

Comments on "Harmonisation of the Unique Transaction Identifier Consultative report"

For lifecycle events that could affect the UTI

We suggest UTI should keep the same throughout the lifecycle, such as central clearing and trade compression referred in the report, CFETS keep the same UTI currently, and has not yet encountered the situation that need to change the UTI. If a new UTI is required, specific relevant mechanism which is easy to use should be determined.

For the responsibility for the generation of the UTI

As the three options refer to the report, since option 3 has not provided a specific algorithm, we would not discuss this option.

Suggestion on option1:

- I. For domestic trades, we suggest regulatory authorities to set up explicit rules, while contributing to the avoidance of double-counting.
- II. There should be a uniform rule for the responsibility for the generation of the UTI between counterparties, otherwise the negotiated solution may take more time and generate problems.
- III. Since the work on standards development of LEI has not been completed in many jurisdictions, new solution should be considered when neither of the participants have LEI.

Suggestion on option 2:

It is executable as long as it could specify who is responsible for the generation of the UTI in a cross-border transaction and make sure the UTIs are compatible in TR.

Possible components of the UTI structure

Considering to the characteristics, we suggest that UTI should not be intelligent, any of these components in the UTI should not have implication. There are mainly two reasons. Firstly, UTI is not confidential, as a unique identifier, in most cases, it needs to be provided to customers when system transmission and data aggregation. If UTI contains sensitive information like entities information, it would narrow the scope of UTI usage. Secondly, if UTI contains detail information of transaction, it would lead to the change of UTI correlated to the modification of some element of the contract.

For possible components of the UTI structure, we suggest to cover jurisdictions(for a cross-border transaction, it needs to include jurisdictions of both parties), business classification, generation entity code(not always entities, maybe the name of platforms, because CFETS both has free trade platform and non- free trade platform , and they have the same business), trading date, serial number. We suggest that UTI should not be intelligent and it should exclude sensitive information, but it still has problems in the case that UTI is generated by the counterparties themselves not the platform(such as trading platform, centralized clearing platforms or trading confirmed platform).