraging all ACG members to join at least one Task Force.

Schedules for the two key events of ACG have already been confirmed. KSEI and KPEI of Indonesia will jointly host the 21st Cross Training Seminar (CTS21) in Yogyakarta during March 4-7, 2019. The 23rd Annual General Meeting will be held in Nepal, Kathmandu in September 9-12, 2019.



Americas' Central Securities Depositories Association (ACSDA)



ACSDA Cybersecurity Workshop

ACSDA held its Cybersecurity Workshop, which took place on November 29 and 30 in Miami, USA. Information security professionals gathered to analyse and debate in discussion panels about the future of cybersecurity in financial organizations, the models of maturity and governance of cybersecurity, the importance of cybersecurity in the financial field, risk cybernetics in services of values and, cybernetic resilience, among other topics of maximum importance for the CSDs such as: the general overview of the exhaustive document and the Working Group of the ISSA (International Association of securities services) on the management of cybersecurity risk in securities services, as well as the SWIFT customer safety controls framework.

ACSDA General Assembly

This year's ACSDA Annual General Meeting will take place in Lima, Peru, where ACSDA was founded on August 10, 1999 and will be organized by the Lima Stock Exchange and ACSDA. On this occasion we will commemorate the 20th anniversary of ACSDA. The theme of the General Assembly is "Discover, share and experience," where not only will the experiences of the markets be discussed and transmitted, but also the essence of Peru will be appreciated: a country of diversity, cultural authenticity, nature and gastronomy.

The event will begin on Wednesday, March 20, with the Official Assembly of ACSDA, followed by a welcome reception in the evening for all. The program for Thursday, March 21 and Friday, March 22 will include presentations, speeches and panels on a wide range of topics relevant to CSDs.



Association of Eurasian Central Securities Depositories (AECS D)



As of December 2018, the AECS D consists of 16 CSD members from 15 countries and five financial institutions hold observer status. In the beginning of 2018, an annual survey was conducted on the results of the past year and plans for 2018. The survey defined six key areas for the developments on the AECS D landscape: new financial instruments, cash settlement, collective investment funds servicing, corporate information and corporate actions, technological solutions and developments, and new links (markets).

The XV International Conference of the Association of Eurasian Central Securities Depositories (AECS D) was held in September 27-29, 2018 in Tashkent, Uzbekistan. Uzbekistan State Enterprise Central Securities Depository was the host and the event's main theme was "Entering Foreign Markets: Challenges and Opportunities." The conference brought together more than 100 experts, including representatives of CSDs from CIS countries, international CSDs, investment banks, SWIFT, ANNA and IOSCO. China Securities Depository and Clearing Corporation Limited (CSDC) and Shanghai Clearing House (SHCH) took part in the AECS D conference for the first time. Delegates discussed questions related to the legislative aspects of cross-border interactions and international securities market instruments. Panel discussions focused on business diversification and aspects of protecting investor rights and asset safety.

During the conference, UzCSD (Uzbekistan) signed MOU with the following institutions: NSD (Russia); MKK (Turkey); CSD (Kazakhstan); and Tajikistan CSD. Also, BCSD (Belarus) and Depository INFINITUM (Russia) signed MOU, and BCSD (Belarus) and CSD (Kyrgyzstan) signed an agreement for securities account opening. During the Annual General Meeting on September 28, 2018, the Mongolian Central Securities Depository (MCSD) was admitted as the AECS D member. Furthermore, AGM participants discussed issues of participating in global initiatives, such as cooperation between AECS D and ACG, the WFC2019, the Single Disclosure Project, as well as the unified format of profiles of WFC member associations, the E-Learning initiative, and CSDs' FinTech initiatives. The next key events for AECS D will be the traditional educational seminar in June 2019 in Dushanbe, Tajikistan, and the XVI Annual International Conference under the theme "CSD as a key institution of the modern financial market infrastructure" during September 5-7, 2019 in Bishkek, Kyrgyzstan. The Annual General Meeting of AECS D members will also take place during the Conference.



