

# ISLA<sup>®</sup>

## Membership Matters: Helping Us to Define Our Vision to 2030

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April 2026



# Foreword

On the strength of a 30-year legacy, the International Securities Lending Association (ISLA) plays an important role in the securities finance ecosystem by representing the common interests of over 220 members globally.

From developing market standards and best practices, to driving industry advocacy and regulatory outcomes, we have supported our members to ensure the industry, as a whole, can continue to grow and fulfil its fundamental role in the global capital markets.

As we move through 2026, our market continues to be reshaped by regulatory change. From the complexities of Basel III to the operational demands of SFTR and SEC 10c-1a, the pressures on costs, balance sheet, and capital efficiency are increasingly acute.

To ensure our services and strategy are aligned to the needs of our members, we launched a member survey in early 2026... You told us that uncertainty around capital frameworks and fragmented reporting remain significant barriers to efficiency and that you look to ISLA to, first and foremost, provide certainty and consistency through industry standard legal documentation, regulatory advocacy and industry

best practices to support your commercial activities. At the same time, you asked us to be more proactive in championing the value of our industry to the wider financial ecosystem, whilst also working more closely with our affiliate entity, ISLA Americas, and other regional associations to provide a harmonised advocacy voice that reflects the global nature of ISLA's membership.

In response, we have already taken proactive steps towards shifting our approach.

Firstly, we have reviewed our near- and medium-term priorities across our Advocacy, Legal and Digital teams to ensure they are aligned to the feedback we received. The outcomes of that process are outlined in more detail in this document and reflect key areas of our advocacy, legal and digital work, including Basel III application, UCITS, pledge collateral, EU Market Infrastructure & Supervisory Package, T+1 in the UK

and EU, regulatory reporting and digital, crypto-asset regulations, new markets, Sharia-compliant lending, and expansion of the GMSLA netting opinion coverage.

Secondly, we have established Advocacy, Public Policy & Regulatory Strategy as a core execution pillar. This marks our transition from reactive technical analysis, toward a high-impact public policy strategy designed to proactively address regulatory change proposals and reduce the risk of unintended consequences.

Thirdly, our Events, Content & Communications team will now formally provide global support across both ISLA and ISLA Americas, ensuring our events and content truly showcase our work across both entities, while also delivering more cohesive output, reflecting multi-jurisdictional operating models, and addressing the growing demand for a unified global advocacy voice across regions.

We hope you will find the information and insights of value, and would like to thank you once again for your feedback on our survey; we also encourage our members to share their insights with us on an ongoing basis, so we can ensure we address the evolving needs of the industry.

Thank you for your continued engagement and trust.

**Ina Budh-Raja**  
Chief Executive Officer

Over  
**30**  
Years Serving the  
Securities Lending  
Industry

Over  
**220**  
Industry Members Across  
the Value Chain

**30**  
Countries Represented by  
Our Member Firms

**69**  
Jurisdictions Covered  
by the GMSLA

**17**  
Industry Working  
Groups &  
Committees

Over  
**1200**  
Attendees to our  
Industry Events

# Strategy at a Glance

## 1 Advocacy & Public Policy: Navigating Regulatory Change

### Near-Term: 2026 Focus

Our immediate work centers on responding to critical legislative shifts as well as proactive regulatory engagement across key jurisdictions:

- **Basel III & Capital Requirements**  
We will drive direct advocacy to reduce punitive risk weights for unrated entities (e.g., UCITS) and short-term SFTs in the EU, UK, and US.
- **Digital Integration**  
We will push for clear, harmonised regulatory frameworks for the use of digital assets within securities finance.
- **Market Guidance**  
We are developing bespoke regulatory guides for emerging markets to align local practices with international standards.
- **Reporting Compliance**  
Working alongside ISLA Americas, we will represent the market for reporting consolidations such as SFTR, MiFID, and EMIR and 10c-1a.

