

INTERNATIONAL ACTIVITIES

To promote greater harmonization between our operations and those of counterpart organizations abroad, we take an enthusiastic approach to international activities, including efforts to standardize clearing and settlement systems and structures.

COHOSTING INTERNATIONAL CONFERENCES

NOVEMBER 2005—9TH GENERAL MEETING OF ASIA-PACIFIC CSD GROUP In November 2005, JASDEC and Japan Securities Settlement & Custody, Inc. (JSSC), co-hosted the 9th General Meeting of the Asia-Pacific CSD Group, an association of central securities depositories in the Asia-Pacific region, in Tokyo. The meeting, which drew representatives from 26 organizations in 15 countries, provided participants with the chance to offer status reports on the implementation of respective clearing and settlement systems and highlight tasks still to be addressed. The venue was an ideal place for information exchange and prompted lively discussions among participants on several topics, including approaches to new business, technical responses to practical application of systems, and measures to deal with settlement risk.

April 2007—9TH CONFERENCE OF Central Securities Depositories

In April 2007, JASDEC, Korea Securities Depository and Taiwan Depository & Clearing Corporation, will jointly host the 9th Conference of Central Securities Depositories, or CSD9, in Seoul, South Korea. The event, which runs for three days, from April 11 to 13, will bring representatives from central securities depositories around the world together and focus attention on joint tasks hinging on harmonization and globalization trends in the world's financial and capital markets.

PLANNED DISCUSSION TOPICS AT CSD9*

● General panel discussion: "Harmonization and Globalization"

Focus on interoperability vs. consolidation, CSD governance and the Hague Securities Convention.

● Independent sessions:

1. Financing Cross-Border Trading:
Current Issues and Future Assignments for DVP
2. Tax Harmonization:
Future Opportunities for International Tax Treaties
3. Corporate Action Processing:
Current Issues and Sources of New Business for CSDs
4. Business Continuity Plans in Risk Management:
Current Issues and Future Challenges—with Case Studies
5. Challenging New Business Opportunities for CSDs

*Please note that these topics are only some of the subjects that are being considered for discussion and that the actual agenda may be significantly different.

CSD CONFERENCES Rotating regionally every two years, each conference is hosted by local CSDs in the chosen geographical area. Representatives from major CSDs around the world gather to hear reports on issues common to every market and pertinent developments that characterize the business. The conferences include various components, including a general panel discussion, and provide opportunities for participants to exchange information and ideas. The 8th Conference in New York in April 2005 drew more than 160 representatives from 64 countries.

SIGNING MEMORANDUMS OF UNDERSTANDING

Through memorandums of understanding with CSDs abroad, JASDEC is able to undertake information and personnel exchanges with counterpart organizations and offer training sessions of mutual benefit to all participants.

August 2003:	U.S. Depository Trust and Clearing Corporation (DTCC)
November 2004:	Taiwan Securities Central Depository Co., Ltd. (currently Taiwan Depository & Clearing Corporation (TDCC))
February 2005:	Korea Securities Depository (KSD)
June 2005:	China Securities Depository and Clearing Corporation Limited (CSD&C)

TACKLING STANDARDIZATION

Standardization of securities clearing and settlement is an important topic in every country, paralleling globalization of financial and capital markets. JASDEC always addresses system reform with changing standardization in other countries in mind.

Specifically, we identify developments, such as recommendations issued by the Group of Thirty (G30), the International Securities Services Association (ISSA) and a joint report by the Committee on Payment and Settlement Systems (CPSS) and the International Organization of Securities Commissions (IOSCO). We constantly monitor our own systems and form decisions on the direction of new services and improvements to existing services, based on prevailing trends abroad.