

EUROSYSTEM

AMI-SeCo Corporate Events Group

Presentation to AMI-SeCo



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Introduction to the AMI-SeCo CEG

AMI-SeCo Corporate Events Group

Background

 In its 29-30 June teleconference the AMI-SeCo – after having consulted all stakeholders – agreed to set up the Corporate Events Group (CEG).

• The core objective of the CEG is to consolidate and enhance the monitoring of the compliance with the sets of CA standards endorsed at the European level.

 A call for nomination of candidates for CEG membership was issued to AMI-SeCo members, National Stakeholder Groups, Market Implementation Groups and all relevant industry associations.

Composition

The CEG has a total of 34 members thus ensuring it has a broad and balanced composition. It consolidates industry efforts by bringing all the key stakeholders around the table in order to deliver harmonisation.



Progress to date

Since its establishment in late October, the CEG has worked intensively with 2 meetings and a number of written consultations taking place in this period.

A set of working procedures have been defined and a sponsorship system has been put in place which will be further developed in the coming months.

A work programme for 2021 is also being put in place to address the priority issues identified by the CEG

Alongside this, the CEG has conducted a detailed assessment of compliance with 2 sets of corporate actions standards. This has resulted in the production of the first key deliverable of the CEG – the *Corporate Events Compliance Report.*



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Scope

- In July 2020, market stakeholders across Europe were invited to complete a self-assessment exercise to indicate their level of compliance with the *Market Standards for Corporate Action Processing* (hereafter Market Standards) and the *T2S Corporate Actions Standards* (hereafter T2S CA Standards).
- The T2S CA Standards are relevant for (i) all markets that have migrated to T2S and (ii) markets that intend to migrate to T2S while the Market Standards cover the EU, Norway, Sweden and the United Kingdom.
- In case compliance with the standard was not yet achieved, each market was asked to
 provide further information on the barriers to implementation (if any) together with details of
 the markets progress towards achieving compliance since the last monitoring exercise.
 Information on the market's implementation plans and related milestones was also requested.

Introduction

The focus of today's presentation is to provide a high-level overview of the results of the survey. This covers the following elements:

- Participation
 - What was the level of participation across markets?
- Progress
 - What changes have been reported since the last exercise?
- Compliance
 - What is overall status of compliance?

Participation

- Very high response rate overall.
- ICSDs have participated in the survey on the Market Standards for the first time this year thus helping to provide a more comprehensive picture on the level of compliance in Europe.
- The level of stakeholder involvement in the monitoring exercise varies per market. For example, information on compliance with the Market Standards is sometimes provided only by the (I)CSD(s) in the relevant market. This means that compliance with standards related to "Information flow from (I)CSD participants to end investors" cannot always be meaningfully assessed.
- 3 entities have not submitted some or all of the requested progress reports on time:
 - SKD Czech Republic
 - ID2S France
 - SaFIR Romania

Progress

- The monitoring exercise shows few advances in compliance over the past twelve months
 - 11 entities made progress versus last year.
 - 15 entities made no progress at all.
 - For some entities, a direct comparison with last year is not possible.

• Some markets have developed a concrete action plan to achieve full compliance

- 18 entities have plans in place to close some or all of the remaining gaps. 2 of these entities intend to achieve full compliance with the applicable standards within the next 12 months.
- Responses indicate that other initiatives such as SRDII and AMI-SeCo's SCoRE Standards are helping to drive compliance with the Market Standards.
- There has been 2 changes in the overall status of compliance
 - Euroclear Nederland are now compliant with the Market Standards and Monte Titoli are now compliant with the T2S CA Standards.

Overall status

 3 markets are now fully compliant with the Market Standards

 13 markets are fully compliant with the T2S CA Standards.

