DSB TAC MEETING MINUTES

Date:	26 October 2022	**Time:**	13.00 – 15.00 UTC	**Location:** Zoom/Teleconference

Chairperson:	Chris Pulsifer

In attendance:	**TAC Members**	**Regulatory Observers**
	Chris Pulsifer, Bloomberg (Chair)	Robert Stowsky, CFTC
	Warren Rubin, DTCC	Eiichiro Fukase, JSDA
	Lisa Taikitsadaporn, FIX	Paul Everson, FCA
	Richard Gee, SIX Group Services AG	**DSB**
	Rocky Martinez, SmartStream	Marc Honegger, DSB Board Sponsor
	James Colquhoun, UBS	Emma Kalliomaki, DSB Managing Director
	Jefferson Braswell, Tahoe Blue Ltd	Andy Hughes, Designated DSB Officer - DDO
	Zintis Rullis, Refinitiv MTF	Will Palmer, DSB CISO
	Anthony Brennan, Standard Chartered Bank	Ben Lloyd, DSB Project Manager
	Atara Sender-Stein, JP Morgan	Yuval Cohen, TAC Secretariat
	Ian Sloyan, ISDA	David Lane, MSP Technical Operations Officer
		+ Registered attendees from Industry
Apologies	Elodie Cany, Tradeweb	Niteen Shastri, LSEG
	James Cowie, HSBC	Bharat Kanase, Morgan Stanley
Absences:	Olga Petrenko, ESMA	Jimmy Chen, BGC Partners
	Amit Bairagi, Deutsche Bank AG	Jim Northey, Independent Expert Martijn
	Billy Chen, CSIS	Groot, Asset Control
	Felix Ertl, BVI	Rajkamal Roka, State Street FX Connect
	Huang Lu, CFMMC	Torbjörn Cronbladh, SEB
	Souvik Deb, Citigroup	William Rodiger, State Street Bank
	James Brown, Rabobank	Yan Hui, CFETS
	James McGovern, Independent Expert	

No	Topics (recording time)

1   **Governance [(00:00)](#)**[1]

Slides 1 thru 4 – Welcome

CP (Chair) introduced the meeting and described Competition Law expectations and responsibilities of TAC members.

Slide 5 - Roll Call (01:04)

AH (DDO) undertook the roll call, noting apologies had been received from some members.

Slide 6 – Member Changes (02:17)

AH presented one change to the TAC membership which had been approved by the DSB Board and thanked the outgoing member for their contribution.

Slide 7 – Third Charter Term (02:47)

AH reminded the members that the meeting marks the start of the TAC's third charter two-year term and was pleased to announce that Chris Pulsifer has agreed to continue in the role of TAC Chair for the next term.

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[1] https://www.anna-dsb.com/wp-content/uploads/2022/10/DSB-TAC-2022-Meeting-2-20221026.mp4

CP (Chair) reflected on the efforts of the TAC to date and recognised the contribution of the members and welcomed Atara to the forum.

Slide 8 – Change Freeze Update (04:16)

AH provided an update on the DSB's year-end change freeze dates.

Slide 9 – Action Update (04:42)

AH provided an update on the open actions, the following actions were closed prior to the meeting:

2203-001,2203-002, 2203-004

The remaining actions are expected to be addressed during the meeting and slide references were provided against each action:

2111-02,2203-003, 2203-005

Slides 10 & 11 – August Outage (06:29)

AH reminded the members of the outage experienced on the 9th August 2022 which was a severity 1 incident lasting 4 hours and 9 minutes. The root cause was identified as a failure in the change management process. AH updated the members on the action list from the RCA document, the TAC's review at this meeting being the final action point.

AH described the progress that has been made since the incident including a formal review of the existing change governance process and the establishing of a weekly change board.

The members were asked if there were any questions relating to the incident.

There were no questions raised.

2	**Existing Topics (11:30)**

Slide 12 – Search Only User Update

AH provided an update on the Search Only User role which is now available in production, one new user is using the role in production and three users are trialling in UAT.

