



# ANNA

ANNA Numbers The World



## ANNA Newsletter & Highlights



November 2011

# I N D E X

LETTER FROM THE CHAIRMAN	3
ISO NEWS: COLLECTION OF INTERNATIONAL CASE STUDIES PROVES ECONOMIC BENEFITS OF STANDARDS	4
KNOWING THE ANNA MEMBERS: GUATEMALAN NATIONAL NUMBERING AGENCY	6
LEGAL ENTITY IDENTIFIER OVERVIEW (BY SIFMA - SECURITIES INDUSTRY AND FINANCIAL MARKETS ASSOCIATION)	8
REGIONAL NEWS - AMEDA AND ALARG	11
PRESS RELEASE: ORDINARY GENERAL MEETING OF ANNA HELD IN TORONTO (JUNE 23 & 24, 2011)	13
MEETINGS AND EVENTS ATTENDED BY ANNA BOARD MEMBERS	15
INVITATION LETTER	17
SAVE THE DATE	18

## ANNA NEWSLETTER

December 2011

Dear ANNA colleagues,

The ANNA Board once again takes pleasure in sharing with you the next edition of the ANNA Newsletter – the semi-annual publication prepared for the ANNA membership by the Board and selected contributors.

As with past editions, we have included a number of topics that we believe address areas and subjects of current interest to the entire ANNA membership. In addition we have included an overview of key industry and internal discussions that members of the ANNA Board have been participants in over the past 6 months.

We hope the content of this ANNA Newsletter continues to be of interest and useful to your understanding of industry matters - directly complementing and impacting your activities as National Numbering Agencies.

In determining the content and coverage of the newsletter, we have tried to include items that we believe will be useful in assisting with providing updates to your colleagues on the activities of the ANNA Association, new industry initiatives and the markets we serve.

The ANNA Board would appreciate any comments or feedback on the content of current and past newsletters and on possible future topics we should consider including.

On behalf of the ANNA Board members, our best regards.

Sincerely,

Dan Kuhnel  
ANNA Chairman

## ISO NEWS: COLLECTION OF INTERNATIONAL CASE STUDIES PROVES ECONOMIC BENEFITS OF STANDARDS




A series of ground-breaking case studies by ISO and partner organizations based on the experiences of 11 companies operating in a variety of business sectors in 10 countries shows that implementing standards can provide economic benefits from between 0,5 % and 4 % of their annual sales revenues.

The case studies are collected in the newly published ISO book, *Economic benefits of standards*. The 11 companies that participated come from Indonesia, Singapore, Thailand, Viet Nam, Brazil, Colombia, Peru, Botswana, South Africa and Germany (two case studies). The size of the companies varies from a small business with 25 employees and annual sales revenue of around USD 4,5 million to companies with several thousand employees and annual revenue of over USD 1,5 billion.

They operate in a variety of business sectors: agri-food, chemicals, construction and construction materials, electrical appliances, electrical power transmission, food retail/food logistics, industrial automation equipment, and information and telecommunication. Over the last decade, several studies have been conducted with the aim of determining the economic and other benefits of the use of standards. These studies were undertaken by ISO national member institutes and other organizations and had mainly a macroeconomic focus. Although each of the studies confirmed that the use of standards had positive effects and resulted in economic and other benefits, it is difficult to compare the results achieved by the different studies because each used different approaches to measure the impacts of standards.

For this reason, with the support of Roland Berger Strategy Consultants, ISO developed “the ISO Methodology” for the assessment and quantification of the economic benefits of standards. Its objective is to arrive at reliable quantitative calculations of the impacts of standards on organizations. By being based on the application of the same methodology, it is expected that the results of the different studies can be compared to build a common stock of knowledge about economic benefits of standards.



Economic benefits of standards breaks new ground in providing the first set of case studies based on the ISO Methodology. According to the chapter giving an overview of the project and its initial results, “Standards can indeed play a central role in creating confidence for potential customers in a new technology, or allowing companies that enter a new market to deliver consistently products and services with the quality required by their customers.”

