

DSB TAC SSC MEETING MINUTES

Date: 21 April 2021 **Time:** 13.00 – 15.00 UTC **Location:** WebEx/Teleconference

Chairperson: Simon Wiltshire

In attendance:	TAC Members Amit Bairagi, Deutsche Bank AG Lisa Taikitsadaporn, FIX Alan Milligan, ISDA Nadav Krispin, JP Morgan Kamel Singh, SIX Group Services AG Rocky Martinez, SmartStream Jefferson Braswell, Tahoe Blue Ltd Elodie Cany, Tradeweb	Regulatory Observer Robert Stowsky, CFTC & ROC DSB Marc Honegger, DSB Board Sponsor Emma Kalliomaki, DSB Managing Director Andy Hughes (Designated DSB Officer - DDO) Yuval Cohen (TAC Secretariat)
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Apologies David Broadway, Investment Association

Absences: Felix Ertl, BVI Anthony Brennan, Standard Chartered Bank
 Souvik Deb, Citigroup

No Topics

1 Welcome

The Chair introduced the meeting and described Competition Law expectations and responsibilities of TAC SSC members. The Chair also advised that one minor correction to the minutes had been received so that will be updated and the minutes made final.

2 Roll Call

AH (DDO) undertook the roll call.

3 Interim Report Review

Slide 7

AH advised that there had been no further reviewed sections in the interim report so this slide has not been updated.

Slide 8

AH advised there were minimal changes to the interim report this month which relate to acceptance of previous changes and version number updates.

Slide 9 – FIX Rules of Engagement Update

AH provided the members with an update on progress regarding the FIX RoE which was shared with the members on the 14th April 2021 via the TAC SSC Bulletin Board. AH noted the 5th bullet point should read “The next FIX GTC...”. It was noted that combined ISIN and UPI calls is not possible via the FIX interface, so these methods are not present in the FIX RoE.

YC (TAC Secretariat) advised that the UPI interface is very similar to ISIN and follows the same approach, the members were invited to raise any questions either in the meeting or afterwards.

The members were advised that the current drafts of both the ReST and FIX RoE documents will be published on the DSB’s website at the end of the month.

Slides 10-13 Assumptions, Recommendations and Questions

AH provided an update on the Assumptions, Recommendations and Questions.

No changes had been made to assumptions.

A number of page references for the recommendations have been updated. A new recommendation has been added from the changes made earlier in the year and as previously discussed, a recommendation which is no longer in the interim report has been removed from the summary list.

The first two PC questions were added to the agenda for the PC on the 20th April 2021, however, there was insufficient time in the meeting so they have been carried over to the next PC meeting on the 4th May 2021 where they will be addressed at the start.

4 Additional Discuss Items

Slide 14-18 – ISIN Only Service

AH presented the first of three new topics which relates to the first UPI Fee Model Consultation process having identified a third ISIN-Only workflow. A further outreach by the DSB to existing ISIN users also confirmed this requirement. The interim report will need to be revised to include this third workflow.

The members were provided with an overview of the current state as well as the key three areas that will need to be considered.

The members were invited to ask questions.

RS (CFTC & ROC) sought clarity on the access to methods from a regulatory point of view?

AH advised that these are the building blocks behind the user roles and we expect to work closely with the regulatory community to understand the requirements of their role will be.

RS also sought clarity on the contribution of the ISIN-Only user to the UPI Cost Recovery model.

AH advised that he would take this back and discuss with colleagues at the DSB.

RM (SmartStream) asked if the change from ISIN to combined ISIN and UPI would be seamless if there was a need to quickly convert?

AH advised that the governance to add the second role would need to be completed first of all. The permissioning aspects should be straightforward, but the user would need to have completed development and testing of their UPI interface to the DSB UPI Service. Also, there may be differences in templates between the ISIN-Only version and others, although we hope that will not be the case.

NK (JP Morgan) wanted to clarify the separation of records for ISIN-Only and UPI-Only.

How is the parent UPI different from the CFI and what would be the harm of adding the parent component containing the UPI code to the ISIN record?

