DSB TAC MEETING MINUTES

Date:	25 October 2023	**Time:**	13.00 – 15.00 BST	**Location:** Zoom/Teleconference

Chairperson:	Richard Gee

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

No	Topics (recording time)

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

Slides 1 thru 4 – Welcome

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

Slide 5 - Roll Call

AH (DDO) undertook the roll call, noting apologies had been received from some members and that RG had kindly offered to stand in for CP as Chair.

Slide 6 – Member Changes

AH presented an addition to the Regulatory Observers which had been approved by the DSB Board and welcomed SO to the forum.

Slide 7 – Action Update

AH provided an update on the open action, 2303-007.

---

[1] https://www.anna-dsb.com/wp-content/uploads/2023/11/DSB-TAC-2023-Meeting-2-20231025.mp4

2   Existing Topics (00:05:45)

Slides 8 – UPI Go Live

AH provided an update on the UPI Go Live which was Sunday 15th October. There have been a number of users that have used the system to create UPIs across different asset classes and no issues have arisen.

The OTC ISIN service was updated with the first of two releases to incorporate the UPI. 57 product templates were also released as part of the weekend.

One issue has been reported where the OTC ISIN daily delta files incorrectly included the migrated ISINs. This was corrected and the delta files for the 15th October republished. This caused a problem for a second client, who reported that this has been the case in UAT. The UAT issue had been reported by another client, but there was an error in the file download document which led to an incorrect reply being sent back. To resolve this for both sets of users, the DSB has provided a new ISIN+ version which is a combination of the ISIN delta and ISIN migration files, this will be published by 00:30 UTC daily and will be supported until the end of January 2024.

The pre-population process also started on the Sunday 15th October. The target for the first release to complete is the 5th November. Processing is currently ahead of schedule, active swaps for the first release has completed and expired swap processing has started. 18.5 million of the 113 million ISINs have been processed, and so far, 129,476 UPI's have been created by the process.

JC (HSBC) asked if there will be an increase in users come January and what the current user statistics are compared to the anticipated numbers. Further, if this will cause volume issues.

AH replied advising that numbers are currently low as users are still onboarding via the COSP. Currently 10 organisations are in the system across the different user types, however, another 34 have subscribed to the service. AH advised that that BL (DSB) was unable to join the TAC meeting today but would be able to give further information.

SO (StateStreet) asked if the pre-population service will include the FX currency pairs in the 5th November release and if firms can digest these.

AH replied advising the UPI service is available for users to generate UPI's now for FX, however, for current OTC ISIN users, the parent UPI will be available for FX as part of the 5th November release, FX forms part of the second phase of pre-population processing, the target for all active ISINs to be processed is by 2nd December, the process will then move onto expired ISINs.

SO (StateStreet) questioned the frequency of changes for FX – the expectation being that they would be infrequent – is that correct?

AH agreed.

Slide 9 – Disaster Recovery Testing (00:19:30)

AH provided an update on the disaster recovery testing where a successfully executed an internal test in the production environment completed during the DSB's downtime window. Both the failover and failback activities were completed within the DSB's 4-hour Recovery Time Objective (RTO). An integrated test with the user community is to be scheduled however feedback has suggested that the DSB should first undertake a further DR test in UAT.

AH explained the two options that have been proposed; UAT DR Test, which is the quicker of the two options or Production Test.

RG agreed with the testing. It makes sense to do the proposed UAT DR test before planning the production test.

MB (JPM) Asked the timeline of the UAT DR Test.

AH outlined the two-week timeline and explained the failover would take place during the downtime window so there would be no impact to users.

JC (UBS) Was also very supportive of this process and recommended giving users as much notice of the production test as possible, so dates are in diaries.

AH agreed, users will be given as much notice as possible to allow them to prepare for the failover event, some requiring network changes due to not using the DSB's aliases.

The members were asked if there were further questions relating to this topic. There were no further questions raised so the DSB recorded an action taken to schedule the UAT DR test as well as the full production test.

Slides 10 – Weekly Snapshot (00:26:16)

AH provided an update on the weekly snapshot project, AH reminded the members of the engagement via the TAC Bulletin Board regarding some costs saving initiatives which are possible due to the introduction of the weekly snapshots.

Weekly Snapshots for the UPI services have not yet commenced however they will be available in the UAT environment from 28th October and in Production from 19th November.

AH ran through the future plans based on the feedback received. Smaller consumable units of the snapshots and a symbolic linking point will be implemented for the Weekly Snapshots as part of BAU.

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

There were no questions raised.

Slide 11 thru 14 – CFI 2019/2021 (00:29:48)

JW (DSB) introduced himself and provided an update on the CFI 2019/2021 project.