These case studies were undertaken in close cooperation between an ISO member body, an academic institution, a company in the respective country and staff of the ISO Central Secretariat acting as advisors to the project team.

This is the first set of case studies and more studies are currently being carried out. Readers interested in more details of the preliminary case studies can find the full versions of the reports originally developed by the project teams and summary presentations about each project online at: [www.iso.org/benefits\\_of\\_standards](http://www.iso.org/benefits_of_standards)

Economic benefits of standards – International case studies (ISBN 978-92-10556-7), A5 format, 303 pages, English edition only, is available from ISO national member institutes (see the complete list with contact details). It may also be obtained directly from the ISO Central Secretariat, through the ISO Store or by contacting the Marketing, Communication & Information department.



## KNOWING THE ANNA MEMBERS: GUATEMALAN NATIONAL NUMBERING AGENCY

### GENERAL COUNTRY DATA

Geographically, Guatemala is located in the Central American isthmus. The country is bordered by Mexico to the North; Belize and the Caribbean to the Northeast; and Honduras and El Salvador to the Southeast. Its area consists of 108,889 km<sup>2</sup> and its capital is Guatemala City. Its currency is the Quetzal (which has been fluctuating between Q.7.60 and Q.8.00 per USDollar). The Guatemalan population is 13.82 million inhabitants. Spanish is the language spoken by the majority of people, although 23 other indigenous languages are spoken throughout the country. Because of the different altitudes (between 0 and 4,200 meters) Guatemala has microclimates, which vary from tropical, warm and humid in the lowlands and colder in the highlands. Guatemala's main exports are coffee, sugar, cardamom and bananas. Its GDP is US\$ 41,190 MM.

### BOLSA DE VALORES NACIONAL, S.A.

#### General Information

Bolsa de Valores Nacional, S.A. is Guatemala's only Stock Exchange and the country's National Numbering Agency. It was created as a private corporation in 1986 and started operations in 1987. It is owned by 50 shareholders, 14 of whom operate brokerage firms. BVN is run by the Board of Directors and has 12 different Committees which are integrated by members of the Board.

#### Regulatory Environment

Guatemala's Securities Law (Decree 34-96 of the Republic's Congress) is based on the concept of self-regulation, establishing general concepts under which the securities market is allowed to operate including the authorization of companies that provide CSD services. Bolsa de Valores Nacional, S.A. provided, until June 2011 CSD services, although currently these services have been delegated to Central de Valores Nacional, S.A. who operates as an independent corporation.

Guatemala's securities market mainly consists of debt transactions, in which public securities with maturities between 1 month and 15 years are traded and private debt with maturities between 1 and 2 years are negotiated. The repo market is very active and most

of the transactions are made at less than 1 month term. The equity market is incipient. The transactions in all of our markets are made electronically, which enables the brokers to operate remotely.

### Numbering Agency Services

Bolsa de Valores Nacional, S.A. was accepted as ANNA Member in October 2010, having requested authorization in order to comply with international standards. As of this moment, ISIN codes are not the primary key identifier in the Guatemalan securities industry. Therefore, this being a relatively new codification scheme, only some of our issues have got an ISIN and CFI code.

Notwithstanding the above mentioned our aim as National Numbering Agency is to promote and support standardization in the identification of securities.

Bolsa de Valores Nacional, S. A.  
Luis Adolfo Romero  
Head of Systems Development Department

## LEGAL ENTITY IDENTIFIER OVERVIEW (BY SIFMA - SECURITIES INDUSTRY AND FINANCIAL MARKETS ASSOCIATION)

*A Legal Entity Identifier (LEI) is a unique ID associated with a single corporate entity. Although no common entity ID convention exists in the market today, a range of regulatory initiatives are driving the creation of universal LEI standard for financial markets.*


The lack of a standard identification system for financial counterparties makes it difficult for financial firms to develop a consistent and integrated view of their exposures, such as in the case of default of counterparty. This is a challenge not only for firms, but also creates an obstacle for regulators to aggregate and share information to effectively monitor risks.