### Medium-Term: 2026–2030

Over the coming years, our focus will shift toward standardising the global landscape and reducing operational friction:

- **Harmonisation**  
Establish industry-wide standard ensuring retail aggregators have a clear, outcome-focused framework.
- **Operational Efficiency**  
Promoting the CDM and Digital Regulatory Reporting (DRR) to reduce the cost and operational burden of compliance across the EU and UK.

### Long-Term: Vision 2030

By 2030, ISLA's goal is to have fostered a regulatory environment where securities lending is recognised as a vital, low-risk component of the financial system:

- **The Global Voice**  
Serving as the primary advocate for the SFT industry, ensuring that the extraterritorial impacts of US and EU legislation are coordinated.
- **Market Enabler**  
Having successfully removed ambiguities in market rules (e.g., “beneficial ownership” definitions in the EU) to allow for seamless cross-border lending.
- **Reputational Excellence**  
Successfully shifting the market perception of securities lending through proactive education and data-driven thought leadership, ensuring it is viewed as a pillar of market liquidity.
- **Collateral Flexibility**  
Advocating to US policy makers on a broader range of non-US equities to be accepted as eligible collateral.

## 2 Legal Services: Prioritising Legal Certainty

### Near-Term: 2026 Focus

Our immediate priority is broadening the scope of the GMSLA to encompass emerging asset classes and diverse market requirements:

- **Product Expansion**  
We will finalise the Digital Assets Annex and publish the Islamic Finance structure for SFTs.
- **Regional Growth**  
We will publish new annexes (Philippines and Indonesia) and expand our netting opinion coverage to include more jurisdictions.
- **Digital Infrastructure**  
The Pledge opinions library will be available on aosphere making it easier for members to access the documentation they need, when they need it.

### Medium-Term: 2026–2030

As we move toward 2030, our focus will shift from expansion to the deep integration of technology within our legal standards:

- **Automation**  
The clause library will be updated to ensure standards support AI-driven contract review and automation tools.
- **Digital GMSLA**  
The GMSLA will go fully digital and we will develop Smartcontract standards as they become applicable to market infrastructure.
- **Advanced Netting Services**  
Our netting and pledge opinion services will expand to in line with new product coverage requested by member firms.

### Long-Term: Vision 2030

Our 2030 vision is to establish a seamless, automated legal ecosystem for the industry:

- **The Global Standard**  
ISLA will serve as the definitive global source for legal standards and netting opinions across all aspects of Securities Lending (Title Transfer, Pledge, Islamic Finance, and Crypto).
- **Efficiency Utility**  
The Clause Library & Taxonomy will be a central industry utility that drives end-to-end automation and operational efficiency.
- **Global Advocacy**  
We will act as the primary advocate for netting legislation and regulatory developments worldwide, ensuring the GMSLA framework remains robust under evolving global constructs.

## 3 Market Structure & RegTech: Transitioning to a Digital Ecosystem

### Near-Term: 2026 Focus

Our immediate operational work centers on preparing the industry for structural changes in settlement and compliance:

- **Accelerated Settlement**  
We will drive the transition to T+1 settlement through Best Practice updates and EU/UK taskforce workgroups.
- **Reporting Stability**  
We will address short-term fixes for SFTR and the extraterritorial impacts of SEC 10c-1a.
- **Global Collaboration**  
We will engage with the UK Digital Taskforce and Global Digital Finance to represent securities finance in emerging digital asset architectures.

### Medium-Term: 2026–2030

As we progress toward 2030, our focus transitions from manual maintenance to systemic automation:

- **Digital Integration**  
Including DLT and digital assets in the ISLA Best Practice Handbook including new asset classes and native digital securities.
- **Reporting Evolution**  
Supporting the digitisation of regulatory reporting through the CDM and Digital Regulatory Reporting (DRR).
- **Industry Synchronisation**  
Harmonising securities finance standards with other associations inc. ISITC, ICMA, AFME, and ISDA.