The members were asked if there were any questions relating to this topic.

There were no questions raised.

Slides 13 – Basic Authentication Update (12:51)

AH provided an update on the basic authentication topic discussed at the March TAC meeting. The change is currently in UAT environment. AH reminded the members that the production system already supports the new format, so users can make their changes to their production systems at any time. The change is therefore about removing the legacy option and this is planned for the 6th November 2022.
The DSB are monitoring user compliance in both UAT and Production, and it was noted that there were a number of users who have still yet to make the change in both UAT and Production. The DSB will continue to monitor this over the next week and may choose to postpone the implementation of this change as this is a breaking change for any users who have not converted.

The members were asked if there were any questions relating to this topic.

There were no questions raised.

Slide 14 – Software Upgrades (14:56)

AH provided an update on the software upgrades that have been progressed in 2022. Further details have been shared with the TAC members on the bulletin board.

The members were asked if there were any questions relating to this topic.

There were no questions raised.

Slide 16 – Disaster Recovery Testing (16:09)

AH provided an update from the previous discussion in March regarding disaster recovery testing. AH reminded the members of the previous recommendations made by the TAC.

The DSB has established a reverse-flow capability in UAT to mitigate the risk the loss of replication during an elongated DR test. In addition, the ToTV DR capability has also been added in UAT. Given these two changes in scope the DSB is now recommending a further UAT DR test, the proposed dates were presented.

AH raised the point that the DSB's annual penetration test will fall during the UAT DR test window, so the DR environment will be exercised in this way.

The DSB took an action to provide an update on the outcome of testing to the TAC and if successful to seek the TAC's guidance on scheduling the production DR test in early 2023.

It was noted that the DSB recognises the importance of providing evidence of an annual DR test and this is what we are working with the TAC to achieve.

The members were asked if there were any questions relating to this topic.

There were no questions raised.

Slide 16 – Weekly Snapshot (21:27)

AH provided a further update on the weekly snapshot topic which was last discussed in March.

The members were asked if there were any questions relating to this topic.

There were no questions raised.

Slide 17 – Dynamic Enumerations (23:28)

AH provided an update on the Dynamic Enumerations project which was implemented on 26th June 2022. The DSB will support the denormalised version of the templates until the end of June 2023. It was noted that the UPI product templates will adopt the same approach used by the ISIN and there will be no denormalised templates for the UPI and that the overall size of the templates has been reduced by referencing the external files.

The members were asked if there were any questions relating to this topic.

There were no questions raised.

Slide 18 – CFI 2019 (26:14)

AH provided an update on the status of the CFI 2019 project where further analysis is now taking place after feedback being received from the regulators. The DSB took an action to provide a further update to the TAC members on completion of the analysis.

The members were asked if there were any questions relating to this topic.

There were no questions raised.

Slide 19 – 2022 POAP (27:29)

AH presented an update on the plan on a page view of the 2022 work.

The members were asked if there were any questions relating to this topic.

There were no questions raised.

Slides 20 - 22 – Machine Readable Validation (29:40)

YC reminded the members of this topic which was discussed at the March TAC meeting and showed the example used to highlight the problem raised by the regulators. This showed how some of the more complex rules are difficult to implement in JSON so the DSB has implemented these in Javascript which has led to end users having to implement their own version of these rules. An explanation of the existing use of Orchestra was provided - Orchestra being a machine-readable representation. The DSB's JSON templates are produced by a transformation process run against the Orchestra repository. Not all of the current rules are implemented in Orchestra, however, the standard has progressed significantly and can now represent them. The DSB do not

currently expose the Orchestra repository, but this could be considered. An example of how this could possibly be extended was presented. However, it us unlikely that this would be represented in JSON.

YC asked the members for their view on the proposed approach, or if they have other ideas that the DSB could consider.

RG (Six) added that the approach seemed sensible using an existing standard and couldn't see any disadvantages and covered enough use cases to be helpful.

