Monetary Authority of Singapore

Response to Feedback Received

P009 - 2021 – 16 May 2023

# Response to Public Consultation on Proposed Amendments to the Securities & Futures (Reporting of Derivatives Contracts) Regulations

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# 1. Preface

1.1. On 5 July 2021, MAS issued a consultation paper ("**Consultation Paper**") on MAS' proposed approach in relation to the reporting of the Unique Transaction Identifier ("**UTI**") and the proposed revised reportable data fields under the Securities and Futures Act ("**SFA**") and Securities and Futures (Reporting of Derivatives Contracts) Regulation 2013 ("**SF(RDC)R**").[1] The proposals sought to adopt the technical guidance published by the Committee on Payments and Market Infrastructures and the International Organization of Securities Commissions ("**CPMI-IOSCO**") on the UTI,[2] Unique Product Identifier[3] ("**UPI**") and critical over-the-counter ("**OTC**") derivatives data elements (other than the UTI and UPI)[4] ("**CDE**") (respectively, the "**UTI Technical Guidance**", "**UPI Technical Guidance**" and "**CDE Technical Guidance**") to facilitate the international standardisation and harmonisation of data elements reported across international OTC derivatives reporting regimes.

1.2. The consultation period closed on 3 September 2021. MAS would like to thank all respondents for their contributions. The list of respondents is in **Annex A**, and the full submissions are published in **Annex B**.[5]

1.3. MAS has considered carefully the feedback received, and has incorporated them where it has agreed with the feedback. Comments that are of wider interest, together with MAS' responses are set out below.

[1] https://www.mas.gov.sg/publications/consultations/2021/consultation-paper-on-proposed-amendments-to-the-securities-and-futures-reporting-of-derivatives-contracts-regulations
[2] https://www.iosco.org/library/pubdocs/pdf/IOSCOPD557.pdf
[3] https://www.iosco.org/library/pubdocs/pdf/IOSCOPD580.pdf
[4] https://www.iosco.org/library/pubdocs/pdf/IOSCOPD598.pdf
[5] Submissions in Annex B only include those for which respondents did not request confidentiality.

# 2. Proposed approach for implementation of UTI

## Overview

2.1. MAS proposed to align its requirements for the reporting of UTI with the UTI Technical Guidance by amending the current UTI reporting requirement in the SF(RDC)R and issuing guidelines ("**Reporting Guidelines**") to provide clarity on MAS' expectations in relation to UTI generation. The following sections elaborate on feedback received and MAS' finalised approach. The requirement to report the UTI data field will be in the First Schedule of the SF(RDC)R, and MAS' expectations regarding the approach for UTI and UTI generation will be set out in the Reporting Guidelines. The close-to-final amendments to the revised SF(RDC)R and the revised Reporting Guidelines can be found in **Annex C** and **Annex D**, respectively. The Reporting Guidelines will be issued together with the publication of the final version of the revised SF(RDC)R.

## Reporting of UTI and impact of life cycle events

2.2. Most respondents supported MAS' proposal to require UTI to be reported with the characteristics and approach that is aligned with the UTI Technical Guidance ("**UTI Characteristics**"), namely requiring:

(a) reporting entities to report a UTI which is uniquely assigned to each reportable OTC derivatives contract;

(b) the same UTI to be reported where that OTC derivatives contract is reported more than once due to the requirements of the SF(RDC)R or reporting requirements in another jurisdiction (other than Singapore); and

(c) that the same UTI should remain as the identifier of the OTC derivatives contract throughout the life cycle of the contract.

2.3. Two respondents highlighted that some reporting entities may have developed a practice of generating transaction identifiers based on the reporting entity's overall trade position, and requested for additional clarity on whether the UTI should be generated on a per contract basis or on a position basis

moving forward. Another respondent sought clarity on how UTI should be reported for a package trade and suggested for MAS to include the "package identifier" data field[6] as a requirement in the SF(RDC)R.

### MAS' Response

2.4. Given the support from feedback received, MAS will implement the proposals to adopt the UTI Characteristics for the reporting of UTI. These expectations will be set out in the Reporting Guidelines.

2.5. On the question of whether a reporting entity could generate and report UTI based on a reporting entity's position, MAS would like to highlight that the SFA and the SF(RDC)R requires reporting entities to report each reportable OTC derivatives contract and not the reporting of an entity's trade position. Correspondingly, UTIs should be generated and reported for each reportable OTC derivatives contract.

2.6. Where a package trade constitutes multiple reportable OTC derivatives contracts, a UTI should be generated and reported for each contract in the package. In addition, MAS agrees there are merits in adopting the "package identifier" data field to identify OTC derivatives contracts entered into as part of a package trade and will adopt this data field in the First Schedule of the revised SF(RDC)R. This is further elaborated in section 3 below. For avoidance of doubt, the "package identifier" data field does not replace the requirement to report a UTI for each trade in a package.

## General approach to determine responsibility for UTI generation

2.7. MAS had consulted on two broad approaches to determine the entity responsible for generating the UTI ("**UTI generating entity**"). The first approach was to strictly follow the waterfall steps as set out in the UTI Technical Guidance ("**CPMI-IOSCO Waterfall**") ("**Approach A**"), as illustrated in Annex C of the Consultation Paper, and the second approach was to prioritise the step which called for the determination of cross-jurisdictional contracts ("**Approach B**"), as illustrated in Annex D of the Consultation Paper.

2.8. Most respondents were supportive of Approach A, emphasising the importance of global harmonisation of UTI generation requirements and cautioned against modification of the CPMI-IOSCO Waterfall, which could complicate implementation of the requirements. However, respondents also

[6] Field 2.89 in the CDE Technical Guidance.

highlighted that there may be operational difficulties in implementing Approach A. For example, the need for reporting entities to be informed of their counterparty's reporting obligations under Step 4 of the CPMI-IOSCO Waterfall. Several of these respondents suggested making changes to the CPMI-IOSCO Waterfall to prioritise the step allowing counterparties to the derivatives contract to agree between themselves on the UTI generating entity ("**Bilateral Agreement Step**"), by placing that step immediately after the initial steps requiring a centralised market infrastructure (i.e. CCPs or clearing members, trading venues, and confirmation platforms) to generate the UTI. The remaining steps in the CPMI-IOSCO Waterfall should only be referred to if counterparties to the derivatives contract are unable to come to an agreement. These respondents noted that such a change to the CPMI-IOSCO Waterfall should be coordinated across jurisdictions at a global level.

2.9. One respondent sought clarification on whether counterparties to the reportable OTC derivatives contract would be required to negotiate on the UTI generating entity on a contract-by-contract basis, or if counterparties can come into agreement once and such agreement could apply to all OTC derivatives contracts between the counterparties.

## MAS' Response

2.10. MAS notes that a common underlying concern raised by respondents was the need for global harmonisation of UTI generation requirements. To minimise the chance of potential regulatory conflicts, MAS is of the view that it is important to adopt an approach which is consistent with other major jurisdictions as far as possible. This would reduce fragmentation of global regulatory OTC derivatives reporting requirements, allow a more efficient implementation of these requirements and reduce operation complexities involving cross-border OTC derivatives contracts.

2.11. MAS also notes that since the publication the Consultation Paper, several major jurisdictions[7] have finalised their domestic rules for UTI generation, which are aligned with the CPMI-IOSCO Waterfall. Therefore, MAS disagrees with the suggestion to modify the UTI generation rules to prioritise the Bilateral Agreement Step as such a change would deviate from the CPMI-IOSCO Waterfall. This could create possible misalignment of global regulatory requirements and cause additional operational challenges for reporting entities.

2.12. MAS will thus adopt Approach A in determining the UTI generating entity. The detailed UTI generation steps will be set out in the Reporting Guidelines. For clarity, the Reporting Guidelines will also adopt

[7] Namely, US Commodity Futures Trading Commission ("**US CFTC**"), European Securities and Markets Authority ("**ESMA**"), the Australian Securities and Investment Commission ("**ASIC**").

paragraph 2.12 of the Consultation Paper.[8] To cater to situations where the UTI Technical Guidance is not or has not yet been adopted in a jurisdiction other than Singapore, and where the UTI generating entity is unwilling or unable to generate the UTI, counterparties should apply the next applicable step in the CPMI-IOSCO Waterfall.

2.13. While the general expectation is for reporting entities to follow the steps set out in the Reporting Guidelines to determine the UTI generating entity, MAS acknowledges that reporting entities may benefit from additional flexibility to overcome operational challenges highlighted from the feedback. Therefore, in addition to the steps in Approach A, the Reporting Guidelines will provide that a reporting entity and its counterparty to an OTC derivatives contract may choose to instead agree on who should be the UTI generating entity. For avoidance of doubt, counterparties may agree for a third party to be the UTI generating entity if that third party agrees to generate and provide the UTI by the required reporting deadline(s).

2.14. When agreeing with one's counterparty on the UTI generating entity, MAS does not intend to specify whether reporting entities should have a fresh agreement for each reportable OTC derivatives contract entered into with the same counterparty. Reporting entities should, taking into account its business operations, satisfy itself and determine the necessary arrangements with its counterparty in relation to UTI generation.

2.15. For clarity, the changes to the requirements for the reporting and the generation of UTI will only apply to reportable OTC derivatives contracts entered into or executed after the implementation of the revised rules.

## UTI generation for OTC derivatives contracts which are only reportable under the SFA

2.16. Most respondents supported the proposed approach to determine the UTI generating entity for OTC derivatives contracts which – (i) are only subject to reporting obligations of one jurisdiction (i.e. a domestic contract), and (ii) where only one counterparty or both counterparties to the contract had reporting obligations under the SFA. Several respondents highlighted again the potential operational difficulties faced by a reporting entity as it would need to be informed of their counterparties' reporting

[8] Paragraph 2.12 of the Consultation Paper provides for the determination of the UTI generating entity in the scenario where the OTC derivatives contract is cross-jurisdictional and where no jurisdiction has a sooner reporting deadline. The steps mentioned in paragraph 2.12 of the Consultation Paper are aligned with the CPMI-IOSCO Waterfall.

obligations. Some of these respondents echoed the suggestion mentioned in paragraph 2.8 above for jurisdictions to adopt modifications to the CPMI-IOSCO Waterfall.

### MAS' Response

2.17. Given the general support from respondents, MAS will adopt the proposals on determining the UTI generating entity in situations where an OTC derivatives contract is only reportable under the SFA. These will form part of the UTI generation steps set out in the Reporting Guidelines.

2.18. In relation to potential operational difficulties that may be faced by reporting entities, these are the similar concerns raised by respondents to the earlier question on UTI generation and are addressed in MAS' response in paragraphs 2.10 to 2.15 above.

## Implications on agency reporting requirements

2.19. MAS received limited feedback on the proposals related to UTI generation where the reporting entity is an agent to a counterparty of the contract. Two respondents were supportive of the proposal while many had either no comments or commented that the scenario would not be applicable to them. Some respondents requested for further clarifications on MAS' expectations regarding such situations.

### MAS' Response

2.20. MAS wishes to clarify that the proposal in question 7 of the Consultation Paper is relevant only in cases where – (i) a reporting entity, who is acting as an agent of a counterparty to an OTC derivatives contract, has a reporting obligation under the SFA, and (ii) no counterparty to an OTC derivatives contract has a reporting obligation under the SF(RDC)R or in another foreign jurisdiction. In such cases, as the counterparties themselves do not have a reporting obligation, there may be confusion as to how the CPMI-IOSCO Waterfall will apply to this situation. This proposal thus clarifies how the UTI generation requirements would instead make reference to the reporting entities acting as an agent to the counterparties of the derivatives contract. To provide for this situation, MAS will proceed with the proposed approach for the Reporting Guidelines to reference "agents of counterparties to the contract" (instead of "counterparties") when determining the UTI generating entity in accordance with the Reporting Guidelines.

2.21. For avoidance of doubt, in cases where the counterparties to the OTC derivatives contracts are subject to reporting obligations under the SFA or in another foreign jurisdiction (in addition to the agents of the counterparties), the reporting entity which is acting as an agent of a counterparty to an OTC derivatives contract should obtain the UTI from either the counterparty it was acting on behalf of, or the UTI generating entity.

## Responsibility to provide or obtain a UTI in a timely manner

2.22. Respondents generally understood the need for UTI generating entities to generate UTIs in a timely manner for compliance with the reporting deadline under the SF(RDC)R or that in other jurisdictions. Respondents were thus supportive of requiring reporting entities who are UTI generating entities to make reasonable efforts to provide the UTI to entities that request for it for the purposes of complying with OTC derivatives reporting requirements, and conversely for reporting entities to make reasonable efforts to obtain the UTI from the relevant UTI generating entity. Some respondents requested for clarity as to what would constitute reasonable efforts in both scenarios.

2.23. MAS received mixed feedback regarding the proposal for reporting entities to use an interim-UTI if they are unable to obtain the UTI despite having made reasonable efforts to do so. Most of the responses were supportive of the use of interim-UTI for this purpose, while several respondents highlighted potential operational difficulties in updating the interim-UTI to the subsequently obtained UTI as it would require the reporting entity to re-report the affected OTC derivatives contract. One respondent highlighted that this could risk having unmatchable or unlinked UTIs. Another respondent sought clarification on the expected format and construction of an interim-UTI.

