

International Capital Market Association

For almost 50 years, the International Capital Market Association (ICMA) has made a significant contribution to the development of the international capital market by facilitating the interaction between all market participants: issuers, lead managers, dealers and investors.

From its modest offshore beginnings the international capital market has grown into a broad and deep market, serving the funding needs of governments, supranationals and corporates from all over the world. As the market has expanded across geographic boundaries and product areas, it has assisted the free movement of capital across borders and the integration of economies, removing obstacles and linking the different national markets together, enhancing structural reform and integration of capital and financial markets.

ICMA represents members worldwide, who are active in the international capital market on a cross border basis. ICMA is distinct from other trade associations in representing both the buy-side and the sell-side of the industry.

ICMA has its head office in Zurich, where it was founded in 1969, with a subsidiary in London and a representative office in Paris. While ICMA has traditionally been most active in the international debt market, it focuses today on all types of securities, taking full account of the increasing integration between the debt and equity, cash and derivatives markets, working with other trade associations where it makes sense to do so.

ICMA's mission is to promote resilient and well functioning international debt capital markets, which are necessary for economic growth, for the benefit of all market participants.

What we do

ICMA is committed to:

- Helping to build trust in the industry by promoting best market practice through the development of appropriate, industry accepted, guidelines, rules, recommendations and standard documentation to maintain and enhance the framework of cross border issuing, trading and investing in debt instruments;
- Bringing all segments of the industry together and encouraging dialogue between the industry as a whole and the authorities - including governments, regulators and central banks - at national and international level to ensure that financial regulation promotes, in a balanced and proportionate way, the resilience, efficiency and cost effectiveness of international debt capital markets;
- Promoting networking and information flow amongst market participants and between market participants and the authorities, by organising market conferences, seminars, roundtables and meetings;
- Promoting high professional standards for market participants through market focused education.

History

1963

First Eurobond issue for Autostrade.

1969

The Association of International Bond Dealers (AIBD) established in response to settlement crisis in the Eurobond market.

1980s

AIBD provides data services and transaction matching system to the market.

1984

The International Primary Market Association (IPMA) founded to provide recommendations on issuing practice.

1992

AIBD changes its name to the International Securities Market Association (ISMA).

2005

ISMA and IPMA merge to create the International Capital Market Association.

Membership

ICMA has more than 430 members located in 50 countries worldwide drawn from both the buy and sell-side of the market. It is primarily a pan-European association, but with strong links and a number of members outside Europe.

ICMA's full members are firms who actively deal in securities and include: securities dealers and brokers; regional and commercial banks; private banks; asset managers; investment banks and issuers.

Associate membership is open to organisations that play an important role in the market and maintain close relations with ICMA, including professional advisors, such as legal firms.

Organisation and governance

Members have the authority to elect the ICMA Board, approve the accounts and determine the annual subscription by voting at the AGM.

The Board consisting of 15 elected representatives of member firms and the ICMA Chief Executive, performs a supervisory role.

The Executive Committee has responsibility for the executive management and administration of the Association. The Executive Committee reports to the board through the Chief Executive.

Committees, councils and working groups on market practice and regulation

Participation in ICMA's committees, councils and working groups allows members to provide expert input and direction in its work. They are valued as forums for discussion and reaching a consensus on topics of common interest. Specific working groups under the various committees address individual work streams.

Secondary Market Practices Committee

The Secondary Market Practices Committee comprises market practitioners in the secondary debt market. Its overall focus is to ensure the efficient functioning of this market by regular review of ICMA's rules and market practice. It is currently considering the implications of MiFID II for the international capital market.

Primary Market Practices Committee

The Primary Market Practices Committee consists of the syndication managers of member firms active in arranging syndicated bond issues in Europe. The committee is concerned with market practice in the primary market, including the ICMA Primary Market Handbook (IPMA Handbook).

Regulatory Policy Committee

The Regulatory Policy Committee oversees all of ICMA's regulatory policy and market practices work. It consists of the government affairs, regulatory and compliance heads in member firms; the chairs of the sub-committees forming part of the market practices committee are also invited to its meetings.

Legal & Documentation Committee

The Legal & Documentation Committee consists of the heads and senior members of the legal transaction management teams of member firms active in lead-managing syndicated bond issues in Europe. It is concerned with market practice on documentation, including the ICMA Primary Market Handbook (IPMA Handbook), and related regulatory issues.

Asset Management and Investors Council (AMIC)

AMIC represents ICMA's buy-side members and comprises asset managers, treasurers of official institutions and representatives of private banks and hedge funds. AMIC is a forum for discussion of regulatory affairs, market trends and specific market practice issues affecting the buy-side, with working groups set up at the instigation of members to consider specific products, markets and regulatory initiatives.