### Long-Term: Vision 2030

By 2030, ISLA aims to support a frictionless, “pull-based” reporting environment and a fully digital securities finance ecosystem:

- **The Authoritative Source**  
The ISLA Best Practice Handbook will be the definitive global source for securities finance industry standards.
- **Modern Reporting**  
Shifting the industry from a “push” to a “pull” reporting model, significantly reducing the compliance burden on member firms.
- **Seamless securities finance Landscape**  
Ensuring digital assets and DLT-based architectures are a standard part of the “Business As Usual” (BAU) landscape, supported by robust, automated market practices.

## 4 Digital Standards: Architecture for a De-Fi Future

### Near-Term: 2026 Focus

Our immediate technical roadmap focuses on practical applications of the CDM to solve current regulatory burdens:

- **Lifecycle Representation**  
We will increase CDM capabilities to cover the full SFT lifecycle—from initiation and maintenance to termination.
- **Regulatory Reporting**  
We will deliver SFTR Digital Regulatory Reporting (DRR) and preparing the model to support SEC 10c-1a requirements.
- **Member Engagement**  
We will further develop CDM Handbooks, workshops, and blogs to support member adoption.

### Medium-Term: 2026–2030

As the model matures, we will focus on ensuring the CDM is the “common language” across all platforms:

- **Cross-Industry Compatibility**  
Ensuring the CDM is fully compatible with global industry standards (ISO, FIX, FpML, DAML) and advocating for its adoption within DLT architectures.
- **Smart Contracts**  
Developing interoperable standards for contract negotiation and “smart contract” representations of the GMSLA.

### Long-Term: Vision 2030

By 2030, the CDM will serve as the foundational utility for the global securities lending market:

- **The Global Standard Model**  
All securities finance data will conform to the CDM standard, providing a “golden source”.
- **The End of “Push” Reporting**  
The CDM will act as the industry gateway, allowing firms to move away from manual in-house processes toward a “pull” reporting model.
- **Fully Digitised Legals**  
Legal frameworks, opinions, and master agreements will be natively integrated into digital workflows, ensuring compliance is automated and real-time.
- **Standardised Workflows**  
Integrating KYC data standards and ALD into CDM-based DLT workflows.

# Advocacy & Public Policy: Navigating Regulatory Change

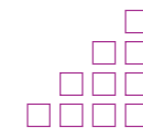
The industry is grappling with broad-base regulatory frameworks that impact capital costs and balance sheet efficiency, alongside ever-increasing reporting demands and its associated costs.

Our advocacy strategy seeks to position securities lending as a core enabler of efficient and resilient capital markets by expanding ISLA's global outreach and provide essential education, empowering members through proactive advocacy and reputation building. By doing so, we can support regulatory change, mitigate adverse impacts and secure a robust foundation for members to execute commercial opportunities

Uncertainty around capital as well as diverging and fragmented tax rules across jurisdictions continue to be a significant barrier to efficient lending across markets.

Addressing these barriers requires not only the adoption of more capital-efficient legal structures such as Pledge, but also dedicated advocacy to ensure that prudential regulations do not inadvertently disadvantage lending from funds.

Our members also want us to be more proactive in championing the value of securities lending. To address this, we recently established an Advocacy and Public Policy committee as its own key strategic pillar at ISLA, designed to shift our focus from reactive technical analysis toward a more proactive, regulatory strategy on behalf of the securities lending Industry.