### MAS' Response

2.24. MAS will proceed with requiring reporting entities to make reasonable efforts to provide or obtain the UTI (as applicable) in a timely manner. MAS acknowledges that there will be differences in the businesses and activities of each reporting entity. MAS therefore expects reporting entities, considering their business activities, to put in place proper written policies and procedures in relation to UTI to ensure that reasonable efforts are made in obtaining or providing the UTI.

2.25. MAS considers it necessary to provide contingency for the situation where a reporting entity has not obtained the UTI, despite making reasonable efforts, in order for that reporting entity to still comply with its reporting obligations by the reporting deadline. To cater for these situations, MAS will allow reporting entities to report an interim-UTI with the expectation that reporting entities will continue to

make reasonable efforts to obtain the UTI from the UTI generating entity. Where the reporting entity subsequently obtains the UTI, the reporting entity is to report the OTC derivatives contract with the UTI within two business days of obtaining the UTI, which is consistent with the timeline to report amendments to a reportable OTC derivatives contract. The interim-UTI previously reported should be reported in the "Prior UTI" data field to enable MAS to identify such contracts. The expected format and construction of an interim-UTI is the same as that for UTI as set out in the explanatory notes for UTI in the Reporting Guidelines.

2.26. MAS acknowledges that to update the interim-UTI to the UTI, reporting entities would need to resubmit the information of that OTC derivatives contract to the trade repository. However, MAS does not expect reporting entities to use interim-UTI on a frequent basis. Reporting entities should ensure that they have in place appropriate operations and agreements with their counterparties to ensure ongoing and proper generation of the UTI. The above expectations in obtaining and providing the UTI, and the use of interim-UTI will be set out in the Reporting Guidelines.

# 3. Proposed changes to the reportable data fields in the First Schedule of the SF(RDC)R – UPI & CDE

## Overview

3.1. MAS proposed amendments to the First Schedule to the SF(RDC)R to include additional data fields which would assist with MAS in monitoring risks in the OTC derivatives market, as well as to align the definitions and allowable values of common data fields to the CDE Technical Guidance or with data fields required by other authorities as far as possible to facilitate global reporting as closely as possible. MAS also proposed to issue guidelines supplementing the First Schedule to the SF(RDC)R in providing guidance on the interpretations of the data fields.

## Proposed data fields, definitions and allowable values

3.2. Respondents were broadly supportive of the proposed data fields, definitions and allowable values set out in the Consultation Paper. Several respondents recommended the inclusion of additional data fields that were useful and common in the reporting requirements of other jurisdictions, and the removal of certain data fields that were duplicative in practice or for the purpose of harmonisation with other jurisdictions.

### MAS' Response

3.3. Having considered the feedback received, MAS will make the following changes relating to the list of reportable data fields set out in the First Schedule to the SF(RDC)R:

(a) **Adding data fields for "Package identifier", "Asset class", and "Contract type".**

(i) MAS agrees that "Package identifier" will be useful for linking contracts reported separately but are related to a single negotiated package, facilitating a better understanding of related trades in the OTC derivatives market.

(ii) "Asset class" and "Contract type" are commonly reported fields. These fields are also being proposed to be included in the latest published revisions to the CDE Technical Guidance[9] and will be useful to easily identify the nature of the OTC derivatives contract and for reconciliation purposes.

(b) **Removing data fields for "Basket constituent unit of measure", "Basket constituent number of units", "Beneficiary 1" and "Beneficiary 1 identity type".**

(i) "Basket constituent unit of measure" and "Basket constituent number of units" are both fields that are not commonly required to be reported in other major jurisdictions. Weighing the benefits and the costs highlighted by the feedback in requiring these fields to be reported, MAS agrees to remove them from the First Schedule to the SF(RDC)R. MAS will however require reporting of the fields "Identifier of the basket's constituents" and "Source of the identifier of the basket constituents" in order to identify custom baskets.

(ii) "Beneficiary 1" and "Beneficiary 1 identity type" in practice overlap with the data field for "Counterparty 1". MAS agrees to remove this field in order to prevent duplication.

3.4. The final list of reportable data fields will be in the revised SF(RDC)R. MAS will also update the descriptions to several of the data fields in the Reporting Guidelines to align with the latest published revisions made to the CDE Technical Guidance.

## UPI

3.5. Majority of respondents supported the adoption of *global* UPI[10] in reporting the UPI field once the *global* UPI is implemented and available, while a few respondents suggested making the adoption optional or to adopt other types of product identifier codes such as the classification of financial instrument ("**CFI**") code. Respondents that were supportive of the adoption of the *global* UPI highlighted the need for sufficient transition time for adoption, ranging from 3 to 24 months from the time of implementation of the *global* UPI. Several respondents suggested having a coordinated timeline between Asia-Pacific jurisdictions on adoption of the *global* UPI.

[9] https://www.leiroc.org/publications/gls/roc_20220829.pdf

[10] In 2019, the Derivatives Services Bureau Ltd ("**DSB**") was designated by the Financial Stability Board ("**FSB**") to be the service provider of the *global* UPI system.

3.6. Respondents supported the proposal to continue requiring reporting of all UPI reference data elements[11] on instrument type, instrument characteristics and underlier elements, during and until the transition to the *global* UPI is completed. Respondents also suggested the phasing out of these data fields at a later stage once the adoption of global UPI is completed.

### MAS' Response

3.7. Given the broad support, and to facilitate the global harmonisation of OTC derivatives reporting and the standardisation of contract identification, MAS will adopt the requirement to report *global* UPI in the UPI field set out in the Reporting Guidelines.

3.8. Since the publication of the Consultation Paper, the Derivatives Services Bureau Ltd ("**DSB**") has firmed up the go-live date for the global UPI system to be on 16 Oct 2023.[12] Given this development, MAS intends to harmonise the date for the adoption of global UPI to be in line with the rest of the changes to the SF(RDC)R (refer to section 4 on implementation timeline and approach).

3.9. MAS will also continue requiring the reporting of data elements related to instrument type, instrument characteristics, and underlier elements. Post-implementation, MAS will continue to monitor the reporting of *global* UPI and conduct a subsequent review to remove the requirement to report these data fields.

3.10. The requirement to report *global* UPI in the UPI data field is included in the Reporting Guidelines.

## Directional elements

3.11. The Consultation Paper identified two ways to report elements that relate to the direction of the trade: direction of the trade from the reporting entity's perspective,[13] or identifier of the counterparty for each direction.[14] Majority of respondents supported reporting the direction of the trade from the reporting entity's perspective, as it requires fewer data elements and more intuitively represents the role of the reporting counterparty 1. Some respondents further suggested that MAS adopt certain

[11] UPI reference data elements in the revised First Schedule to the SF(RDC)R refers to: Asset type, Contract type, Underlying, Delivery type, Identifier of the floating rate of leg 1, Name of the floating rate of leg 1, Identifier of the floating rate of leg 2, Name of the floating rate of leg 2, Option type, and Option style.
[12] https://www.anna-dsb.com/upi-implementation-timeline/
[13] E.g. reporting direction of the reporting counterparty 1 as the "Buyer" or "Seller", or "Payer" or "Receiver".
[14] E.g. Counterparty 1 = "ABC123" and Counterparty 2 = "XYZ456".

existing industry conventions in determining "Buyer" and "Seller" or "Payer" and "Receiver" for each OTC derivatives product type.[15]

### MAS' Response

3.12. MAS will adopt the approach proposed in the Consultation Paper to report direction of the trade from the reporting entity's perspective. With respect to adopting existing market practices in determining the "Buyer" and "Seller" or "Payer" and "Receiver", MAS notes that having such rules will not be consistent with the CDE Technical Guidance and therefore will not prescribe them. The data fields for reporting direction will be in the First Schedule of the revised SF(RDC)R, with explanations in the Reporting Guidelines.

## Collateral & margin

3.13. Responses to this proposal were limited. Several respondents supported the exclusion, while others sought clarity on whether this could be extended to fund managers managing portfolios on behalf of institutional clients (i.e. segregated mandate clients) and fund managers executing OTC derivatives contracts as an agent on behalf of funds managed by their global affiliates.

### MAS' Response

3.14. As stated in the Consultation Paper, the intention to exempt reporting of collateral and margin information by reporting entities who are not counterparties to an OTC derivatives contract is because such reporting entities are unlikely to have access to such information given their role as a facilitator of the contract. MAS maintains the view that this exemption should not be extended to fund/real estate investment trust ("**REIT**") managers executing OTC derivatives contracts on behalf of a fund/REIT that it manages, as it is reasonable to expect that they have access to collateral and margin information given their role as the manager. This includes any other types of portfolios that a fund/REIT manager has a mandate over, including segregated mandates where the manager is responsible for managing the portfolio on behalf of clients.

[15] An example is the "FX Cash Rule" for FX forwards, where "Buyer" and "Seller" is determined by ordering the currencies alphabetically.

3.15. However, in cases where a fund/REIT manager is executing an OTC derivatives contract for a portfolio that it does not manage (e.g. the OTC derivatives contract was routed to the fund/REIT manager from their global affiliates), MAS views the fund/REIT manager's role to be that of an agent facilitating the contract, and would be consistent with the intent to exempt the reporting of collateral and margin information for such contracts.

3.16. MAS will thus proceed to adopt this proposal under a new Regulation 7(2) of the revised SF(RDC)R with the following conditions:

(a) the reporting entity executes or causes to be executed a specified derivatives contract as an agent of a party to the specified derivatives contract;

(b) the reporting entity is not a party to a specified derivatives contract; and

(c) the reporting entity is not reasonably expected to have information on collateral and margin after he executes or causes to be executed the specified derivatives contract.

# Foreign exchange swaps

3.17. Majority of respondents were in favour of reporting foreign exchange ("**FX**") swaps as two component legs linked by an identification number, citing the industry's practice. Respondents explained that existing infrastructures such as risk management systems and message confirmation platforms were currently configured to identifying FX swaps as two contracts. Therefore, reporting FX swaps as a single contract would therefore be operationally onerous and require workarounds to implement resulting in greater operational risk.

3.18. Two respondents requested further flexibility by allowing both forms of reporting. Several respondents requested that MAS aligns with international conventions in the interest of harmonizing OTCD reporting requirements.

## MAS' Response

3.19. Considering the feedback, MAS shall require the reporting of FX swaps as two separate contracts. The reported two contracts will be required to be linked by the data field "FX swap link ID". For clarity, the "FX swap link ID" data field should only be reported for FX swaps. For other types of package trades, reporting entities should report the identifier linking the package trades under the "Package identifier" data field.

# 4. Implementation Timeline and Approach

## Overview

4.1. MAS had sought feedback on a proposed implementation timeline for commencement of UTI requirements and the reporting of revised reportable data fields including UPI ("**Revised Requirements**"). For existing contracts entered into prior to the commencement date of the Revised Requirements, MAS proposed requiring these existing contracts with maturity of at least one year as at the commencement date to be re-reported based on the revised First Schedule of the SF(RDC)R and sought feedback on the approach and transition period needed for these contracts to be re-reported.

## Implementation timeline

4.2. Majority of respondents requested for MAS to have a coordinated implementation timeline globally or within Asia-Pacific region. One respondent suggested spacing out the implementation between jurisdictions to allow affected entities to dedicate resources to meet one jurisdiction's requirements at a time. Another suggested separating the implementation dates for UTI, UPI and the revised reportable data fields. In terms of timeline, respondents requested a range of between 12 to 24 months to transition to the new reporting requirements.

### MAS' Response

4.3. MAS has been closely monitoring the developments in major jurisdictions such as the US and EU, and the implementation timelines to their respective OTC derivatives reporting regimes to implement the UTI, UPI and CDE Technical Guidance.[16] MAS has also been in close consultation with several Asia-Pacific regulators[17] on their respective implementation timelines. Having taken into consideration the feedback and the updated commencement dates in major jurisdictions, MAS will commence the Revised Requirements under the revised SF(RDC)R in October 2024, being approximately 6 months

[16] The US CFTC commenced with the first phase of their revised OTC derivatives reporting final rules on 5 December 2022. In the EU, ESMA published final rules ("**EMIR Refit**") is set to go-live on 29 April 2024.

[17] The Japan Financial Services Agency's revised OTC derivatives reporting requirements is set to commence in April 2024, while the ASIC revised rules will commence in October 2024.

after the commencement of the EU's EMIR Refit and aligning with commencement date of ASIC's revised rules.

# Treatment of existing contracts

4.4. MAS received mixed responses to the requirement to re-report existing contracts. Several respondents expressed support but requested that sufficient transition time be provided. One respondent suggested for the re-reporting requirement to be applied only to FX OTC derivatives contracts.

4.5. Respondents that did not support the re-reporting requirement highlighted the operational challenges and costs of re-reporting existing contracts, such as difficulties in gathering historical information on these existing contracts to be re-reported under the Revised Requirements. Some respondents suggested that the Revised Requirements should only apply to new contracts reported after the commencement date of the Revised Requirements.

4.6. Several respondents further highlighted challenges in maintaining two reporting formats, one to accommodate outstanding OTC derivatives contracts under the current requirements that are not required to be re-reported, and one for outstanding contracts that are required to be re-reported and new contracts executed after the commencement of the Revised Requirements. These respondents suggested that only one reporting format should be maintained post-commencement of the Revised Requirements.

## MAS' Response

4.7. MAS recognises the operational challenges that the industry would face in re-reporting outstanding OTC derivatives contracts. Nevertheless, MAS is of the view that re-reporting is necessary to achieve meaningful improvements and harmonisation to OTC derivatives data quality under the revised requirements. As outstanding OTC derivatives contracts reported under the current requirements will continue to form a significant portion of the total derivatives data, applying the new requirements to only new contracts will not yield material improvements to data quality until a much later date when majority of these outstanding contracts have either expired or been terminated.