JW proposed to the members two options to provide CFI updates via the weekly snapshot alongside the ISIN and UPI migration folders.

JC (HSBC) asked for clarity, if the new CFI will be historically added or recorded in the same way as UPI.

JW confirmed that this will occur.

JC (HSBC) added that the approach used for UPI was generally accepted.

Proposal of weekly snapshot as well as the ISIN and UPI migration folders which can be re-reviewed at the March 2024 TAC Meeting.

JW continued to update the members on the implementation outline for the CFI 2019/2021. All new version of JSON record templates will be deployed, then the existing UPIs and ISINs will be migrated. Following this, the deployment of JSON request templates and old versions of existing UPIs and ISINs will be available from historical File Downloads. After these steps have been completed, the new CFI 2021 component will be added to the UPI and ISIN record templated. Further, CFI 2015 and CFI 2021 will be added to the parent components.

JW outlined as part of the CFI 2019/2021 migration, the DSB will increment the Record schema where existing records are migrated.

The table JW described is available on slide 13 in the distributed TAC Presentation available on the DSB website.

JW described the CFI Delivery Plan, also available in the distributed TAC Presentation available on the DSB website, found on slide 14.

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

There were no questions raised.

Slide 15 – 2023 Plan on a Page as at 13/10/23 (00:36:40)

AH presented the progress that has been made in 2023 since the Plan on a Page was shown in March. The majority actions have been completed. The EMIR CFI Code change is due in UAT shortly and the remediations from the 2023 penetration test to be closed out by mid Q4. The CFI project to continue into 2024. Actively engaging with OpenSearch, for example the pre-population statistics are being driven by OpenSearch. AH added, the website becoming highly available is ongoing especially important with the DSB users becoming more global.

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

There were no questions raised.

Slide 16 – Machine Readable Validation (MRV) & Reporting (00:39:05)

DL provided an update on MRV that post CFI 2021 delivery MRV will become priority. Currently working alongside ISDA on potential integration between CDM and DSB for UPI. This will support one of the CDM open-source development group and sponsor them within the UAT environment with the objective to progress CDM and UPI.

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

There were no questions raised.

Slide 17 – Global Agile Architecture (00:40:25)

AH provided an update about the GAA as it has been instrumental in automating the DSB deployment and has allowed a rebuild to be undertaken in a short space of time. The touch points into the DSB have been reviewed and MongoDB Atlas migration is almost complete in UAT with plans to migrate to Production in Atlas in February 2024 addressing an upcoming end of life issue.

AH outlined the 2024 proposed initiatives being active services across Production Datacentres and PoC of a strategic alternative to dealing with CFI updates. Currently looking into the Atlas new search capability as there is a wider scope available to the DSB to utilise. Improvements to be made to the file download service once migration has been completed to improve on service.

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

There were no questions raised.

Slide 18 – Industry Consultation 2023 (00:46:25)

AB (DSB) reminded members of the topics reviewed for the Industry Consultation 2023 being Security Operation Centre (SOC) – to be discussed under Cyber Security, the Proprietary Index Workflow and the DSB Release Process. There was little industry support to automate the process of Proprietary Index Workflow as it would require significant investment. Analysis of current workflow highlighted four process improvements to alleviate delays which will be implemented under BAU.

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

There were no questions raised.

Slide 19 thru 20 – DSB Release Process (00:47:48)

AH reminded members of the background that in March the DSB received requests to postpone three product template releases, therefore, to reduce the possibility of delays the following changes have been proposed. Firstly, the Upcoming Release Table will include a breaking change column indicating if the DSB consider the release breaking for the client. Secondly, the DSB will endeavour to provide go/no go notice 11 days prior to production release to give clients enough time to plan and thirdly, notifications will highlight breaking changes.

AH outlined the integration of the 'Release Milestone' and 'JSON and Documentation Links' table to link both to each milestone. Early draft versions will be available to allow for feedback and for comparisons between drafted and final versions.

Final points regarding review and clean-up of GitHub repository and standardised documentation details will be raised offline in the TAC Bulletin Board for further discussion. Action against AH (DSB) to raise these discussions in the Bulletin Board.

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

JC (UBS) asked if there was any guidance on how the determination of a breaking change is made.

AH took an action to share thoughts on what would be deemed a breaking change. AH gave an example of a non-breaking change where the PC requests additional enumerations – the desire here is to release these intra-week, which is only possible if non-breaking for users.

JC (UBS) added that if users can submit the same things after the change as they did before and that everything is still accepted then that is a non-breaking change.

JC (HSBC) requested a notification to be sent to all users once the new release process has been finalised.

AH in agreement.

No further questions.