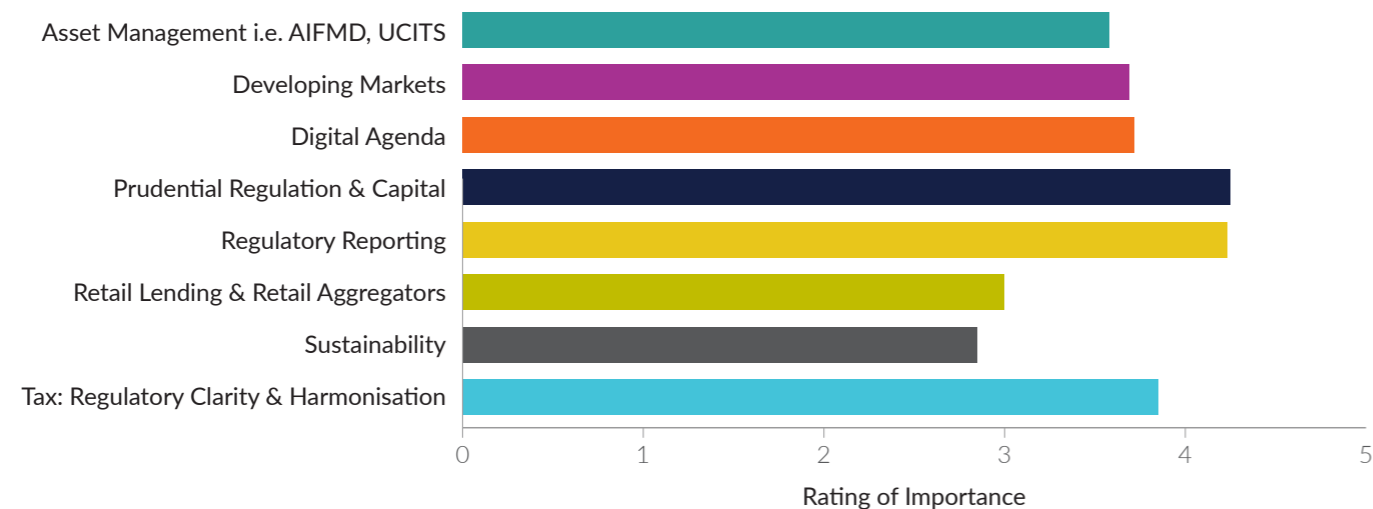


## 2026 Foundations: Mitigating Unintended Costs & Complexity

Protecting market liquidity through proactive advocacy and global alignment.

- > **Capital & Basel III:** Driving direct advocacy to reduce punitive risk weights for unrated entities (UCITS/AIFs) across the EU, UK, and US to preserve lending capacity.
- > **Reporting Streamlining:** Partnering with ISLA Americas to provide unified best practices for SFTR and 10c-1a, reducing the operational burden of fragmented reporting.
- > **Global Market Guidance:** Developing bespoke regulatory guides for emerging markets (Middle East) to align local practices with international standards.

## Member Priorities: Harmonisation & Clarity



## Phase 1 2026 Focus



### Immediate Challenges

- **Prudential Advocacy:** Drive advocacy for Basel III proportionality.
- **Digital Integration:** Push for clear frameworks for digital asset use in SFTs.
- **Tax Advocacy:** Address fragmented tax rules causing market friction.

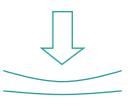
## Phase 2 2027-2029



### Harmonisation & Clarity

- **Operational Efficiency:** Promote CDM and Digital Regulatory Reporting (DRR) to lower compliance costs.

## Phase 3 2030 Vision



### Resilient & Efficient Markets

- **The Global Voice:** Coordinate responses to extraterritorial impacts of US/EU legislation.
- **Market Enabler:** Remove "beneficial ownership" ambiguities for cross-border lending.
- **Collateral Flexibility:** Expand the range of eligible non-US equities for EMEA firms.