4.8. MAS acknowledges that requiring two reporting formats during the transition period would create significant operational complexity to industry participants needing to maintain two different reporting systems. To ensure that only one reporting format is adopted in the industry post-commencement of the Revised Requirements, MAS shall apply the re-reporting requirement to all OTC derivatives

contracts outstanding as at the commencement date of the Revised Requirements. If there are changes to the existing reportable data fields for these outstanding OTC derivatives contracts (e.g. amendments, reporting errors, termination or expiry), these updates must be reported under the new format based on the Revised Requirements within 2 business days of the variation. There should be no scenario where an OTC derivatives contract is to be reported or updated using the legacy reporting format under the current requirements on or after the commencement date of the Revised Requirements. To reduce the industry's operational burden in preparing for re-reporting, MAS will not require re-reporting of OTC derivatives contracts that have a maturity of less than 6 months from the commencement date of the Revised Requirements.

4.9. MAS notes industry's feedback on the practical difficulties in gathering historical information on contracts executed before the commencement of the revised SF(RDC)R, and to be reported or re-reported in accordance with the revised SF(RDC)R as certain information or data field may not have been captured. In view of this, MAS will provide an exemption for the reporting of any information required under the revised SF(RDC)R that was not previously captured at the point of time when the specified derivatives contract was executed.

4.10. For the reporting of pre-existing contracts in transition between the current requirements and Revised Requirements[18] ("**Transitional Trades**"), MAS will continue to require such trades to be reported within 2 business days after its execution, change or termination. Transitional Trades that are reported after the commencement date of the Revised Requirements must be reported in compliance with the Revised Requirements.

4.11. The re-reporting requirements and treatment of Transitional Trades will be set out in the amended Third Schedule of the revised SF(RDC)R, and the exemption for OTC derivatives contracts with a maturity of less than 6 months will be set out in Regulation 7(3) of the revised SF(RDC)R.

[18] These are trades that are executed before the commencement date of the Revised Requirements, but the details of its execution, change or termination have not yet been reported as the reporting deadline is after the commencement date of the Revised Requirements.

# 5. Adoption of ISO 20022 standard

## ISO 20022 XML message

5.1. Respondents showed broad support for the proposal to adopt the ISO 20022 XML message format for OTC derivatives reporting and recognised that the global adoption of the ISO 20022 XML message format would ease regulatory compliance. Regarding the amount of time which the industry would require to prepare for the adoption of the ISO 20022 XML message, respondents requested for a range of between 12 to 24 months to make the necessary system changes and to familiarise themselves with the message format.

5.2. Some respondents indicated preference for the adoption of the ISO 20022 XML message format to take place after the implementation of the revised First Schedule to the SF(RDC)R to better manage internal resources ("**two-phased approach**"). However, other respondents indicated a preference to adopt the ISO 20022 XML message format at the same time as the implementation of the revised First Schedule of the SF(RDC)R ("**one-phased approach**") as this would allow a one-time system development and change, assuming that sufficient lead-time is provided. One respondent commented that the choice between a one-phased or two-phased approach should be driven by global harmonisation.

### MAS' Response

5.3. Given the strong support and the benefits of international harmonisation of reporting messages, MAS will proceed with the adoption of the ISO 20022 XML message format for OTC derivatives reporting. This will be set out in the Reporting Guidelines.

5.4. MAS knowledges that adopting the two-phased approach would require the industry to implement two separate system changes, which has potential to cause additional complexity for the implementation of the revised SF(RDC)R as a whole. MAS has also considered the approach undertaken by other jurisdictions and noted that several major jurisdictions had adopted the one-phased approach with the provision of sufficient lead-time to implement the changes. MAS sees value in aligning the domestic approach with that of major jurisdictions and will adopt the one-phased approach to implement the ISO 20022 XML message format requirements together with the Revised Requirements in October 2024.

# Annex A

## LIST OF RESPONDENTS TO THE CONSULTATION PAPER ON PROPOSED AMENDMENTS TO THE SECURITIES & FUTURES (REPORTING OF DERIVATIVE CONTRACTS) REGULATIONS

1. DTCC Data Repository (Singapore) Pte Ltd
2. Global Foreign Exchange Division of the Global Financial Markets Association and the International Swaps and Derivatives Association
3. IHS Markit Ltd
4. Maybank Singapore Limited, which requested for confidentiality of submission
5. Mizuho Bank, Ltd.
6. MUFG Bank, Ltd.
7. Securities Association of Singapore, which requested for confidentiality of submission
8. Schroder Investment Management (Singapore) Limited
9. Shell Treasury Centre East (Pte) Limited, which requested for confidentiality of submission
10. Sumitomo Mitsui Banking Corporation
11. The Society of Worldwide Interbank Financial Telecommunication
12. Alternative Investment Management Association
13. UBS Group AG, which requested for confidentiality of submission

Ten respondents requested for confidentiality of identity and submission.

Please refer to Annex B for the submissions.

# Annex B

## SUBMISSIONS FROM RESPONDENTS TO THE CONSULTATION PAPER ON PROPOSED AMENDMENTS TO THE SECURITIES & FUTURES (REPORTING OF DERIVATIVES CONTRACTS) REGULATIONS

*Note: The table below only includes submissions for which respondents did not request confidentiality.*

| S/N | Respondent | Responses from respondent |
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| 1 | DTCC Data Repository (Singapore) Pte Ltd ("**DDRS**") | **Question 1. MAS seeks comments on the proposed requirement to report a UTI which is uniquely assigned to each OTC derivatives contract and to continue referencing the same UTI for the life of the contract.**<br><br>DDRS supports the requirement to adopt the Unique Transaction Identifier ("**UTI**") and suggests that there be global adoption of UTI. DDRS supports the proposed requirement to report a UTI which is uniquely assigned to each reportable OTC derivatives contract and to continue referencing the same UTI for the life of the contract. |
| | | **Question 2.**<br>**(a) What are the implementation and operational uncertainties or challenges that a reporting entity may face in determining the UTI-generator for cross-jurisdictional contracts if MAS:**<br>**(i) strictly follows the CPMI-IOSCO Waterfall; or**<br>**(ii) prioritises the determination of a cross-jurisdictional contract higher in the waterfall?**<br>**(b) On balance, which option in (a) is preferred?**<br>**(c) What are the possible ways to address such potential conflicts with the rules of other jurisdictions?**<br><br>(a) We do not think TRs are the appropriate entity to generate UTIs under any circumstance. Identifiers are required for many post-trade processes and therefore should be generated much closer to execution than would be required for reporting purposes. Thus, the further from execution that an identifier is generated, the greater the operational complexity that is introduced and the more likely errors could affect the accuracy of the reported data.<br><br>(b) Per our response to Question 2(a), in relation to both options, the TR should not be tasked to generate UTIs under any circumstance. While DDRS does not have any concerns on the CPMI-IOSCO UTI Technical Guidance ("**UTI Guidance**") concerning the impact of the transaction events, DDRS encourages global consistency in the practice of determining the UTI-generator. For this purpose, DDRS prefers that MAS' proposed regulations align with the UTI Guidance. |

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| | | (c) DDRS suggests that MAS work via the Committee on Derivatives Identifiers and Data Elements ("**CDIDE**") to achieve a globally consistent application of the UTI and to address the outstanding areas of uncertainty at a global level. |
| | | **Question 3. For a cross-jurisdictional OTC derivatives contract <u>where no jurisdiction has a sooner reporting deadline</u> –**<br>**(a) Is the hierarchy set out in paragraph 2.12 feasible?**<br>**(b) What are the specific implementation and operational uncertainties or challenges that a reporting entity may face in determining the UTI-generator for such OTC derivatives contracts?**<br>**(c) What are the possible ways to address such challenges?**<br>**(d) Do you support adopting an "agreed" list approach? If so, how should it be implemented?**<br><br>(a) DDRS has no comments.<br>(b) DDRS has no comments.<br>(c) DDRS has no comments.<br>(d) DDRS has no comments. |
| | | **Question 4.**<br>**(a) MAS seeks views on the proposal –**<br>**(i) for a CCP, clearing member or trading venue to be the UTI-generator for OTC derivatives contracts that are centrally-cleared or centrally-executed but not centrally-cleared, as the case may be; and**<br>**(ii) where the CCP, clearing member or trading venue is unable or unwilling to generate the UTI, for reporting entities to identify a UTI-generator by going to the next step <u>*as if*</u> no CCP, clearing member or trading venue is involved.**<br>**(b) What are the specific implementation and operational uncertainties or challenges that a reporting entity may face for the proposal in (a)?**<br><br>(a) DDRS has no comments.<br>(b) DDRS has no comments. |
| | | **Question 5.**<br>**(a) For domestic contracts which are:**<br>**(i) neither centrally-cleared nor centrally-executed; and**<br>**(ii) where only <u>one</u> counterparty is subject to reporting obligations, MAS seeks views on the proposal for the reporting entity to be the UTI-generator.**<br>**(b) What are the specific implementation and operational uncertainties or challenges that a reporting entity may face with this approach?**<br><br>(a) DDRS has no comments.<br>(b) DDRS has no comments. |
| | | **Question 6.**<br>**(a) For domestic contracts which are:**<br>**(i) neither centrally-cleared nor centrally-executed; and**<br>**(ii) where <u>both</u> counterparties are subject to reporting obligations, MAS seeks views on the hierarchy set out in paragraph 2.16.** |

| S/N | Respondent | Responses from respondent |
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| | | **(b) What are the specific implementation and operational uncertainties or challenges that a reporting entity may face with this approach?**<br><br>(a) DDRS has no comments.<br><br>(b) DDRS has no comments. |
| | | **Question 7. For OTC derivatives contracts where:**<br>**(i) no counterparty to the contract has reporting obligations in Singapore or elsewhere; and**<br>**(ii) a reporting entity executes or causes the contract to be executed as an agent of a party to the contract that is traded in or booked in Singapore, MAS seeks views on the proposal for the UTI-generator to be determined by replacing "counterparties" with "agents of parties to the contract" in sub-sections B and C.**<br><br>DDRS has no comments. |
| | | **Question 8. MAS seeks views on the proposals to require reporting entities to make reasonable efforts to provide or obtain UTI in a timely manner, and for reporting entities to report an *interim-UTI* where it is unable to obtain the UTI despite having made reasonable efforts. What are the specific implementation or operational uncertainties or challenges that a reporting entity may face with this proposal?**<br><br>DDRS has no comments. |
| | | **Question 9. MAS seeks comments on the proposed data fields, definitions and allowable values as set out in the draft revised First Schedule to the SF(RDC)R and the draft Guidelines. Where there are data fields that you consider should be excluded, please elaborate on the rationale.**<br><br>DDRS recommends the exclusion of the following fields:<br><br>**CDE fields**: Beneficiary 1 with identifier type (MAS Field #10, #11)<br><br>• To align with recent changes implemented in other jurisdictions, DDRS recommends that MAS consider removing these Beneficiary fields. In addition, DDRS notes that the Beneficiary information is frequently duplicative in that this information is often the same as the Counterparty 1 (reporting counterparty) information.<br><br>**CDE fields**: Unit of Measure (MAS Field #52) and Number of units (MAS Field #53)<br><br>• Although these data elements are included in the CDE Technical Guidance, they are needed only if regulators would like to value the trades themselves. Meanwhile, there are implementation challenges that DDRS would like to point out. Specifically, if this proposal is adopted, DDRS expects an increasing number of modifications would be reported as custom baskets can be modified or rebalanced on a frequent basis.<br><br>Please also refer to our response to Question 15(a).<br><br>**Non CDE field**: Swap link ID (MAS Field #33)<br><br>• This is to link two contracts that are separately reported for the same FX Swap contract; if the approach to be adopted is to report a FX Swap contract as a single trade, this field would not be needed.<br><br>**Non CDE field**: Trading capacity of specified person (MAS Field #4) |

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| | | • The usefulness of this data field for monitoring systemic risks or other purpose is unclear. It should be noted that this data field has not been adopted in other jurisdiction regulatory rewrites. Therefore, DDRS recommends that MAS consider removing this field. |
| | | **Question 10. Are there other data fields that MAS should consider including? If so, please suggest these additional data fields along with the definition and the purpose of the suggested fields.**<br><br>DDRS recommends the inclusion of the following fields:<br><br>**CDE fields**: CDS index attachment point, CDS index detachment point<br><br>• Both fields are needed if MAS would like to value a CDS tranche transaction. It does not appear to have relevant fields in the MAS proposed fields. Meanwhile, DDRS notes that both fields are adopted by other jurisdictions in their recent rewrite programs.<br><br>**Non-CDE field**: Maturity date of the underlying<br><br>• The tenor (maturity date of underlying swap) is needed if MAS would like to value a swaption transaction. It does not appear to have a relevant field in the MAS proposed fields. Meanwhile, DDRS notes that this data field is adopted by other jurisdictions in their recent rewrite programs.<br><br>**Non-CDE field**: Execution agent<br><br>• Execution Agents are responsible for managing money and executing transactions on behalf of certain types of entities. A pension fund (Reporting specified person) will typically delegate fund management to one or more fund managers which in turn may delegate reporting to another data submitter. For these transactions, execution agents play a critical role in reviewing the accuracy of the contract details on behalf of the reporting counterparty/other counterparty. Because there could be multiple execution agents for a given LEI as a reporting counterparty, it is not possible to give these execution agents access to the contract data in the TR without having them listed on the transactions. In other words, access granularity is required at the trade level and must be include in message submission. Such access is critical where an execution agent has been delegated the task of confirming the accuracy of a given transaction. Accordingly, DDRS recommends that this field be added. |
| | | **Question 11. MAS seeks views on –**<br>**(a) The proposal to require the use of *global UPI* in reporting the UPI field when the *global UPI* is implemented;**<br>**(b) The length of transition period that is appropriate for the transition to *global UPI*; and**<br>**(c) The proposed approach to continue requiring reporting of all UPI reference data elements until transition to global UPI.**<br><br>(a) DDRS supports the adoption of global UPI once the global UPI is implemented.<br><br>(b) DDRS believes a meaningful transition period will be necessary to facilitate the transition to global UPI.<br><br>(c) On the UPI implementation approach, DDRS believes a harmonized UPI implementation approach among APAC jurisdictions would be beneficial to the reporting participants. In addition, it is our view that a single-step implementation for global UPI together the revised First Schedule to the SF(RDC)R will be most beneficial to industry.<br><br>If MAS is going to adopt the two-step approach, DDRS would like to seek clarity on the scope of UPI reference data elements during the transition period. DDRS notes that there are the following fields in Annex E, which are potentially the proposed scope of UPI reference data |

