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# World Forum of CSDs

# NEWS



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# LETTER FROM THE CHAIRMAN



Dear CSDs colleagues and friends

Since our last two conference calls, I have been thinking about how important the integration among the members of the CSDs community is. It is remarkable how each Association is transparently sharing its expertise with other Associations with no expectations of any returns but helping each other.

Each discussion we have is just beneficial even if we did not reach a conclusion. These discussions simply explore the thinking of each one of us and melt the ice between borders, languages, and different economic policies. I am impressed with the collaboration among Associations and with the great work of each working committee and how committed we are towards achieving our common goals.

COVID-19, besides being a pandemic, might have exposed the best in us and how determined we are to move forward with our activities and how fast we all managed to resume our responsibilities, even if remotely and with half manpower. Our disaster recovery plans set in place successfully worked and luckily sustained our economies with no failures or collapses.

I encourage all of you to maintain this spirit and wish all members to keep this high level of professionalism and safety to all and each one of us.

A handwritten signature in black ink, appearing to read 'Mohamed Abdel Salam'.

**Mohamed Abdel Salam**  
WFC Chairman



# 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.

## WFC Board Virtual Meeting June 25th

The WFC Board had one of their biannual meetings to discuss various projects and initiatives on June 25th, 2020. The meeting, which was held virtually due to COVID-19, was attended by WFC Board members and regional associations' secretaries.

The meeting started with the announcement by Ms. Helena Cacka, CSD Prague. She explained to the board members that CSD Prague had made a difficult decision in postponing WFC 2021 by one year in consideration of the unabating coronavirus pandemic. Fully supporting the decision of CSD Prague, the board appreciated the time and effort Ms. Cacka and CSD Prague must have put into the WFC conference. The exact dates of 'WFC 2022' will be finally set and reported to the WFC Board in November.

Following Ms. Cacka's announcement, the board listened to the updates of the WFC-initiated projects: Single Disclosure, E-learning, and World CSDs Factbook. When it comes to the WFC single disclosure, Ms. Anna Kulik, ECSDA, explained that the answers to the AGC and PFMI questionnaires could be separately exported now as one of the enhancements of the tool. She emphasized that ECSDA as the administrator of the tool had been trying to improve it so that the WFC members could conveniently access and use it.

As for the WFC E-learning solution updates, Mr. Arman Melkumyan, AECSD, said that what was important was to work out a clear vision of how we would take advantage of the E-learning platform, pointing out the low level of engagement and lack of support as the main problems.

Following Mr. Melkumyan, Mr. Samar Banwat, NSDL, gave the board an update on the Factbook project such as the enhancements of the survey, the next survey launching schedule, functional enhancements, and budget proposals. In addition, Mr. Banwat asked for the approval of the WFC Board with regard to the budget to further enhance the Factbook platform. Appreciating Mr. Banwat, the board unanimously approved of the proposed budget.

After listening to the updates of the project managers, the board discussed ways to encourage active participation in these projects that could ultimately enhance worldwide cooperation.

Then, the secretariats of the five regional associations of the WFC presented the recent news and events in respective regions, and future plans for the latter half of the year. Mr. Mohamed Abdel Salam, WFC Chairman, expressed his sincere gratitude to the regional secretariats for their hard work and devotion on behalf of the WFC Board.



The meeting was special since Mr. Eddie Astanin, Chairman of the Board of the National Settlement Depository, also one of the WFC Board members representing AECSD, left a farewell message to the board members. As of June 18th, Mr. Astanin retired from his position in the NSD and joined the National Clearing Centre, the central counterparty of the Russian market.

On behalf of the WFC Board, Mr. Mohamed thanked Mr. Astanin for his remarkable contributions to the WFC. He also wished Mr. Astanin success in all his future endeavors.

The next board meeting will be held in September virtually.

## 1st WFC Workshop for the Future of WFC Held on July 16th

The WFC had the first workshop to start a discussion on establishing a federation of CSDs, referred to as “the World Federation of CSDs (WFeC)” on June 16th, 2020. The workshop was held virtually due to COVID-19. The WFC Board members and Mr. Dominic Hobson from Hobson Cardew attended the workshop.

