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November 2021 Community Newsletter

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Welcome to the Derivative Service Bureau's (DSB) third newsletter of 2021.

In this edition, we host a Q&A with Rudolf Siebel, Managing Director for the German Investment Funds Association (BVI), on why the UPI is necessary for the derivatives industry and how it is expected to help the market.

In the UPI market update section, there are highlights of the recently published UPI consultation initiatives from the DSB.

[Please do get in touch](#) for more information on how to get involved with the DSB, or stay abreast of key standards, industry and regulatory-driven reference data changes.

INDUSTRY PERSPECTIVES

**Q&A With
Rudolf Siebel**

In this [exclusive interview](#), we speak to Rudolf Siebel, Managing Director for BVI, the German Investment Funds association. He discusses the importance of the OTC ISIN and data standards to its members and the advantages the UPI will bring to the industry.

Unique Product Identifier (UPI) Market Update

DSB Seeks Industry Feedback on UPI Legal Terms and Conditions Consultation

The Derivatives Service Bureau (DSB) [announced](#) a consultation on the legal terms, conditions and client support model expected to apply to users of the Unique Product Identifier (UPI) Service, due to launch next year. The consultation sets out the proposals for users of the UPI Service and highlights the resulting user experience for firms utilising the current OTC ISIN Service. As such, **the DSB recommends that existing and potential users review and respond to the questions set out in the consultation paper.** The deadline for industry feedback is Wednesday, 19th January 2022.

DSB Publishes UPI FEE Model Consultation Final Report

The Derivatives Service Bureau (DSB) has published the [Final Report](#) on the Unique Product Identifier (UPI) Fee Model consultation. This consultation focuses on the principles underlying the fee model and cost basis of the UPI service.

UPI Product Definitions

The [latest version](#) of the draft UPI Product Definition documents is now available. A detailed description of the update can be found in the [UPI Underlier Input Method document](#). In addition, Excel spreadsheet definitions for all UPI templates have also been made available for each asset class.

Do you have UPI questions?

If you would like to discuss anything related to the upcoming UPI, from a brief introduction to the new identifier to how it will influence your business workflows, don't hesitate to [contact](#) the DSB Stakeholder Engagement team.

Important Market Updates

The Regulatory Oversight Committee and the Derivatives Service Bureau finalise a Memorandum of Understanding

On August 11th, the DSB and ROC announced the finalisation of a [Memorandum of Understanding \(MOU\)](#), on the implementation of the governance arrangements for the globally harmonised Unique Product Identifier (UPI).

The Association of National Numbering Agencies Celebrates 40 Years of ISIN

The first version of the ISIN standard, ISO 6166, was [published on 1st November 1981](#). Development of the standard was driven by an industry need to improve cross-border trading and global interoperability. Under rigorous processes, the industry has developed the ISIN to become the globally adopted, common language of financial instruments processing.

Videos



About the ISIN standard

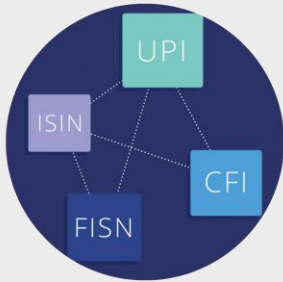
This short animated video explains what the ISIN is and why it's important, and provides a brief overview of the Association of National Numbering Agencies (ANNA) and its members.



About the Unique Product Identifier (UPI)

The DSB will be providing UPIs for over-the-counter (OTC) derivatives to enable global regulatory authorities to aggregate data on OTC derivatives transactions to help assess systemic risk. But what exactly is the UPI and who will need one? This short animated video explains more.

DSB in the News



SFM Interview: DSB unveils regulation and tech strategies ahead of UPI launch

UPI management is coming into focus as the DSB sets out policy and technical arrangements with the Financial Stability Board's regulatory oversight committee (ROC). [SFM spoke with Emma Kalliomaki for an update on the road to UPI implementation next year.](#)



Risk interview: EU Mifid swaps reporting is changing. UK aims to go one better.