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| | | elements. DDRS seeks MAS' confirmation and recommends that MAS specify the UPI reference data fields in the final field list, which would help avoid confusion subject to difference in interpretation and thus reduce potential data quality issues.<br>• Underlying<br>• Delivery type<br>• Identifier of the floating rate of leg 1<br>• Name of the floating rate of leg 1<br>• Identifier of the floating rate of leg 2<br>• Name of the floating rate of leg 2<br>• Option type<br>• Option style |
| | | **Question 12. MAS seeks comments on the proposal to report the direction of the trade that the reporting entity is taking (instead of the identifiers of the counterparties for the respective directions of the trade).**<br><br>DDRS is supportive of the proposed approach and notes that this is aligned with EMIR Refit and ASIC Phase 1 Consultation. DDRS agrees that under this approach: (a) fewer data elements are required; and (b) the information is more intuitively organized as the roles of counterparty 1 rather than which counterparty takes which role. In addition, the other approach which asks for a second copy of the LEI of Counterparty 1/2 may increase reporting errors.<br><br>In view of the different approaches adopted across jurisdictions, DDRS recommends that global regulators work together to eliminate cross-jurisdictional differences. CPMI-IOSCO should consider updating the CDE Technical Guidance to agree on one unified approach instead of providing optionality.<br><br>Finally, on data elements for "Direction"; i.e. the data elements 'Direction 1', 'Direction 2 – Leg 1' and 'Direction 2 – Leg 2', DDRS encourages global regulators to provide clear and consistent guidance in determining payer/receiver for products such as FX Forwards. |
| | | **Question 13. MAS seeks comments on –**<br>**(a) the proposal to not require the reporting of data fields relating to Collateral & Margin where the reporting entity is not a counterparty to the OTC derivatives contract, and not to extend the proposal to fund/REIT managers where the OTC derivatives contract is executed for the fund/REIT that a fund/REIT manager manages; and**<br>**(b) draft regulation 10AA of the SF(RDC)R to effect the proposal in (a).**<br><br>(a) DDRS has no comments.<br><br>(b) DDRS has no comments. |
| | | **Question 14. Are there other data fields that reporting entities, which are not a counterparty to the OTC derivatives contract, would face challenges in reporting? Please elaborate on these data fields and the challenges.**<br><br>DDRS notes that the proposed reporting requirement for the following fields does not fully align with CDE Technical Guidance:<br>• Counterparty 1, Counterparty 2: MAS-allowed identifiers that follow a hierarchy are LEI, Pre LEI, AVOX ID, SWIFT BIC Code, TR issued identifier, and client code. |

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| | | • Central counterparty, Clearing member: MAS-allowed identifiers are LEI and Pre LEI if LEI is not available.<br><br>For Counterparty 1 and Counterparty 2, CDE Technical Guidance allows LEI only, except that Counterparty 2 can also be internal identifiers for natural persons acting as private individuals. For Central counterparty and Clearing member, the CDE Technical Guidance allows LEI only.<br><br>• Deviation from CDE would cause issues in data aggregation across jurisdictions due to entity identification difficulty (the same entity being identified by different identifiers).<br><br>• DDRS recommends that MAS considers alignment with the CDE Technical Guidance.<br><br>Valuation Amount<br><br>• For Valuation Amount, DDRS is aware that there are discussions on adjusted (with exit cost counted) vs unadjusted valuation amounts, and DDRS agrees that this issue needs to be standardized across jurisdictions.<br><br>For reporting and processing of lifecycle events, "Action type" and "Event type" are key fields and global alignment is crucial.<br><br>Separately, on the relevant fields that CDE allows both "Decimal" values and "Percentage" values, DDRS is supportive of the Decimal approach proposed by MAS. This aligns with our experience that many trading systems provide pricing using Decimal notation. However, DDRS notes that other jurisdictions have taken a different approach which requires "Percentage" rather than ""Decimal". DDRS encourages regulators to work together on a unified approach to eliminate cross-jurisdictional differences. It is also our view that the CDE Technical Guidance should be updated to a standardized approach rather than allowing multiple options. |
| | | **Question 15. MAS seeks comments on the proposal to:**<br>**(a) require the reporting of Custom Basket fields (50 to 53); and**<br>**(b) defer reporting of all Custom Basket fields until international standards on *global UPI* and the "Basket constituent unit of measure" values are both finalised.**<br><br>DDRS supports the proposal to defer the reporting of all Custom Basket fields until international standards on global UPI and the "Basket constituent unit of measure" values are both finalized. |
| | | **Question 16. MAS seeks comments on the pros and cons and the potential challenges that a reporting entity may face if MAS requires foreign exchange swaps to be reported as a single contract.**<br>DDRS notes that there are different reporting requirements across jurisdictions on how FX Swap transactions should be reported either as a single transaction or two transactions for both legs. The jurisdictional fragmentation would lead to issues for data aggregation, and DDRS recommends that global regulators should work together towards global consistency and guidance in reporting FX Swap transactions.<br><br>DDRS recommends that MAS provides clear reporting guidelines if MAS adopts the single transaction reporting approach, such as how to report two settlement dates when both legs are forwards. |
| | | **Question 17. MAS seeks comments on the proposed implementation timeline.**<br>DDRS recommends regulators work together toward globally coordinated timelines to allow smooth implementation for all jurisdictions. DDRS would also recommend that MAS consider the impact on market participants if there is overlap with respect to implementation in other jurisdictions and discuss with DDRS and the industry an appropriate implementation schedule. |

| S/N | Respondent | Responses from respondent |
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| | | Meanwhile, DDRS believes MAS would need to monitor the progress of UPI system and ISO XML schema when setting the implementation timeline. A meaningful lead time is needed for UPI and ISO XML implementation to allow smooth implementation. |
| | | **Question 18. MAS seeks feedback on –**<br>**(a) The proposed approach of requiring re-reporting of existing contracts with maturity of at least one year as at the effective date of the revised First Schedule of the SF(RDC)R, and providing a 6-month transition period for these Reportable Existing Contracts to be re-reported; and**<br>**(b) Whether there are particular fields which a reporting entity may face significant challenges in reporting for Reportable Existing Contracts. If so, please elaborate on these data fields and the challenges.**<br><br>(a) DDRS believes that requirements on re-reporting of existing contracts need to be set with a balance between the potential benefit of data quality versus the operational challenges. We would like to highlight that maintaining a single set of data schema and validation on reporting submissions to a TR is crucial. To maintain two sets of schemas and validations for the same reporting requirement would create significant technical and operational challenges for both the TR as well as reporting parties.<br><br>In addition, reportable lifecycle events on legacy trades should only be done under the new reporting data schema and validation rules.<br><br>We would recommend that MAS review similar requirements set forth by other jurisdictions regulatory rewrite along with industry feedback.<br><br>(b) DDRS has no comments. |
| | | **Question 19. MAS seeks feedback on the potential adoption of the ISO 20022 XML message format for OTC derivatives reporting to the trade repository, and the amount of time that the industry will need to support the use of the standard.**<br><br>DTCC supports regulators' moves to adopt a common data standard for reporting to TRs. DDRS believes a common data standard and technical format of reporting would be beneficial to keeping data consistent across TRs, as well as across jurisdictions. DDRS notes that the ISO 20022 CDE Message Schema for OTC Derivatives is still in development and additional time is necessary to permit a rigorous evaluation of the message model to make sure the format is fit for purpose and to increase the opportunity for a coordinated, cross-jurisdictional adoption. DDRS further notes that once the ISO 20022 XML schema is made available to market participants, a meaningful implementation period will be necessary to facilitate adoption. Thus, DDRS encourages MAS to work closely with the industry and regulators to adopt a common messaging methodology, with aligned implementation targets. Such efforts would reduce operational complexities and costs associated with implementation of the ISO 20022 CDE Message Schema for OTC Derivatives. |
| | | **Question 20. If MAS were to adopt the ISO 20022 XML message format for OTC derivatives reporting to the trade repository, would it be preferred that this is implemented:**<br>**(a) at the same time as the implementation of the revised First Schedule to the SF(RDC)R which is targeted for Q2 2023; or**<br>**(b) after the implementation of the revised First Schedule to the SF(RDC)R (i.e. two-phase implementation)?**<br>**Please provide reasons for your preference.** |

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| | | It is our view that it is beneficial to industry if MAS is implementing ISO 20022 at the same time as the revised First Schedule to the SF(RDC)R, as this enables reporting entities for one system build instead of two otherwise. However, DDRS would like to call out that industry should be given sufficient lead time for implementation. |
| 2 | Global Foreign Exchange Division ("**GFXD**") of the Global Financial Markets Association ("**GFMA**") and the International Swaps and Derivatives Association ("**ISDA**") | **Question 1. MAS seeks comments on the proposed requirement to report a UTI which is uniquely assigned to each OTC derivatives contract and to continue referencing the same UTI for the life of the contract.**<br><br>The GFXD and ISDA support the proposal to adopt the Unique Transaction Identifier ("**UTI**"), to require a UTI to be uniquely assigned to each reportable OTC derivatives contract and for the same UTI to be referenced for the life of the contract.<br><br>However, we reiterate our members' feedback for a model, at a global level, in which bilateral agreement (i.e. between the counterparties to a trade as to which will generate the UTI) immediately follows generation by centralised infrastructures in the following order:<br><br>1. CCP or clearing broker<br>2. Trading Platforms<br>3. Confirmation Platforms<br><br>The purpose of the remaining generation logic should be to act as a fallback that can be referred to in case counterparties cannot agree. At a high level, this is because it will be much simpler, cheaper and more efficient for counterparties to rely on an existing or future bilateral agreement - at the counterparty level – which stipulates that one party will always be the UTI generator. The alternative is a complex generation logic, potentially on a trade-by-trade basis.<br><br>We also note that there are precedents for prioritising bilateral agreement within the generation logic, such as that seen in the January 2020 ESMA Guidelines on Reporting under Articles 4 and 12 of SFTR and recommend that MAS aligns accordingly.<br><br>We recognise that the CPMI-IOSCO Harmonisation Group UTI Technical Guidance ("**UTI Technical Guidance**") is intended for regulatory Authorities, and that each regulator may need to take different steps to amend their rules to adopt the recommendations. It is critical that all regulators implement and translate the guidance into their rules in a consistent way, and with a synchronised timeline. An inconsistent approach to global adoption of the UTI Technical Guidance would be inefficient, challenging and would indeed undermine the original rationale of harmonisation, and therefore, the availability of a globally consistent UTI for each derivative transaction. Fragmented adoption would also impede and delay the ability of global regulators to aggregate or analyse data using the UTI, and asynchronous implementation would result in the "build, wait, adjust build, wait, readjust, build, wait" approach referenced in previous industry responses to regulatory consultations on this issue.<br><br>For these reasons we strongly encourage MAS to retain flexibility in its local implementation process and have regard to the timelines for implementation of rule rewrites in G20 jurisdictions around the globe, including where such implementations may not occur in line with currently expected timelines.<br><br>Before addressing the specific UTI proposals within the Consultation, with respect to the steps within the UTI Technical Guidance Waterfall ("**CPMI-IOSCO Waterfall**"), we note that many of the concerns outlined in pages 12-16 of the 2017 joint ISDA-GFMA response to the FSB's Proposed Governance Arrangements for the Unique Transaction Identifier (UTI) – Consultation Document ("**2017 Joint Response**") remain outstanding today (see our answer to Question 2a below). We also refer you to the General Comments in Section C of the joint ISDA-AFMA-GFXD response to ASIC CP 334. |