Around the globe, regulators and firms are considering ways to overcome this fragmented system and create common identifiers. The importance of creating a common system of identifiers has been recognized in statements by the Financial Stability Board, IOSCO, and G-20 finance ministers and leaders (PDF). In the United States, Dodd-Frank mandated initiatives to create standard LEIs. The main effort is being driven by the Office of Financial Research (OFR), with the Commodities and Futures Trade Commission (CFTC) also issuing LEI standards around derivatives. The OFR has issued a statement regarding its preference to adopt through rulemaking a universal standard for identifying parties to financial contracts that is established and implemented by private industry and other relevant stakeholders through a consensus process. Regulators in Hong Kong, Canada, the Australian Securities and Investments Commission, as well as the International Organization of Securities Commissions, have all recognized the importance of developing an unique LEI.

SIFMA and others are working to help identify and develop an industry consensus LEI solution which regulators around the globe can endorse. Our goal is to work to develop a globally acceptable solution which can be the foundation for future LEI efforts in other jurisdictions, and we are working closely with global firms and trade associations as part of the process.

On May 3, SIFMA and 12 other trade associations released “Requirements for a Global Legal Entity Identifier (LEI) Solution” (PDF) outlining an industry consensus perspective on how the LEI system should work and requirements for the future potential LEI provider.

To help identify providers who could deliver this new LEI infrastructure, the Trade Associations & SIFMA launched a Solicitation of Interest (SOI) process on May 13, to solicit




responses from potential solution providers interested in delivering an LEI solution. It outlined a specific set of questions and prerequisites for potential providers, based on the LEI Requirements Document and other policy statements from regulators and industry participants.

The intent of the SOI was to assess the capabilities of providers against the expectations defined in the requirements document, and use that assessment process to deliver an industry recommendation of one or more solution providers. It drew on the experience and expertise of a diverse group of industry experts, who evaluated the submitted proposals. The SOI & evaluation process culminated in the July 11, 2011 recommendation for the LEI Solution Providers. Specifically:

- **Standards Body:** The International Organization for Standardization, i.e., ISO's new standard, ISO 17442, is recommended for use as the new, authoritative legal entity identification standard.
- **Core Issuing and Facilities Manager:** The Depository Trust & Clearing Corporation (DTCC) and the Society for Worldwide Interbank Financial Telecommunications (SWIFT), along with DTCC's wholly-owned subsidiary AVOX Limited, are recommended as key partners to operate the core LEI utility as the central point for data collection, data maintenance, LEI assignment, and quality assurance.
- **Federated Registration:** ANNA, through its network of local national numbering agencies (NNAs), is recommended as a key partner in the solution for registering, validating and maintaining LEIs for issuers, obligors, and other relevant parties in their home markets. The NNAs are envisioned to serve as the "face" of the LEI utility to those markets while leveraging the functionality of the centralized LEI utility for the assignment, further validation and global distribution of LEIs.

SIFMA and the other trade associations involved in this effort believe that the LEI standard, issuance capability and management solution outlined above represents a powerful foundation upon which the remaining aspects of an LEI system, such as governance, can be built.



The objective of the Trade Associations was to develop an international consensus-based recommendation for a single, uniform, and global LEI Solution. Having a single, universal identifier is the most important element in any LEI system. Only with a single, universal LEI standard will global regulators, supervisors, and private firms be better able to measure and monitor systemic risk and counterparty exposure. The recommendation was made in early July 2011 to ensure that a solution is available for use when regulators begin to adopt new rulemaking around the globe that benefits from the use of an LEI. The Trade Associations have subsequently delivered a letter to G-20 finance ministers requesting support for our recommendations.

For more information, visit [www.sifma.org](http://www.sifma.org)

## REGIONAL NEWS - AMEDA AND ALARG

During the second half of 2011 very important events took place in our regions!