AH advised that thought is being given to this with the DSB Management team and will also include further engagement with industry through the consultation process.

EC (TradeWeb) sought clarity on the industry categories of the 24% of users who indicated they required the ISIN-Only service in their response – this was based on an apparent lack of industry awareness regarding the UPI.

AH took an action to see if the DSB can derive the breakdown from the industry consultation responses.

EC asked if the introduction of the ISIN-Only workflow would increase the costs of the UPI service?

AH advised that the numbers are quite small, 24% of the current fee-paying base, but yes, a reduction in the numbers of users paying a fee for the UPI service would mean increased costs for those paying for that service.

EK (DSB MD) added that the feedback relating to the ISIN-Only response came from varied organisation types, EU Trading Venues, Sell Side and Buy Side. We will need to understand if there is a genuine demand or a lack of awareness. Further details need to be discussed and understood.

EC sought clarity on the DSB investigating two types of workflow, the current ISIN service offering and potentially a synthetic version where internally a UPI is created during the ISIN creation process.

AH advised that these are the options being considered, including the investigation into the templates such that the structure change is made but perhaps the values are not provided.

There were no further questions raised.

Slide 19 - 24 – Underlier Identifiers

AH introduced the requirement that different jurisdictions must be able to supply different identifiers to identify an underlier but without creating duplicate UPI records in the process.

The members were presented with the summary list of primary underliers which have been approved by the Product Committee.

The members were provided with details of the RFI process which has been launched to source the additional underlier information required to support the underlier cross referencing.

The members were taken two through fictitious examples of how this process would work.

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

JB (Tahoe Blue Ltd) wanted to clarify if the UPI would be created from the supplied attributes and if so would this mean that a UPI may not be able to be created if there is no primary identifier defined?

AH explained that creation is based around the attributes supplied, retrieval can be by either the attributes or via the UPI code. However, it is correct that if there is no mapping from an alternate identifier back to a primary then the request will have to be rejected.

JB clarified the original question related to creation of a UPI from the supplied attributes but will send in some further questions offline.

EC referred to the BB article on this and referred to a member's comment and asked if the DSB expecting to find one provider for the identifiers or if the DSB are open to connect to several providers?

AH advised that it really depends on what we receive back from the vendors. Ideally one would be easier to deal with, but may not be possible, so we are waiting to see.

EK added that timeliness and costs are other important factors being considered.

The members were asked if there were any questions in relation to the second example. None were raised.

Finally, the members were provided with a list of the current considerations the DSB is working through.

The members were asked if there were any questions with respect to the current considerations. None were raised.

Slide 25– Dynamic Enumerations

AH reminded the members of the Dynamic Enumerations project and sought guidance on the approach to adopt for the UPI templates.

The members were asked for their feedback on the approach.

AB asked if there was a timeline for decommissioning the current denormalised templates.

AH advised that the TAC's recommendation was to give industry 12 months' notice, tentatively Aug-Sep 2022.

AH proposed moving UPI forward on just a normalised set of templates.

The TAC Secretariat took an action to present an approach to the TAC members regarding the approach to dynamic enumerations for both ISIN and UPI.

AH thanked the members for their contribution to the topics discussed during the meeting.

AH then handed back to the Chair.

5 AOB

The Chair asked the members if there was any other business?

No items were raised, the Chair thanked the members for attending and their contribution to the forum. The meeting ending at 13:47 UTC.

6 Actions

The following actions have been closed since the last meeting:

- 1703-001

The following new actions were recorded:

- 2104-001 TAC Secretariat to see if the DSB can determine the organisation types interested in the ISIN-Only role from the industry consultation responses.
- 2104-002 TAC Secretariat to present the proposed dynamic enumerations approach for both the ISIN and UPI to the full TAC membership.

The following actions remain open:

- 2101-001 DSB to consider as part of the go-live considerations if the ISIN to UPI mapping can be made available prior to go live?
 - 1702-001 AH to discuss SLA's with SD and bring this back at the next meeting
 - 1702-002 AH to ensure that connectivity requirements for new and existing DSB users is clearly specified in the documentation.
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Respectfully submitted,
DSB Designated Officer.