

4 May 2017

To: Financial Stability Board (fsb@fsb.org)

Ref.: Proposed governance arrangements for the unique transaction identifier (UTI) Consultation document

Dear colleagues,

We write to you in our capacity as co-chairs of the Standards Advisory Group (SAG) of Technical Committee 68 of ISO (ISO/TC 68/AG2). The SAG aims to provide a conduit for engagement between the financial regulatory community and ISO with regard to the use of standards in the financial services sectors.

We take the opportunity of this consultative document on proposed governance arrangement for the UTI to confirm our belief that the work conducted by ISO/TC 68 can contribute to the arrangements that the FSB requires to put in place for the governance of the UTI, supporting the technical guidance on the UTI published by the CPMI-IOSCO Harmonisation Working Group. From our role and experience with the development of international standards for financial services, ISO/TC 68 proposes that the ISO process is fit-for-purpose to develop and maintain the UTI Data Standard as an International Data Standard. The UTI Data Standard will include its structure and format, namely how the UTI should be constructed, its length and character set, designated in the consultation document as Area 1 of UTI governance and governance functions, overseeing the UTI Data Standard.

The governance process and rigor by which ISO standards are developed, reviewed and maintained ideally supports the requirements for the data standard itself set forth in the UTI Technical Guidance. According to ISO governance, ISO/TC 68 would develop to publication the first edition of the UTI Data Standard and then maintain the standard according to the ISO requirements for periodic systematic reviews of ISO international standards.

Both for the initial development and ongoing maintenance, ISO/TC 68 can bring together stakeholders and experts from the international regulatory community and industry users, supporting the consultative

change process cited in the consultation document, while allowing regulatory Authorities to retain control over the regulatory and policy aspects of the UTI.

ISO/TC 68 regards the addition of an international data standard for the UTI as a logical complement to the existing catalogue of identifier code/reference data standards, which includes the LEI and the soon to be published Entity Legal Form (ELF) standards. Establishing the UTI Data Standard under ISO/TC68 also would facilitate the inclusion of the UTI in financial messaging, particularly within ISO/TC 68's ISO 20022 standard, and position the UTI to be available for other purposes than OTC derivatives.

Please regard this letter as a response to the Questions for stakeholders on maintaining the UTI and keeping it fit for purpose by having the UTI Data Standard adopted as an International Data Standard and Questions for stakeholders on whether, if the UTI Data Standard is to be adopted as an International Data Standard, ISO is a preferred candidate for the maintenance of the UTI Data Standard, or whether there are suitable alternatives to ISO.

We hope you will find these considerations and answers helpful to form the basis to continue the dialogue between us, with a view to the successful conclusion of the required governance for the UTI to serve both regulatory and industry purposes.

With our best regards,

Allie Harris

Co-Chair of the ISO/TC68/AG2

François Laurent

Co-Chair of the ISO/TC68/AG2