

2019 questions to industry

The following questions are based on queries and feedback received from industry since the DSB went live in October 2017. The purpose of the consultation is to obtain industry's view is to ensure that the DSB focuses its attention on those potential changes which are the most valuable. The features identified as most desired by industry (because of this first round of consultation) will be subsequently analyzed in greater detail. Additional detail on costs and functionality will be provided as part of the second consultation to allow industry to feedback on whether it wishes the DSB to proceed with the implementation in 2019.

Proposed Format for Industry Responses to the DSB Consultations

- Consultation responses should be completed using the form below and emailed to industry_consultation@anna-dsb.com
- The option is provided for respondents to stipulate whether the response is to be treated as anonymous. Note that all responses are published on the DSB website and are not anonymized unless specific requests are made
- Where applicable, responses should include specific and actionable alternative solution(s) that would be acceptable to the respondent to ensure that the DSB can work to reflect the best target solution sought by industry (within the governance framework of the utility)
- As with prior consultations, each organization is permitted a single response
- Responses should include details of the type of organization responding to the consultation and its current user category to enable the DSB to analyze client needs in more detail and include anonymized statistics as part of the second consultation report
- Responses must be received by 5pm UTC on 13th June 2018
- All consultation related queries should be directed to industry_consultation@anna-dsb.com

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User Type	Not Registered	
Select if responses should be anonymous	<input type="checkbox"/>	
Section 1: User Categorization and Fees		
#	Question for Consultation	Participant's Response
1	<p>Do you agree with the proposed user categorization?</p> <p>If not, what alternative(s) do you propose? Wherever possible please refer to public data made available by the DSB in your response.</p>	<p>EVIA does not agree with the proposed user categorization. In what should be an essentially straightforward industry user / market participant utility, we believe the proposals represent a vast over complication of the categories and extension of what has already proved to be the wrong approach.</p> <p>EVIA would prefer and propose a flat fee across all MiFID2 market participants (<i>noting that the EBA reported over 6,500 investment firms in 2014</i>) which if mapped to the ANNA-DSB ongoing budget at would leave the funding of the DSB as a utility tax provision in the region of Eur 1,000 per MiFID entity or firm.</p> <p>EVIA notes that rather than simplify from the 2018 approach, several additional complications are contemplated including a user category and functionalities which would only add to costs and complexity.</p>

		These are not desirable outcomes for a base utility.
2	<p>Do you concur with the proposed user fee model?</p> <p>If not, what alternative do you propose? Wherever possible please refer to data made available by the DSB both as part of this consultation and publicly.</p>	<p>No, EVIA does not concur with the approach suggested as it is at once over complex, at odds with a model of utility provision. Moreover, the approach remains deeply unfair in seeking to charge the subset of market participants who create ISINs but do not hold the financial instruments the disproportionate bulk of the costs. The approach adds to its disproportionality by seeking to charge users multiple times at individual MiFID permission level rather than at entity or LEI level.</p> <p>Per prior answer, we would propose a flat de minimis charge across each registered MiFID Legal Entity firm in the EU for the utility provision of, and access to MiFID reference data. From a broad comparison of the number of such firms against the ongoing DSB cost budget, it appears that would likely outturn at be under Eur 1000 per user for the utility provision of reference data.</p>
3	<p>The DSB currently offers identical terms to all users in a particular category. Should the license terms for commercial intermediaries be different from other user license terms? If so, please specify alternative terms for commercial intermediaries.</p>	<p>Per prior answer, we would propose a flat de minimis charge across each registered MiFID firm in the EU which would be under Eur 1000 per head for the utility provision of reference data.</p>
4	<p>The DSB's user fee model assumes continued use over the year. Do you have workflows that require one-off DSB connectivity? If so, please could you provide examples e.g. one-time data consumption, one-off bulk creation of OTC ISINs, etc.</p>	<p>No, EVIA member firms do not require one-off DSB connectivity.</p>

5	What additional user categories and/or charging models do you want the DSB to provide, if any?	None.
Section 2: Functionality		
6	The DSB currently provides for web-interface (GUI) users to download search results in JSON (machine readable) format.	
	a. Do you believe the DSB should extend the types of download formats considering the diverse user base (ref. section 2 of the DSB consultation presentation)?	No. EVIA does not support an extension to the types of download formats. The DSB should attempt to be efficient and provide a core minimum service as a utility provision. It should not extend the types of download formats, unless as an optional and voluntary add on, whose development and funding can be demonstrated to be ringfenced to that user group.
	b. If yes, do you believe that csv (comma separated values) is a reasonable alternative format for downloaded search results? If not, please provide preferred alternatives. Note that the csv format is specifically suggested due to user requests since launch.	N/A
7	The DSB currently provides two automated integration methods (ReST and FIX APIs) but has also received interest for Excel API integration to allow easier manipulation and access to OTC derivatives reference data.	
	a. Do you think the DSB should provide Excel API integration as a third API option?	No. EVIA does not support an extension to workflows to provide Excel API integration as a third API option. The DSB should attempt to be an efficient utility and provide only the minimum service under the core user service provision.

