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# **E-MIG Workshop Market Standards for Corporate Actions Processing, 8 November 2017, Copenhagen, hosted by VP Securities**

## **Summary Report**

### **1. Participants**

- Austria : Viktor Spitzer, UniCredit Group
- Bulgaria : Desislava Georgieva, Latina Dimitrova, Central Depository-AD
- Czech Republic: Zdena Kadlecova, Vaclav Jezek, Central Securities Depository Prague
- Denmark : Peter Jensen, Morten Skanning, VP Securities, Carsten Mollerup, Nordea, Karen Iben Winding, Danske Bank
- Estonia: Triin Parvits, NASDAQ
- Finland: Leena Ruostetsaari, Euroclear Finland
- France: Pierre Colladon, Société Générale, Frank Michot, BNP Paribas
- Germany: Thomas Rockstroh, Clearstream Banking
- Hungary: Gabor Szentpeteri, Kristof Matuszka, KELER
- Italy: Paola Deantoni, Société Générale
- Luxembourg : Gilles Walers, ABBL
- Netherlands : Henk Bruggeman, DACSI, Ben van der Velpen, ING
- Poland : Michal Krystkiewicz, Leszek Kolakowski, KDPW
- Romania: Mihai Radu, Depozitarul Central
- Slovenia: Matjaz Titam, KDD Central Securities Clearing
- Spain : Teresa del Campo, Mikel Picallo, Iberclear, Alfonso Barandica, BBVA
- Sweden : Christine Strandberg, SEB, Mats Gunnarsson, Euroclear
- Switzerland : Florentin Soliva, SIX SIS
- UK : Mike Collier, Deutsche Bank
- EBF: Marcello Topa
- Euroclear: Edwin de Pauw
- Chair: Werner Frey, AFME

## **2. Agenda and Introduction**

- Presentation attached

## **3. Information**

- Participants were informed
  - by the Chair, in his capacity as a member of the EPTF, of the role of corporate actions in the context of the EPTF Report / CMU;
  - by Edwin De Pauw, in his capacity as a member of the respective EC expert group, of the work performed in the corporate actions space for the amended Shareholder Rights Directive at level 2;
  - by Marcello Topa, member of the T2S HSG, of the work performed by a Collateral Management Task Force on the impact of inefficient corporate action processing;
  - by Edwin De Pauw of the meetings of the CAJWG of 6 April in London and 20 October in Brussels, devoted to determining and defining building blocks of uniform interpretation of standards, where required, to increase the efficiency of corporate actions processes, either by amending individual standards or amend the Q&A
  - by James Cunningham, Chair of the T2S CASG, and Edwin De Pauw of current discussions targeted at exploiting synergies in the monitoring of the implementation of the Market Standards for Corporate Actions Processing and for CASG Rules (presentation attached) – for the outcome of the deliberations by E-MIG members see conclusions below
  - by Michael Collier on impact of MiFID II on corporate actions (reporting requirements).

## **4. Progress reports submitted by national MIGs**

- Consolidated overviews on the state of compliance in the 8 major markets and all markets / high level assessment (presentation attached).
- All individual progress reports, amended where required, as well as the graphs showing the comparison 2017 to 2016 are attached hereto.
- Michael Collier and Ben van der Velpen informed participants of the outcome of the CEE Markets workshop of 7 November and ongoing required support, in particular to the Czech market.
- The progress reports of the 8 major markets and other markets excluding CEE markets (dealt with at the workshop of 7 November) and comments originating from third party cross checks were discussed. Amendments resulting from including all standards (as opposed to prioritised standards only) and from considering cross market check comments should be sent to the Chair, copy Linda Cook at [linda.cook@afme.eu](mailto:linda.cook@afme.eu) no later than end of November 2017.

## 5. Conclusions

- It is indispensable to put the Market Standards for Corporate Actions Processing and their implementation in the context with regulatory initiatives (EPTF/CMU, SRD II, MiFID II) and T2S and to intensify related regular communication.
- E-MIG members are in favour of merging in E-MIG the monitoring processes including thus the monitoring of the CASG Rules.
- When assessing compliance with the Market Standards for Corporate Actions Processing and with CASG Rules, structured and well defined cross market checks are a gap to be closed.
- In spite of remarkable progress in CEE markets, continued support to them will be required.
- Open-minded discussions on still existing deficiencies and non-compliance need to be accompanied by a culture of jointly working towards resolving defined issues.
- Participants agree that there are at least three conditions precedent for FinTech / DLT solutions to be beneficial to corporate actions:
  - harmonisation and standardisation of processes as they are a pre-requisite for meaningful business cases
  - avoid renewed fragmentation caused by multiple systems
  - provide for the integrity of the process as a whole, not only for individual transactions.

## 6. Way forward

- After having chaired the CAJWG and the E-MIG workshops for the last 10 years, Werner Frey hands over the chair role to Edwin De Pauw.
- It is planned to
  - to organise again a workshop for CEE markets on the day preceding the day of the next E-MIG workshop
  - to maintain the annual monitoring cycle also in case the envisaged merger with the monitoring of the CASG rules will be effected
  - to hold the next E-MIG workshop in autumn 2018, venue tbd