

IMF STAFF COMMENTS ON
CPSS-IOSCO CONSULTATION ON
OTC DERIVATIVES DATA REPORTING AND AGGREGATION REQUIREMENTS

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Please note that the views expressed in these comments are those of the IMF's staff, and not necessarily of its management or Executive Board.

We welcome this opportunity to comment on this consultative report of the Committee on Payment and Settlement Systems (CPSS) and the Technical Committee of the International Organization of Securities Commissions (IOSCO).¹ We agree that the centralization of the collection, storage and dissemination of over-the-counter (OTC) derivative transaction data will provide public authorities with the information they need to carry out their respective mandates.

However, we are concerned that the report is silent on access to trade repository (TR) data by international financial institutions (e.g., the Bank for International Settlements and the International Monetary Fund). We note that in the Financial Stability Board (FSB) report on “Implementing OTC Derivatives Market Reforms” published on October 25, 2010, international financial institutions were mentioned specifically alongside market regulators,

¹ These comments have been prepared by the staff from the Monetary and Capital Markets Department.

central banks, prudential supervisors and resolution authorities, with regards to having access to the TR data.²

We recognize that the CPSS-IOSCO consultative report leaves the door open to access by international financial institutions, by assigning to the FSB the responsibility of who gets access to what data, but we would prefer that international financial institutions be mentioned specifically in the CPSS-IOSCO report recommendations.³

Recognition of international financial institution access to TR data, on appropriate terms, would ensure that they can fulfill their global financial stability mandates, such as assessing the extent of interconnectedness of financial institutions.

² Recommendation 16 of the October 25, 2010 report said that “access to trade repository information by official international financial institutions also should be permitted in appropriate form where consistent with their mandates.”

³ The CPSS-IOSCO consultative report “notes that defining general principles or guidance on whether a type of authority (e.g., market regulators, central banks, prudential supervisors and resolution authorities) should have access to the relevant part or all of the range of data reported to TRs, in accordance with the authority’s mandate, would be a significant step to facilitate authorities’ effective and practical access to data but is beyond the assigned scope of the report. The Task Force recommends that this responsibility be assigned by the FSB to an appropriate body or group for timely resolution.”