# Legal Services: Prioritising Legal Certainty

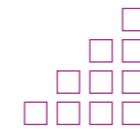
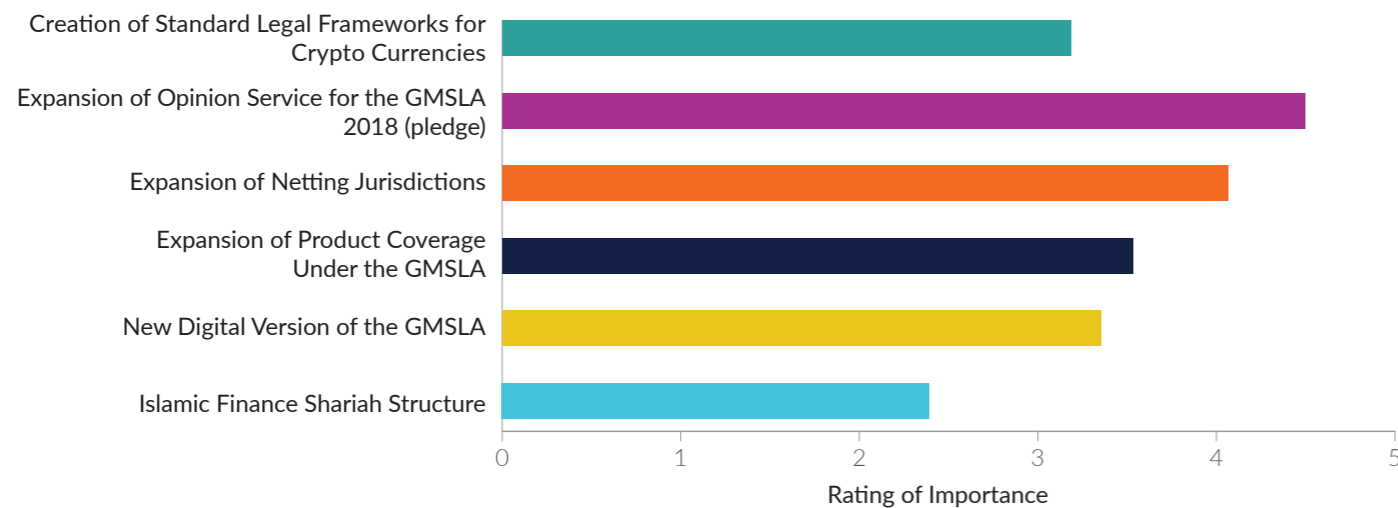
The Global Master Securities Lending Agreement (GMSLA) remains the bedrock of our market, providing legal certainty across more than 69 jurisdictions, and it is our priority to ensure it continues to meet the needs of our membership.

Our members want ISLA to provide legal certainty and stability first and foremost, while also focussing on innovation, ensuring they can stay ahead of the evolving landscape.

In light of rising capital costs, the desire for Pledge opinions and the prioritisation of the legal enforceability of collateral is clear. ISLA is committed to evolving the GMSLA Framework to meet the demands of a modern, digital, and globally diverse securities finance market. By providing the frameworks that ensure legal enforceability and risk mitigation, we enable the liquidity that keeps global markets functioning.

New markets and increased GMSLA scope were also identified as a priority for member firms. This year will see the launch of an Islamic Finance Shariah Structure for SFTs. This is an integral milestone to support the harmonisation of practices across different markets (such as the GCC and Southeast Asia), reducing uncertainty and increasing confidence for Islamic financial institutions. This work is being developed in our recently launched Islamic Finance Legal Sub-Group.

## Member Priorities: Legal Certainty & Netting Lead the Agenda

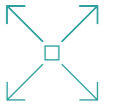


## 2026 Foundations: Stability & Connectivity

Addressing rising capital costs through legal and digital transformation.

- > **Prioritising Legal Certainty:** Responding to the member demand by accelerating the Pledge Opinions library and global netting coverage.
- > **Targeted Growth:** Focusing on high-value regions where Tier 1 firms identified the greatest business need.
- > **Digital Accessibility:** Moving from static documents to an on-demand digital environment to reduce the administrative burden of reporting and compliance.

## Phase 1 2026 Focus



### Foundations & Expansion

- **New Markets:** Create Philippines and Indonesia annexes and expand netting coverage.
- **Product Launch:** Publish Islamic Finance Structure for SFTs.
- **Digital Migration:** Provide access to Pledge library through aosphere platform.

## Phase 2 2027-2029



### Digitalisation & Integration

- **Smart GMSLA:** Develop machine-readable, digital contract standards.
- **AI-Enabled Review:** Update Clause Library for automated analysis.

## Phase 3 2030 Vision



### The Global Standard

- **Unified Ecosystem:** A seamless, automated legal utility for all asset classes.
- **Global Advocacy:** Lead netting legislation and regulatory evolution.