	<p>b. If Excel API integration is to be provided, should the functionality include both ISIN creation and search/retrieval, or is a subset of the functionality sufficient? If a subset, please provide the appropriate scope of the functionality.</p>	<p>No. EVIA does not support an extension to workflows to include both ISIN creation and search/retrieval. The DSB should attempt to be an efficient utility and provide only the minimum service under the core user service provision.</p>
	<p>c. Should the DSB consider any other integration options – programmatic or otherwise - such as an API that enables users to more easily obtain data in a human readable format? If yes, please explain what type of API would best suit your needs.</p>	<p>No. EVIA does not support an extension to workflows to consider any other integration options. ISINs have no logic, and therefore are of limited use in any human readable format. The DSB should attempt to be an efficient utility and provide only a minimum service under the core user agreement.</p>
<p>8</p>	<p>The DSB currently updates its product templates (request and response) each time an enumeration list or value changes. For example, a new reference rate, underlying index or currency could need to be added to the list. This may result in a two- to four-week development, testing and deployment cycle on each occasion (depending on the nature of the change), which in turns requires industry to also follow a similar process. Do you believe this approach needs to be altered or is the current process and time to market satisfactory for your purposes?</p>	<p>EVIA does not believe that this approach, nor the processes should be altered in advance of the widespread adoption of a global UPI standard.</p>
<p>9</p>	<p>The DSB currently provides end-of-day OTC-ISIN record files in JSON format on a daily basis and has received some requests to also make available (a) consolidated, on-demand data for any user-defined period and (b) such consolidated snapshots to be provided in comma separated value (csv) format to allow a broader set of users to be able to consume the data in a less technology intensive manner.</p>	<p>No EVIA disagrees with building user requested additional functionalities. The development of applications and customized protocols should be outside the common data provision, and undertaken by those keen to benefit from such applications. Any communally funded work for individual requests presents a governance distortion and fallibility in a utility model.</p>

	Do you concur with this view? If yes, please could you provide examples of how this additional functionality would aid your integration with the DSB.	
10	<p>The existing DSB GUI ISIN search functionality is targeted at technical users who understand the Lucene programming language (see here: https://www.anna-dsb.com/download/dsb-search-1-3/). This means organisations and end-users with small IT departments may not be able to take advantage of the full search capabilities of the DSB GUI.</p> <p>Bearing in mind the additional development effort that would be required, should the DSB enhance its GUI to allow non-technical users to search for ISINs by any attribute across any product template?</p>	No EVIA disagrees with building user requested additional functionalities. The development of applications and customized protocols should be outside the common data provision, and undertaken by those keen to benefit from such applications. Any communally funded work for individual requests presents a governance distortion and fallibility in a utility model.
11	Some user feedback has been received asking the DSB to provide analytics that would allow users to have real-time insight into ISIN creation trends within the DSB.	
	a. Do you concur?	No. EVIA disagrees with building user requested additional functionalities. The development of applications and customized protocols should be outside the common data provision, and undertaken by those keen to benefit from such applications. Any communally funded work for individual requests presents a governance distortion and fallibility in a utility model.
	b. If yes, what analytics would you like to see the DSB make available to the market?	N/A
12	What additional user workflows, if any, do you want to see the DSB support?	None.