AMEDA held its 14th meeting at New Cairo, Egypt on October 26th – 28th, 2011. During the meeting a Legal Working Committee was formed comprising the following members: Jordan, Saudi Arabia, Kenya, South Africa, Morocco and Nigeria. This committee will come up with a definition of the associate members, their rights and obligations.

With the aim of contributing with the securities industry's organizations, AMEDA will sponsor the CSD12 Meeting that will be held in St. Petersburg, Russia.

ACD Altree Custody Company joined AMEDA with observer status.

The Association's next meeting will be held in Tanja in the first quarter of 2012.

On the ALARG side, the 3rd ACSDA Leadership Forum (ALF) was hosted last November by Caja de Valores, the Argentinean NNA, in partnership with Mercado de Valores de Buenos Aires S.A. (Merval), the Buenos Aires Stock Market.

Nearly 100 member delegates, speakers, sponsors and other market players from 22 countries on four continents came together in Buenos Aires. Participants exchanged a wealth of knowledge, insights and experiences.

Held every two years since 2007, ALF is an important education, training and information-sharing program that focuses specifically on developing high potential staff within member organizations and other interested parties.

In this opportunity, Caja de Valores, acting as ALARG Regional Manager participated in a panel giving a presentation about ANNA and the importance of the standardization in the securities market. The information provided during the presentation was very well received by the attendees.

The event was also an excellent opportunity to hold meetings with many regional NNAs, and ANNA related matters were the main agenda items addressed.

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The interest to designate an NNA in Uruguay remains. The Central Bank is working hard to develop the technical infrastructure that is needed to implement the ISIN numbering system in the short term. The objective is to join the ANNA family in the General Meeting to be held in London in June 2012.

We hope to have more objectives achieved to share with you in the next edition!





## **PRESS RELEASE: ORDINARY GENERAL MEETING OF ANNA HELD IN TORONTO (JUNE 23 & 24, 2011)**

ANNA is pleased to share with the securities community the main topics that were discussed during the last General Meeting of the Association, which was held in Toronto, Canada, on June 23 & 24, 2011. The meeting was hosted by CDS (Clearing and Depository Services), the Canadian National Numbering Agency.

During the meeting, Euroclear Bank, represented by Mr. Dan Kuhnel was re-elected for another three-year period in the ANNA Board, and Mr. Kuhnel was also confirmed to continue acting as the Association's Chairman within the Board.

Two members of the ANNA Service Bureau Advisory Board were also re-elected: Ms. Elena Ulianova representing the Russian NNA (National Settlement Depository - MICEX Group); and Mr. José Manuel Alonso, representing Comisión Nacional del Mercado de Valores, the Spanish NNA.

The ANNA Chairman gave an overview of the activities and key areas managed by the Board after the last General Meeting. Presentations on different topics were given, and many resolutions were passed during the meeting, as detailed below:

- **ISO 6166 Registration Authority Agreement:** The execution of the Contract with ISO was approved by the membership, to formalise the relationship between ANNA and ISO.
- **The future of the ANNA Service Bureau (ASB):** Continuing with the renegotiation sessions held with the current operators and the RFP process, a draft contract and SLA were prepared with the assistance of external advisors and a Belgian law firm. These legal documents are currently being reviewed by the ASB operators.
- **Other ISO Standards on scope:** Resolutions were passed authorising the board to execute the Registration Authority Agreement for the following ISO Standards: ISO 10962 (CFI – Classification of Financial Instruments); ISO 18773/18774 (FISN – Financial Instrument Short Name); ISO 16372 (IGI – Issuer & Guarantor Identifier).

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The next General Meeting of the Association will be held in Jordan on December 8th & 9th, 2011, hosted by Securities Depository Center. A workshop for new members and partners will be organized for December 7th. This training session is expected to be very fruitful for the Arabic countries, since this will be the first time that an ANNA Workshop is given in the region.