It has been a while since the voice for a legal CSD entity was raised. But it was the first time for the board members to have an in-depth discussion on the topic separately from the regular board meeting.

Under the title of “The World Forum of CSDs: Option for Change,” Mr. Hobson presented his final research results to the board members. According to his presentation, the board members unanimously agreed with the need for some changes for the WFC as it is now. For example, having relations with international public/private sector bodies, running a professional website, publishing news and research studies, etc. In consideration of the factors like governance, budget funding, chairmanship, rules, and human resources, Mr. Hobson laid out six options for the board to deliberate on.

After Mr. Hobson’s presentation, the board had a thorough discussion in response to the consulting results. They weighed the pros and cons of the suggested options and shared opinions on how to address related issues.

The board agreed to have the 2nd WFC workshop to discuss further details after consulting with their regional members about the issue.

The next workshop will be held virtually in September.



# WFC PROJECTS

WFC Projects section covers updates, if any, of three operational Task Forces.

Projects

## Single Disclosure Tool

In July, the AGC informed ECSDA and, through it, WFC that a set of additional questions on cyber security had been added in the disclosure for the next exercise (2020-2021). These questions have been included in the Single Disclosure online tool under a new section Cyber Security.

The AGC that supports the WFC Single Disclosure Initiative will officially launch the new exercise at the end of August but invites the CSDs to start answering the questionnaire via the WFC tool from now.

Since its launch, the tool has been considerably improved. You can choose to respond to either the AGC or the PFMI separately and obtain separate or compiled reports.

The advantage of the tool is that the answers are stored within the tool, which saves time and resources for the respondents in future responses. The tool can be accessed throughout the year, so CSDs can make modifications at their convenience.

You do not have to answer every question. Only a few questions are mandatory, and they are marked with an asterisk. Updating what changed during the last year, instead of answering from scratch, saves a lot of time in the long run.

We remind you that there is only one access for each CSD. The access is linked to the email address of a dedicated person or department that can be changed at any time upon request.

We invite you to use the tool. To get the new link or recover the previous one, you can contact either your regional CSD association or by email to the World Forum of CSDs: [wfc-disclosure@outlook.com](mailto:wfc-disclosure@outlook.com) or [wfc-secretariat@outlook.com](mailto:wfc-secretariat@outlook.com)

Projects —  
**E-Learning**

The AECSD Secretariat continues developing the WFC E-Learning platform.

<https://aecsd.org/en/e-learning/>

The amount of materials published via E-Learning has reached 129 publications and now the AECSD Secretariat is working on the standardization of the publications' topics.

A new user-friendly interface was implemented to the platform allowing for subscription and various search options along with increasing of overall stability of the platform. The AECSD Secretariat has recently managed to finalize the fine-tuning of the E-learning platform and introduced several new functions including new search options (by event, company, country, etc.), provided for an opportunity to place video materials (through a YouTube link) either standalone or to supplement presentations. These improvements have already brought results, and the number of visits to the site amounts to over 2,000 per year with 270 unique visitors in 2019.

We believe that further development of the initiative is highly dependent on our joint efforts and in this regard, we encourage all regional associations as well as their members to:

- 1) Subscribe to the E-Learning Platform : <https://aecsd.org/en/news/subscribe/>
- 2) Continuously share the materials for publication with the AECSD Secretariat as well as share your feedback on the platform performance and suggestions for its improvement : [aecsd@aecsd.com](mailto:aecsd@aecsd.com)
- 3) Evaluate the possibility of placing an E-learning link/banner/floater to your web-site front page.