# Market Structure & RegTech: Transitioning to a Digital Ecosystem

Our market structure and regtech team works on all matters relating to market practices in adherence and alignment to global and jurisdictional standards.

ISLA's mission for market evolution is to consolidate industry best practices for securities finance, ensuring scalability and market integrity as the industry undergoes a significant digital and regulatory shift.

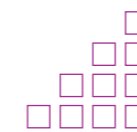
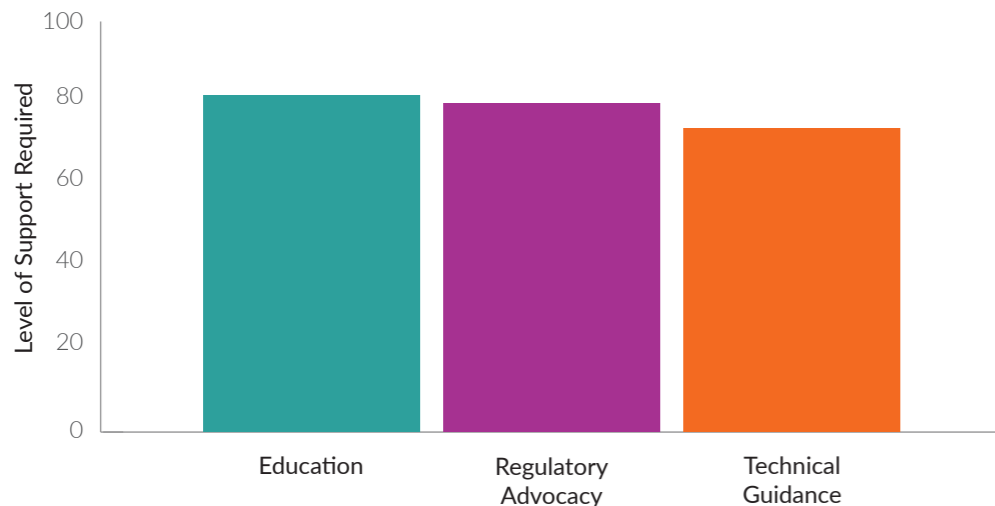
As the industry transitions to T+1 and evolving reporting mandates, ISLA is focused on moving from manual maintenance to systemic, automated market integrity.

Our members look to ISLA for insights, education and technical guidance to help them navigate evolving market infrastructure.

The ISLA Best Practices are at the heart of what we do, providing the industry with topic specific guidance covering many of the trading and life-cycle interactions that underpin our industry.

We continually review and update our best practices to ensure the industry can access up-to-date information on regulatory and infrastructure matters.

## Member Priorities: Guidance & Knowledge



## 2026 Foundations: Efficiency & Compliance Readiness

Streamlining the industry for structural shifts in settlement and reporting.

- > **T+1 Settlement:** Driving the industry transition to Accelerated Settlement through Best Practice updates and proactive EU/UK taskforce collaboration.
- > **Reporting Stability:** Delivering short-term fixes for SFTR (including Refit prep) and mitigating the extraterritorial impact of SEC 10c-1a.
- > **Global Collaboration:** Representing securities finance interests within the UK Digital Taskforce to ensure new digital asset architectures are compatible with lending workflows.

## Phase 1 2026 Focus



### Settlement & Updates

- **T+1 Readiness:** Complete Best Practice updates for accelerated settlement.
- **Reporting Support:** Address SEC 10c-1a and SFTR Refit challenges.
- **Digital Architecture:** Ensure securities finance interests are represented in DLT design.

## Phase 2 2027-2029



### Standardisation & Digitisation

- **Digital Integration:** Fully adopt DLT and digital assets into the Best Practice handbook.
- **Reporting Evolution:** Transition to CDM and Digital Regulatory Reporting (DRR) to automate compliance.
- **Industry Sync:** Harmonize standards with ISITC, ICMA, AFME, and ISDA.

