

DSB PRODUCT COMMITTEE MEETING MINUTES

Meeting: The 167th DSB Product Committee Meeting

Date: 07-Sep-2021 **Time:** 15.00 – 16.30 UTC **Location:** DSB Offices /Teleconference

Name	PC Role	Institution	Attendance
Harry McAllister	Co-Chair	BNP Paribas	Yes
Joseph Berardo	Co-Chair	Intercontinental Exchange	Apologies
Michael Burg	Product Committee Member	State Street Financial	Yes
Martyn Cole	Product Committee Member	Refinitiv	Yes
Jourik De Lange	Product Committee Member	Smartstream RDU	Yes
Dawd Haque	Product Committee Member	Deutsche Bank	Yes
Dominic Harth	Product Committee Member	Union Investment Privatfonds GmbH.	Yes
Uwe Hillnhuetter	Product Committee Member	Tradeweb	Yes
Nicholas Moger	Product Committee Member	J.P Morgan	Yes
Navraj Panesar	Product Committee Member	Citigroup	Absent
Gregg Rapaport	Product Committee Member	DTCC	Apologies
Kirston Winters	Product Committee Member	IHS Markit	Yes
Mari Asakura	Regulatory Observer	JSDA	Absent
Davide Panadori Cino	Regulatory Observer	ESMA	Apologies
Giulia Ferraris	Regulatory Observer	ESMA	Apologies
Eiichiro Fukase	Regulatory Observer	JSDA	Absent
Dr Olaf Kurpiers	Regulatory Observer	BaFin	Apologies
Frank Lasry	Regulatory Observer	AMF	Apologies
Jean Obray	Regulatory Observer	FCA	Yes
Alex Stirling	Regulatory Observer	FCA	Yes
Robert Stowsky	Regulatory Observer	CFTC	Yes
Dominik Zeitz	Regulatory Observer	BaFin	Absent
Andrew Bayley	Observer	ISDA	Yes
Lisa Taikitsadaporn	Observer	FIX Trading Community	Absent
Fiona Willis	Observer	GFMA	Absent
Emma Kalliomaki	DSB Board Sponsor	DSB Board	Yes
Malavika Solanki	DDO	DSB	Yes
Simon Wiltshire	Alternate DDO	DSB	Apologies
Adam Grace	Alternate DDO	DSB	Yes
Yuval Cohen	Presenter	DSB	Yes

No	Topics		
1	Introduction & Agenda		
2	Competition Law Reminder		
	Presented		
3	Review Minutes from Previous Meeting		
	The prior meeting's minutes were approved and are now considered final.		
4	Announcements		
	DSB Current Technical Status		
	The DSB (TAC) reported that there would be no change to the heightened awareness period through to the 30 th September, 2021.		
5	Open Actions		
412	DSB to provide an update to regulators on CFI 2019 adoption following any updated approach being shared with the DSB PC once TAC feedback has been received. <i>Update: A review of the proposed approach is ongoing, update to be provided at the next meeting.</i>	DDO	OPEN
413	The DSB to obtain regulatory feedback on CFI 2019 adoption after the initial outreach by the DSB, following completion of action 412.	DDO	OPEN
432	The DDO to work with the CDIDE Chairs and PC Members to identify, address and document the industry's information needs.	DDO	CLOSED
435	CFTC to present agreed UPI masking requirement for less liquid underliers to the PC.	CFTC	OPEN
465	AG1 to present details of the proposed ISO 20022 changes.	AG1	OPEN
485	The DSB are to work with the PC to produce best practice guidance on the treatment of the funding leg in the generation of UPIs.	DDO	OPEN
494	The DSB to present further details of status of OTC ISINs/UIP and the impact this has on the user's ability to make calls to the DSB. To be presented alongside GUI and messaging examples of the users experience.	DDO	CLOSED

