



Press release

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Harmonisation of the Unique Product Identifier (UPI) Second consultative report issued by CPMI-IOSCO

The Committee on Payments and Market Infrastructures (CPMI) and the International Organization of Securities Commissions (IOSCO) have today published for public comment a second consultative report on *Harmonisation of the Unique Product Identifier (UPI)*.

The consultative report makes proposals for the harmonised global UPI, whose purpose is to uniquely identify over-the-counter (OTC) derivatives products that authorities require to be reported to trade repositories (TRs). The UPI system will assign a code to each OTC derivative product that maps to a set of data elements describing the product in a corresponding reference database. This reference database (previously known as a “classification system”) was the focus of the first consultative report on the *Harmonisation of the UPI*¹ issued by the CPMI and IOSCO in December 2015. The focus of this second consultative report is the format of the UPI code and the content and granularity of the UPI data elements. In drafting this second consultative report, the CPMI and IOSCO have considered the responses to the first consultative report.

The report responds to the G20’s agreement in 2009 that all OTC derivatives contracts would be reported to TRs, as part of the G20’s commitment to reforming OTC derivatives markets with the aim of improving transparency, mitigating systemic risk and preventing market abuse. Aggregation of the data reported across TRs will help ensure that authorities can obtain a comprehensive view of the OTC derivatives market and its activity.

The CPMI, IOSCO and the Financial Stability Board (FSB) have in recent years published reports that laid the foundation for the harmonisation work on key OTC

¹ www.bis.org/cpmi/publ/d141.pdf.



derivatives data elements for meaningful aggregation on a global basis. That work includes the 2012 CPSS-IOSCO report on *OTC derivatives data reporting and aggregation requirements*,² the 2013 CPSS-IOSCO report on *Authorities' access to trade repository data*³ and the 2014 FSB *Feasibility study on approaches to aggregate OTC derivatives data*.⁴

Following the 2014 feasibility study, the FSB asked the CPMI and IOSCO to develop global guidance on the harmonisation of data elements reported to TRs and important for the aggregation of data by authorities, including the Unique Transaction Identifier (UTI) and UPI.

This consultative report is part of the Harmonisation Group's response to that mandate. The report seeks general and specific comments and suggestions from respondents by **30 September 2016**, to be sent to both the CPMI secretariat (cpmi@bis.org) and the IOSCO secretariat (upi@iosco.org).

In addition to the consultative reports on *Harmonisation of the UPI*, the CPMI and IOSCO have already issued a consultative report on *Harmonisation of the Unique Transaction Identifier*⁵ and *Harmonisation of key OTC derivatives data elements (other than UTI and UPI) – first batch*⁶ and plan to issue consultative reports on further batches of key data elements (other than the UTI and UPI) in the coming months.

Notes

1. 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 FSB.

² www.bis.org/cpmi/publ/d100.pdf.

³ www.bis.org/cpmi/publ/d110.pdf.

⁴ www.financialstabilityboard.org/wp-content/uploads/r_140919.pdf.

⁵ www.bis.org/cpmi/publ/d131.pdf.

⁶ www.bis.org/cpmi/publ/d132.pdf.