

# A roadmap for integrated, safe and efficient post-trade services in Europe

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# The European Post Trade Forum (EPTF): mandate, objectives and membership

- **Mandate:**  
to support the work of the Commission to review the developments in post-trading in the context of CMU to promote more efficient and resilient market infrastructures in the EU
- **Objectives:**
  - analysis of the current post-trading landscape in Europe and related market structures
  - identification of old and new barriers and bottlenecks
  - proposed solutions
- **Membership:**  
15 members representing all relevant constituencies, independent experts; ECB and ESMA observers
- Modus operandi of the EPTF 2016/2017

- **EPTF Report**
  - 12 EPTF Barriers (3 operational, 4 structural, 4 legal, 1 tax) and 5 barriers on a watch list
  - a detailed analysis of the current post trade landscape as an annex
- **Consistent structure:** description of the barrier, consequences of the barrier, proposed solution / responsibilities
- **6 Barriers of highest priority included in the Executive Summary:**
  - Inefficient withholding tax collection procedures
  - Legal inconsistencies and uncertainties
  - Fragmented corporate actions and general meetings processes
  - Inconsistent application of segregation rules
  - Lack of harmonisation in registration and investor identification rules and processes
  - Complexity of post-trade reporting structure

- EPTF Report: comprehensive document of reference in post trade and source of targeted action in Post Trade Reform in the context of CMU.
- List of highest priorities highly consistent with the AFME White Paper on Post Trade 2016.
- Need to put a fine point of our position, where required, in the public consultation, e.g. registration processes.
- Areas of targeted advocacy: information, education, explanation at MS level; monitoring process.

- Public consultation of the EPTF Report by the EC.
- Conclusions of the EC based on the EPTF Report and the consultation in regard of CMU relevance.
- CMU Action Plan including Post Trade by end 2017.

- CSD Authorisation Process
- Buy Ins
- Settlement Fines
- Settlement Internalisation

- Members approach individual CSDs - attempt to monitor their application process.
- Aims to collect necessary information so that CSD participants are compliant the moment CSDs receive their authorisation.
- Members have been allocated individual CSDs.
- AFME to consolidate responses.
- Some responses have been received already. The deadline is end of May 2017.
- AFME to follow up with CSDs if necessary.

- Awaiting final text of the Regulatory Technical Standards.
- Industry workshop held October 2016 in Brussels.
- Concentrated on information flow amongst trading parties and participants of the custody.
- Identified multiple questions for ESMA to be addressed in Q&A.
- Also, identified market practice questions - to be addressed internally by AFME.



- AFME is looking at ways of improving settlement efficiency
- Trade date and settlement date
- Improving settlement efficiency
- Process between TD and ISD
- Seek feedback from FMIs
- Align with other trade associations

- Task Force met ESMA on two occasions.
- Requested detailed scenarios of potential settlement internalisation situations.
- AFME is trying to clarify with ESMA which scenarios should be considered in-scope for SI reporting.
- AFME has produced a list of questions which we hope ESMA will address in form of Q&A.

- AFME will host an internal workshop
- Address post trade issues
- Clearing seen as the largest challenge
- Other topics could include collateral management, other FMIs
- Best case/worst case



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