



## **SIX Strategic Advisory Board – 28 September 2022**

### **Information Topic: swissSPTC new role for the Swiss market**

#### Introduction

The Swiss Securities Post-Trade Council (swissSPTC) started its activities in the context of the 2001 Giovannini Reports (barriers) and the establishment of the CESAME Group on EU level. The aim was to contribute to the definition of standards for Corporate Actions (CA) processing in Europe and bringing in the interests of the Swiss market. In the aftermath of that the swissSPTC decided to apply these CA Standards not only for cross-border transactions but also to introduce them in the Swiss and Liechtenstein markets for the domestic area. That brought our home markets and the stakeholders up to date with Europe-wide recognised best practices and thus to a harmonised CA processing for domestic and European markets.

#### Background

The markets and business continue to develop, requirements move with the times and with politics.

Due to various regulations, requirements and trends in the Post-Trade (PT) area (e.g. CSDR, SRD II, ECMS, ISO 20022), a gap has become even more apparent than before. In the Swiss market there is no committee for the securities area that would deal with questions for the entire Swiss market; It's about preparing decision-making documentation that is coordinated with the Swiss PT market, taking decisions, driving implementation and taking responsibility for it. Such bodies exist in the Payments area since many years and have proven their worth. Given that the securities area is more complex in terms of business scope and processes, the need of such a body is essential for the Swiss PT market and its competitive development as well as value retention.

#### Decision and Target of swissSPTC

The swissSPTC decided in its June 2022 meeting to address and discuss this situation (the "gap") in a dedicated Workshop in August 2022. The Outcome was an unanimous support and "Yes" for an extended role of the swissSPTC to close this "gap".

It goes without saying that the views of the institutions represented in the swissSPTC are obtained in advance by the relevant swissSPTC delegates and are assessed as a preliminary work for decisions, recommendations and for reaching consensus on PT issues for the Swiss market.

On the one hand by far the largest share of securities business and on the other hand the most important market players including the Financial Market Infrastructure are represented in the swissSPTC. There will be no fundamental change regarding the underlying Expert

Groups (e.g. Corporate Actions or Settlement) and thus the Council will continue to count on their technical support.

As in the past, the topics are mostly driven by standardization, harmonization, regulatory changes and trends in the securities industry in general (e.g. EU). It is very unlikely that strategic issues (not driven by technical reasons) will arise on the Council's agenda for the Swiss and Liechtenstein market. The members of the Council believe that in an official consultation process, which is usually based on a consensus among the swissSPTC members, there should be no unexpected "counterreaction" in the market. The swissSPTC is aware that the Swiss market, with its very diverse stakeholders, requires a great deal of sensitivity and coordination in this regard. The goal is always to offer or maintain the best conditions for the Swiss market. Against this specific background, the swissSPTC expects that recommendations or Swiss market practices will be adhered to or implemented by all market participants.

That said, it is likely that the extended mandate asks for a more visible role of the swissSPTC in the Swiss market and will cause greater supporting resources going forward. This will also have to be addressed within the definition of the new extended mandate for the swissSPTC.

The swissSPTC hereby informs the SAB of its intentions to revise its charter and mandate as well as the associated necessary competencies and thanks the SAB for taking note. The Council's target is to have a draft mandate for consultation among the swissSPTC members by end of November 2022.

Florentin Soliva  
Chair swissSPTC

Zurich, 23 September 2022

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