Slide 21 – DSB Change Process Update (01:00:00)

AH gave an update on the DSB Change Process Update where changes regarding topics such as the integration and delivery of the UPI service where controlled.

AH advised of graphical error in graph however represents data in the related table. These can be viewed on slide 22 in the distributed TAC Presentation available on the DSB website.

Slide 22 – UAT Maintenance Window Review (01:01:40)

AH reminded members of the background of the UAT2 Maintenance Window Review as in March, the TAC recommended to include the UAT2 environment in the midweek maintenance window and to alter the UAT2's downtime hours so that they do not clash with the UAT environment. AH has updated members that the changes have now been actioned and the current operating hours can be viewed on the DSB website.

3   New Topics (01:02:45)

Slide 23 – Digital Operational Resilience Act (DORA)

AH introduced the new CISO, Chrisi Baetz to the members.

Chrisi gave the members a background on the new topic Digital Operational Resilience Act (DORA) for financial entities to be compliant by January 2025. The definition that outlines which entities fall under DORA is subject to further policy development therefore, it is currently unclear whether DSB will be classified as a "critical" Third Party tech vendor. The board have agreed to allocate €100k capex for the scenario where the DSB is deemed to be in-scope.

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

EC (Tradeweb) advised that she would be surprised if the DSB would be seen as critical due to the service provided.

CB explained although there is no clear guidance or definition, the DSB might fall under as critical for financial institutions. Update will be given when more the DSB have more information.

JC (HSBC) asked who decides which institutions are in scope and raised question on if advice should be sort out as a regulatory mandate.

CB answered that the definition if a third-party vendor is deemed critical is provided by the regulator however this is still not clear or, if a financial institution deems the DSB as critical, each financial institution would need to provide a register to the regulator with the Third-party vendors. Therefore, also dependent on these financial institutions to have created said register.

JC (HSBC) asked who makes this decision?

CB advised this is twofold – regulatory guidance and other financial organisation stating the DSB is critical to them.

JC (HSBC) asked for clarification regarding the money being invested.

CB replied saying the allocated money is subject to confirmation the DSB is in scope, once this is confirmed then the funds will be released.

No further questions.

4   UPI Update (01:10:15)

Slides 24 - UPI Baseline

AH noted to members that the UPI baseline update was covered in UPI Go-Live Update however added one of the key requirements of the technical guidance for the UPI is that different UPIs are not created with the same inputted information - the UPI system has the capability to provide alternative Identifiers. This functionality was made available,

and a workflow is provided for users to access the reference data. This is a UPI specific functionality and not available in the ISIN service.

AH added that the DSB Main Terms and Policies were subject to minor revisions on 15th July 2023 and effective 16th October 2023.

Slide 25 – UPI Upscale (01:13:15)

AH provided members with an update to the UPI Upscale project of the Client Onboarding and Support Platform (COSP) now being available since the launch of the UPI service in UAT, the COSP is used for the entire subscription management process. UAT connectivity set-up was available for users since the 17th July 2023. Production workflows are now available, and a notification was sent out separately and in advance making users aware of the IP addresses that are needed to be whitelisted. Operational readiness for COSP to support UPI service in Production is complete.

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

There were no questions raised.

5	CISO Update (01:16:23)

Slide 26 thru 28 – Cyber Security Update

CB provided an update on the CISO activities since the last meeting, including the security operations centre (SOC) as the options paper was shared with the TAC on the Bulletin Board to address concerns around the initial costs. All in agreement to dismiss options 3 of manual monitoring without SIEM automated log file correlation. No clear support for either option 1 or 2, therefore option 2 of the in-house DSB SOC with tooling was communicated to the Board as the recommended long-term strategic option with a cost split of 50/50 across OTC ISIN and UPI.

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

There were no questions raised.

CB also provided an update on ISO27001 where a preparedness assessment was conducted in Q3 2023 which resulted in documentation gaps. Expected to complete ISO27001 accreditation by 30th September 2024.

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

There were no questions raised.

6	AOB (01:20:48)

RG thanked the presenters and the participants and asked if there was any other business.

There were no further items raised.

RG asked the members to review the minutes when they are sent out and closed the meeting.

7	Actions

The following new actions were recorded:

- 2310-001 DSB to schedule a further UAT Disaster Recovery Test and to provide users with the dates of the production DR test in Q2 2024 as soon as they are agreed.
- 2310-002 DSB to create a new bulletin board topic to cover the remaining points regarding cleaning-up the GitHub repository and standardising documentation details in relation to the DSB Release Process.
- 2310-003 DSB to share thoughts on what changes to the system would be deemed to be breaking changes.

Respectfully submitted,

DSB Designated Officer.