Covered Bond Investor Council (CBIC)

CBIC is an investor driven grouping within AMIC which is concerned with the development of the covered bond market in Europe. It promotes high quality, simplicity and transparency, of the covered bond product. Its current focus is on improving transparency making it possible for investors to compare different covered bond programmes.

Collateral Initiatives Coordination Forum (CICF)

ICMA provides secretariat support for the CICF, which is a joint trade associations' body, facilitating appropriate coordination across the private sector of all collateral-related initiatives. Bringing together a broad range of representation from right across the financial industry, the CICF provides a channel for information sharing, education and joint endeavours in the field of collateral.

Euro Commercial Paper Committee

The Euro Commercial Paper committee comprises the heads and senior members of the ECP teams of member banks active in this market sector. It is concerned with the functioning of the ECP market, including maintenance of documentation standards, disclosure, the restructuring and revival of the asset-backed CP market, and regulatory issues affecting the market.

European Repo Council (ERC) and Committee

The European Repo Council has been instrumental in developing standard market practice as the repo market in Europe has developed since the early 1990s. The European Repo Committee (ERC) is the governing board of the European Repo Council consisting of 19 market practitioners drawn from and elected by the European Repo Council.

The European Repo Council meets regularly to discuss market developments and make representations to the European Central Bank, Euroclear, Clearstream and national CSDs.

Financial Institution Issuer Forum (FIIF)

The Financial Institution Issuer Forum comprises those banks that are the most active in issuing debt in the European markets. It addresses topics which are of mutual interest to bank issuers, such as the impact of the bail-in proposals on senior unsecured debt and the market for contingent convertibles, amongst others.

ICMA Euro Debt Market AMTE Council

The ICMA AMTE Council, based in Paris, acts as the Secretariat of the French Primary Dealers Market Committee. In addition to this role, the ICMA AMTE Council liaises between the Market Committee and the various ICMA committees and councils.

Its members include the French Debt Management Office, (Agence France Trésor), the French primary dealers and trading platforms.

Public Sector Issuer Forum (PSIF)

Borrowing by public issuers - sovereigns, supras and agencies (SSAs) - will dominate the markets for the next few years. The need for a neutral forum for them to discuss market related issues of mutual interest is met by the Paris-based, Public Sector Issuer Forum. This draws on ICMA expertise, with a focus on market practices (such as recent debt buyback guidelines and future work on improving transparency in disclosing terms and conditions for government borrowers, new issue processes etc) and responds to regulatory initiatives.

Regional organisation

ICMA has thirteen regions, each of which has its own committee which meets to deal with specific regional matters and organises meetings of the regional membership. The Committee of Regional Representatives (comprised

of the regional chairmen) reports directly to the board of ICMA, enabling the viewpoints of each region to be fully represented.

The 13 regions are: Austria, Eastern and South Eastern Europe; Belgium; France and Monaco; Germany; Iberia;

Italy; Luxembourg; Middle East, Far East and Africa; the Netherlands; the Nordic countries; Russia and the CIS; Switzerland and Liechtenstein; United Kingdom, Ireland and the Americas. For the Gulf, Latin America and Greece, Turkey, Cyprus and Balkan States, chapters have been established to deal with issues specific to these areas.

ICMA Executive Education

Investment in executive education for the financial markets has been a priority for ICMA for more than three decades. The combination of market experience and academic expertise gives ICMA a unique advantage in the provision of quality training and education. All of ICMA's Executive Education courses are administered and overseen by the ICMA Centre and its faculty.

The ICMA Centre is a purpose built facility at Henley Business School, University of Reading in the UK, funded entirely by ICMA and uniquely featuring state of the art dealing rooms to provide students with hands on experience (see www.icmacentre.reading.ac.uk). It runs academic programmes in international securities, investment and banking.

The Association's core Executive Education programmes are all recognised as certificates of competence in the capital markets and are successfully completed by large numbers of international participants each year. The Executive Education offering includes specialised courses in markets, products

and operations, including Collateral Management, Corporate Actions, Global Custody and Derivatives Operations. Customised programmes are available for ICMA member firms.

ICMA Executive Education now offers two Diplomas, focused on either Securities and Derivatives or Financial Market Operations. Each Diploma can be achieved by candidates successfully completing the prescribed courses at Level I and Level II with two options taken from Level III in the same pathway.