Malavika Solanki was interviewed for this article on how the UK followed up proposed EU solution to confusion over [post-trade transparency with its own fix.](#)



Interview: staying relevant in a digital age

In this [Sibos feature](#), Funds Europe asked a number of asset servicers, standards bodies and Swift itself for their views on some of the themes to be discussed at Sibos, including the DSB's Emma Kalliomaki. She explains what the new UPI standard is, the reporting requirements and who will need to use it.



OpRisk North America

Malavika Solanki joined a panel at [OpRisk North America](#) discussing the "evolving regulatory mandates across the world and its impact on data required to support the reporting of OTC derivatives".

OTC

ISIN

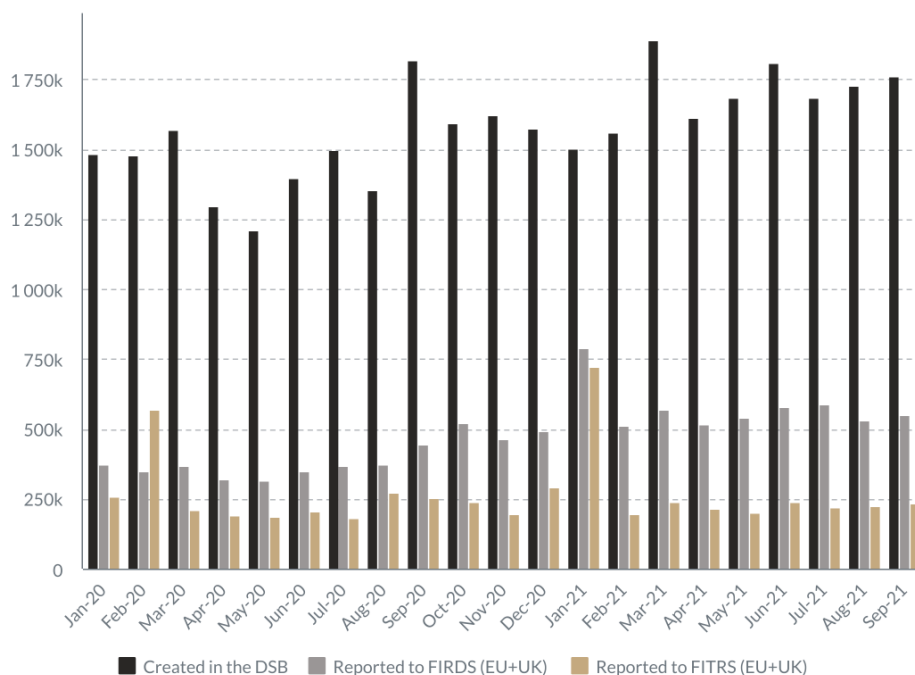
Metrics

Below are the DSB monthly metrics on OTC ISIN creation, use and trends.

- [September 2021 DSB monthly metrics](#)
- [August 2021 DSB monthly metrics](#)

- [July 2021 DSB monthly metrics](#)
- [FIRDS & FITRS Analysis for Q3 2021](#)

Number of Unique OTC ISINs Created and Reported



Did You Know?

For those involved in the over-the-counter (OTC) derivatives markets, the term ‘UPI’ is one you should probably start getting familiar with

UPI stands for ‘unique product identifier’ and is designed to help regulators aggregate reported OTC derivatives data to help assess systemic risk and detect market abuse. The International Organization for Standardization (ISO), the body responsible for developing and maintaining the UPI, is aiming to publish a final ISO standard for UPI in early 2022. If you are involved in the trading of OTC derivatives or responsible for the regulatory reporting of these instruments, the future implementation of this new product

level identifier by 2022 will affect you. [Learn more here.](#)



DID YOU KNOW?

For those involved in the over-the-counter (OTC) derivatives markets, the term 'UPI' is one you should probably start getting familiar with

[Find Out More](#)

A decorative graphic on the right side of the page consisting of a dark blue background with a pattern of white binary code (0s and 1s) arranged in horizontal lines, resembling a digital rain or data stream effect.

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