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| | | **Question 2.**<br>**(a) What are the implementation and operational uncertainties or challenges that a reporting entity may face in determining the UTI-generator for cross-jurisdictional contracts if MAS:**<br>**(i) strictly follows the CPMI-IOSCO Waterfall; or**<br>**(ii) prioritises the determination of a cross-jurisdictional contract higher in the waterfall?**<br>**(b) On balance, which option in (a) is preferred?**<br>**(c) What are the possible ways to address such potential conflicts with the rules of other jurisdictions?**<br><br>(a) As noted above in our response to Question 1, global consistency in application of the CPMI-IOSCO Waterfall would be preferable, as the original rationale of the UTI Technical Guidance was harmonisation of approach.<br><br>However, we repeat our members' unanimous feedback that, within the CPMI-IOSCO Waterfall, bilateral agreement (i.e. between the counterparties to a trade as to which will generate the UTI) should immediately follow generation by centralised infrastructures (e.g. CCPs or clearing brokers, trading platforms, and confirmation platforms).<br><br>In terms of implementation and operational uncertainties and challenges, our 2017 Joint Response identified a number of outstanding issues with the CPMI-IOSCO Waterfall that require resolution at a global level before jurisdictional implementation can be finalised. These would apply equally to both options proposed by MAS and would also be largely removed if bilateral agreement were prioritized. In particular:<br><br>• **Static data**: The generation logic would require reporting parties to maintain a significant amount of static data, e.g. in relation to the reporting status of their counterparties for each trading scenario or the ability/willingness of centralised infrastructure to generate UTIs. This static data will require frequent checks to ensure that it remains up to date, requiring significant resources from firms;<br><br>• **Counterparty knowledge**: The generation logic would require reporting parties to know the details of their counterparties' reporting obligations on a cross-border basis. There are significant, long-known challenges with such tests globally, which are exacerbated in the APAC region due to 'nexus' reporting requirements. An entity will not know, and cannot reasonably be expected to know, which jurisdiction's reporting rules do (and do not) apply to their counterparty in a transaction;<br><br>• **Information exchange**: We would caution against any cross-jurisdictional UTI test which may have the practical effect of requiring information relevant to UTI generation to be exchanged at the time of trading. Care must be taken to distinguish between the pricing, risk management and client facilitation imperatives of traders and salespersons in dynamic markets, and the operational requirements related to regulatory reporting which are traditionally handled by middle and back offices;<br><br>• **Infrastructure oversight**: Not all market infrastructures may be subject to derivatives regulation and therefore the UTI generation requirements. For example, in the case of two counterparties trading on a third country platform that has no obligation to provide a UTI, there would be no way to require the infrastructure to generate a UTI in the absence of regulatory pressure. This links to our concern above about the static data that reporting parties will need to maintain. As for the definitions of the different types of infrastructure, |

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| | | there remains uncertainty in some cases, adding another layer of complexity. In addition, where trades are not centrally cleared, executed on trading platforms nor confirmed via market infrastructure, there will be a dependency on traditional confirmation channels which will exclude those trades that are not confirmed, e.g. alpha trades which are intended to be cleared, negatively affirmed bilateral deals and inter entity deals; and<br>• **Reporting obligations**: We request clarification that, when considering whether a counterparty has a reporting obligation outside of Singapore, this refers to a reporting obligation involving the global UTI standard. Where a counterparty has a reporting obligation in a jurisdiction that has not yet adopted the global UTI, this should not form part of the UTI generation logic.<br><br>However, as an additional issue with option (ii) as outlined in Annex D, we refer again to the fact that global harmonisation was the original rationale of the development of the global UTI and strongly advise MAS against adopting this option, given that it deviates significantly from the global consensus.<br><br>(b) Subject to market feedback that, on a global level, bilateral agreement should immediately follow generation by centralised infrastructures, we would support option (i) for MAS to strictly follow the CPMI-IOSCO Waterfall as in Annex C. However, as noted in our response to Question 1, the feedback from our members is for a model, at a global level, in which bilateral agreement (i.e. between the counterparties to a trade as to which will generate the UTI) immediately follows generation by centralised infrastructures (e.g. CCPs or clearing brokers, trading platforms, and confirmation platforms). The purpose of the remaining generation logic should be to act as a fallback that can be referred to in case counterparties cannot agree.<br><br>Any deviation from the global agreement, such as that set out in Annex D, would create significant operational challenges for market participants, particularly in respect of cross-border transactions which may need to be reported in multiple jurisdictions. We draw attention to the fact that 56% of FX transactions occur on a cross-border basis, rising to 68% of inter-dealer trading).<br><br>(c) We encourage MAS to work via the Committee on Derivatives Identifiers and Data Elements ("**CDIDE**") to achieve a globally consistent application of the UTI and to address the outstanding areas of uncertainty at a global level.<br><br>We also note our answer under 2(a) above regarding the prioritisation of bilateral agreement on UTI generation, which would minimise the instances in which the rest of the waterfall must be used. |
| | | **Question 3. For a cross-jurisdictional OTC derivatives contract <u>where no jurisdiction has a sooner reporting deadline</u> –**<br>**(a) Is the hierarchy set out in paragraph 2.12 feasible?**<br>**(b) What are the specific implementation and operational uncertainties or challenges that a reporting entity may face in determining the UTI-generator for such OTC derivatives contracts?**<br>**(c) What are the possible ways to address such challenges?**<br>**(d) Do you support adopting an "agreed" list approach? If so, how should it be implemented?**<br><br>(a) As outlined in our response to Question 1, global consistency in the application of the CPMI-IOSCO Waterfall is essential, as the original rationale of the UTI Technical Guidance was harmonisation of approach. However, we reiterate market feedback that within the CPMI- |

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| | | IOSCO Waterfall, bilateral agreement (i.e. between the counterparties to a trade as to which will generate the UTI) immediately follows generation by centralised infrastructures (e.g. CCPs or clearing brokers, trading platforms, and confirmation platforms). This would also reduce the likelihood of situations emerging which are not covered by the CPMI-IOSCO Waterfall.<br><br>(b) As outlined in our response to Question 2, there exist challenges with the CPMI-IOSCO Waterfall, which include the difficulty of establishing the reporting obligations to which one's counterparty is subject. Therefore, we encourage MAS to work via the CDIDE to achieve a globally consistent application of the UTI and to address the outstanding areas of uncertainty at a global level.<br><br>(c) We encourage MAS to work via the CDIDE to achieve a globally consistent application of the UTI and to address the outstanding areas of uncertainty at a global level.<br><br>(d) No, we do not support the "agreed" listed approach. This would be a deviation from the globally agreed CPMI-IOSCO Waterfall. At the point at which the waterfall asks whether one of the jurisdictions has a sooner deadline for reporting than the other (CPMI-IOSCO Waterfall Step 10), if the answer is no, we suggest that the next steps in the waterfall are taken, rather than additional steps introduced at a jurisdictional level. |
| | | **Question 4.**<br>**(a) MAS seeks views on the proposal –**<br>**(i) for a CCP, clearing member or trading venue to be the UTI-generator for OTC derivatives contracts that are centrally-cleared or centrally-executed but not centrally-cleared, as the case may be; and**<br>**(ii) where the CCP, clearing member or trading venue is unable or unwilling to generate the UTI, for reporting entities to identify a UTI-generator by going to the next step *as if* no CCP, clearing member or trading venue is involved.**<br>**(b) What are the specific implementation and operational uncertainties or challenges that a reporting entity may face for the proposal in (a)?**<br><br>(a) We support harmonisation with the CPMI-IOSCO Waterfall in relation to the generation of the UTI by CCPs, clearing members, trading venues and confirmation platforms.<br><br>We also believe there is further scope for regulators to apply pressure to centralised infrastructures which refuse to generate a UTI, despite the fact that they may be unregulated. Adopting a UTI generation and communication process for a centralised infrastructure is not a difficult undertaking, and thus we do not subscribe to the view that nothing can be done about such unwilling infrastructures. Regulators have the responsibility for promoting and ensuring fair, efficient and orderly markets, and have a number of levers, both direct and indirect, within their regulatory toolkit to achieve these central imperatives.<br><br>(b) The global recognition of CCPs, trading venues and confirmation platforms and their ability to generate a UTI remains an inherently ambiguous concept, which would have the practical effect of requiring members to make a determination at an individual infrastructure level as to whether that particular infrastructure is 'able, willing and permitted' to generate the UTI. This will include knowing whether the infrastructure is subject to derivatives regulation and the requirement to generate a UTI. This in practice means a table of static data which will constantly need to be updated, disseminated, understood and re-implemented.<br><br>Accordingly, we strongly support efforts within the CDIDE to encourage discussion and resolution of these critical uncertainties. Global common recognition of which CCPs, trading platforms and confirmation platforms are UTI generators is of paramount importance, and any |

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| | | uncertainty in this regard may impact both reporting completeness and timeliness. It is for these reasons that we believe there is further scope for regulators to coordinate their application of pressure to unwilling infrastructures, as discussed above. |
| | | **Question 5.**<br>**(a) For domestic contracts which are:**<br>**(i) neither centrally-cleared nor centrally-executed; and**<br>**(ii) where only <u>one</u> counterparty is subject to reporting obligations, MAS seeks views on the proposal for the reporting entity to be the UTI-generator.**<br>**(b) What are the specific implementation and operational uncertainties or challenges that a reporting entity may face with this approach?**<br><br>(a) Yes, we support harmonisation with the CPMI-IOSCO Waterfall in relation to the generation of the UTI by the reporting entity.<br><br>(b) A party to the trade is not able to know its counterparty's reporting obligations fully and accurately. We refer again to our response under Question 2, in which we outline some of the issues that need to be addressed at global level. |
| | | **Question 6.**<br>**(a) For domestic contracts which are:**<br>**(i) neither centrally-cleared nor centrally-executed; and**<br>**(ii) where <u>both</u> counterparties are subject to reporting obligations, MAS seeks views on the hierarchy set out in paragraph 2.16.**<br>**(b) What are the specific implementation and operational uncertainties or challenges that a reporting entity may face with this approach?**<br><br>(a) We support the CPMI-IOSCO Waterfall logic for both domestic and cross jurisdictional trades. However, with the approach proposed, the rules differ for domestic and cross jurisdictional trades; the preference is to align the rules.<br><br>We reiterate our response to Question 1 and the feedback from our members for a model in which bilateral agreement (i.e. between the counterparties to a trade as to which will generate the UTI) immediately follows generation by centralised infrastructures (e.g. CCPs or clearing brokers, trading platforms, and confirmation platforms).<br><br>(b) As outlined in our response to Question 2, not all market infrastructures may be subject to derivatives regulation and therefore the UTI generation requirements. For example, in the case of two counterparties trading on a third country platform that has no obligation to provide a UTI, there would be no way to require the infrastructure to generate a UTI in the absence of regulatory pressure. This links to our concern above about the static data that reporting parties will need to maintain. As for the definitions of the different types of infrastructure, there remains uncertainty in some cases, adding another layer of complexity.<br><br>In addition, we believe further clarification is required on the implementation for sorting of counterparties identifier, under paragraph 2.16(d), where there are instances of counterparties not having an LEI. The assumption would be that the party that has an LEI will by default need to be the UTI generator. Please confirm if our understanding is correct. |
| | | **Question 7. For OTC derivatives contracts where:**<br>**(i) no counterparty to the contract has reporting obligations in Singapore or elsewhere; and** |

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| | | **(ii) a reporting entity executes or causes the contract to be executed as an agent of a party to the contract that is traded in or booked in Singapore, MAS seeks views on the proposal for the UTI-generator to be determined by replacing "counterparties" with "agents of parties to the contract" in sub-sections B and C.**<br><br>Based on our understanding, by fulfilling both (i) and (ii), agents of parties to the contract, effectively acquire the responsibilities of being a UTI generator and are subject to the same rules applied to counterparties who have reporting obligations. Please confirm if our understanding is correct and that this scenario is only relevant to reporting entities who act as agents of parties to the contract.<br><br>We further note that such agency agreements are typically agreed between counterparties on an ongoing, i.e. not on a one-off basis. Therefore, our bilateral agreement recommendations would mean that UTI generation would only need to occur once to govern the ongoing trading relationship. |
| | | **Question 8. MAS seeks views on the proposals to require reporting entities to make reasonable efforts to provide or obtain UTI in a timely manner, and for reporting entities to report an *interim-UTI* where it is unable to obtain the UTI despite having made reasonable efforts. What are the specific implementation or operational uncertainties or challenges that a reporting entity may face with this proposal?**<br><br>We support the requirement to make a reasonable effort to provide or obtain a UTI in a timely manner. However, we would request that MAS provide some guidance as to what constitutes "reasonable efforts".<br><br>We have commented elsewhere that UTI generation and communication is 'largely unproblematic' where there is electronic execution and confirmation but, for paper confirmations current industry processes for the communication of UTIs are not able to consistently meet a fixed timeline particularly where confirmations are paper based.<br><br>While members agree to the proposal to report their own UTI as an interim UTI which would ensure the timely reporting of transactions, we highlight the concerns that have been raised if the UTI data field is not amendable. In such case, reporting entities may need to cancel the transaction report entirely and resubmit it with the new UTI once available. This may not only be a more complicated process than a simple amendment or modification, but also may present complications if the resubmitted report is mistakenly regarded as having been reported late.<br><br>In scenarios where an interim-UTI is used, we would request that MAS provide clarification on:<br>• The expected format and construct for an interim UTI<br>• Whether the reporting entity would be required to indicate the use of an interim-UTI and how this should be reflected<br>• Whether a UTI pairing report highlighting trades that cannot be paired will be introduced and, if so, does MAS propose to introduce an SLA to resolve such pairing breaks? |
| | | **Question 9. MAS seeks comments on the proposed data fields, definitions and allowable values as set out in the draft revised First Schedule to the SF(RDC)R and the draft Guidelines. Where there are data fields that you consider should be excluded, please elaborate on the rationale.**<br><br>• **Fields 1 and 2 – Counterparty Identifier**<br>  ○ Regulators in many jurisdictions, e.g. ESMA, CFTC, are mandating the use of LEI for transaction reporting. However, MAS proposes using an alternative identifier, e.g. Swift BIC |

