



## Press release

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### **FSB invites responses from prospective UPI service providers**

The Financial Stability Board (FSB) has today published a [Self-assessment questionnaire for prospective UPI Service Providers](#) and is seeking responses from entities that wish to be designated by the FSB as a Service Provider for the Unique Product Identifier (UPI). Responses are requested by Tuesday 4 September.

G20 Leaders agreed at the Pittsburgh Summit in 2009, as part of a package of reforms to the over-the-counter (OTC) derivatives markets, that all OTC derivatives transactions should be reported to trade repositories. A lack of transparency in these markets was one of the key problems identified by the financial crisis. Trade reporting, by providing authorities with data on trading activity, will help authorities to identify and address financial stability risks from these markets.

The primary purpose of the UPI is to identify the product that is the subject of an OTC derivatives transaction. The FSB has been working closely with the Committee on Payments and Market Infrastructures (CPMI) and the International Organization of Securities Commissions (IOSCO) in the development of UPI arrangements.

The CPMI and IOSCO published their finalised technical guidance on the UPI in September 2017. Under the technical guidance, a unique UPI code would be assigned to each distinct OTC derivative product and would map to reference data elements with specific values that together describe the product. To use the data from trade reporting effectively, it is important for authorities to be able to aggregate reporting not only to consider institution-specific risks but also to consider system-wide risks.

The FSB has issued two consultation documents on aspects of the governance arrangements for the UPI and intends to designate one or more UPI Service Provider(s) to assign UPIs and maintain a corresponding UPI reference data library to facilitate the unique assignment of a UPI code to each OTC derivatives product. In response to the FSB's consultations, several commenters have recommended that the UPI Governance Arrangements should entail a public-private partnership. The FSB agrees that private sector participation in the governance of the UPI System is desirable, but also that it is key that Authorities maintain their oversight function.

Each prospective UPI Service Provider (Respondent) is asked (by answering specific questions or selectively providing additional documents) to present a business and self-governance plan that explains how the Respondent would:

- meet the key governance criteria and provide for the relevant governance functions;  
and

- meet the Technical Guidance.

**Responses are requested by Tuesday 4 September 2018** by e-mail to [fsb@fsb.org](mailto:fsb@fsb.org) with “Designation of UPI Service Provider(s)” in the e-mail subject line.

### **Notes to editors**

The FSB published a [second consultation](#) on the proposed governance arrangements for the UPI in April 2018. The consultation, which followed an initial consultation in October 2017, set out proposals for the governance arrangements for a global UPI, as a key harmonised identifier designed to facilitate effective aggregation of transaction reports from OTC derivatives markets.

The FSB also set out [conclusions on the governance arrangements](#) and an implementation plan for a Unique Transaction Identifier (UTI) in December 2017.

The FSB has been established to coordinate at the international level the work of national financial authorities and international standard-setting bodies and to develop and promote the implementation of effective regulatory, supervisory and other financial sector policies in the interest of financial stability. It brings together national authorities responsible for financial stability in 24 countries and jurisdictions, international financial institutions, sector-specific international groupings of regulators and supervisors, and committees of central bank experts. The FSB also conducts outreach with 65 other jurisdictions through its six Regional Consultative Groups.

The FSB is chaired by Mark Carney, Governor of the Bank of England. Its Secretariat is located in Basel, Switzerland, and hosted by the Bank for International Settlements.

For further information on the FSB, visit the FSB website, [www.fsb.org](http://www.fsb.org).