

GLOBAL MONEY MANAGEMENT

THOMAS MURRAY: G30 RECOMMENDATIONS GOING SLOWLY.

The slow implementation of the nine recommendations in the Group of Thirty's (G30) 1989 report on *Clearance and Settlement Systems in the World's Securities Markets* is hampering the rapid development of international securities markets, according to the *Worldwide Securities Market Report* by Thomas Murray, the London-based custody consultancy. Derek Duggan, director at Thomas Murray and the report's author, noted that 57% of the 71 countries surveyed still fail to implement over six of the G30's nine recommendations and 11% have not implemented any.

On a regional basis, North America complies most closely with the recommendations, with nearly full compliance. On average, implementation in Europe has been more erratic. European countries have put into practice just over six of the G30's recommendations, observed Duggan, adding that South America and Africa have hardly started. He noted that those countries which had developed sophisticated transaction systems before the publication of the G30 report are often the most tardy in implementing recommendations. This is because changes to existing structures prove expensive and time consuming, he explained. As an example, he noted, that despite its advanced Central Securities Depository (CSD) and settlements system, the French do not want to abandon month-end settlement. The nine G30 recommendations to shorten and standardise settlement periods globally include final settlement on T+3, comparison of trades at T+1 and delivery versus payment.