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| | | Code or AVOX ID, which could create unique challenges for multi-jurisdictional reporting. We seek clarification on whether MAS will move to mandate the reporting of LEI and, if so, in cases where the reporting entity's counterparty has no LEI, whether MAS will adopt a no reporting or no trading approach.<br>○ The SF(RDC)R currently permits the masking of counterparty information if regulations of the jurisdictions listed in 5th Schedule prohibit sharing of data or require consent (and consent is not obtained). We seek clarification on whether MAS is planning to amend this relief.<br>• **Field 5 – Direction**<br>○ To avoid misinterpretation, we would request MAS to provide clarification on whether Precious Metal forwards are included in the non-exhaustive list of examples.<br>• **Fields 5 to 7 – Direction**<br>○ Further clarification will be needed globally on the leg ordering rules and logic to be applied for each asset class for the Buyer, Seller, Payer, Receiver and Direction (together "Direction") fields. ISDA members had developed a document containing Direction conventions and industry practices for determining party roles across the major asset classes, which was given to CPMI-IOSCO during its CDE consultations.<br>○ Industry participants believed that making such supplemental information available for the Direction fields would promote consistency in the way they are determined and reported. Since the final CDE Guidance for Direction (#2.131) is more general, ISDA is currently working with its members to publish an industry practice document for publication on the ISDA website, to promote consistent reporting of these fields. A number of products have already been identified which would benefit from such consistency, and there may be implications arising from ISDA's recent publication of the 2021 ISDA Interest Rate Derivatives Definitions.<br>○ At this stage, we would recommend that MAS adopt the approach found in EMIR for the interest rate, commodity, credit foreign exchange and equity asset classes, and refer to the response to Question 12 below.<br>• **Fields 16 to 20 and 22 to 26 – Various**<br>○ It is the understanding of our members that there is no requirement to report these fields for Precious Metal forwards/options/exotic options or Credit Default Swap. We would appreciate it if the MAS could: (i) confirm our understanding; and (ii) clearly define what are the specific Commodities and Credit products which these fields are applicable to, if at all.<br>• **Fields 17 and 23 – Identifier of Floating Leg**<br>○ It is not clear how an ISIN would be applicable in these instances and we would request MAS to provide examples of where an ISIN would be associated with a floating rate.<br>• **Field 21, 27, 99 to 101 – Various**<br>○ To avoid any misinterpretation, we would request MAS to provide clarification on whether Precious Metal forwards and options are in scope for reporting.<br>• **Field 28 – Option Type** |

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| | | ○ We note this is not a CDE field. This will present a problem for FX Options, similar to that which we outline for the Direction of the Trade for other FX products under Question 12 below.<br>○ FX Options when exercised are typified by the exchange of two currencies, meaning that each FX Option has both a Put and a Call. If this field is to be retained for FX, further clarification is required from MAS on how to differentiate Call vs Put options for FX Options. In addition, it would need to be accompanied by additional guidance in the form of the FX Cash Rule, which we outline in more detail under Question 12 below.<br>○ For option straddles, we would appreciate it if MAS could confirm that they would need to be reported as "OTHR".<br>• **Field 30 – First Exercise Date**<br>○ The data required to be reported in this field is reported elsewhere – for European-style options, the "first exercise date" would be the same as the Expiration date; for American-style options the first possible exercise date is the unadjusted date included in the execution timestamp; for knock-in options the first exercise date is to be updated when it becomes available. Therefore, we recommend that MAS remove this field and to enhance the definition of reporting field 'Expiration date' and 'Effective date fields' to include the above for avoidance of doubt.<br>• **Field 31 – Effective Date**<br>○ We note that there is only one reporting field for "Effective Date". For IR products where the effective date of Leg 1 and Leg 2 is not the same we would request guidance from MAS on how to report the different effective dates.<br>• **Field 32 – Expiration Date**<br>○ We note that there is only one reporting field for "Expiration Date". For IR products where the expiration date of Leg 1 and Leg 2 is not the same we would request guidance from MAS on how to report the different effective dates.<br>• **Field 33 – Swap Link ID**<br>○ We support the historic MAS position of reporting FX Swaps as two linked reports. The two legs should be linked by a Package Identifier field which we suggest under Question 10 that MAS should consider adopting from the CDE Guidance in place of the proposed Field 33 Swap Link ID. This would allow alignment in the reporting of 'Package Identifier' - which is a requirement of the CFTC, and currently also proposed by ASIC and ESMA.<br>• **Field 38 – Cleared**<br>○ Given MAS reporting timeline is T+2, we request clarification on when this field should be populated under the requirement to identify when there is an "Intention to Clear". If the requirement is to report for trades that could be cleared after T+2 this would be extremely difficult to determine at the time of reporting. Consequently, we do not support the requirement to report the intention to clear.<br>○ In addition, we highlight that the recent ASIC consultation, CP 334 "Proposed changes to simplify the ASIC Derivative Transaction Rules (Reporting): First consultation", did not include a requirement to report the intention to clear.<br>• **Field 42 – Platform identifier** |

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| | | ○ We question the requirement to identify whether transactions execution outside of a trading facility is listed or is a contract in instruments that are not listed in any venue. This would require maintenance of significant amounts of data which would need to be constantly updated in real-time. Given the risk of misreporting we recommend that this reporting requirement is limited to only if a transaction is execution on a platform.<br>• **Field 43 – Reporting obligation of specified person**<br>○ Members have questioned the requirement to report the jurisdiction(s), other than Singapore, to which the specified person has a reporting obligation and what constitutes "jurisdiction(s), other than Singapore. This data is not held within the trade record and would require specific development to create logic to determine where there are other reporting obligations. In addition, the reporting obligations to other jurisdictions may change during the life of a trade, e.g. for the CFTC if the status of a client changes from non-US- to US-person. It is unclear as to the benefit of this field as the requirement would only be applicable to trades reported in Singapore.<br>• **Field 46 – Confirmed**<br>○ We note that a number of other regulators, such as CFTC and ASIC, are removing confirmation fields from their rule sets as part of their rule revisions. We would encourage the APAC regulators to work together to harmonise their proposed rule sets as closely as possible.<br>• **Field 54 – Valuation Amount**<br>○ ISDA and its members are concerned that different regulators may be adopting different approaches to reporting Valuation Amount. The European Markets Infrastructure Regulation (EMIR) refit has adopted unadjusted "Mark-to-market valuation of the contract, or mark-to-model valuation as referred to in Article 4 of the [RTS]. The CCP's valuation to be used for a cleared trade."<br>○ ASIC has proposed to adopt the CDE definition "Current value of the outstanding contract. Valuation amount is expressed as the exit cost of the contract or components of the contract, i.e., the price that would be received to sell the contract (in the market in an orderly transaction at the valuation date)", which is being viewed as an adjusted Valuation Amount. The CFTC P43/P45 Technical Specifications points to the CDE definition.<br>○ ISDA has raised this issue to the Regulatory Oversight Committee (ROC) as the International Governance Body (IGB) for the globally harmonised identifiers. As more jurisdictions go live with new or amended trade reporting rules, fragmented approaches to valuation data requirements will result in inconsistencies in reporting from jurisdiction to jurisdiction. The ability to effectively aggregate the related data for regulatory analysis will therefore be constrained. The industry will be compelled to build differently depending on each jurisdictional mandate. For market participants, the challenges of valuations reporting are exacerbated since the information to derive a valuation amount does not come from a single system or source – rather, data needs to be pulled from multiple different sources via several different systems by an institution in order to calculate the valuation amount.<br>○ The ROC as IGB was allocated several CDE global governance functions designed to facilitate/promote a harmonized approach to trade reporting from jurisdiction to jurisdiction in order to reduce risk management challenges, enhance data quality, improve |

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| | | the ability of authorities to effectively analyse aggregated trade data, and meet the objectives of the G-20. A few examples of governance functions allocated to the IGB include "Monitoring the implementation of the CDE Technical Guidance at the global level and identifying implementation issues that may hinder a harmonised approach to OTC derivatives data reporting" and "Recommending how the CDE Technical Guidance should be implemented by Authorities, including possible levels of coordination."<br>○ We therefore strongly encourage MAS to work with the ROC as IGB to resolve (or initiate the governance process to resolve) valuation data reporting (including for Valuation Amount) at the global level with its members, who include regulators who have adopted, as well as regulators who plan to adopt, requirements for Valuation data reporting, to help achieve consistent reporting by the industry in line with the objectives of the global OTC harmonization effort.<br>• **Field 56 – Valuation Method**<br>○ We would request MAS to provide clarification on whether the use of field value "C" (Central counterparty's valuation) requires reporting entities to report the CCP's valuation for cleared trades rather than its own valuation. We would highlight that such a requirement would introduce added complexity to a reporting party's system architecture while not enhancing the reporting transparency.<br>• **Fields 58 to 76 – Collateral and Margin**<br>○ We note that these fields do not form part of the current Singaporean reporting requirements, and that global discussions on the requirements and rules for the Collateral and Margin fields in the CDE are continuing. At this time, we would suggest that MAS keep these issues under review.<br>• **Field 59 – Collateral Portfolio Code**<br>○ In cases where contracts are margined together, there are instances where some contracts within the netting set will have applicable initial margin and others will not. However, all contracts within the set also share the same Variation Margin collateral. This is due to the different phase-in timings for Variation and Initial Margin and as contracts mature, this will become less and less common. MAS is requested to provide further guidance on what firms should report in such circumstances.<br>○ Some regulators such as CFTC have chosen to add a collateral portfolio code for initial margin as well as variation margin.<br>• **Fields 72 to 75 – Excess collateral**<br>○ The description states of the data field should be populated with the "Monetary value of any additional collateral posted by "Counterparty 1" which is separate and independent from initial and variation margin, where applicable". The explanatory notes state that "any initial or variation margin amount posted that exceeds the required initial margin or required variation margin, is reported as part of the initial margin posted or variation margin posted respectively rather than included as excess collateral posted".<br>○ We request MAS to provide clearer an example of excess collateral as it would appear not to be excess initial or variation margin.<br>• **Field 77 - Notional Amount** |

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| | | ○ The field value for notional amount is expressly stated to be any value greater than or equal to zero which is consistent with the CDE guidance. However, the current DTCC validation rules allow for negative notional amounts for Commodities and that these were specifically changed in Q3 2020 following feedback from industry and further clarification by DTCC with MAS. We request MAS to provide clarity on the use of negative amounts.<br>• **Fields 81 and 83 – Total Notional Quantity of the Contract and Notional Quantity of the Contract**<br>○ We would request that MAS provide further definition on the difference between these two fields.<br>• **Fields 84 and 85 – Quantity frequency of the contract or Leg 1**<br>○ These data are not held in the trade record and would need to be derived from the start and end date and are likely to vary based on the business day calculation. In addition, it will be extremely difficult to determine these values for contracts where the frequency is less than one day which is likely to give rise to incorrect reporting. For 'on demand' contracts it is not possible to determine and report these values.<br>• **Fields 86 to 88 – Notional Quantity**<br>○ For trades where notional or quantities vary during the life of a trade, it is not clear if it is possible to report multiple values or schedules of quantity in the CDE fields listed. ASIC, in its recent consultation CP 334 "Proposed changes to simplify the ASIC Derivative Transaction Rules (Reporting): First consultation", suggested the reporting of varying notional or quantities during the life of the trade. Given the complexity of reporting these values, we seek confirmation from MAS that the requirement is to report the current live notional value for such step notional trades and that these fields are updated throughout the life of the trade.<br>• **Field 91 to 94 – Call/Put Currency and Amount**<br>○ We would request MAS to provide clarification on whether there is a requirement to report both the Notional amount for Leg 1 and 2 simultaneously with the Call/Put amount for a trade. For FX options this would represent a duplication and as such we recommend that there only be a requirement to report either the call/put amount or the notional amount for Leg 1 and 2.<br>• **Fields 95 to 98 – Price**<br>○ To avoid any misinterpretation, we would request MAS to provide clarification on whether Precious Metal forwards are in scope for reporting.<br>• **Fields 105 to 107 – Strike Price Dates**<br>○ We would request MAS to provide clarification on whether these fields are applicable for complex exotics where there are multiple legs with a different strike price for each leg, and what values are required to be reported.<br>• **Fields 108 and 109 – Option Premium Amount and Currency**<br>○ Where an option has a zero premium a reporting entity will submit the premium amount as zero, but there is often ambiguity around the currency that should be reported. We recommend that where the Option Premium Amount is reported as zero, there is no requirement to report the Premium Currency. |