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Market	Cash Distributions	Security Distributions	Distributions with Options	Mandatory Reorganisations	Mandatory Reorganisations with Options	Voluntary Reorganisations	Market Claims	Transformations	Buyer Protection	MARKET STANDARDS	T2S CA STANDARDS
AT - Oesterreichische Kontrollbank (T2S)	96%	95%	0%	96%	93%	92%	89%	100%	100%	R-?	R-?
BE* - Euroclear Bank	96%	95%	100%	91%	86%	85%	44%	0%	8%	R-?	N/A
BE - Euroclear Belgium (T2S)	100%	100%	100%	100%	89%	100%	96%	85%	94%	R-?	R - Q1 2021
BE - NBB-SSS (T2S)	100%	N/A	N/A	100%	100%	96%	100%	100%	100%	R - 2025	В
BG - BNBGSSS	77%	N/A	N/A	78%	N/A	N/A	0%	0%	N/A	R-?	N/A
BG - CD AD	88%	95%	83%	91%	89%	85%	78%	91%	82%	R-?	N/A
CH - SIX SIS (T2S)	100%	100%	100%	100%	100%	92%	100%	92%	100%	R-?	R-?
CY - Cyprus Stock Exchange	54%	55%	100%	52%	43%	38%	0%	0%	0%	R-?	N/A
CZ - CSD Prague	21%	64%	0%	48%	29%	31%	0%	0%	0%	R-?	N/A
CZ - SKD	0%	0%	0%	0%	0%	0%	0%	0%	0%	R-?	N/A
DE - Clearstream Banking Frankfurt (T2S)	100%	100%	100%	100%	93%	96%	79%	85%	94%	R - Q4 2021	R-?
DK - VP Securities (T2S)	100%	100%	50%	100%	93%	92%	100%	100%	100%	R-?	В
EE - Nasdaq CSD (T2S)	92%	100%	67%	100%	96%	100%	100%	100%	100%	R-?	В
ES - Iberclear (T2S)	100%	91%	100%	91%	71%	81%	100%	100%	100%	R-?	В
FI - Euroclear Finland (T2S)	92%	95%	100%	91%	89%	88%	0%	92%	0%	R-?	R - Q3 2023
FR - Euroclear France (T2S)	96%	95%	100%	96%	96%	96%	96%	85%	100%	R - Q1 2021	R - Q1 2021
FR - ID2S (T2S)	83%	N/A	N/A	70%	N/A	N/A	0%	0%	0%	R-?	R-?
GR - BOGS (T2S)	100%	N/A	N/A	100%	100%	100%	100%	100%	100%	В	В
GR - ATHEXCSD	100%	100%	33%	91%	100%	88%	0%	0%	0%	R-?	N/A
HR - SKDD	46%	50%	0%	48%	29%	31%	0%	0%	0%	R-?	N/A
HU - KELER (T2S)	38%	36%	0%	43%	36%	27%	7%	92%	100%	R - Nov 2022	R - Nov 2022
IT - Monte Titoli (T2S)	96%	95%	100%	96%	96%	96%	100%	100%	100%	R-?	В
LT - Nasdaq CSD (T2S)	92%	95%	100%	96%	96%	96%	100%	100%	100%	R-?	В
LU* - Clearstream Banking Luxembourg	96%	95%	100%	91%	86%	85%	78%	82%	8%	R-?	N/A
LU - LuxCSD (T2S)	100%	100%	100%	100%	93%	92%	100%	100%	0%	R-?	R-?
LV - Nasdaq CSD (T2S)	96%	95%	100%	96%	96%	96%	100%	100%	100%	R-?	В
MT - Malta Stock Exchange (T2S)	71%	68%	100%	70%	75%	77%	100%	100%	100%	R-?	В
NL - Euroclear Nederland (T2S)	100%	100%	100%	100%	100%	100%	96%	85%	100%	В	R - Q1 2021
NO - VPS	88%	91%	100%	91%	79%	81%	11%	0%	0%	R-?	N/A
PL - KDPW	83%	82%	100%	78%	86%	81%	33%	27%	0%	R-?	N/A
PL - SKARBNET4	N/A	N/A	N/A	88%	N/A	N/A	N/A	N/A	N/A	R - Q3 2023	N/A
PT - Interbolsa (T2S)	88%	86%	100%	87%	89%	88%	100%	100%	100%	R - Q4 2021	В
RO - Depozitarul Central (T2S)	92%	95%	83%	91%	96%	69%	100%	100%	100%	R-?	В
RO - National Bank of Romania SSS	0%	0%	0%	0%	0%	0%	0%	0%	0%	R-?	N/A
SE - Euroclear Sweden	75%	64%	67%	74%	64%	65%	44%	0%	0%	R-?	N/A
SI - KDD (T2S)	100%	100%	100%	100%	100%	100%	100%	100%	100%	В	В
SK - CDCP (T2S)	29%	14%	0%	22%	14%	12%	100%	100%	100%	R-?	В
SK - NCDCP (T2S)	29%	14%	0%	22%	14%	12%	68%	0%	0%	R-?	R - Q2 2021
UK - Euroclear UK & Ireland	88%	95%	83%	96%	100%	100%	100%	100%	100%	R-?	N/A



Next Steps

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Next steps

- AMI-SeCo is invited to approve the publication of the first *Corporate Events Compliance Report.*
- The CEG will embark on a comprehensive review of existing procedures in 2021 with a view to driving further compliance with the applicable standards. Areas identified for further improvement during the current monitoring exercise will be taken into account as part of this review.
- As foreseen in the CEG mandate, the next monitoring exercise could also include the monitoring and assessment of the implementation of, and compliance with, additional standards, e.g. the Shareholder Rights Directive II (SRD2) related standards.
- The CEG will seek to assist markets in addressing challenges they may be facing in achieving full compliance. In 2021, the CEG will further develop a sponsorship system across all in-scope markets to support this initiative.