

Media Release

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Successful opening of Customer Development Environment for DLT testing

ASX has successfully opened the Customer Development Environment (CDE) for its new equities clearing and settlement system to replace CHES, which is based on distributed ledger technology (DLT).

The first of seven ‘drops’ of software code was made available to customers on Tuesday 30 April. Additional functionality will be released at approximately eight-week intervals, culminating in full functionality in the CDE by mid-2020.

“Delivering the development environment for customers on schedule is a major step forward in ASX’s CHES replacement journey”, said **Cliff Richards, ASX’s Executive General Manager Equity Post-Trade Services**. “We are proud of this achievement and very grateful for the support of our partner Digital Asset and our customers. While we believe distributed ledger technology offers exciting opportunities for the whole market to innovate, there is much still to do. We continue to work closely with our customers as we progress towards delivery of the new system.”

The opening of the CDE allows customers to interact and experiment with the new system. Once connected, users can design, build and test system changes, access some of the new business functionality, and compare various access options.

Customers can connect to the new system directly via a DLT node, which provides access to real-time, synchronised, source-of-truth data. This innovation is designed to reduce costs and complexity, and facilitate new business opportunities for intermediaries, issuers, investors and other users. While ASX encourages this mode of connection, other access options are also available, including the ISO 20022 global messaging standard via AMQP and SWIFT, and a web browser for low volume, infrequent usage.

ASX is on-track to go-live with the new DLT-based system in March-April 2021. The timetable and functionality reflect what the market has asked for through ASX’s extensive public consultation process.

“We know our progress is being watched internationally and is an important bellwether for the technology’s adoption”, said **Peter Hiom, ASX Deputy CEO**. “It represents the first time market participants anywhere in the world can experience the benefits of ‘taking a node’ and establishing direct connectivity to a golden source record of real-time data via distributed ledger technology.”

Yuval Roos, Digital Asset Chief Executive, said: “This is an important milestone for everyone involved in the CHES replacement project, which continues to proceed according to the implementation timeline set by ASX. With the delivery of the CDE, ASX customers get their first glimpse of what the new CHES system can provide.”



“As we advance to the next phase of this ambitious project, we're excited to continue working closely with ASX to provide an exceptional developer experience and help ASX stakeholders realise the transformative benefits of distributed ledger solutions and the unique capabilities of DAML*”, added **Louise Boreham, Senior Product Manager at Digital Asset in Sydney.**

More information about ASX's CHES replacement project can be found here: <https://www.asx.com.au/services/chess-replacement.htm>

**DAML is an open source smart contract language created by Digital Asset. It is a functional programming language used to design and write software that supports multi-party business processes, often referred to as smart contracts. DAML abstracts away the underlying complexities of blockchains and database technologies, allowing developers to focus on the logic of the applications they are building. This greatly reduces the time to market for new applications and allows for increased agility.*

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