

THE ESWATINI STOCK EXCHANGE (ESE) AS A NATIONAL NUMBERING AGENCY (NNA)

In 1989, the Group of 30 (G30) nations called for all their members to adopt the numbering system and use it to distinguish between various investment tools. That very same year the Eswatini Stock Exchange (formerly Swaziland Stock Exchange) was established. In the absence of a fully-fledged Central Securities Depository (CSD) (which globally is associated with being a National Numbering Agency), the ESE assumed the duties of a National Numbering Agency (NNA).

What Is A National Numbering Agency?

A national numbering agency (NNA) is the organisation in each country responsible for issuing International Securities Identification Numbers (ISIN) as described by the ISO 6166 standard and the Classification of Financial Instruments code as described by the ISO 10962 standard. The role of a NNA is typically assigned to the national stock exchange, central bank, or financial regulator but may be as diverse as a financial data provider or clearing and custodian organisation for that country.

The global governing body that coordinates the work of the NNAs is known as the Association of National Numbering Agencies (ANNA). ANNA is an international organisation fully committed to proactively promoting, implementing, maintaining and making available, standards for securities and related financial instruments, in a uniform and accurate structure for the benefit of their home markets and of the securities industry as a whole.

The ESE Functions as a local NNA

In its role as the local NNA, the Eswatini Stock Exchange is committed to issue International Securities Identification Numbers (ISINs) in accordance with ISO 6166, which standard

provides a uniform structure for international securities identification numbers. As a member of ANNA, the ESE is therefore bonded to adhere to the International Organization for Standardization (ISO) by also issuing the following ISO-standard identifiers.

- Classification of Financial Instruments (CFIs) in accordance with ISO 6166
- Financial Instrument Short Name (FISNs) in accordance with ISO 10383
- Market Identifier Code (MIC) in accordance with ISO 18774
- Legal Entity Identifier (LEI) in accordance with ISO 17442. However, the ESE does not currently issue this identifier due to most issuers listed on the ESE not meeting this standard.

The above listed identifiers are used to identify aspects such as the country and currency in which securities are traded, where they were issued, the names of the issuer and the home-country depository, and the exact type of securities and its terms.

The International Securities Identification Numbers (ISINs)

For purposes of simplicity and understanding let us discard all other ISO standard-identifiers and analyse the ISIN code only, since it is the most required by any market data vendor, regulator, or Issuer.

An ISIN code, or international securities identification number, is a 12-digit code consisting of numbers and letters that distinctly identify that particular security. Stocks and bonds are just two of the most common securities that are often covered by an ISIN Code.

An ISIN code is the best methodology around for identifying securities. Many stocks/shares and bonds trade on various worldwide exchanges, often times under a different ticker symbol or other code on each exchange. The one universal characteristic, however, is the ISIN code. This ISIN code is universally accepted by the majority of the world's exchanges and financial sector.

Obtaining an ISIN Code and an Example of One

To obtain an ISIN a company or fund must qualify. Without getting into the many rules of an ISIN code, a company must have the proper documentation in order to obtain the ISIN. For instance, if a public company is seeking capital and needs an ISIN code, a public prospectus document is needed. On the other hand, if the company is private and seeking capital, in most cases they will need to have a private offering memorandum written in order to obtain the ISIN code.

Let us take **SZD000551804** as a typical example of an ISIN code:

- i.) First two letters (**SZ**) of the ISIN code refer to the country in which the issuing company is based out of, in this case, Eswatini (former Swaziland).
- ii.) The next nine digits (**D00055180**) identify a specific security and act as a unique identifier.
- iii.) The final character (**4**) also referred to as the “check digit: checks forgery.

Below are live examples of current allocated equities ISIN codes for all listed counters:

Name	ISIN Code
Nedbank	SZ0005797904
Royal Swazi Sugar (RSSC)	SZ0005797920
Swd Empowerment (SEL)	SZE000331015
Swaprop	SZ0005797946
Swazispa Holdings	SZ0005797938
Greystone Partners	SZE000331023
SBC Limited	SZE000331031
Inala Capital	SZE000331049

For more comments and questions please do feel free to contact the Exchange at email: info@ese.co.sz and Website: www.ese.co.sz