Section 3: Service Levels		
	Are you satisfied with the DSB's current client service levels?	In general, EVIA members report service levels to be inappropriate due to an absence of market knowledge inside the ANNA-DSB staff both in terms of product and protocols. This has made responses either slow or absent, and in general rather out of step with market operation.
	a. If not, what more do you believe the DSB could do to improve the level of service available to you?	EVIA would commend the employment of industry experts with significant and senior level experience on the ground in the relevant markets.
13	<p>b. The DSB has received requests from users to provide named account managers for single point of contact for queries. The DSB currently does not have personnel providing such a function and would need to hire additional staff to fulfil this need.</p> <p>Do you believe the DSB should have account managers? If yes, please explain why and provide your proposal for an appropriate ratio of account managers to users for each category of DSB user.</p>	No. EVIA does not believe that the DSB should have account managers. DSB resources should be targeted towards achieving service level commitments undertaken in the user agreements. These do not specify personal service. Clearly the issue here is that there is no way the DSB could align and audit the cost-benefit to bespoke.
	<p>c. The DSB has received requests from users to provide telephone support in addition to the existing email-based support. The DSB currently does not have the personnel to provide such a function and would need to hire additional staff to fulfil this need.</p> <p>Do you want the DSB to enhance its support model to also include a phone-based helpdesk during operating hours? If yes, please explain why this is needed, with reference to the categories of DSB users that you</p>	No. EVIA does not believe that the DSB should enhance its support model to also include a phone-based helpdesk. DSB resources should be targeted towards achieving service level commitments undertaken in the user agreements. These do not specify personal service. Clearly the issue here is that there is no way the DSB could align and audit the cost-benefit to bespoke

	<p>believe telephone support should be made available to. If a phone based model is required, do you believe an external ticketing system should be implemented to track calls made to the DSB?</p>	
	<p>d. What else (if anything) could the DSB do more/ less to better service your institution's needs?</p>	<p>EVIA would commend narrowing the service to the core provisions in the user agreement.</p>
14	<p>The current DSB performance SLA is to process 99% of all messages across all workflows within 1,000ms. The DSB proposes a more targeted performance SLA based on 3 individual workflows:</p> <ul style="list-style-type: none"> a. ISIN Record retrieval workflow: 99% of all lookups (via an ISIN identifier) to occur within 500ms b. ISIN Create Request workflow: 99% of all ISIN create requests to be processed within 1,000ms (both for ISIN creation and return of existing ISIN where the ISIN already exists) c. ISIN Search workflow: 99% of all searches (via wildcard attributes) to occur within 5,000ms <p>Is the proposed revision to the model and latency metrics appropriate? If not, what do you believe is more appropriate and why?</p>	<p>EVIA understands that completeness and accuracy is far more important than latency. The non-duplication and correctness of the data set should be a priority far over latency.</p> <p>Any query response time under a single second is welcome, but to delve into sub-second performance is irrelevant to the user agreement or the needs of those who use the DSB and have a longer horizon within that trading day.</p>
15	<p>The DSB has received user requests to stay abreast of upcoming market changes and enable the DSB to provide timely implementation timelines (e.g. SONIA reform, introduction SOFR, currency code updates, reference data requirements for FTRB, etc.). At this time the DSB is not integrated within existing industry fora which has resulted in user feedback to the DSB that some notifications to the DSB of impending industry</p>	

<p>changes have occurred late, resulting in the late creation of associated ISINs.</p>	
<p>a. Do you believe the current level of DSB integration with industry is sufficient? If no, please provide examples of how the DSB can be better integrated with industry.</p>	<p>The DSB remains entirely disconnected with industry fora. This is an entirely appropriate stance for provision and compliance with the technological requirements of the user service agreement.</p> <p>Any requirements for closer interaction should be undertaken by employing the expert product committee which has now been in place for sufficient time to be efficient in providing this knowledge base. To expend time and user paid resources in limited outreach is misguided and could only incur bias.</p> <p>Rather, the DSB product and other relevant committees, as well as service staff, should have a formal channel to become open and available to industry suggestions and approaches, which is not currently the case. We would welcome NCA or ESA participation in any outreach fora.</p>
<p>b. Should the DSB explore membership of industry bodies to better integrate with user expectations and workflows? If yes, which bodies (for example AFME, EVIA, FISD, FIX, ICMA, ISDA, SIIA), bearing in mind that membership will require additional resources and potentially expenditure on membership fees?</p>	<p>No. EVIA does not believe that the DSB should spend additional fees in the membership of industry bodies. Such activities are not specified in the user agreement. To expend time and user paid resources in limited outreach is misguided and could only incur bias.</p> <p>Any expertise that may be required could be undertaken by employing the expert product committee which has now been in place for sufficient time to be efficient in providing this knowledge base, or via a discreet call for evidence across the joint trade associations from an external standpoint.</p>

