ISITC Europe 2017
Promoting Business and Technical Industry Collaboration

Nigel D Solkhon
CEO ISITC Europe
Director, Citi

ISITC Europe - Delivering

- ***Industry Dialogue***
  - ISITC Europe responded to **IOSCO** and **ESMA** questionnaires on DLT
  - **DLT** workgroup issued an approach to **Standards/benchmarking** of existing technologies
  - All workstreams have met this year with **Regulation, DLT** and **Industry engagement** meeting most

- ***Exciting Partnerships***
  - **Banking Technology** – Agreement to work together on media and conference facilitation
  - **Oasis-Open** – Agreed an MOU to advance technical DLT standards
  - **BSI** – Development of DLT standards
  - **Academia** – Formation of the ISITC Europe Academia Forum **3 Universities**

- ***General Meetings and AGM***
  - Two **General Meetings** successfully delivered in 2016
  - **25th Anniversary of ISITC Europe celebrated at AGM**
  - **Next General Meeting already booked for 25th May at Standard Chartered**

- ***Developments And Governance***
  - New website and Logo
  - Added Co-Chairs to working groups

- ***Membership***
  - **36 members an increase of >50% on 2015** of which over **60% are new members**
  - Representation across **Asset Management, Custody, FinTech, Standards bodies, Academia and Infrastructures**

Robots, Regulation and T2S – Can they work Together?
ISITC Europe General Meeting May 25th
Standard Chartered Bank, 1 Basinghall Avenue London

Agenda

08:30-09:00 ***Registration with tea & coffee***

09:00-09:10 ***Welcome and Introduction***
Nigel D Solkhon, Citi and CEO of ISITC Europe

09:10-09:50 ***Keynote – Fintech Trends***
Keith Saxton, Independent Advisor, Innovate Finance Ambassador
and Chairman techUK Financial Services Programme

09:50-10:30 **Robotics Panel**
Facilitated by Paul Baybutt, Senior Product Manager, HSBC

- Keith Saxton
- Terry Walby, Chief Executive at Thoughtonomy
- TBC

10:30-10:45 ***Coffee and networking***

10:45-11:25 ***Panel – MIFID II for Dummies***

- Dr Anthony Kirby, Ernst & Young
- Chad Giussani, Standard Chartered
- TBC

11:25-12:10 ***Panel - T2S Lessons Learned and hopes for the future***
Facilitated by Rob Scott, Commerzbank

- Guido Wille, UK General Manager Head of Customer Relations Americas, UK, Ireland and Nordics, Clearstream Banking
- Michael Buzza, SVP Market Advocacy & Innovation Research, Northern Trust
- Julien Kasparian, Head of Sales & RM, BNP Paribas Securities

12:10-12:20 ***Industry Engagement Working Group Update***
Paul Baybutt, Senior Product Manager, HSBC

12:20-12:35 ***Standards Working Group Update***
Richard Young, Industry and Regulatory Affairs, Bloomberg

12:35-12:50 ***IEAF Working Group Update***
Professor John Gavin, Executive Chairman, G4h Ltd

12:50:13.00 ***Wrap up & close***
Nigel D Solkhon, Citi and CEO of ISITC Europe

Members in 2017 – Thank You!

ISITC EUROPE

Actuare
Connecting business. Efficiently.

BAT

fiserv.

J.P.Morgan
Asset Management

LONDON METROPOLITAN UNIVERSITY

BAILLIE GIFFORD

BLACKROCK®

citi

STATE STREET

Linedata

marss

SWIFT

COLUMBIA THREADNEEDLE INVESTMENTS

EQUINITI

Invesco

LLOYDS BANKING GROUP

Needem Computers Limited

WA

EY Building a better working world

EUROMONEY

TD

HSBC

LMS

DTCC

LMS

PIMCO

SEI New ways. New answers.

