

#### **CENTRAL SECURITIES DEPOSITORY REGULATION**

# The CSDR Journey

CSDR aims to establish a level playing field among European securities depositories and improve the operational efficiency of securities settlement, leveraging enhanced infrastructure and more robust, consistent discipline measures that will encourage timely settlement and reduce settlement fails.

Track the timeline so far and plan for what's coming along the road:

### 2008-2010

#### HARMONISATION **TAKES SHAPE**

August 2014 Publication in the European Journal

2015-16 Transition of settlement cycles to T+2 completed across the EU

March 2017 Regulatory Technical Standards (RTS) and Implementing Technical Standards on CSD requirements published in Official Journal

> September 2017 CSDs and ICSDs apply for authorisation with respective regulators

#### **CSDR BEGINNINGS**

2008 global financial crisis prompts the call for harmonisation and standardisation of legal and operational conditions for cross-border settlement

2010 CSDR announced

## 2014-20

PHASE 1 IMPLEMENTATION

March 2018 Guidelines on internalised



settlement reporting published by ESMA

May 2018 Technical Standards for Settlement Discipline published

#### REQUIREMENTS **AND OBLIGATIONS**

10 March RTS on Internalised Settlement applies; CSDs and their participants must comply upon receipt of their authorisation approval from their national competent authority (NCA)

> 12 July First internalised settlement report due to NCAs

#### **IMPROVING** SETTLEMENT EFFICIENCY

14 September Settlement Discipline comes into force, introducing:

• Cash penalties process;

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- · Forced mandatory buy-in; and
- Need to conduct reconciliation.

#### DEMATERIALISATION

From 1 January 2023 New issues must be represented in book-entry form

> From 1 January 2025 All transferable securities to be in book-entry form

2023-20

A single set of rules to provide greater transparency, facilitate more open market access, improve settlement timeframes and prevent settlement fails.

#### CSDR will:

- Require firms to offer omnibus and segregated accounts;
- Instigate internalised settlement reporting; and
- Introduce a settlement discipline regime.

CSD/ICSDs, issuers, brokers, intermediaries and asset managers should set themselves clear self-assessment checklists in preparation for the milestones ahead.

**READ OUR WHITEPAPER** - CSDR: Preparing for a New Settlement Regimen

Contact Broadridge regulation specialists to learn more about how to navigate the challenges of CSDR, and discover the opportunities to capitalise on post-trade innovation.

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