## Asia-Pacific Central Securities Depository Group (ACG)

### COVID-19 Contingency and Information Sharing

The COVID-19 pandemic that started earlier this year has posed immense challenges to markets all around the world. Fully aware of the value of coordinated efforts, ACG has taken the following measures to promote information exchange and facilitate knowledge sharing:

- ACG Chairman Dr. Wenhua DAI sent two messages to all ACG members late February to raise members' awareness of the COVID-19 epidemic and call for active preventive measures.
- A special area was opened on the ACG official website as a hub to display member contingency measures and facilitate information exchange.
- A survey was conducted by ACG Risk and Recovery Management Task Force (RRM TF), convened by CDCPL, on ACG member contingency plan amid COVID-19 pandemic. The exercise served as a useful stocktaking of ACG member contingency plan framework and helped to boost knowledge sharing among the membership. Findings of the survey were published on ACG website.

### Events : Going Virtual

As per decision by the hosts, both the ACG Cross Training Seminar, hosted by TDCC and originally scheduled for April 2020, and the ACG Annual General Meeting, hosted by KSD and originally scheduled for November 2020, have been postponed by one year and would be held in 2021 if circumstances allow. The difficult decisions were made out of consideration for ACG member health and safety. ACG will continue to work with members and relevant stakeholders to ensure the continuity of exchange and dialogue via virtual means.

## New Look : ACG Website Upgrade



The upgraded ACG official website went live in April, presenting a new look for the APAC CSD and CCP association. The upgrade project, led by ACG website administrator TDCC, aims to not only present a fresh image of ACG with the adoption of new visual designs, but also provide users with more functions and better user experience with responsive web design (RWD) implementation and cloud migration. Have a look at the new ACG website at : [www.acgcsd.org](http://www.acgcsd.org)

## ACG Research Bulletin

A new quarterly newsletter named “ACG Research Bulletin” has been initiated by the ACG Secretariat as a part of its new drive to promote member service. The newsletter is developed as an “ICYMI” collection of information that seeks to draw the membership’s attention to some of the latest academic research/industry trends that are worth looking at.

## Follow us on LinkedIn

The corporate page of ACG is now live! You can search for “acgcsd” and find our page under the name of “Asia-Pacific CSD Group (ACG)”. Come and follow us!

## Survey on E-services of Shareholder Meeting

This article on the electronic AGM trend of ACG members is a special contribution from the Taiwan Depository & Clearing Corporation (TDCC).

Allowing electronic participation in corporate actions has become a definite trend in the global market with an aim to fulfill corporate governance and enhance investor services. In 2019, TDCC conducted a survey on e-services of shareholder meeting. Based on the results of the survey, protecting shareholders' rights, reducing operational costs, achieving high accuracy and efficiency, and improving transparency are major issues facing companies.

Through this survey, we aim to look into all aspects of electronic participation in shareholder meeting, including e-voting, virtual meeting, live-streaming for shareholder meeting, etc. We found e-voting is more common than other services. Most of the respondents already have this service or plan to launch it. Compared to e-voting, the other services are at an early stage.

With the advancement of new technology, the traditional way of conducting AGMs needs to be redesigned to better cater to the needs of shareholders. From the survey results, we found that organizations are now planning to implement, or are already offering, digital options to shareholders. However, there are still a few challenges, such as poor market responses, lack of policy support and insufficient infrastructure, that need to be overcome.

Based on the survey, e-voting is highly popular among our members. Respondents thought service promotion, complementary measures and regulatory support raise the utilization of e-services. They believe that e-voting truly empowers investors to exercise their votes and is a step in the right direction for greater shareholder participation.

We also noticed that most countries with high penetration rate of e-services have already adopted compulsory measures. However, considering the time and effort it takes to amend the regulations, and dealing with the concept of corporate autonomy, it is not easy to adopt the compulsory measures immediately and launch these services. A gradual implementation plan may be more feasible and also help to encourage public interest.

Virtual meetings are an approach to further advance the deployment of technology for shareholders. It solves the problems of fixed physical location, which impacts shareholders' ability to attend, and prevents time conflicts of the meetings. The transition to virtual meetings is still at an early stage. However, with advanced technology, expected increasing demand from investors, and the digital adoption in financial services, we can expect the service will have potential growth opportunity.