## MEETINGS AND EVENTS ATTENDED BY ANNA BOARD MEMBERS

### Internal Meetings

- July 21/22 - ANNA Board meeting
- Sept 21 - ASB Advisory Board meeting
- Sept 22/23 - ANNA Board meeting
- Oct 18 – Meeting with ASB operators
- Oct 19 – ANNA WG2 meeting

### ISO related Meetings

- July 12 - TC68 WG6 conf call
- July 19 - TC68 WG6 conf call
- Aug 2 - TC68 Study Group conf call
- Aug 16 - TC68 Study Group conf call
- Sept 7 - TC68 WG6 conf call
- Sept 15 - TC68 Study Group conf call
- Oct 4 & 5 – TC68 Study Group meeting
- Oct 6 – TC68 WG6 meeting
- Oct 20 - TC68 Study Group conf call
- Nov 2 - International Standardization Conference
- Nov 3 - TC68 Study Group conf call
- Nov 9 - SC4 Working Group 1 conf call
- Nov 28 - SC4 Working Group 1 conf call (ISIN standard)
- Nov 29 - TC68 Study Group conf call

### LEI related Meetings

- July 19 - ASIFMA LEI implementation industry meeting
- July 20 - LEI implementation call with DTCC
- July 29 - ASIFMA LEI implementation conf call
- Aug 1 - DTCC/AVOX/SWIFT LEI implementation conf call
- Aug 8 - ASIFMA LEI implementation conf call
- Aug 10 - DTCC/AVOX/SWIFT LEI implementation conf call
- Aug 17 - DTCC/AVOX/SWIFT LEI implementation conf call
- Aug 22 - DTCC/AVOX/SWIFT LEI implementation conf call



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- Sept 1 - SIFMA/ASIFMA/DTCC/AVOX/SWIFT LEI implementation conf call
  - Sept 8 - SIFMA/ASIFMA/DTCC/AVOX/SWIFT LEI implementation conf call
  - Sept 15 - SIFMA/ASIFMA/DTCC/AVOX/SWIFT LEI implementation conf call
  - Sep 28 – Industry workshop organized by Financial Stability Board (FSB)
  - Oct 13 - SIFMA/ASIFMA/DTCC/AVOX/SWIFT LEI implementation conf call
  - Oct 20 - SIFMA/ASIFMA/DTCC/AVOX/SWIFT LEI implementation conf call
  - Oct 27 - SIFMA/ASIFMA/DTCC/AVOX/SWIFT LEI implementation conf call
  - Nov 3 - SIFMA/ASIFMA/DTCC/AVOX/SWIFT LEI implementation conf call
  - Nov 10 - SIFMA/ASIFMA/DTCC/AVOX/SWIFT LEI implementation conf call
  - Nov 29 - ASIFMA LEI committee meeting

#### External Meetings

- July 26 - meeting with HKEx on ISIN allocation rules for DTDC model
- November 8/11 – ALF - ACSDA Leadership Forum

## INVITATION LETTER



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**Association of National Numbering Agencies (ANNA)  
20<sup>th</sup> Anniversary Annual General Meeting  
14 & 15 June 2012 – London, UK**

December, 2011

Dear ANNA Members & Partners

The London Stock Exchange has the honour of hosting the ANNA 20<sup>th</sup> Anniversary Annual General Meeting on 14 & 15 June 2012.

The Annual General Meeting aims to provide an update on ANNA's activities as well as address administrative matters. The London meeting will also be an opportunity to celebrate 20 years of growth and development of ANNA in which we have all played a role.

We look forward to welcoming all Members and Partners to the London Stock Exchange. Your presence will ensure we have a productive and memorable event.

Further details will be circulated shortly, in the meantime, if you require more information do not hesitate to contact Emma Kalliomaki via email ([ekalliomaki@londonstockexchange.com](mailto:ekalliomaki@londonstockexchange.com)) or telephone +44207 797 4156.

Yours sincerely

David Lester

Director of Information Services  
London Stock Exchange



## **SAVE THESE DATES!**

The Next ANNA General Meeting is a very important one!!!

ANNA will be celebrating its 20th Anniversary... We are looking forward to your attendance!!!

London, June 14 & 15 2012

Host: London Stock Exchange (LSE)



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