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| | | • **Field 111 – Forward Exchange Rate**<br>○ This data field is not included in the CDE, and is listed as only applicable to FX Swaps, to record the exchange rate of the far leg in cases in which the FX Swap is reported as a single item. We strongly recommend that MAS retain the current reporting of an FX Swap as a pair of two forwards, as per the rationale outlined in the response to Q16 below. As such, we are not supportive of the proposal to include this data field.<br>• **Fields 113 to 128 – Floating/fixed rate reset multiplier**<br>○ The proposed fields split one data element into two data elements by adding the fixed vs floating rate nuances. This increases the number of reporting fields from 8 to a proposed 16. We believe this is not necessary, as the type of leg, i.e. fixed vs floating, is already captured in fields 16, 17, 18, 22, 23 and 24. Furthermore, it will be extremely difficult to populate these fields for trades that have been reported as having an 'Ad Hoc' reset frequency. In order to reduce complexity and additional technology build-out to support these new fields, we strongly suggest that MAS does not add the fixed vs floating rate nuances for fields 113 to 128.<br>• **Field 134 – Action Type**<br>○ Members have raised concern with the reporting this field due to increased complexity. Currently, there are only 3 values applicable for the 'Action Codes', i.e. 'New', 'Modify' and 'Exit'. To systematically determine in the reporting systems if an amend should be 'Modify' or 'Correct', would be technically difficult in a scalable manner and will likely require manual intervention creating inefficiencies and operational risk.<br>• **Field 135 – Event Type**<br>○ We are not supportive of the proposal to introduce this new reporting field due to the following reasons:<br>(a) We note that this field is not part of the CDE technical paper;<br>(b) This field is very similar to existing field "Last Action Type". Therefore, we recommend retaining the last Action Type field rather than introducing this new "Event Type" field; and<br>(c) The proposed four-letter reporting convention is not captured in the CDE technical paper. If MAS agrees to maintain the Last Action Type field, we recommend that this Event Type field is removed.<br>○ We would highlight that Event Types “Partial Termination” and “Backload” have not been included. |
| | | **Question 10. Are there other data fields that MAS should consider including? If so, please suggest these additional data fields along with the definition and the purpose of the suggested fields.**<br><br>We suggest that MAS should include CDE field 2.89 Package Identifier, instead of its current proposal for Field 33 Swap Link ID. As outlined under Question 16 below, we support the historic MAS view of reporting FX Swaps as two contracts. We consider the legs of FX Swap transactions to constitute a package under the CDE definition. Therefore, there should be no need to implement a separate field specifically for FX Swap Link IDs. The adoption of the Package Identifier field would fit with MAS’ view as expressed in its Frequently Asked Questions document from May 2020 that “It is important that both legs of the contract are reported to the trade repository in a manner that allows MAS to identify |

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| | | that the reported contracts form a single swap contract". It would also align with the adoption of the Package Identifier by the CFTC and as proposed by ASIC and ESMA .<br><br>We would also propose that MAS to include the following CDE fields which are included by ASIC in its Consultation Paper CP334:<br><br>• Embedded Option Type – Represents the type of option or optional provision embedded in a contract.<br><br>• Non-reported term indicator – Indicator of whether the transaction has one or more additional economic term(s) or provision(s), other than the data elements reported.<br><br>These fields would enable reporting parties to report:<br><br>• Certain features that otherwise would not be captured via existing product taxonomy aligned reporting templates, and<br><br>• Transactions where it would not be appropriate to report them as exotic options, e.g. embedded options, i.e. an IRS with callable feature, or a non-reported term, i.e. cap/floor where the payoff is digital. |
| | | **Question 11. MAS seeks views on –**<br>**(a) The proposal to require the use of *global UPI* in reporting the UPI field when the *global UPI* is implemented;**<br>**(b) The length of transition period that is appropriate for the transition to *global UPI*; and**<br>**(c) The proposed approach to continue requiring reporting of all UPI reference data elements until transition to global UPI.**<br><br>(a) We support the adoption of the UPI once the global UPI is implemented.<br><br>(b) We note that the global UPI is expected to be implemented no later than Q3 of 2022 and that MAS is currently proposing to implement the changes to its reporting rules in Q2 2023. The feedback from members is that an 18-month transition period would be required from the date the global UPI is finalised and implemented in order to be able to develop, test and implement the required changes to bank reporting systems. In addition, there is a key dependency on Trade Repositories implementing the functionality to support the UPI.<br><br>(c) We support the proposed approach, provided that once the global UPI has been implemented, the reporting of UPI reference data elements is no longer required. |
| | | **Question 12. MAS seeks comments on the proposal to report the direction of the trade that the reporting entity is taking (instead of the identifiers of the counterparties for the respective directions of the trade).**<br><br>• We are supportive of the proposal to report the direction of the trade that the reporting entity is taking instead of the identifiers of the counterparties for the respective directions of the trade. The latter approach would require developing complex mapping and data manipulation.<br><br>• In addition, we appreciate that MAS has called out the direction of the trade as requiring further clarification. Members are supportive of the proposal to adopt the buyer/seller convention. However, as noted in our response to Question 9, further work is currently underway within the industry to arrive at a comprehensive approach to determining how the Direction fields should be populated for each asset class and product type. |

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| | | • However, for FX, there is a key issue with the way that the direction of the trade has been set out in the CDE Technical Guidance. FX products such as FX Forwards are typified by the exchange of two currencies meaning that each party is both a payer and receiver.<br>• For instance, in a typical USD-SGD FX Forward, one counterparty will be selling (paying) USD and buying (receiving) SGD and the other counterparty to the trade will be buying (receiving) USD and selling (paying) SGD.<br>• MAS is asked to note that we have previously escalated this concern that the payer/receiver concept does not work for some FX transactions (such as FX Forwards and NDFs) to the CPMI group responsible for the CDE. For FX, we strongly recommend that the CDE field is therefore complemented by the FX Cash Rule to ensure that it is clear who the payer is and who the receiver is for the purposes of the report.<br>• The FX Cash Rule is an industry convention which states that the payer (or seller, or short position) would be determined by the party that is selling risk in the currency which is first when sorted alphabetically by ISO code. For example, in a USD-SGD FX forward trade, it would be each party's position relevant to the SGD that will determine the payer (sell) or receiver (buy) position.<br>• Given that the CDE were designed to support a single, globally consistent reporting standard, we urge MAS to take this into account and consider implementing the FX Cash Rule as a tool for determining the direction of a trade. We have also recommended this approach in other jurisdictions to promote harmonisation. |
| | | **Question 13. MAS seeks comments on –**<br>**(a) the proposal to not require the reporting of data fields relating to Collateral & Margin where the reporting entity is not a counterparty to the OTC derivatives contract, and not to extend the proposal to fund/REIT managers where the OTC derivatives contract is executed for the fund/REIT that a fund/REIT manager manages; and**<br>**(b) draft regulation 10AA of the SF(RDC)R to effect the proposal in (a).**<br><br>(a) Our members support the proposal that reporting entities that are not a counterparty to the contract should not have to report data relating to Collateral and Margin.<br><br>However, we recommend that the proposal is extended to fund managers where the OTC derivatives contract is executed for a fund that is either directly or indirectly managed by the fund manager. The reporting of such data is operationally and technologically complex and will not provide regulators with an ability to identify systemic risk.<br><br>We also refer to our response to Question 9.<br><br>(b) We have no comments. |
| | | **Question 14. Are there other data fields that reporting entities, which are not a counterparty to the OTC derivatives contract, would face challenges in reporting? Please elaborate on these data fields and the challenges.**<br><br>We have no comments. |
| | | **Question 15. MAS seeks comments on the proposal to:**<br>**(a) require the reporting of Custom Basket fields (50 to 53); and** |

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| | | **(b) defer reporting of all Custom Basket fields until international standards on *global UPI* and the "Basket constituent unit of measure" values are both finalised.**<br><br>We would support proposal (b) to defer the reporting of custom basket fields until the global implementation of the UPI, given their typically low volumes and the large amount of potentially duplicative work that would be required to implement them prior.<br><br>However, the UPI code and associated UPI reference data elements should only include generic information about the characteristics of the underlier and note that these concerns were expressed in the CPMI/IOSCO "UPI Technical Guidance" – which was published by on 28 September 2017, as technical guidance to regulators.<br><br>According to the views captured in the UPI Technical Guidance, the custom basket related data elements will be taken up at a later stage after the implementation of Phase 1. Therefore, we recommend MAS requires the reporting of Custom Basket data fields at a much later stage once industry feedback as captured in the "UPI Technical Guidance" has been taken into account. |
| | | **Question 16. MAS seeks comments on the pros and cons and the potential challenges that a reporting entity may face if MAS requires foreign exchange swaps to be reported as a single contract.**<br><br>We support the historic MAS position of reporting FX Swaps as two linked reports. The two legs should be linked by a Package Identifier field, which we suggest under Question 10 above that MAS should consider adopting from the CDE Guidance in place of the proposed Field 33 Swap Link ID.<br><br>• **Confirmation**: There exists no functionality in SWIFT messaging, one of the most common and highly automated confirmation methods, for the confirmation of FX Swaps as a single contract. Therefore FX Swaps which are treated as a single item would require a bespoke, manual confirmation, a slower process requiring manual input and therefore a presenting higher level of operational risk. The high volume and speed of trading in the FX market mean that the efficiency of risk reduction processes such as trade confirmation are extremely important for market participants. This should be taken into consideration as one of the wider impacts of requiring a single report for FX Swaps.<br><br>• **Settlement**: The two legs of a FX Swap have different settlement dates. There may be a significant period of time between the settlement of the two legs. This means that, where a FX Swap has been reported as a single item, the report will remain open until the settlement of the far leg, even although the near leg has already settled. By contrast, where a FX Swap has been reported as two contracts, the report for the near leg will close independently, providing a more accurate picture to MAS of open trades.<br><br>• **Compression and novation**: If a FX Swap has to be reported as a single contract, this will cause issues for future reporting of any trades resulting from compression or novation of the far leg after the near leg has settled.<br><br>• **Cross-border harmonisation**: It is important in a cross-border market such as FX to maintain global consistency of approach. |
| | | **Question 17. MAS seeks comments on the proposed implementation timeline.**<br><br>We note the current intention of MAS to finalise the reportable data fields in the First Schedule to the SF(RDC)R and the UTI Guidelines by Q2 2022 and implement the revised requirements in Q2 |

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| | | 2023. We would recommend a 24-month timeframe between finalisation of the reportable data fields and UTI Guidelines and the implementation of the revised requirements.<br><br>However, we are also acutely aware of the benefits of a coordinated global approach to adoption of these new reporting standards and we acknowledge that there is still a significant element of uncertainty as to the implementation dates of other major jurisdictions. In line with our feedback on UPI implementation under Question 11b above, we strongly encourage a coordinated approach, particularly within the key APAC jurisdictions.<br><br>Additionally, aligning implementation dates will reduce the error rate for UTI pairing and sharing.<br><br>We would also request MAS to consider offering a soft go-live date for the new Rules, similar to that provided in the past, to provide reporting entities with the opportunity to report in a live test environment and address any issues before the official commencement date. |
| | | **Question 18. MAS seeks feedback on –**<br>**(a) The proposed approach of requiring re-reporting of existing contracts with maturity of at least one year as at the effective date of the revised First Schedule of the SF(RDC)R, and providing a 6-month transition period for these Reportable Existing Contracts to be re-reported; and**<br>**(b) Whether there are particular fields which a reporting entity may face significant challenges in reporting for Reportable Existing Contracts. If so, please elaborate on these data fields and the challenges.**<br><br>(a) Feedback from members highlights that introducing a retrospective reporting requirement would introduce significant operational challenges, given it would require enriching new fields that may not have been reported or even captured within internal systems originally. There is strong concern over the time and cost which would be required to implement the necessary changes that would be required to scrape historical data, as well as to monitor and manage exceptions and rejections that may arise.<br><br>Members have spent considerable resources and funds in implementing Singaporean reporting requirements on a staggered basis across both asset classes and entity types over a number of years, and we not believe that data analysis capability benefits would, at this point, outweigh the imposition of retrospective gold-plating requirements for a large number of fields across a large volume of trades. Therefore, the recommendation is to only apply the updated reporting schema to new trades.<br><br>However, where amendments are made to legacy trades these should be made under the new schema. To maintain two schemas for the same reporting requirement would create significant operational challenges.<br><br>(b) See response to Question 18(a). |
| | | **Question 19. MAS seeks feedback on the potential adoption of the ISO 20022 XML message format for OTC derivatives reporting to the trade repository, and the amount of time that the industry will need to support the use of the standard.**<br><br>As noted in our responses to consultations in other major jurisdictions, we agree that MAS should consider the benefits of a transition to ISO 20022 message scheme. Since the CDE data elements are to be included in the ISO 20022 data dictionary, this would reduce the mapping required by market participants and third parties during the reporting process.<br><br>In terms of the amount of time needed to support the standard, member feedback indicates that at least 24 months between MAS finalising its reporting standards and the implementation of ISO 20022 |

