



LEADING TREASURY
PROFESSIONALS

The Association of Corporate Treasurers

Comments in response to

Harmonisation of the Unique Transaction Identifier

Committee on Payments and Market Infrastructures

Board of the International Organization of Securities

Commissions

Bank for International Settlements

August 2015

September 2015

The Association of Corporate Treasurers (ACT)

The ACT is a professional body for those working in corporate treasury, risk and corporate finance. It is established by Royal Charter in the public interest. Further information is provided at the back of these comments and on our website

www.treasurers.org.

Contact details and a link to our approach regarding policy submissions can also be found at the back of these comments.

We canvas the opinion of our members through seminars and conferences, our monthly e-newsletter to members and others, *The Treasurer magazine*, topic-specific working groups and our Policy and Technical Committee.

General

The ACT welcomes the opportunity to comment on this matter.

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Introduction

We reiterate earlier calls through the European Association of Corporate Treasurers' Response to the Financial Stability Boards consultation on the Feasibility study on approaches to aggregate OTC derivatives data dated 28 February 2014:



The Association of Corporate Treasurers, London, September 2015

“Independently of the mechanisms and data formats chosen for aggregation it should be ensured that the reporting formats for market participants remain stable in order to avoid any additional implementation efforts resulting from potential changes. The impact of such changes on business processes and systems is often underestimated by decision-makers.”

Our response to this report is restricted to **“Intelligence” in the UTI, Questions 38 to 39.**

- Question 38: Which components, if any, should be included in the UTI? Which, if any, components should be used in UTI construction but not appear in the UTI? In answering this question, consider both the components listed in the table above or suggest other components as necessary. Please, explain how the particular components contribute towards meeting the characteristics set out in Section 2.

ACT 38: Market participants have evolved their own means of creating UTI which aim at uniqueness. Notwithstanding that some have used other data fields within their UTIs, sometimes MiFID codes, we do not believe there is any value in using fields separately entered into trade repository reports: for example the Timestamp. Doing so is unnecessary repetition and reduces the characters available to construct unique identifiers. Also we believe it should be ensured that the reporting formats for market participants remain stable in order to avoid any additional implementation efforts resulting from potential changes. The impact of such changes on business processes and systems is often underestimated by decision-makers.

- Question 39: Should the UTI be solely a dummy code, i.e. a value that contains no embedded intelligence? Why or why not? Assuming that other data elements regarding a transaction (e.g. the identification of the counterparties, the date and time of execution etc.) will be captured by the report to the TR, is it necessary to reflect such elements in the UTI?

ACT 39: We do not believe there is any value in using fields separately entered into trade repository reports unless this would enable them to be removed as separate fields: for example the Timestamp. We do not encourage such fundamental change to file structure now that systems have been developed to create and enter the report data. Also we believe it should be ensured that the reporting formats for market participants remain stable in order to avoid any additional implementation efforts resulting from potential changes. The impact of such changes on business processes and systems is often underestimated by decision-makers.

We will separately respond on the later Consultative Report, Harmonisation of key OTC derivatives data elements (other than UTI and UPI) – first batch, of September 2015.



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The Association of Corporate Treasurers

The Association of Corporate Treasurers (ACT) is the leading professional body for international treasury, operating in the public interest under Royal Charter. We provide the widest scope of benchmark qualifications for those working in treasury, risk and corporate finance. Membership is by examination. We define standards, promote best practice and support continuing professional development. We are the professional voice of corporate treasury, representing our members.

Our 4,400 members work widely in companies of all sizes through industry, commerce and professional service firms.

For further information visit www.treasurers.org

Guidelines about our approach to policy and technical matters are available at <http://www.treasurers.org/technical/manifesto>.

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