



Association  
of Eurasian Central  
Securities Depositories



# AECSD

## POST-TRADING SERVICES AND CROSS-BORDER LINKS

2023



# The Association of Eurasian Central Securities Depositories (AECSD)

**The Association of Eurasian Central Securities Depositories (AECSD)** unites 15 Central Securities Depositories in 14 countries of the Eurasia region and 6 organizations with the Observer status

**22 December 2004**

date of foundation and 1<sup>st</sup> (Constituent) Conference in Moscow

**Annual international**

**AECSD conferences** – platform for discussion of further directions for the development.



**The Association's mission:**

Providing a platform for sharing ideas for development and enhancement of depository operations, creating a common depository space, and integrating the CSDs – the AECSD's members into the global securities settlement system.

**Trainings and educational workshops for the members and observers.**

Platform for knowledge transfer and experience exchange.

**International cooperation:**

The AECSD takes an active part in initiatives of the World Forum of CSDs (WFC), sharing experience and exchanging opinions, coordinating industry initiatives, and participating in a dialogue with regulators and other organizations all over the world.

 <b>Azerbaijan</b> National Depository Center	 <b>Armenia</b> Central Depository of Armenia
 <b>Belarus</b> Republican Central Securities Depository	 <b>Georgia</b> Georgian Central Securities Depository
 <b>India</b> National Securities Depository Limited (NSDL)	 <b>India</b> Central Depository Services (India) Limited (CDSL)
 <b>Kazakhstan</b> Central Securities Depository	 <b>Kyrgyzstan</b> Central Depository
 <b>Russia</b> National Settlement Depository	 <b>Turkey</b> Merkezi Kayit Kurulusu A.S. (MKK)
 <b>Tajikistan</b> Central Depository	 <b>Uzbekistan</b> Central Securities Depository
 <b>Ukraine</b> National Depository of Ukraine	 <b>Mongolia</b> Mongolian Central Securities Depository (MCSD)
 <b>South Korea</b> Korea Securities Depository	

## Observers

JSC Bank of Georgia

Euroclear S.A./N.V.

Clearstream Banking S.A.

INFINITUM Asset Services

PJSC ROSBANK



# AECSD: Key News & Events

**2020-22**

First online Training Seminar and Conference  
First Specialized Online Seminars

**2023**

- AECSD Conference (offline) September 20-22, Dushanbe, Tajikistan
- AECSD Seminar (offline) November 15-17, Almaty, Kazakhstan

## AECSD Working Groups

### INTERNATIONAL INITIATIVES WORKING GROUP

Involvement and participation in different international initiatives of AECSD, its members initiatives, WFC and other associations events and work. Composed of the representatives from all the AECSD participants.

### AD-HOC WORKING GROUP

Project development on request from the AECSD participants. Composed of AECSD experts with relevant expertise.



# AECSD Participants: Main Trends

**Links among AECSD  
Members**

**Expanded International  
Agenda**

**Electronic  
Services**

**R&D in the  
Digital Assets**

**Platform  
solutions**

**E-voting &  
ISO Surge**



**ESG**



# AECSD External Links Compatibility\*

CSD/Country	FNH Conception	External Links	External Links within AECSD
Azerbaijan	-	+	+
Armenia	+	+	+
Belarus	+	+	+
Georgia	-	-	-
CDSL (India)	-	-	-
NSDL (India)	-	-	-
Kazakhstan	+	+	+
Kyrgyzstan	+	+	+
Russia	+	+	+
Turkey	+	+	+
Tajikistan	+	+	+
Uzbekistan	-	-	-
Ukraine	+	+	+
Mongolia	-	-	-
South Korea	+	+	+

\*Resource: AECSD Annual Profile



# Factors for Increased Market Compatibility

## KEY FACTORS

Dematerialization of securities	CSD recognized by law	Sufficiently effective protection of investor rights	Safe and reliable infrastructure	Tax administration and corporate actions processing	Communication facilities	Listing, trading and securities codification	Accounts: nominee holder (NH) and foreign NH. Omnibus structure.
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## BENEFITS

<ul style="list-style-type: none"> <li>• Opportunities for digitalization</li> <li>• Decreasing human mistake related risks</li> </ul>	<ul style="list-style-type: none"> <li>• Adoption of the law on the CSD in a form convenient for investors and custodians</li> <li>• Finality of settlement:             <ul style="list-style-type: none"> <li>-CSD records prevail over registrar or other institution records</li> <li>-Mandatory reconciliation between CSD and clients on a daily basis</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• Licensing and supervision of intermediaries; recognition of ownership rights to securities; beneficial owners disclosure practices</li> </ul>	<ul style="list-style-type: none"> <li>• Introduction and development under the international standards of Information security, Risk management, Compliance policies and systems</li> </ul>	<ul style="list-style-type: none"> <li>• Simplification of tax administration to support cross-border cooperation</li> <li>• Introduction of the cascade or centralized scheme for corporate actions. Use of the single window of CA information and participation</li> </ul>	<ul style="list-style-type: none"> <li>• Usage of international standards of communication channels and messages formats</li> </ul>	<ul style="list-style-type: none"> <li>• Implementation of the best international practices in trade and post-trade infrastructures (T+, ISIN, LEIs, CCP, etc.)</li> </ul>	<ul style="list-style-type: none"> <li>• Accounting for clients' assets in aggregated forms that lowers pressure on Depository systems (omnibus)</li> <li>• Mandatory segregation of client's assets on the NH&amp;FNH account</li> <li>• Option for the clients that are willing for accented segregation of their assets from other clients' one</li> <li>• True status about the owner of the securities or intermediary</li> </ul>
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# AECSD Accounts Types and Their Differences\*