SOCIETE GENERALE
BUILDING TEAM SPIRIT TOGETHER

Standard Chartered

STATE STREET

SMBC SUMITOMO MITSUI BANKING CORPORATION

T-SCAPE

UNIVERSITY OF SURREY

Volanté

ANNA

CSC fixnetix A CSC COMPANY

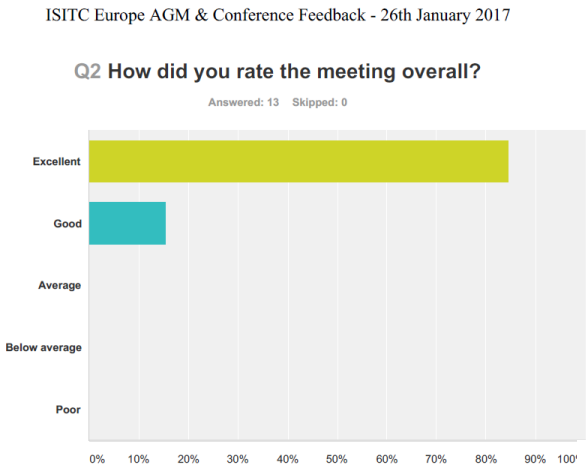
SimCorp

SEI New ways. New answers.

Goldman Sachs

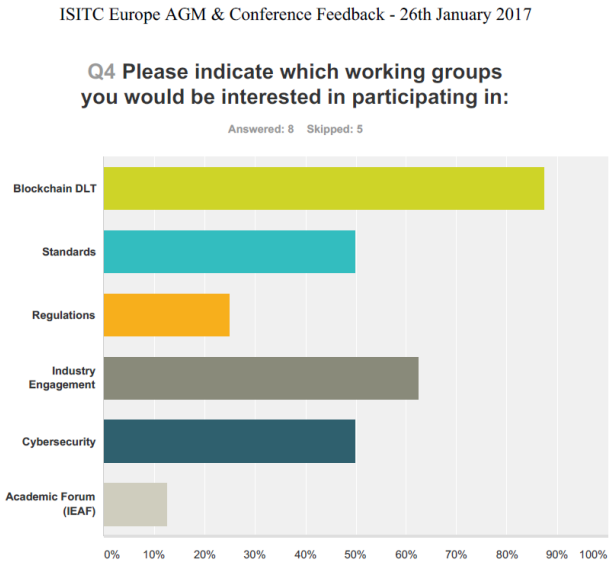
University of Brighton

ISITC Europe AGM 2017

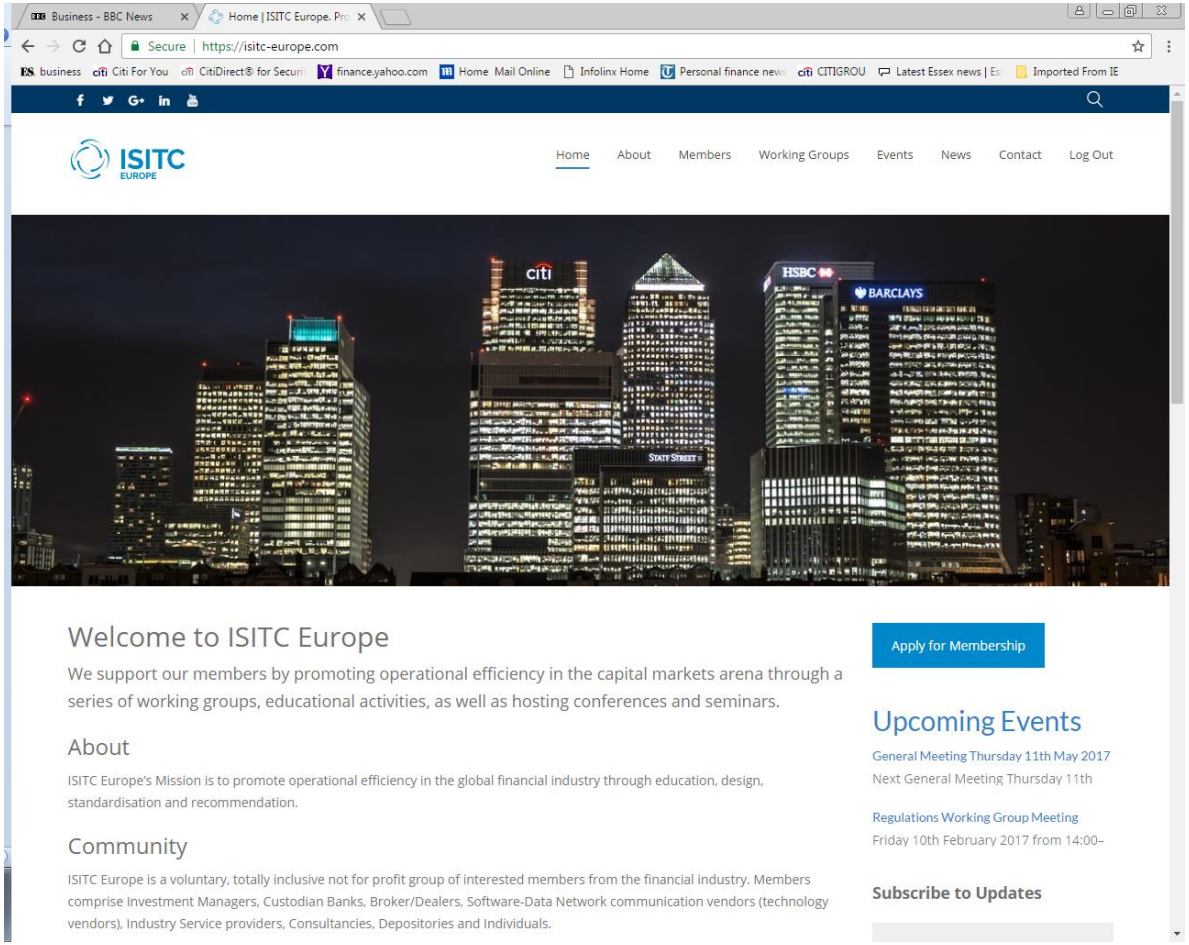


"Outstanding", "Best conference I have been to for years", "Fantastic well informed speakers" –