WR (DTCC) asked if FIX Orchestra is something that users would have to pay for?

LT (FIX) advised that the standard is Open and the specification is readily available from the website with no payment needed.

WR asked if there was any fee to consume the rules?

LT advised that the rules are the property of Anna-DSB, but the standard itself is a meta-data standard available to be downloaded from the FIX website.

RG shared the link showing that Orchestra is Apache licenced.

IS (ISDA) questioned the approach, and referenced ISDA's experience with CDM which is also used for validation rules in different languages and asked if any thought had been given to that?

YC advised that back in 2016 there was no CDM but FIX Orchestra was available as a free standard which the DSB used to implement the product definitions.

IS asked if the DSB were considering exposing something which is used internally?

AH confirmed that the DSB is considering exposing the Orchestra repository as a way to address the request from the regulators to prevent users from having to implement some of the validation rules themselves. AH asked if this could help reduce the burden on the users?

WR asked if the DSB could expand on the transformation process and asked if there was any risk of the output being different for different consumers?

LT confirmed that Orchestra is XML.

YC advised that it was a XSLT rules that take the content of the orchestra files and translate them into JSON schemas.

IS asked if we can express the Orchestra files as executables?

YC advised this was possible as Orchestra is a machine-readable format.

RG added that it was more likely the users would support JSON schemas.

YC advised that the JSON schemas will continue to be maintained, it is just the rules that cannot be represented in JSON that we will look to implement in Java or Javascript.

RG asked if you would annotate the JSON schema to advise that more detailed rules apply?

YC advised that there are no comments in JSON.

IS asked if the DSB needed help to assess the market appetite to consume the Java or Javascript generated files along with the JSON. IS asked if there are other solutions given the DSB will need to extend the Orchestra repository to include the rules that are not there today?

YC confirmed that the missing rules will need to be added, but the JSON transformation is already there and will persist.

WR suggested an alternative option for consideration which was to consider a software as a service model.

DL (DSB) agreed that these are valid options but suggested that there are a number of further slides in the pack for the DSB to articulate its strategy for machine readable and executable rules, which Ian and the team from ISDA have been involved with.

DL suggested setting up a focus session to continue this discussion so this can be discussed in more detail.

JC (UBS) asked if everyone on the call would be invited to the forum.

DL confirmed.

CP agreed this was a good way to progress this, but we need to return to the agenda.

3	**New Topics (00:57:45)**

Slides 23 - 26 – Machine Readable Executable Reporting

The slides on Machine Readable and Executable Reporting were not covered in the meeting – they will be addressed in the focus session.

Slide 27 – Industry Consultation Update (57:45)

AH provided the members with an update on the outcome of the 2022 industry Consultation process for the 2023 service provision. This follows the TAC meeting in June which concluded that the three questions should be recommended to proceed to the DSB Board.

AH advised that DSB Board approved the VPN connectivity change in July to allow the DSB to give as much notice as possible to the impacted users. The GAA topic was approved and will be discussed in more detail on the next slide. The Technology Tooling topic was also approved.

AH thanked the members of the CASC for their contribution which led to the creation of the GAA.

AH also advised that the 2023 fees and rules have now been published, the link was provided on the slide.

Slide 28 – Global Agile Architecture (1:00:27)

AH provided the members with an update on the Global Agile Architecture project from the Industry Consultation process which has agreement to proceed under the governance and oversight of the TAC from January 2023. The DSB are looking for the TAC's guidance regarding the oversight for the two-year programme of work. AH presented a proposed approach as to how this could work.

The members were asked for their views on this approach or if there were any other suggestions.

RM (SmartStream) advised that the approach seemed sensible.

RG agreed.

There were no further comments, so the TAC Secretariat took an action to write to the members requesting applications for membership of the GAA.