## **Proprietary (BOs) Account**

This type of account is intended to record and confirm the ownership title to securities

## **Nominee Holder Account (Omnibus structure)**

This type of account is intended to record rights to securities owned by a Nominee Holder's customers, and shall be opened for a Nominee Holder who holds a professional securities market participant license for depository activities

## **Trustee Securities Account**

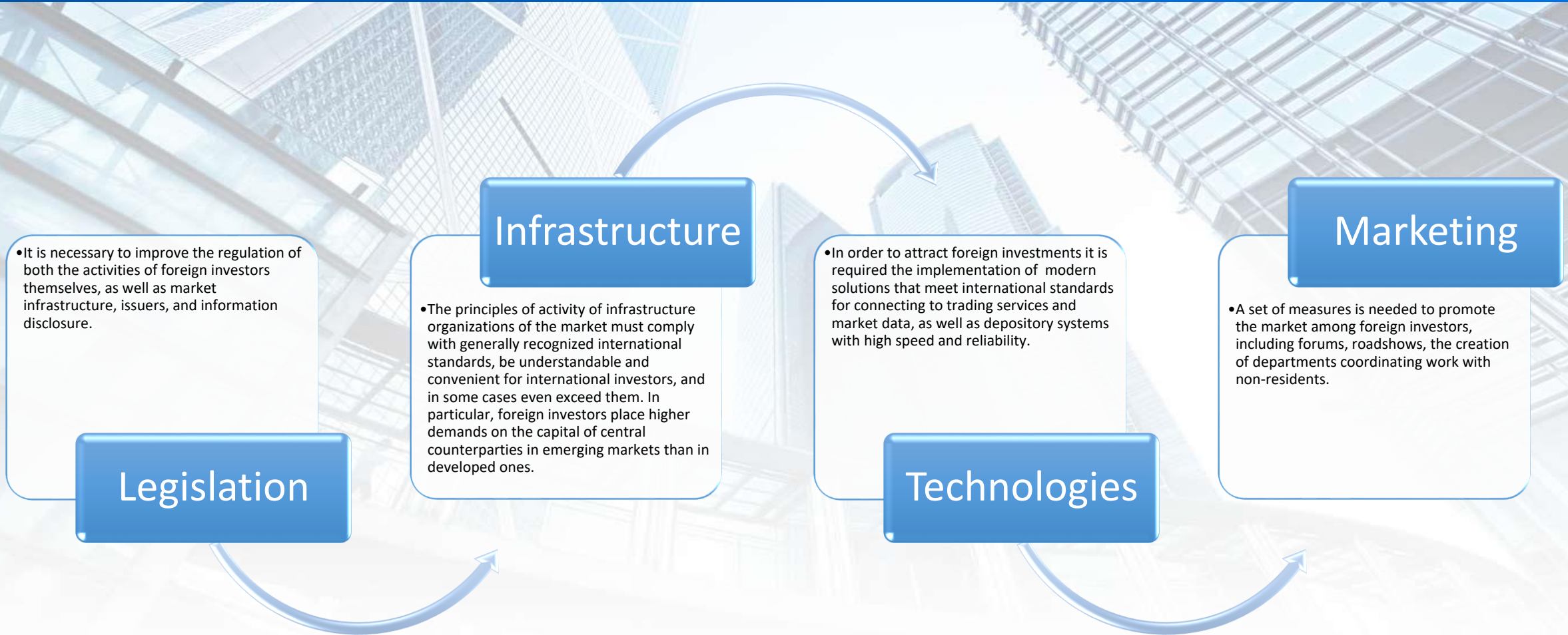
This type of account is intended for the purpose of holding securities transferred in trust to a trustee

## **Foreign Nominee Holder Account (Omnibus structure)**

This type of account is intended to record rights to securities owned by a Foreign Nominee Holder's customers, and shall be opened for a foreign depository or custodian



# Key conclusions: major areas to focus





# THANK YOU!

AECSD web-site: <https://aecsd.org/en/>  
WFC E-learning: <https://aecsd.org/en/e-learning/>  
AECSD Secretariat: [aecsd@aecsd.com](mailto:aecsd@aecsd.com)