ICMA Executive Education Courses

Level I Introductory programmes

Financial Markets Foundation Course

Securities Operations Foundation Course

Level II Intermediate programmes

International Fixed Income and Derivatives Certificate Programme

Operations Certificate Programme

Primary Market Certificate

Level III Specialist programmes include

Collateral Management

Commodities – An Introduction

Commodities – Trading and Investment Strategies

Corporate Actions – An Introduction

Corporate Actions – Operational Challenges

Credit Default Swaps (CDS) – Pricing, Applications and Features

Credit Default Swaps (CDS) – Operations

Derivative Credit Risk – Analysis and Management

Derivatives Operations

Fixed Income Portfolio Management

Global Custody

Inflation-linked Bonds and Structures

Securities Lending & Borrowing

Securitisation – Structuring and Valuation

Technical Analysis and Inter-Market Trading

Trading and Hedging Short-Term Interest Rate Risk

Trading the Yield Curve with Interest Rate Derivatives

Skills courses

Successful Sales

Mastering Mandates

ICMA members have the opportunity to participate in these high quality executive education programmes at preferential rates.

Events

ICMA offers an extensive programme of conferences, roundtables and social events throughout the year for its members across Europe, covering all the market sectors in which it is active. Regular workshops for market participants on the Global Master Repurchase Agreement, Secondary Market Rulebook and Primary Market Handbook support the use of ICMA's documentation. The ICMA AGM and related conference is a major international event which allows the entire membership to gather and debate the issues of the day and to hear the views of market experts.

Contact:
education@icmagroup.org
for more information.

Market practice and regulatory policy

ICMA provides services for members through its market practice and regulatory policy activities in Europe and beyond by:

- setting standards of good practice for orderly markets, in consultation with members, so that membership is seen as a “seal of approval” by their peers, supervisors and regulators;
 - consulting members and representing members’ views to regulators and central banks on cross-border regulatory issues that affect them;
 - representing both the sell-side and buy-side together, when they agree, and facilitating dialogue between them;
 - working in cooperation with other trade associations, where it is in ICMA’s members’ interests; and
- sharing ICMA’s experience of setting standards of good market practice in Europe with trade associations and self-regulatory organisations in Europe and other parts of the world.

Given ICMA’s geographically diverse membership, ICMA concentrates on cross-border, rather than domestic, regulatory and market practice issues.

ICMA works closely with members through its market practices and regulatory policy committees and councils.

Market practice – rules, recommendations and standard documentation

All ICMA members have access to the ICMA Primary Market Handbook (IPMA Handbook), ICMA’s rules and recommendations for the secondary market and the legal opinions on the Global Master Repurchase Agreement.

ICMA’s legal help desk offers guidance to members in all these areas.

Legal help desk
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Primary market

The ICMA Primary Market Handbook (IPMA Handbook) is a comprehensive document covering the issuance of a broad range of international securities, continuously responding to market developments when guidance is required. It is the most widely used issuing framework in the international debt markets worldwide.

Secondary market

ICMA’s rules and recommendations for the secondary market form a reliable framework for trading debt and related securities (both between members as well as between members and other professional market participants) and for the clearing and settlement of trades in such securities.

Repo

In the rapidly expanding cross-border repo market ICMA has been an active force in standardising documentation. The Global Master Repurchase Agreement (GMRA) is the most predominantly used standard master agreement for repo transactions in the cross-border repo market. The GMRA 2011 developed by the Association, is underpinned by legal opinions from over 60 jurisdictions which address the enforceability of the netting provisions of the GMRA, and the validity of the agreement as a whole. ICMA provides its members with guidance on the GMRA and is the sole provider of industry standard legal opinions on the agreement.

Dispute resolution – conciliation and arbitration

In the event of a dispute, ICMA makes its conciliation and arbitration procedures available to members and other interested parties enabling them to resolve their

disputes in a swift and cost efficient manner with the help of experienced market experts.

Regulatory status and international recognition

In Switzerland, ICMA's domicile, the Swiss Federal Banking Commission (SFBC) recognised the Association in 1998 as an "institution similar to an exchange" and submitted it in part under the Federal Act on Stock Exchanges and Securities Trading (SESTA). At the same time, the SFBC granted ICMA a license to operate as an institution similar to an exchange and approved ICMA's statutes and by-laws. In the UK, the Department for Trade and Industry approved ICMA in 1988 as an "international securities self-regulating organisation" (ISSRO) for the purposes of the Financial Services Act 1986. Under the Financial Services and Markets Act 2000, which came into force in December 2001, ICMA retained its ISSRO status.

Also in the UK, the predecessor of the Financial Services Authority (FSA), the Securities and Investments Board

(SIB), designated ICMA in 1988 as a Designated Investment Exchange (DIE) under its Conduct of Business Rules. Designation by the FSA means that transactions on the relevant exchanges are more favourably treated for the purpose of the relevant FSA rules.

ICMA is an affiliate member of the International Organisation of Securities Commissions (IOSCO) and in consequence, a member of the IOSCO Self-Regulatory Organisation Consultative Committee (SROCC).

ICMA is also a member of the International Council of Securities Associations (ICSA), a global forum for non-governmental regulatory organisations, whose aim is to encourage the sound growth of the international securities markets by promoting harmonisation in the procedures and regulations of these markets.

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