

FORUM: 2ND PHILIPPINES NATIONAL MARKET PRACTICE GROUP
(PH NMPG)
DATE AND TIME: 28 MARCH 2017, 9AM – 11.30 AM
LOCATION: Function Room 1, Mezzanine Floor, Active Fun Building
9th Avenue Corner 28th Street Bonifacio Global City, Taguig City

ATTENDEES:

ORGANISATION	NAME
Bangko Sentral ng Pilipinas	Bella Santos (BS)
Bangko Sentral ng Pilipinas	Jetty Burgos (JB)
Citibank	Irving del Rosario (IDR)
Citibank	Sheila Gomez (SG)
Citibank	Tiffin Tanseco (TT)
Deutsche Bank AG	Hannah Nuñez (HN)
DTCC	Nellie Dagdag (ND)
DTCC	Rose Loyola (RL)
HSBC	Glecy Montellano (GL)
HSBC	Karina Del Rosario (KDR)
HSBC	Kathy Dela Torre (KDT)
HSBC	Maris G Flores (MF)
HSBC	Tony Lewis (TL)
PDS Group	Ma. Theresa B. Ravalo (TR)
SCCP	Rhose Ojo (RO)
Standard Chartered Bank	Cherise Coronel (CC)
Standard Chartered Bank	Loravic Mendoza (LM)
SWIFT	Cindy Foo (CF)
SWIFT	Marco Attilio (MA)
SWIFT	Simona Catanescu (SC)
SWIFT	Jean Chous (JC)
The Philippine Stock Exchange (PSE)	Roel A. Refran (RR)
The Philippine Stock Exchange (PSE)	Rachelle Blanch (RB)
The Philippine Stock Exchange (PSE)	Sheryl Perillo (SP)

- The PH NMPG (the 'Group') decided on the list of priority issues to work on for 2017/2018 which were: Clearing and Settlement, Corporate Actions and Open Connectivity.

SWIFT and HSBC (TL) shared their insights from other NMPGs. Corporate Actions is a key priority in other sites. Identify quick wins for the market and automate where possible. Good starting point would be automation on settlements and corporate action.

It was also recommended to the Group, that each Market Infrastructure (MI) participant construct the current status of the market (i.e. settlement and clearing process, corporate action process etc). Based on this, the Group can map what good looks like for the market and identify agendas and priorities accordingly.

- BSP (BS) shared updates on the move to electronic processing of checks via the Check Image Clearing System (CICS). With this initiative the checks would be cleared the next banking day. This initiative would help address some of the initiatives put forth in NMPG. The BSP extended the deadline for Banks to comply by 21 April 2017.
- The Group decided that for initiatives that are already in flight, this would be for monitoring and updates to be requested from the relevant parties instead of including them in a Working Group.
- The Group decided on setting up Working Groups (also known as Task Forces) to handle the list of priority issues. The suggested priorities came from the list of tasks identified in the meeting last 09 January 2017.
- The Working Groups (WG) are:
 - I. Clearing and Settlement
The Leads for this WG are Deutsche Bank, Citibank, SCCP and PSE
 - II. Corporate Actions
The Leads for this WG are HSBC, SCB and PDTC (Philippines Depository)
 - III. Open Connectivity (ISO 20022)
The Leads are PSE and possibly Tomo-san from ADB (to be confirmed)
- For Clearing and Settlement, the following topics can fold into this WG: move to T+2 cycle for the equity market, automated settlement of corporate bonds, custodians as clearing participant, standards for fixed income settlement. Broker representation is also needed in the WG. Citibank (TT) suggested that we use the Custodian's Memorandum of Agreement (MOA) as a starting point for market standards that can be implemented.
- Among the topics for Corporate Actions, one way for standardisation is to create the PH CA market practice. The WG can start by identifying the top CA events (say 5 event types) in PH and documenting the local market practice for these. SWIFT (CF) has sent the link of the EIG (Event Interpretation Grid) on the SMPG website to PDTC (TR) and HSBC (KDR).
- The Group has selected the Chair and Vice-Chair. Chair of the PH NMPG is DTCC (ND) and Vice Chair is PSE (RR) from the PSE. Term is set as 2 years. There will be an election process once the 2 year term is up.
- The Group will work on drafting its Terms of Reference. HSBC (MF) will provide suggested clauses to ensure compliance with the Competition Law in the TOR.
- The 3 WGs will meet separately before convening at the next NMPG meeting.
- The next NMPG meeting will tentatively be held near the PH Open Day. Venue/host of the next meeting to be confirmed.

Action points

- DTCC (ND) and PSE (RR) to confirm date of next PH NMPG meeting and venue.
- Corporate Actions WG and Clearing and Settlement WG to meet and discuss respective initiatives for their WG and the next action points.
- HSBC to provide ND the suggested clauses relating to Competition Law Compliance for the TOR.



