

## Press release

Press enquiries:  
+41 61 280 8138  
[press@fsb.org](mailto:press@fsb.org)

Ref: 30/2020  
25 September 2020

### LEI ROC to become governance body for OTC derivatives identifiers

The Financial Stability Board (FSB) today confirmed the Regulatory Oversight Committee (ROC) of the Global Legal Entity Identifier System as the International Governance Body (IGB) for the globally harmonised identifiers used to track over-the-counter (OTC) derivatives transactions.

G20 Leaders agreed at the Pittsburgh Summit in 2009, as part of a package of reforms to strengthen the resilience of the 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 global financial crisis. Trade reporting, by providing authorities with data on trading activity, is key to identify potential vulnerabilities to financial stability in these markets.

Globally harmonised identifiers and data elements can help authorities obtain a comprehensive global view of the OTC derivatives markets. The Unique Product Identifier (UPI) will identify the products reported to trade repositories consistently across FSB jurisdictions. The Unique Transaction Identifier (UTI) will identify individual transactions reported to trade repositories and allow authorities to follow their modifications during their whole lifecycle. The Critical Data Elements (CDE) will capture other important characteristics of the transactions. Reference to the Legal Entity Identifier (LEI) in the harmonised derivatives identifiers and data elements will allow consistent monitoring of legal entities' trading activity, exposures and interconnectedness in the global OTC derivatives markets. The ROC, which is already the governance body of the Global LEI System, will be responsible for the governance of the UPI, the UTI, and the CDE, which includes the oversight of the UPI service provider designated by the FSB, The Derivatives Service Bureau (DSB). The ROC has been tasked with finalising appropriately rigorous oversight arrangements of DSB.

In October 2019 the FSB, identified the ROC as best positioned to be the IGB for the UTI, UPI and CDE, provided that the ROC made appropriate adjustments to its existing governance to make it fit for the purpose of overseeing the harmonised derivatives identifiers and data elements. After taking note of the planned adjustments to the ROC's Charter and Procedural Guidelines, the FSB confirms the ROC as IGB and transfers the governance of the harmonised derivatives identifiers and data elements to the ROC as of 1 October 2020.

The governance arrangements for the UPI and UTI that have been put in place were developed by the FSB Working Group on UTI / UPI Governance (GUUG), established in 2016, co-chaired

by François Laurent (Principal Adviser, DG Statistics, European Central Bank) and until July 2019 by Eric Pan (Director, Office of International Affairs, U.S. Commodity Futures Trading Commission) and since September 2019 by Daniel Bucsa (Deputy Director, Data and Reporting, Division of Market Oversight, U.S. Commodity Futures Trading Commission). The GUUG has also performed the functions of the interim IGB until this transfer to the ROC.

## Notes to editors

The FSB announced in May 2019 that it had designated The Derivatives Service Bureau (DSB) Ltd as the service provider for the future UPI system.

The FSB Chair confirmed the transfer of all governance and oversight responsibilities in relation to the harmonised derivatives identifiers and data elements to the ROC in a letter to the ROC Chair.

The FSB coordinates at the international level the work of national financial authorities and international standard-setting bodies and develops and promotes 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 approximately 70 other jurisdictions through its six Regional Consultative Groups.

The FSB is chaired by Randal K. Quarles, Vice Chairman, US Federal Reserve; its Vice Chair is Klaas Knot, President, De Nederlandsche Bank. The FSB 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).