



**PRESS RELEASE**

19 September 2000

**EMBARGO: NOT FOR PUBLICATION BEFORE TUESDAY 19 SEPTEMBER 2000**

**EUROPEAN SECURITIES FORUM (ESF) URGES PROGRESS TOWARDS THE CREATION OF A SINGLE UNIFIED PAN-EUROPEAN CENTRAL COUNTERPARTY, AND CONSOLIDATION OF SETTLEMENT.**

Pen Kent, Executive Chairman, ESF, in his keynote address to the Society of Investment Lawyers at its annual conference in Amsterdam today (Tuesday 19 September) called for the rationalisation of clearing and settlement systems within Europe.

He said:

- ◆ Collapse of iX makes no difference to the pursuit of these goals.
- ◆ ESF priorities are:
  1. The creation of a single European Central Counterparty for clearing and netting
  2. The rationalisation and simplification of the pan-European Settlement infrastructure
- ◆ ESF continues to encourage existing Central Counterparty providers to merge together to form a single mutual organisation which will be a not-for-profit, user-owned body which will provide
  1. Massive administrative economies
  2. Portfolio benefits in the management of risk
  3. Major savings in the provision of risk capital
- ◆ ESF aims to reduce the 30+ number of European settlement bodies to two or three organisations

A copy of Pen Kent's speech is attached

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## european securities forum

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### BACKGROUND NOTE

The European Securities Forum, which was created in 1998 represents the collective view of 24 of the largest world-wide investment organisations. The European Securities Forum comprises the major users of the clearing and settlement infrastructure in Europe. The forum has been established in response to rationalisation initiatives within the industry, to act as a neutral and objective facilitator of a rapid progression towards a powerful, efficient European capital market infrastructure. A list of its member companies is attached.

ABN AMRO Bank NV  
Banca d'Intermediazione  
Mobiliare IMI S.p.A.  
Bank of New York  
Barclays Bank plc  
Bayerische Hypo und  
Vereinsbank  
BNP Paribas

BSCH  
The Chase Manhattan Corp.  
Citigroup Inc  
Credit Suisse Group  
Deutsche Bank AG  
Donaldson, Lufkin & Jenrette  
Dresdner Bank AG  
Fortis Bank  
Goldman Sachs

HSBC Holdings plc  
ING Barings/BBL  
JP Morgan  
Lehman Brothers  
Merrill Lynch  
Morgan Stanley Dean Witter  
Nomura International plc  
State Street Bank & Trust  
UBS AG

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