



Press release

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Harmonisation of the Unique Product Identifier (UPI) – guidance issued by CPMI-IOSCO

A new report provides technical guidance to authorities on a uniform global Unique Product Identifier (UPI) applying to over-the-counter (OTC) derivatives transactions. The report, entitled [Harmonisation of the Unique Product Identifier](#), is a joint publication by the [Committee on Payments and Market Infrastructures](#) (CPMI) and the [International Organization of Securities Commissions](#) (IOSCO).

The role of the UPI is to uniquely identify each OTC derivative product involved in a transaction that an authority requires, or may in future require, to be reported to a trade repository consistent with the commitment of the G20 Leaders to a more transparent OTC derivatives market. Global uniform UPIs facilitate the consistent global aggregation and analysis of OTC derivatives transaction data reported across trade repositories that authorities can use to meet their legal obligations and prudential requirements.

The report envisions a UPI system in which a unique UPI code would be assigned to each distinct OTC derivative product, with each UPI code mapping to a set of data comprised of reference data elements with specific values that together describe the OTC derivative product. The collection of reference data elements and their values for each OTC derivative product would reside in a corresponding UPI reference data library.

The guidance is global in scale, takes account of relevant international technical standards where available and is jurisdiction-agnostic. It covers the following areas:

- the technical principles applicable to the UPI;
- the UPI reference data elements required for each OTC derivative asset class;
- the identification of underlying assets and benchmarks of OTC derivative products (underliers); and
- the UPI code structure.



This guidance does not address the governance arrangements or the implementation of the UPI, which are matters the FSB is [consulting](#) on in [Governance arrangements for the unique product identifier \(UPI\)](#).

This guidance is complementary to the [Technical Guidance on Harmonisation of the UPI](#) published in February 2017. The CPMI and IOSCO intend to also produce guidance on harmonisation of other critical OTC derivatives data elements in the coming months.

Aggregation of the data reported across trade repositories can help provide authorities with a comprehensive view of the OTC derivatives market and activity and help improve transparency, mitigate systemic risk and protect against market abuse. The 2012 CPSS-IOSCO report on *OTC derivatives data reporting and aggregation requirements*,¹ the 2013 CPSS-IOSCO report on *Authorities' access to trade repository data*² and the 2014 FSB *Feasibility study on approaches to aggregate OTC derivatives data*³ served as the starting point for the harmonisation work on key OTC derivatives data elements for meaningful aggregation on a global basis.

Notes

1. The Committee on Payment and Settlement Systems (CPSS) changed its name to the Committee on Payments and Market Infrastructures (CPMI) on 1 September 2014. The CPMI promotes the safety and efficiency of payment, clearing, settlement and related arrangements, thereby supporting financial stability and the wider economy. The CPMI secretariat is hosted by the BIS. More information about the CPMI, and all its publications, can be found on the [BIS website](#).
2. IOSCO is the leading international policy forum for securities regulators and is recognised as the global standard setter for securities regulation. The organisation's membership regulates more than 95% of the world's securities markets in more than 115 jurisdictions. See www.iosco.org.
3. Both committees (CPMI and IOSCO) are recognised as international standard-setting bodies by the [Financial Stability Board](#).

¹ <http://www.bis.org/cpmi/publ/d100.pdf>.

² <http://www.bis.org/cpmi/publ/d110.pdf>.

³ http://www.financialstabilityboard.org/wp-content/uploads/r_140919.pdf.