4	**UPI Update (01:04:50)**

Slides 29 & 30 – UPI Baseline Progress

BL (DSB) provided an update on progress made on the UPI Baseline project, including a number of milestones which had been completed, some additional requests from the regulators and progress updates on the reference data aspects. BL also reminded the members that the launch date is linked to the first anticipated regulatory mandate which is expected to be December 2023. UAT will be scheduled for 9 months prior to the mandate (March 2023) and production 3 months prior to the mandate (September 2023).

The members were asked if there were any questions relating to this topic.

WR asked that given a user type of Authority was added would there be another type of trade repository also added to search and consume the data (but not create)?

BL advised that no specific type for repositories had been added but advised that the search only API user has been launched which would be available.

EK (DSB MD) added that there is no determination made between the creation and consumption of the data as the data is of benefit to all users, irrespective of the creation or search functionality.

Slide 31 – UPI Upscale Progress (01:10:55)

BL (DSB PM) provided further detail on the UPI upscale project – the new scalable client and onboarding support platform which allows users to onboard and setup a profile for their user entity, connectivity, to review and sign legal agreement, make payments and provides a streamlined approached for registered users to sign up. BL noted this will be launched in production from the start date of UAT launch. The teams are now mobilising to put the platform in place in the run up to March 2023.

The members were asked if there were any questions relating to this topic.

WR asked if any thought has been given to providing this in advance of UAT start?

BL advised that the platform will be available 9 months before the first mandate i.e.: the first day of UAT launch and the platform should make it possible to configure in a matter of hours or days.

EK added that a contractual agreement will not be needed for UAT access should accelerate the onboarding process.

WR added that this will go a long way to improve the adoption and client experience.

5	CISO Update (01:16:04)

Slides 32 to 34

WP (DSB CISO) provided an update on the progress relating to the CISO activities underway in 2022. This included updates on ISO27001 and Secure SDLC which have been progressed as one project. The DSB is 80% compliant with mitigation in place for the remaining 20% so the DSB is ready for engagement with an accreditation company.

WP also provided an update on the Security Operations Centre analysis, and RFI/RFP has been undertaken with 8 potential vendors. We have received some responses to this, one has advised that the DSB does not have enough end points for them to warrant the business. This may indicate that this could be something that could be done in house. The team are processing the responses and will provide the DSB board with an update at the November meeting.

WP advised that the public consultation update on ISO27001 has been written and could be made available to the TAC members week commencing 31/10/22.

The members were asked if there were any questions relating to this topic.

No questions were raised.

6	Subcommittee Updates (01:24:17)

Slide 35 – TAC Strategy Subcommittee

AH provided an update on the status of the TAC Strategy Subcommittee. The members were advised that the forum has recently met with a view to completing the UPI strategic report. The outstanding question has now been closed and the forum has reached a number of recommendations in relation to the process to allocate UPI records to existing OTC ISIN records. AH noted there were some outstanding queries with the regulators regarding expired OTC ISIN records and provided an update on the expected volume of OTC ISIN records by the first regulatory mandate.

AH advised that we now have a confirmed regulatory mandate from ESMA which is the 29th April 2024.

AH thanked the members of the SSC for their contribution to the forum.

The members were asked if there were any questions relating to this topic.

No questions were raised.

7   AOB (01:31:36)

CP asked the members if there was any other business.

There were no further items raised.

CP closed the meeting ending at 14:37 GMT.

8   Actions

The following actions were discussed and closed during the meeting:

> 2111-02,2203-001,2203-002, 2203-003, 2203-004, 2203-005

The following new actions were recorded:

- 2210-001 TAC Secretariat to provide the TAC members with an update on the outcome of the UAT DR Test and if successful to seek guidance on scheduling the production DR test.
- 2210-002 TAC Secretariat to provide the TAC members with an update on the TAC Bulletin board on completion of the DSB's additional CFI 2019 analysis
- 2210-003 TAC Secretariat to write to the TAC members requesting application for members of the CASC to oversee the GAA programme

Respectfully submitted,

DSB Designated Officer.