Africa & Middle East Depositories Associations (AMEDA)



AMEDA had its 28th meeting in Khartoum, Sudan in November 19-22, 2018. The four-day meeting included a fourth training session to provide educational opportunities to member CSDs. Mr. Dale Connock of STRATE in South Africa, gave 14 sessions covering 9 principles mostly related to CSDs business. Each principle or group of principles was followed by feedback and case studies. After the principles were discussed in detail, Mr. Connock explained the assessment process to members and replied to all members' queries.

There was a plan for an additional closed session but due to scheduling issues, the regional meeting will take place during WFC 2019 in Marrakech, Morocco in April 2019.



European Central Securities Depositories Association (ECSDA)



European Central Securities Depositories Association (ECSDA) represents 39 national and international Central Securities Depositories (CSDs) across 35 European countries. The association aims at promoting a constructive dialogue between the CSD community, public authorities and other stakeholders looking to contribute to an efficient and risk-averse infrastructure for European financial markets.

In addition to the regular physical meetings and conference calls of the ECSDA five working groups, for the first time in its history, ECSDA held an important Conference – the ECSDA New Technology Day on November 27, 2018 in Brussels. The conference gathered 150 participants including senior CSD executives, operating and technology officers, regulatory, legal and innovation experts, as well as representatives of European, national and global authorities. Mr. Roberto Viola (EU DG Connect) and Ms. Kay Swinburne (member of the European Parliament) made keynote speeches at the event. The conference was also an opportunity for the CSD community to exchange with regulators in a more informal way.

During the ECSDA TechDay, the panelists and the audience discussed the best technology addressing the variety of market infrastructure needs, the best way to implement it in a CSD and the matters requiring changes in the regulatory environment to support the technological and market evolution. Available materials and presentations can be found at <https://ecsd.eu/ecsd-new-techday>.

On the same day, ECSDA has accepted ID2S as a new full member of the association. ID2S is a new CSD using blockchain technology to transfer financial assets between CSD participants' accounts.



WFC 2019 UPDATES



The World Forum of CSDs Conference (WFC 2019) will be held in Marrakech, Morocco, during April 8-12, 2019. Maroclear, the Central Security Depository of securities in Morocco, in conjunction with the Africa & Middle East Depositories Associations (AMEDA), is the organizer of the event.

Registrations are open for the conference at www.wfc2019.net.

If you register after January 31st, 2019: The registration fee will be 2,200 USD, and accommodation at the official hotels cannot be guaranteed.

The conference center is located 30 minutes away from the city center; accordingly, it is recommended to register by January 31st to ensure accommodation at any of the official hotels. The booking for these hotels is possible through the WFC 2019 website.

WFC provides a free shuttle from Marrakech Menara Airport. However, if your flight lands in Casablanca, please note you would pay an extra fee to cover the cost of the travel to Marrakech. You can book travel shuttle through the website.

Members from countries that require a visa to Morocco are encouraged to apply for the visa immediately after registration. WFC will provide the relevant document for Visa application that could take up to two months to be granted.

Fast track is recommended to avoid long queues at the airport during the peak tourist season of April.

If you have any request, do not hesitate to contact the WFC 2019 secretariat at the following address : wfc2019@maroclear.com

ABOUT THE WFC

On April 15, 2011, at the closing of the CSD11 conference in Cape Town, South Africa, the five regional CSD associations announced the formation of the World Forum of CSDs (WFC) in order to further enhance inter-association communications. The WFC provides a forum for regional CSD associations to exchange information, discuss issues of common interest and increase their influence and engagement on cross-regional and global developments. The Forum has a Board composed of 10 members, being the Chairs and Vice-Chairs of each of the five regional associations. Mr. Byungrhae Lee of the Asia-Pacific Central Securities Depository Group (ACG) is the current WFC Chairman, while Mr. Roberto González of the Americas' Central Securities Depositories Association (ACSDA) is the WFC Vice-Chairman.

For further information, visit worldcsds.wordpress.com.



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