We foresee that more technology will be applied to meetings. With policy support and technological advances, virtual and hybrid meetings will gradually be adopted by organizations for the purpose of increasing shareholder participation. In addition, despite the fact that blockchain technology is still in its early stages, our survey found that many institutions believe that these new technologies will help make them more efficient moving forward. We anticipate that organizations may plan to develop blockchain-based systems in the near future.

We also observed that most organizations are currently in the process of integrating e-services into a single platform, providing one-stop service to users, and launching other value-added services. Developing these services help to make it more convenient for users to utilize all the services available at a single entrance point, thereby increasing shareholder engagement.

Extending services to issuers is also an important factor that CSDs should consider when planning services. CSDs, as the bridge to market participants, are in a unique position to bring issuers and beneficial owners together to build something collaborative. In the long-run, CSDs will connect all market participants in order to build an eco-system for all AGM matters and serve as a hub to deliver more value to the capital market.

The development of technology and innovation continues to improve the way that meetings are organized and convened. The combination of implementing this technology, along with redesigning the process, will more effectively express a company's blueprint to its shareholders, better facilitate shareholders to exercise their rights and enhance shareholder activism, and, in the long-run, improve corporate governance.





## Americas' Central Securities Depositories Association (ACSDA)

### ACSDA General Assembly

Originally, we planned our GA to be hosted in Dominican Republic. However, given that the COVID-19 situation was emerging, we decided early on to cancel the in-person event in order to protect our members. ACSDA held its XXI General Assembly for the first time in a virtual environment on April 23rd, with the participation of 26 of its members.

The topics addressed at the Assembly included:

- ACSDA work plan for 2020 that included a compendium of urgent issues such as contingency plans, cybersecurity and dematerialization.
- Financial and Audit reports
- Plans for future activities

We hope to hold our next 2021 General Assembly in Punta Cana, to hosted by CEVALDOM, the CSD of the Dominican Republic.

### Webinars

ACSDA has begun to conduct webinars for panels and presentations that would have otherwise been held at our General Assembly. Our next on-line session will be **Technical feasibility of crypto bond issuance**, presented by Javier Jara and Claudio Calderón of DCV, Chile. The session will be held on Thursday, July 23rd.

### Collaboration

During 2020, ACSDA continues to work with FIAB (Iberoamerican Federation of Exchanges) looking for areas where the two associations can collaborate: Cyber Security/Resilience, Technology, and Regulation that present fertile ground for collaboration. The two associations have a large overlap in their membership and have many subjects of common interest.

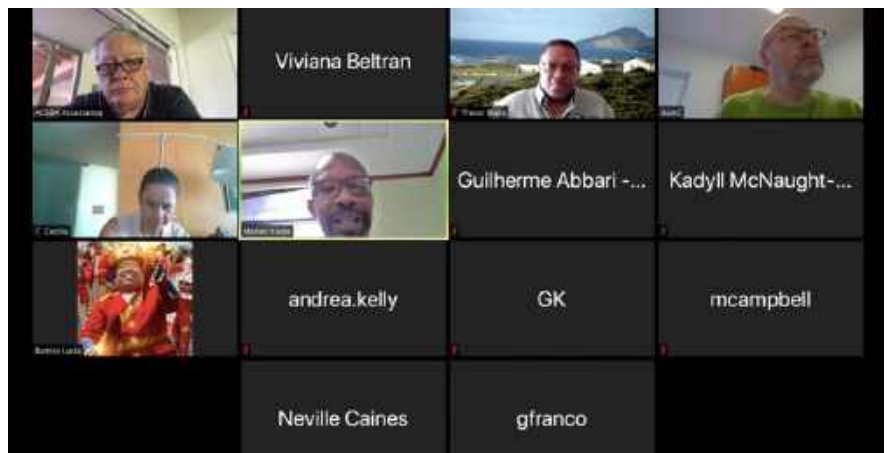
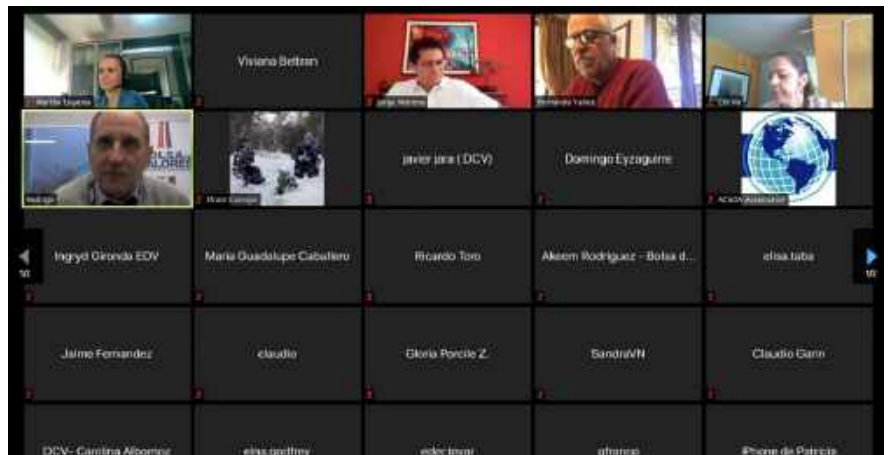
## ACSDA COVID-19 Web Meetings

