



## **ISDA Wins Regulation Asia's Industry Association of the Year Award**

**NEW YORK, November 15, 2023** – The International Swaps and Derivatives Association Inc. (ISDA) has been named Industry Association of the Year by Regulation Asia at its sixth annual [Awards for Excellence 2023](#).

The award recognizes industry associations that have shown exceptional leadership in driving regulatory reforms, addressing compliance challenges and promoting financial system stability, including through the development of industry standards, best practices and educational initiatives.

In deciding the award, the panel of judges highlighted several key ISDA projects intended to improve derivatives market efficiency, including the launch of a digital regulatory reporting initiative, efforts to smooth the transition from LIBOR, work to prepare the industry for initial margin requirements for non-cleared derivatives, and support for banks in their implementation of Basel III through benchmark exercises, research and policy advocacy.

The judges also pointed to several initiatives to foster industry best practices and standards, including development of the Common Domain Model (CDM), a free data standard for financial products, trades and lifecycle events, and the ISDA Create online documentation negotiation platform.

“ISDA continues to provide robust support to the industry and plays a crucial role in mitigating risk and reducing costs for market participants,” said one judge on the Regulation Asia awards panel.

This is the second Industry Association of the Year award that ISDA has won this year, following recognition at the [GlobalCapital Global Derivatives Awards 2023](#).

“We’re delighted to be recognized by Regulation Asia for our work to foster safer and more efficient derivatives markets. Over the past year, we’ve maintained our focus on developing legal standards and advancing mutualized solutions to address common industry issues. We’ll continue to work with our members to further reduce complexity and cut costs for market participants,” said Scott O’Malia, ISDA Chief Executive.

**Digital Regulatory Reporting (DRR):** Regulators around the world are updating their reporting rules to incorporate international data standards, but market participants need to implement these rule changes consistently.

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[ISDA's DRR initiative](#) leverages the [CDM](#) to transform a mutualized interpretation of the rules into human-readable and machine-executable code. The first iteration of the DRR was launched ahead of the initial set of reporting rule changes introduced by the US Commodity Futures Trading Commission on December 5, 2022, and will now be extended to other jurisdictions, including the EU and Japan in April 2024. The DRR creates significant efficiencies and cost savings, while also delivering more accurate data to regulators.

**LIBOR:** The final five US dollar LIBOR settings ceased publication on a representative basis from June 30, 2023. The development of [robust contractual fallbacks](#) – an initiative led by ISDA at the request of the Financial Stability Board – provided a critical safety net for US dollar LIBOR derivatives contracts, allowing them to automatically switch to an adjusted version of SOFR at the point of cessation/non-representativeness. Over 16,200 entities have adhered to the [ISDA 2020 IBOR Fallbacks Protocol](#), which allows firms to include the fallbacks in legacy non-cleared derivatives transactions entered into with other adhering parties.

**Margin:** The [ISDA Standard Initial Margin Model](#) (ISDA SIMM) has been critical for compliance with margin requirements for non-cleared derivatives, providing a single, consistent methodology for calculating initial margin requirements. This model is maintained by ISDA and subject to a comprehensive annual recalibration process (with a move to [semiannual calibration](#) planned for 2025). In addition, [ISDA Create](#), an online platform that enables users to electronically negotiate documentation, has allowed firms to yield [significant efficiencies](#) in managing the substantial documentation requirements associated with the exchange of initial margin.

**Benchmarking:** With regulators in the major jurisdictions having published proposed rules to adopt the final parts of the Basel III framework, implementation issues are increasingly coming to the fore. To support banks and regulators, ISDA has developed a sophisticated [benchmarking initiative](#) to facilitate consistent and accurate implementation of the standardized approaches for market risk, counterparty credit risk and credit valuation adjustment risk. ISDA's benchmarking solution has been used by 77 banks and 20 regulators across 20 countries to benchmark hundreds of portfolios. It is underpinned by Perun, a quantitative analysis platform developed by ISDA's in-house analytics team.

**Digitization:** ISDA is in the process of digitizing key legal documentation for derivatives. The [ISDA MyLibrary platform](#) now hosts around 90 derivatives documents in digital form, including the flagship ISDA Master Agreement. The platform means firms can quickly pinpoint crucial contractual terms rather than trawling through hundreds of pages of legal documents in PDF or paper form, bringing significant efficiencies and time savings. New documents are being added to MyLibrary all the time, and ISDA is exploring the use of artificial intelligence to make that process quicker.

ISDA is now bringing all its digital solutions and team members who handle digital transformation under a single umbrella – a change designed to align ISDA's mutualized digital solutions, encourage innovation and ensure the prioritization of key industry issues.

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**About ISDA**

Since 1985, ISDA has worked to make the global derivatives markets safer and more efficient. Today, ISDA has over 1,000 member institutions from 77 countries. These members comprise a broad range of derivatives market participants, including corporations, investment managers, government and supranational entities, insurance companies, energy and commodities firms, and international and regional banks. In addition to market participants, members also include key components of the derivatives market infrastructure, such as exchanges, intermediaries, clearing houses and repositories, as well as law firms, accounting firms and other service providers. Information about ISDA and its activities is available on the Association's website: [www.isda.org](http://www.isda.org). Follow us on [Twitter](#), [LinkedIn](#), [Facebook](#) and [YouTube](#).