	<p>c. Are there any other actions the DSB should take for better integration with industry?</p>	<p>No. EVIA does not believe that the DSB should spend additional fees in unspecified integration with industry.</p>
16	<p>The DSB introduced a new web-site (www.anna-dsb.com) in 2018 that contains amongst other items, the DSB's performance SLAs, the DSB User Agreement, the DSB's availability hours, all technical documentation and all DSB notifications.</p> <p>What additional transparency information would you like to see made available and why?</p>	<p>EVIA would like to see the following additional transparency information would you like to see made available:</p> <ul style="list-style-type: none"> i. Financial reports ii. Board minutes, Risk, Audit and any other reports commonly made public under reporting standards <p>Minutes of all interactions with ESAs and NCAs</p>
17	<p>The current DSB availability hours is 24*6, from Sunday 12 noon UTC to Saturday 12 noon UTC and reflects the DSB's mandate to support RTTS-23 reporting. The DSB has heard that in some circumstances this may not be sufficient; e.g., where OTC-ISINs are being created to allow for RTS-2 reporting. Bearing in mind that additional availability hours will require additional resources:</p>	
	<p>a. Are the current availability hours appropriate?</p>	<p>Yes, EVIA believe that the current hours are appropriate.</p>
	<p>b. If not, what are the most appropriate availability hours?</p>	
	<p>c. What should be the downtime period for holidays (if any)?</p>	<p>Target 2 holidays as set out by the ECB should be downtime period for the DSB.</p>
18	<p>Programmatic Users are currently able to submit up to 60 messages per minute via ReST and have one message in flight via FIX. Details are:</p> <ul style="list-style-type: none"> A. FIX connected Users streaming messages to the DSB Service must not have more than 1 message (comprised of create or search or any other message) per connection pending acknowledgement from the DSB Service at any given time; 	<p>No. EVIA does not believe that the DSB should revisit the thresholds for programmatic users.</p>

	<p>B. Users connecting via REST API (as set out in the Connectivity Policy) are permitted to make up to 60 API calls (comprised of create or search or any other calls) per minute per connection subject to the overall cap set out in the acceptable use policy;</p> <p>Do you believe the DSB should revisit these thresholds? If yes, do you believe the rate should increase or decrease given that programmatic users may have up to 10 simultaneous API connections? Please provide acceptable alternative thresholds if you believe that the current values should be amended.</p>	
<p>19</p>	<p>Programmatic Users are currently subject to the following weekly caps to ensure that the DSB infrastructure continues to offer stability:</p> <p>A. Users connected via an API (FIX or ReST) must not send more than 200 invalid messages a day or more than 1,000 in a calendar week across all API connections;</p> <p>B. Users connected via an API undertake not to send the DSB Service more than 100,000 search requests or 50,000 ISIN creation requests in any given calendar week across all API connections.</p> <p>Do you believe the DSB should revisit these thresholds? If yes, do you believe the rate should increase or decrease given that users are able to have up to 10 simultaneous API connections? Please provide acceptable alternative thresholds if you believe that the current values should be amended.</p>	
<p>20</p>	<p>Technical Support Outside Availability Hours:</p>	

<p>20</p>	<p>In order to save on staffing costs, the DSB does not currently monitor the system outside the mandated availability hours. Instead, support staff start their rotas one hour before the availability start time. Consequently, a system failure during the unavailability hours that lasts longer than one hour will impact the DSB uptime SLA. The DSB is aware that the risk of system failure is typically higher at start of week because of system restarts that typically occur during this period.</p> <p>Therefore, the DSB has considered two options to address this risk:</p> <ol style="list-style-type: none"> 1. Institute an on-call rota during the 24-hour unavailability period so that serious failures are picked up on a reactive basis and worked on as soon as they occur. 2. Institute an additional set of support rotas for the unavailability hours, to ensure continuous proactive monitoring of the system. This option will also result in the 24x7 availability of the technical support function. 	
	<p>a. Do you agree that the risk outlined above should be addressed by the DSB?</p>	<p>No. EVIA does not believe that the increased resourcing for deeper coverage around the 24x7 availability of the technical support is required nor worthwhile.</p>
	<p>b. If yes, do you have a preference on which option provides the optimal outcome bearing in mind that the reactive support option (1) will likely incur less costs to implement than implementing the proactive 24x7 availability of technical support in option (2)?</p>	<p>N/A</p>