495	The DSB to present further details regarding the impact corporate actions may have the use of alternative identifiers.	DDO	CLOSED
497	The DSB to arrange a dedicated review session of the proposed approach to facilitate support for the transition from the ISO 10962 (CFI) 2015 standard to 2019 version of the code-set. <i>Update: Target Date extended – Additional review sessions required. Related to action 412.</i>	DDO	OPEN
500	The DSB to publish best practice and/or updates to the UPI FAQ following questions from PC members. <i>Update: work in progress and related to agenda item 10 below</i>	DDO	OPEN
501	The DSB to seek the appropriate regulatory guidance following questions from PC regarding the UPI. <i>Update: work in progress and related to agenda item 10 below</i>	DDO	CLOSED
505	DSB to update the PC regarding Dynamic Enumerations.	DSB	OPEN
506	PC to discuss feedback from regulators relating to questions received regarding UPI. <i>Update: work in progress and related to agenda item 10 below</i>	DDO	OPEN
508	PC to discuss feedback from CFI maintenance agency regarding NDF's on Bitcoin. <i>Update: awaiting review and feedback from ISO</i>	DDO	OPEN
509	ISDA to consider how best to mitigate the risk with respect to final publication date of the public ISDA 2021 data required by the DSB to enable DSB implementation ahead of industry go-live on 4th October.	ISDA	CLOSED
510	The DSB to provide an email update to PC Members with an update on the expected implementation timeline of ISDA 2021 FRO implementation.	DDO	CLOSED
511	The DSB to raise the issue of Backwards Compatibility for the OTC ISIN and UPI with the CDIDE for further consideration.	DSB	OPEN
512	The subject of UPI assignment for legacy OTC ISIN records to be included in the agenda for the next meeting.	DDO	CLOSED
513	DSB to determine if attendance levels are sufficient to hold the meeting on 24th August 2021.	DDO	CLOSED

6-8	Current DSB Tasks	Status	Priority
DSB-8	<p>Review Source of Commodity Index</p> <p>DSB to continue discussion with Commodity index providers with the aim of having an agreed design and an agreement in principle by end of Q3 2020.</p>	In Prog	Med
DSB-53	<p>Set Maximum Number of Items in Arrays</p> <p>The system needs to impose a maximum number of input values against each array to protect the system from unvalidated input.</p>	Tech	Low
DSB-62	<p>CFI Code Service</p> <p>DSB-managed service that will return CFI codes for any OTC derivative products without the associated generation of an ISIN (Analysis Only).</p>	Tech	Med
DSB-63	<p>RTS 2 Sub-Asset Class Mapping</p> <p>To provide a mapping of DSB products to MiFID II (RTS 2) SubAsset Class and publication in machine-and human-readable formats (Analysis Only).</p>	In Prog	High
DSB-67	<p>GUI Search Utility Improvements</p> <p>To examine how the GUI-based search utility may be improved to allow users to perform searches without search semantic knowledge (Analysis Only).</p>	Tech	Low
DSB-90	<p>Price Multiplier Validation</p> <p>The Price Multiplier is subject to inconsistent rounding when very large numbers are input (eg: greater than 18 digits).</p>	Tech	Med
DSB-133	<p>Prop Index Process Analysis</p> <p>Analyse the Proprietary Index management provision to identify efficiency and service improvements.</p>	Tech	Low
DSB-370	<p>CFI 2019 Support</p> <p>Support the updated 2019 ISO Standard for CFI (10962) throughout the DSB product suite.</p>	Tech	High
DSB-974	<p>New Attribute: Standard Contract Type</p> <p>Add Standard Contract Type to Single Name CDS templates.</p>	In Prog	Med

DSB-1002	ISDA 2021: New FROs The DSB will need to support all the new FROs as new entries in the enumerated list used across Rates and Non-Standard templates that include FROs as an underlier.	In Prog	High
DSB-1076	Structured Email Messages To allow users to specify the types of DSB notification that they receive.	In Prog	Low
DSB-1120	ISDA 2021 New GUI Titles To provide solution options in implementing ISDA 2021 changes in the GUI to enhance user-experience.	On Hold	Med
DSB-1132	Search Only User Type To provide a cost-effective solution for DSB API users who wish to perform searches against the OTC ISIN database in real-time without the ability to create ISINs.	Tech	Low
DSB-1376	NOK-NIBOR-NIBR-Bloomberg New Reference Rate Add new FRO to the Rates and Non-Standard Enumerated Lists.	In Prog	Med

8 ISDA 2021 FR) Implementation Status

The DSB reminded the PC of the status of DSB-1002 (UAT release on Saturday 11th September 2021 & Production release on Saturday 19th September 2021). The DSB's implementation approach continues to align with that agreed with the PC at the prior meeting and will result in the introduction of new reference rates to support the 2021 definitions (excluding the previously discussed exceptions) , as well as other rates that came to market earlier this year. No other changes are being introduced at this time, given the short time to market, so that user communication and testing can be simplified and expedited.

