

Dear Colleague,

I am pleased to confirm that as Co-Chair of the G30 European Monitoring Committee, I have accepted the role of Chairman of the Giovannini Independent Advisory Group and would like to take this opportunity to invite you to the planned meetings:

The IAG is made up of representatives from organisations satisfying the 2 criteria laid out below.

1. **Membership of CESAME** – to ensure congruency with the overall direction of the Giovannini initiative
2. **Consultation response** – The organisation must have responded to the Jan-April Barrier 1 consultation published by SWIFT

The following explicit exceptions have been made:

1. **Fix Protocol Limited:** Invited as a standards participant in the securities industry
2. **ISSA:** Invited to ensure congruency with the overall direction of the G30 initiative (ISSA are lead organisation for G30 Recommendation 2, a global communication protocol)
3. **SMPG:** Invited as co-collaborator with SWIFT in defining the protocol, as mandated by the Giovannini Group
4. **SWIFT ISO Standards:** Invited as a standards participant in the securities industry

I am confident that the formation of the IAG will ensure that the principles of Neutrality and Openness, established at the outset of SWIFT's recent consultation process, are maintained throughout the drafting of the final recommendation.

#### **Group mandate**

The role of the IAG is to review the output of the Barrier 1 consultation process. This output will be summarised and presented to the group for ratification where a clear way forward is identified, or for discussion and agreement of the most appropriate solution for the industry where no definitive view prevails.

A practical example of the anticipated role of the group would be as follows:

*Question 4.5 of the consultation document asked if a mandatory compliance window should be established when new communication standards are released to the market.*

- a) **Ratification:** An average of 78% of the 54 respondents to Question 4.5 agreed that there is a need for a fixed window by the end of which all industry participants should have implemented the recommended change. The IAG would be asked to ratify this.
- b) **Recommendation:** Whilst the vast majority of respondents agree with the concept, there was no universal consensus on how long such a window should last:
  - a. 7%: 6 months

- b. 20%: > 6 months
- c. 4%: 12 months
- d. 20%:>12 months
- e. 49%: no opinion

The IAG will be asked to debate and agree a reasonable duration for a compliance window.

Finally, the IAG will be asked to sign off on the definition of the recommended protocol.

**Meeting logistics**

The group will meet 4 times, on the dates shown below, to provide input to the first draft of the protocol which SWIFT intends to publish in Q4 of 2005:

July 19th  
August 3rd  
August 23rd  
September 12th.

All meetings will be hosted centrally at the SWIFT office in Brussels.

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1310 La Hulpe  
Belgium

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For those who are unable to attend in person, conference numbers will be provided although personal attendance is strongly recommended.

The meetings will begin at 11.00am and last until 5.00pm with a working lunch being provided. This is to permit arrival and departure on the same day and minimise participant attendance costs.

The agenda and background information will be circulated at least 1 week prior to each meeting.

The July 19th meeting will discuss and agree:

1. The content of the response summary document which is appended to this invite
2. The scope of the project
3. Appropriateness of the 9 element proposal in the consultation paper
4. The content of the network layer

***Pre reading for this meeting is attached to this email***

Can I ask you to confirm your attendance directly to Andrew by return so that appropriate Security arrangements can be made for your arrival on the 19<sup>th</sup>.

Thank you for your support and I look forward to seeing you on the 19<sup>th</sup> July.

Best Regards

Stephan Schuster  
IAG Chairman

Attachments:

Consultation paper

Consultation response summary

[Invitee list](#)