	c. Are there any other options that the DSB should explore to mitigate the risk outlined above?	None.
Section 4: Service Availability		
21	Current scheduled weekly downtime is 12 noon UTC Saturday to 12 noon UTC Sunday.	
	a. Is this appropriate?	Yes, EVIA believes this is appropriate.
	b. What should be the downtime period for holidays (if any)?	EVIA believes that Target 2 holidays as set out by the ECB should be downtime.
22	<p>Multiple Primary Regions: The existing DSB Disaster Recovery (DR) architecture is based on a single primary Amazon Web Services (AWS) Region in the EU that is in continuous use, and a second passive DR Region in the US that is only used if there is a disaster in the AWS EU Region.</p> <p>This means the DR site is only actively tested for effectiveness once a year as part of an annual DR test. The DSB would like to understand industry appetite for a revised architecture that allows for both AWS regions to be primary, by implementing a system where the primary region flip-flops between the two regions on a regular basis (for example, every week or month).</p> <p>Such an approach will ensure that both Regions are fully in sync on a continuous basis, thereby lowering the risk of failover to DR uncovering issues only at the time of failover.</p> <p>Do you believe the DSB should move to such a primary / primary architecture across the two AWS Regions as a means of increasing the robustness of the DSB's DR plans? What other factors should the DSB consider for its DR plans? (e.g. is the preservation of connectivity</p>	<p>EVIA would support the deployment of two "Multiple Primary Regions."</p>

	configuration if the primary were to flip-flop an important consideration for API users?)	
23	<p>Multi-cloud DR: The DSB's operations are hosted entirely on the AWS cloud across two separate AWS Regions, utilising 3 separate Availability Zones within each Region. The DSB believes this architecture mitigates all risks apart from a total outage of the cloud operator itself. Mitigating this remaining risk will require the DSB to consider a multi-cloud hosting model to remove the dependency on a single operator (AWS).</p> <p>Do you believe the DSB should mitigate the risk of collapse of an entire cloud operator by moving to a dual-cloud deployment?</p>	<p>No. EVIA does not support any move towards moving to a dual-cloud deployment. In such an event there would most likely other system failures and knock-on effects that would require a system-wide, and proportionate, market understanding.</p>
<p>Section 5: DSB Access and Usage Agreement</p>		
24	<p>The DSB does not currently incur penalties for failing to meet SLAs and has received some comment on this. Do you have a view on how this should work given the DSB's cost-recovery mandate?</p>	<p>No. EVIA does not see a useful role for penalties for failing to meet SLAs in the current monopoly-utility environment.</p>
25	<p>Uncapped fee amount – there has been commentary about the uncertainty in the DSB's current fee model. Do you have a view on alternative models that could be applied across the spectrum of DSB user types?</p>	<p>Yes. EVIA believes that the fee model is fundamentally flawed and leads to unacceptable risks as well as considerable unfairness.</p> <p>Would propose a flat fee across all MiFID2 market participants (<i>EBA reported over 6 500 investment firms in 2014</i>) which would leave the funding of the DSB as a utility tax provision at c. Eur 1,000 per firm.</p>
26	<p>Agreement can be changed unilaterally – Do you have a view on how the DSB could address the risk that unforeseen events require a contract change, especially given the start-up</p>	<p>No. EVIA believes that the risks cannot be mitigated. Rather, this is a design flaw that the functionality is outside the ESA perimeter.</p>

	nature of the utility which increases likelihood of such risks?	
27	The DSB Access and Usage Agreement requires intermediaries to supply details of any client who should be a paying member of the DSB. Do you have a view on whether this is appropriate? If you disagree with the DSB's current approach, please propose an alternate mechanism that could be instituted to ensure that users who sign DSB contracts are not disadvantaged by users who abuse the system by going through an intermediary but not paying.	<p>EVIA strongly disagrees with the DSB's current approach, and notes that client data and details should not be shared with the DSB.</p> <p>The alternate mechanism was stated above, wherein a flat fee for every MiFID entity firm completely removes such a requirement.</p>
Section 6: AOB		
28	What other operational enhancements would you like to see the DSB make?	None.
29	What additional services would you like to see the DSB provide? Please provide examples or business cases where relevant.	None.
30	What are the top three changes you would like to see the DSB make to better serve your institution's needs (including any that may have been listed above)? Listed in order of preference.	<p>EVIA sets out below the top three changes enable the DSB make to better serve market users:</p> <ul style="list-style-type: none"> i. Change in fee structure to a utility model ii. Change in governance to an open and transparent model iii. Daily data reconciliation with the FIRDS database
31	Please insert any other comments you wish to provide	EVIA opposes any usage or reference to either Market Identifier Codes (" <i>Operating MIC</i> ") or sub-divisions thereof (" <i>ISO 10383 Segment MIC</i> ") in allocating fees. Clearly these were not developed for this use and are not applicable across all MiFID market

		user types equally and therefore are inappropriate.
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