## Phase 3 2030 Vision



### The Digital Standard

- **The Authoritative Source:** ISLA Handbook becomes the definitive global securities finance standard.
- **Modern Reporting:** Shift industry from "push" to a "pull" reporting model.
- **Seamless Landscape:** Digital assets and DLT become standard "BAU" infrastructure.

# Digital Standards: Architecture for a De-Fi Future

With 94% of the industry identifying standards as the primary barrier to technology adoption, ISLA is spearheading the transition to a CDM-based architecture to standardise the entire securities finance lifecycle.

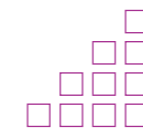
Alongside legal documentation and best practices, standards are a primary solution to market fragmentation, operational inefficiency and rising regulatory costs.

The Common Domain Model delivers a standardised framework designed to enhance the efficiency and interoperability of financial services, particularly in the context of regulatory reporting and data management.

As the CDM provides common definitions and structures for financial data and processes, it plays a crucial role in building resilience, reducing risks, and improving efficiency within financial markets and institutions.

The open-source nature of the model means its application is limitless, offering the unique opportunity to transform everything from regulatory reporting to pre- and post-trade processing. Furthermore, as the industry becomes digitised through tokenisation and digital cash, having a foundational standard like the CDM is essential.

By streamlining fundamental processes, the CDM can foster greater innovation, enabling participants to focus on accelerating the development of market solutions for the future.



## 2026 Foundations: Practical Lifecycle & Reporting

Solving regulatory burdens through machine-readable architecture.

**SFTR & 10c-1a Delivery:**  
Leveraging Digital Regulatory Reporting (DRR) to automate output for major reporting mandates, reducing manual error and cost.

**Full Lifecycle Representation:**  
Expanding CDM capabilities to cover the entire securities finance lifecycle—from initiation to settlement and termination.

**Driving Adoption:**  
Providing CDM Handbooks and workshops to lower the barrier to entry for firms integrating these standards into their own tech stacks.

94%

of respondents believe standards are very or extremely important to the adoption of new technologies

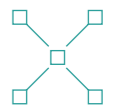
## Phase 1 2026 Focus



### Lifecycle & Reporting

- **Digital Regulatory Reporting (DRR) Implementation:** Deliver digital reporting for SFTR and SEC 10c-1a.
- **Practical CDM:** Complete full-lifecycle representation for securities finance transactions.
- **Adoption Support:** Launch CDM Handbooks and technical workgroups.

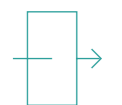
## Phase 2 2027-2029



### Interoperability & Integration

- **Cross-Industry Compatibility:** Align CDM with global standards (ISO, FIX).
- **Smart Contracts:** Develop interoperable GMSLA representations for DLT.

## Phase 3 2030 Vision



### The Global Digital Gateway

- **The End of "Push" Reporting:** CDM acts as a gateway for automated "pull" models.
- **Fully Digitised Legals:** Master agreements and opinions natively integrated into DLT.
- **The Gold Source:** 100% of securities finance data conforms to the CDM standard for real-time audit.
- **Standardised Workflows:** Integrate KYC data and ALD.

# About ISLA

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The International Securities Lending Association (ISLA) is a leading non-profit industry association, representing the common interests of securities financing market participants across Europe, Middle East, and Africa. Its geographically diverse membership of over 220 firms includes institutional investors, asset managers, custodial banks, prime brokers and service providers.

Working closely with the industry, as well as national, regional, and global regulators and policy makers, ISLA advocates for, amongst other things, the importance of securities lending to the broader financial services industry.

It supports both the Global Master Securities Lending Agreement (GMSLA) legal framework, including the Title Transfer and Securities Interest over Collateral variants, as well as the periodical enforceability and security enforcement across global jurisdictions.

Through member working groups, industry guidance, consultations and first-class events, ISLA plays a pivotal role in the creation and promotion of market best practices and processes, thought leadership, standards for legal frameworks, and securities lending guides and related documents.

Found here: [www.islaamea.org/about-isla](http://www.islaamea.org/about-isla)

## General Enquiries

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