Our workgroups are fully supported



New Web Presence



Modern Social Media

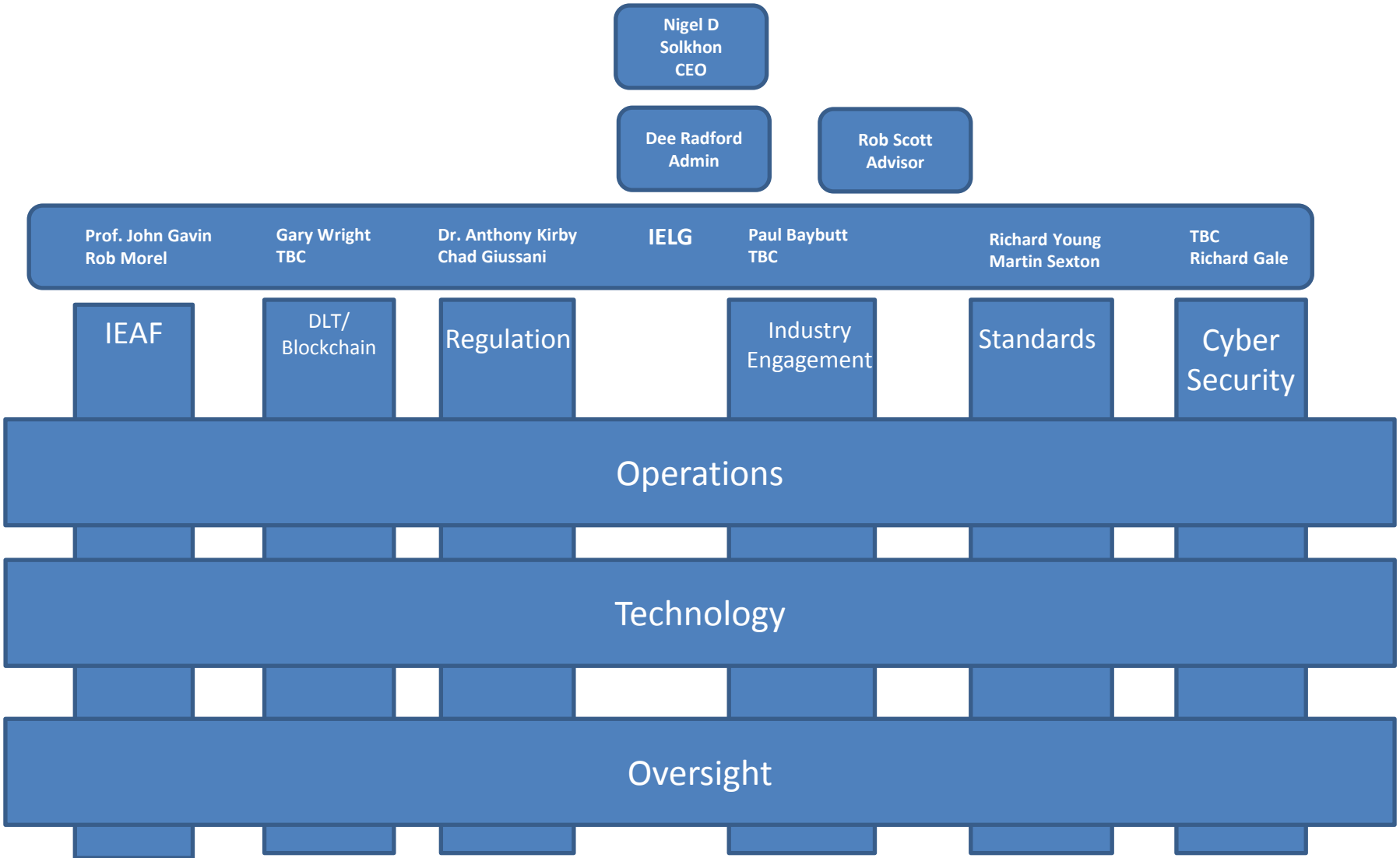
Auto registration

Enhanced media support

Fully supported

Governance

Members have access to all workgroups or can partner with colleagues
Leaders will look to partner ISITC NAM colleagues to share intelligence



WG Updates

ISITC EUROPE

Regulation

The key challenges will be to deconstruct a priority regulation like MiFID II, focusing on governance/investor protection, market impacts, and reporting/reference data plus adjacent measures (e.g. MAR, PRIIPs etc), coupling with other ISITC-Europe Working Groups such as the inaugural Blockchain Work Stream. The eventual intent is to evaluate a 'quick win' approach for chosen areas of interest - e.g. Best Execution, with the new FinTech developments (e.g. robo-investing, blockchain and 'all-to-all' propositions) in mind

Standards

ISITC Europe Standards is working in the first instance to support the Blockchain DLT group in their work facilitating discussion on standards for this new technology. This includes feeding into the new ISO TC 307 committee. More widely the re-constituted standards group will explore common industry standards challenges, with an initial focus on the standards questions arising from the delivery of regulatory transparency under existing and upcoming EU regulations.

DLT

Building links with other groups globally that are working on Standards for DLT.
Published of the ISITC Europe standards framework 2016 (Resilience, scalability, security, latency, data, governance, legal, Regulatory, software and network)
The aim of the group is to facilitate shared information and hopefully agendas with international groups to assist in fast and cheaper implementations and to provide a platform of knowledge and information for use in developing ISO Standards. ISITC will seek to coordinate and publish on its website the latest thinking and information concerning DLT standards and promote interaction by its members with other groups and to be a trusted source of data for market professionals.