The DSB reconfirmed that, to the extent any new reference rates were added to the final list published by FpML, it would seek to work with ISDA and other PC Members to agree an implementation date in the future to support any additional rates, and that these additional rates will be delivered after the industry's adoption date of 4th October 2021.

The PC confirmed that any future updates to enumerated values will be treated in accordance with the DSB's business as usual processes i.e. published in FpML ahead of DSB implementation review, PC approval, and subsequent DSB deployment. The PC also requested that the DSB consider introduction of an agile approach to support the implementation of new reference rates such that the time to market can be reduced. >**Action505**

9 Swaption UPIs & “Orphan ISINs”

This PC meeting focused on the topic of UPI assignment and OTC ISIN maintenance for legacy OTC ISIN records at the time of the launch of the UPI service, per the request of the PC at the previous meeting, where it was agreed that the enhanced UPI validation rules should also be applied to the OTC ISIN following launch of UPI service, so that the two identifiers remained aligned.

The proposed system behavior and validation rules for OTC ISINs once the UPI service is launched were discussed in detail by the PC, and it was acknowledged that there will be some OTC ISINs where a UPI parent cannot be meaningfully created using the existing attributes – these are referred to as ‘Orphan ISINs’. One such example, that of Swaptions was presented to the PC, with additional marginal use cases also expected to arise. The “orphan” scenario for Swaptions arises because OTC ISIN users can currently create Swaption ISIN records without validation of the underlying ISIN used in the creation of the Swaption ISIN in cases where the associated underlying ISIN is either: not an OTC ISIN, or is an OTC ISIN - but the underlying instrument is not a Swap ISIN record.

The PC agreed that for OTC ISINs where a UPI parent cannot be created due to enhanced validation rules be marked with an OTC ISIN status of ‘deprecated’, with an accompanying status reason of “inconsistent with data validation rules”. OTC ISIN records marked as “deprecated” would subsequently not be maintained by the DSB (e.g. not be subject to CFI transition support, etc.), and would remain searchable by OTC ISIN users. This new OTC ISIN status and status reason would also need to be reflected in the OTC ISIN status materials. >**Action514**

10 UPI – Summary of PC Members’ Queries About the Service

The PC continued their review of open questions from PC members about the UPI service. It was that all but one query could be resolved by publishing additional materials based on the principles agreed in the meeting. The PC noted that the one open item regarding review and publication of the UPI Status document would be followed up, with the DSB to revert with a date for PC review of the UPI Status document. >**Action515**

Product Release Schedule

N/A

AOB

Respectfully submitted,

DSB Secretariat

Minutes Approved on: 21/09/2021

Summary of Open Actions		Owner	Target Date
412	DSB to provide an update to regulators on CFI 2019 adoption following any updated approach being shared with the DSB PC once TAC feedback has been received.	DDO	TBC
413	The DSB to obtain regulatory feedback on the CFI 2019 approach after the initial outreach by the DSB, following completion of action 412.	DDO	TBC
435	CFTC to present agreed UPI masking requirement for less liquid underliers to the PC.	CFTC	TBC
465	AG1 to present details of the proposed ISO 20022 changes.	AG1	04-May-21
485	The DSB are to work with the PC to produce best practice guidance on the treatment of the funding leg in the generation of UPIs	DDO	TBC
497	The DSB to arrange a dedicated review session of the proposed approach to facilitate support for the transition from the ISO 10962 (CFI) 2015 standard to 2019 version of the code-set.	DDO	24-Aug-21
500	The DSB to publish best practice and/or updates to the UPI FAQ following questions from PC members.	DDO	TBC
501	The DSB to seek the appropriate regulatory guidance following question from PC regarding the UPI.	DSB	TBC
505	DSB to update the PC regarding Dynamic Enumerations .	DSB	10-Aug-21
506	PC to discuss feedback from regulators relating to questions received regarding UPI.	DSB	TBC
508	PC to discuss feedback from CFI maintenance agency regarding NDF's on Bitcoin.	DDO	TBC
511	The DSB to raise the issue of Backwards Compatibility for the OTC ISIN and UPI with the CDIDE for further consideration.	DDO	24-Aug-21
514	This new OTC ISIN status and status reason regarding Orphan ISINs to be reflected in the OTC ISIN status materials.	DSB	TBC
515	The DSB to revert with a date for PC review of the UPI Status document.	DDO	TBC

Summary of New or Updated DSB Tasks		Status	Priority
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