ACSDA held two virtual meetings (May 26 and June 19) to discuss the impact and responses of ACSDA's members to the COVID-19 pandemic.

The objective of these meetings was to provide updates on experiences on a variety of topics (health impact, lockdown, BCP etc.) and share how their organisations are responding (working from home, continuity or service interruption, challenges, lessons learned). Where ACSDA members required some staff to work from the office, they have universally adopted health and security measures for those workers.

Several of our members are providing additional support to their employees during these very trying times beyond the financial aspect, such as psychological assistance, health and security education, among others.

In general, our member organisations have embraced the work from home reality, even with all the security and technological challenges.



## Jorge Hernan Jaramillo Ossa – Retirement

Jorge, as CEO of Deceval (the Colombian CSD), was one of the founding members of ACSDA in 1999. During the past 20+ years, Jorge has been a permanent fixture as an active member of ACSDA’s Executive Committee; serving as Vice-president from 2005 to 2013 and as ACSDA’s President from 2013 until 2017. Jorge has worked tirelessly for the benefit of ACSDA and its members and has been the champion of many of ACSDA’s most successful initiatives.



His retirement became effective on March 31, 2020

Jorge’s replacement representing Deceval is Angela Valderrama Guzmán, Vice President of Products of the Colombian Stock Exchange. Angela is also now a member of ACSDA’s Executive Committee.



## ACSDA Executive Committee

As we are certain is true of the other CSD Associations, the ACSDA Executive Committee meetings are being held using the virtual platform Zoom. At this time, the principal objectives of these committee meetings have been to review current activities and priorities given our current reality.



## Association of Eurasian Central Securities Depositories (AECSD)

### Held AECSD Training Seminar 2020

The AECSD (Association of the Eurasian Central Securities Depositories) consists of 16 CSD members from 15 countries and five financial institutions hold observer status. More information about AECSD is located at the official website <https://aecsd.org/en/> and in the AECSD Profile.

June 3-5, 2020, the Annual Training Seminar for depositories of the AECSD was held. Due to the current situation with COVID-19 outbreak, the seminar was held online. Discussion of important issues in the framework of annual meetings is a regular format of the Association's work, which allows improving the knowledge of its participants about the models of accounting systems in other countries, identifying important areas of work and coordinating joint actions for the development and integration of financial markets.

Thanks to the new online format, the event was attended by more than 60 representatives of financial institutions and regulatory authorities from the AECSD member and observer countries - Armenia, Belarus, Belgium, India, Kazakhstan, Kyrgyzstan, South Korea, Russia, Tajikistan, Turkey, Uzbekistan and Ukraine, which was a record number for such an event.