Cybersecurity

The group are looking at the industry response to Cybersecurity issues through whitepapers, regulatory and industry group discussion, and providing a platform to create analyses of the efforts for a clear industry agenda.

Academic Forum

ISITC Europe now has 3 Universities signed up to offer a bilateral exchange of experience, research, innovation and market knowledge.

Where are we headed?

ISITC EUROPE

Past

- Investment Manager/Custodian world dominated by proprietary data delivery systems
- Reconciliation quarterly or even semi-annually
- Settlement periods T+5 and beyond
- No Investment Managers on SWIFT
- Lack of standards
- Increasing x-border trading
- 100's of "Global" Custodians
- No inclusive industry forum
- ETC starting to evolve

90's and 00's

- SWIFT (ISO 7775 and 15022/2022 later) messaging enhanced with ISITC codewords/requirements started the automation revolution
- Reconciliation of positions and cash now weekly or even daily through new reconciliation products
- Fund Managers joining SWIFT and also involved in standards development alongside Custodians and Brokers
- ETC becoming automated and complementary standards issued by SWIFT
- Fix being introduced for IOIs and eventually Orders
- Fund standards to the fore
- ISITC in all Continents

The Promise

- DLT
- Real Time Settlement
- Regulators accessing reports as and when required from DLT
- No ETC as all trades are allocated and accepted on the DLT
- Asset servicing end to end via digitised assets
- New products based on digital currency
- Access to all fragmented DLTs through common standard interfaces
- DLT for trading?
- Fx?

Questions