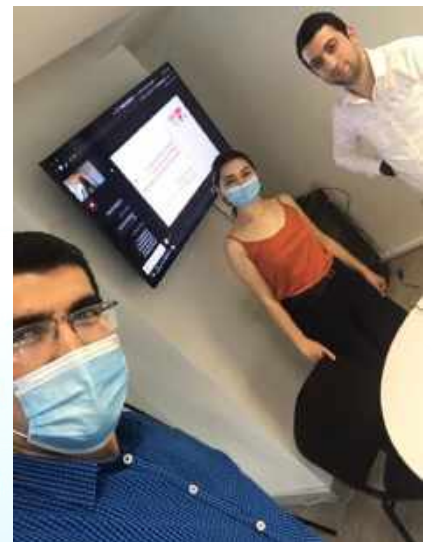


During the seminar, the participants touched upon a number of important topics such as the organization of accounts and correspondent relations, the implementation of the repository function, electronic voting mechanisms, digitalization, etc. The seminar program also included a discussion of the consequences of the current epidemiological situation in the world for the industry, and participants noted that they have overcome current challenges without significant drawbacks for their activities.



## Held Extraordinary General Meeting

July 3, 2020, an Extraordinary General Meeting of the AECSD made a decision to postpone the Annual Conference till 2021 (the event still will be hosted by the CSD of Armenia in September 2021), the Annual General Meeting will be held online to safeguard the Members from the current hazards.



## Recent Developments in AMEDA

- AMEDA had its 31st Meeting via Zoom on June 8th, 2020
- In this meeting members requested Mr. Mohamed Abdel Salam to resume his role in AMEDA as Honorary President and he accepted.
- Mr. Abdulla Abdin from Bahrain Clear is now AMEDA President.
- AMEDA members approved previous meeting Minutes, AMEDA 2019 financials and new investment
- Members were notified by the postponement of WFC2021 Prague to May 2022
- AMEDA members decided 2021 and 2022 venues and next meeting in 2020 will be Zoom meeting
- AMEDA members started the WFC 2018, 2019 Factbook surveys response



### Recent Developments in ECSDA

European Central Securities Depositories Association (ECSDA) represents 41 national and international Central Securities Depositories (CSDs) across 36 European countries. On 5 March 2020, the ECSDA General meeting unanimously welcomed KACD, Kazakhstan as an associate member.

Due to the spread of the COVID-19 pandemic in Europe in early March, the General meeting and Board meeting took place via video/conference call and the Secretary general took the early decision to close the office and work remotely.

Despite the situation, activities have continued at a very steady pace. In addition to the numerous regular conference calls, all physical meetings scheduled have taken place remotely.

Among others, ECSDA requested the postponement in the implementation of the Settlement Discipline Regime (SDR), and Settlement penalties and made public the responses to the practical questions on CSDR Cash penalties implementation.

In collaboration with the dedicated working groups, ECSDA also responded to different consultations as the European Commission consultation on the review of the Non-Financial Reporting Directive and the Digital Finance, the FSB consultation on stablecoins.

ECSDA continues to work on further harmonisation and contributes to the creation of Capital Markets Union, enabling a deeper cross-border infrastructure network.

On the other hand, due to the uncertainty regarding the world situation in the coming months, ECSDA had to decide to cancel the Annual ECSDA conference planned in November. In replacement, ECSDA plans to organise a series of Webinars starting in Autumn. They will address topics such as Technology, Capital Markets Union, CSDR, and changes in the standards on corporate events. Some webinars might be organised jointly with other associations like the one that took place on 6 July on SRDII which was a joint project with other members of the SRD II Industry Steering Group.

For the same reason, after discussions with the other regional associations WFC conference organising team, ECSDA and CSD Prague decided to postpone the WFC2021 conference by one year.

Public documents can be found on the ECSDA website.



# ABOUT THE WFC & CONTACT DETAILS

## 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. Mohamed Abdel Salam of the Africa & Middle East Depositories Association (AMEDA) is the current WFC Chairman.



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