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| | | would be appropriate. This would also support the transition by local counterparties, who may not have experience of using this message format in other jurisdictions.<br><br>We also suggest that this should be done in collaboration with other global regulators, as part of the coordinated adoption of CDE data elements. For instance, amongst OTC derivatives, FX is a particularly global market, with 56% of transactions occurring cross border (according to the BIS Triennial FX Survey), meaning that the same trade is often reportable in multiple jurisdictions. It would be very judicious for key jurisdictions that intend to adopt ISO 20022 to coordinate their implementation timelines. This would reduce the operational complexity for global market participants and the risk to data quality from mapping different message schemes in the interim. Furthermore, there is significant benefit in aligning the ISO20022 implementation with as many of the OTC derivative Transaction Reporting rule rewrites as possible to minimize implementation effort across jurisdictions. There should be sufficient time to implement ISO20022 for all rewrites. |
| | | **Question 20. If MAS were to adopt the ISO 20022 XML message format for OTC derivatives reporting to the trade repository, would it be preferred that this is implemented:**<br>**(c) at the same time as the implementation of the revised First Schedule to the SF(RDC)R which is targeted for Q2 2023; or**<br>**(d) after the implementation of the revised First Schedule to the SF(RDC)R (i.e. two-phase implementation)?**<br>**Please provide reasons for your preference.**<br><br>We refer to our answer to Question 19 above, where member feedback indicates at least 24 months between MAS finalising its reporting standards and the implementation of ISO 20022 but note the importance of cross-border coordination. These should be the driving elements in the decision regarding an implementation date for the change. While there would be a benefit to being able to implement ISO 20022 at the same time as the revised First Schedule to the SF(RDC)R, this should not be targeted at the expense of a suitable coordinated lead-in time. Therefore, we support option (b). |
| 3 | IHS Markit Ltd | **Question 1. MAS seeks comments on the proposed requirement to report a UTI which is uniquely assigned to each OTC derivatives contract and to continue referencing the same UTI for the life of the contract.**<br><br>We agree with the MAS proposal to keep the same UTI as the unique identifier for a transaction throughout its life, in alignment with CPMI IOSCO guidance and industry recommendations. We agree that, in the event of uninterrupted continuation of the contractual relationship, the UTI must remain unchanged and a new UTI would only result from a new contract where the parties have expressly pre-agreed the approach after early termination of a previous contract.<br><br>The relationship of one UTI to one contract may be operationally challenging for some bespoke structured OTC derivatives products as it is not possible to report a single UTI for the whole packaged trade. We therefore suggest that the MAS use the Critical Data Element field 2.89 package identifier which is also present in ESMA and CFTC regimes. Current MAS reporting fields only include Swap link Id which is only applicable to FX. |
| | | **Question 2.**<br>**(a) What are the implementation and operational uncertainties or challenges that a reporting entity may face in determining the UTI-generator for cross-jurisdictional contracts if MAS:**<br>**(i) strictly follows the CPMI-IOSCO Waterfall; or**<br>**(ii) prioritises the determination of a cross-jurisdictional contract higher in the waterfall?** |

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| | | **(b) On balance, which option in (a) is preferred?**<br>**(c) What are the possible ways to address such potential conflicts with the rules of other jurisdictions?**<br><br>(a) We welcome MAS's intention to support global initiatives and their intention to adopt and implement the technical guidance published by CPMI-IOSCO. We support option (i) to follow the CPMI-IOSCO Waterfall as in Annex C as it would ensure global consistency in the UTI generation implementation.<br><br>We advise MAS to raise any operational issues or concerns about the Waterfall at a global level via the Committee on Derivatives Identifiers and Data Elements ("**CDIDE"**).<br><br>Regarding MAS's alternative proposal for the UTI generation flowchart which includes a test on 'cross jurisdictional contract' placed at the first stage in the decision tree, we would stress that such a requirement would be overly complex to implement operationally. This would imply that firms building an internal logic would need to be informed about the other counterparty's jurisdictional reporting requirements, which will not always be shared with or known to the counterpart, as well as it being a deviation from the CPMI IOSCO standard UTI generation tree.<br><br>We believe the confirmation platform and then the bilateral agreement should take precedence over the checking of cross jurisdictional obligations or rules referring to the nature of counterparties (status-based approach):<br><br>• Financial market infrastructures such as CCP, trading venues or confirmation-matching platforms must take precedence in the UTI generation and should be able to generate and share the UTI in an easily accessible manner to users.<br><br>• Bilateral agreement with the counterparty should be placed higher within the UTI generation decision tree (immediately after CCP, trading venues and confirmation platforms) to simplify the UTI generation process for firms.<br>• In the case where one or none of the parties use a CCP, trading venue or confirmation platform, reference to the bilateral agreement is an efficient way for UTI generation, avoiding parties having to go through a complex algorithm for UTI generation.<br><br>We would also strongly recommend regulatory guidance on UTI sharing requirements including among others the following points:<br><br>• The default use of a digital medium for UTI exchange, avoiding faxes, telephone and other manual processes.<br>• Preference for automated workflows from booking to reporting.<br>• UTI and its related data to be shared in a common format.<br>• Exchange of transaction minimum fields (cf. minimum fields example of CFTC Interim Final Rule and request for comment to Portfolio Reconciliation Requirements for Swap Dealers and Major Swap Participants—Revision of ''Material Terms'' Definition) alongside the UTI to facilitate identification of the transaction and facilitate pairing.<br><br>(b) As mentioned in Question 2(a), we support option (i) as we believe the confirmation platform and then the bilateral agreement should take precedence over checking cross-jurisdictional obligations or rules referring to the nature of counterparties (status-based approach).<br><br>Financial market infrastructure, such as CCP, trading venues or confirmation-matching platforms, must take precedence in the UTI generation and should be able to generate and share the UTI in an easily accessible way to users. |

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| | | Bilateral agreement with the counterparty should be placed higher within the UTI generation decision tree immediately after CCP, trading venues and confirmation platforms. It should be noted there are successful precedents for this approach using bilateral agreement in other regimes such as SFTR (ESMA guidelines on Reporting under articles 4 and 12 SFTR, https://www.esma.europa.eu/sites/default/files/library/esma70-151-2838_guidelines_on_reporting_under_sftr.pdf). This experience could be leveraged on UTI share and pair in that field.<br><br>(c) As mentioned in Question 2(a), we believe the confirmation platform and then the bilateral agreement should take precedence in UTI generation over checking cross-jurisdictional obligations and this will also address potential conflicts. Any operational challenges around UTI should be raised at a global level to achieve a globally consistent implementation. |
| | | **Question 3. For a cross-jurisdictional OTC derivatives contract <u>where no jurisdiction has a sooner reporting deadline</u> –**<br>**(a) Is the hierarchy set out in paragraph 2.12 feasible?**<br>**(b) What are the specific implementation and operational uncertainties or challenges that a reporting entity may face in determining the UTI-generator for such OTC derivatives contracts?**<br>**(c) What are the possible ways to address such challenges?**<br>**(d) Do you support adopting an "agreed" list approach? If so, how should it be implemented?**<br><br>(a) As mentioned in Question 2(a), we believe the confirmation platform and then the bilateral agreement should take precedence in UTI generation over checking cross-jurisdictional obligations or rules referring to the nature of counterparties (status-based approach). We reiterate the need for a globally consistent approach to UTI generation and exchange.<br><br>(b) It is operationally complex for firms to determine a counterparty's jurisdictional reporting requirements. Firms may not know if their counterparty falls below or above a certain jurisdiction reporting threshold or may not be familiar with the reporting timelines of the other jurisdiction. Currently it is not market practice at trade execution for firms to exchange each other's applicable reporting jurisdictions for a trade. Firms typically do not even determine their own reporting jurisdictions until post-trade. For firms that are only reporting to one jurisdiction this process will not only be challenging but also prohibitive and unnecessarily costly to implement.<br><br>(c) As mentioned in Question 2(a) and 2(c), we believe the confirmation platform and then the bilateral agreement should take precedence in UTI generation over checking cross-jurisdictional obligations and this will also address the potential challenges.<br><br>(d) We think the agreed list approach is operationally too complex to implement as it constitutes a deviation from the standard set by CPMI IOSCO recommendation and does not remove the challenge of determining the other counterparty's applicable jurisdiction(s). The agreed list would also require buy-in from regulators, who would need to have the same reporting deadline, which could be complex to achieve. |
| | | **Question 4.**<br>**(a) MAS seeks views on the proposal –**<br>**(i) for a CCP, clearing member or trading venue to be the UTI-generator for OTC derivatives contracts that are centrally-cleared or centrally-executed but not centrally-cleared, as the case may be; and** |

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| | | **(ii) where the CCP, clearing member or trading venue is unable or unwilling to generate the UTI, for reporting entities to identify a UTI-generator by going to the next step *as if* no CCP, clearing member or trading venue is involved.**<br>**(b) What are the specific implementation and operational uncertainties or challenges that a reporting entity may face for the proposal in (a)?**<br><br>(a) We would recommend keeping only option (i) and remove option (ii) to avoid fragmentation of the UTI implementation and unnecessary implementation challenges.<br><br>(b) The uncertainties are related to different approaches to UTI generation and fallback solutions across industry participants. For example, in the case of a CCP, the trades are cleared automatically by the CCP system after passing some validations rules and the UTI of the new cleared trade is generated automatically by the CCP system. If the CCP is unable to generate the UTI due to a system issue, the UTI-generator logic should not change as this could lead to 2 different UTI being generated at the same time for the same cleared trade: one by the CCP once the issue has been resolved and another one by the reporting entity thinking that the CCP was unable to do it. In that specific scenario, it would be difficult for the reporting entity to determine if the CCP was unable to generate the UTI. The reporting entity could consider a time threshold (for example 10 minutes) and generate the UTI only once the time limit has been reached. As different CCPs have different UTI generation processes it will be operationally challenging to ensure consistency. |
| | | **Question 5.**<br>**(a) For domestic contracts which are:**<br>**(i) neither centrally-cleared nor centrally-executed; and**<br>**(ii) where only one counterparty is subject to reporting obligations, MAS seeks views on the proposal for the reporting entity to be the UTI-generator.**<br>**(b) What are the specific implementation and operational uncertainties or challenges that a reporting entity may face with this approach?**<br><br>(a) We support MAS decision to align UTI generator decision tree with international standards as there should be a globally standardised CPMI IOSCO approach to UTI generation. However, using terminology that is new and different to that in CPMI-IOSCO, such as "domestic contract", could lead to confusion within the industry. As mentioned in Question 2(a) and 2(c), we believe the confirmation platform and then the bilateral agreement should take precedence over checking if a trade is a "domestic contract".<br><br>(b) It may be operationally challenging for operational staff to determine and differentiate domestic contracts compared to cross-border contracts where counterparties are subject to the reporting obligations of multiple jurisdictions. Also having a rule for contracts where only one counterparty is subject to a reporting obligation implies that the reporting party knows about whether or not its counterparty has any additional reporting obligation(s). This would not necessarily be the case, as we explained in Question 3(b). |
| | | **Question 6.**<br>**(a) For domestic contracts which are:**<br>**(i) neither centrally-cleared nor centrally-executed; and**<br>**(ii) where both counterparties are subject to reporting obligations, MAS seeks views on the hierarchy set out in paragraph 2.16.** |

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| | | **(b) What are the specific implementation and operational uncertainties or challenges that a reporting entity may face with this approach?**<br><br>(a) We believe that step (c) "otherwise, if the contract will be reported to a single trade repository, the trade repository will be the UTI-generator" as indicated on page 13 is not required. Instead, the hierarchy goes directly to step (d) "the reverse sorting of counterparties identifiers" after step (b) "UTI generator being the entity as agreed by the counterparties". This would be a much simpler approach than getting the UTI from trade repository.<br><br>(b) For trades that are not electronically confirmed, the main challenges that counterparties are facing would be:<br><br>• Waiting to receive the UTI from their counterparty when their counterparty is the UTI generator. The appropriate timelines may not be properly followed for a manual process.<br><br>• The UTI may be sent by email and any manual process needed to retrieve the UTI and update it in their reporting system is prone to errors. |
| | | **Question 7. For OTC derivatives contracts where:**<br>**(i) no counterparty to the contract has reporting obligations in Singapore or elsewhere; and**<br>**(ii) a reporting entity executes or causes the contract to be executed as an agent of a party to the contract that is traded in or booked in Singapore, MAS seeks views on the proposal for the UTI-generator to be determined by replacing "counterparties" with "agents of parties to the contract" in sub-sections B and C.**<br><br>We believe there is no need to update the existing MAS reporting rules by adding a specific clause for UTI generation by agents of parties to the contract. Instead, we suggest MAS reiterate that the counterparty can delegate the UTI generation to any third party including the agent of one of the parties to the contract but that they retain the obligation to correctly assign and share a UTI. |
| | | **Question 8. MAS seeks views on the proposals to require reporting entities to make reasonable efforts to provide or obtain UTI in a timely manner, and for reporting entities to report an *interim-UTI* where it is unable to obtain the UTI despite having made reasonable efforts. What are the specific implementation or operational uncertainties or challenges that a reporting entity may face with this proposal?**<br><br>• We welcome MAS's acknowledgement that UTI generation and exchange do not always occur on a timely basis and in an accurate manner, particularly for manually confirmed trades.<br>• Preference by firms for timeliness of reporting over accuracy of reporting could result in systematic interim UTI being used by firms who haven't received the UTI from the UTI-generator party at close to the reporting deadline (next day midnight after trade execution date).<br>• Also, the correction of an interim UTI could require numerous manual processes, which are likely to be the sources of errors and rejections at the trade repository. Allowing an interim UTI should go hand in hand with flexibility in life cycle events rules such as on resubmissions of back dated corrections. Those are one of the most common issues that we witness in other regimes such as SFTR.<br>• We acknowledge the preference for some firms to report the trade with the official UTI only once it is available and not report an interim UTI because of the challenges of reporting multiple reporting messages per trade when using an interim UTI and then the final UTI. Other regulators (ESMA, for example) have not taken such a stance on timeliness or accuracy and require a |

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| | | correct UTI to be generated on a timely basis. Each national competent authority is encouraged to assess on a case-by-case basis the relevance of one criteria or another. We would encourage a globally consistent approach on this question, and we also encourage the use of a digital medium for UTI exchange to address the timeliness issue. |
| | | **Question 9. MAS seeks comments on the proposed data fields, definitions and allowable values as set out in the draft revised First Schedule to the SF(RDC)R and the draft Guidelines. Where there are data fields that you consider should be excluded, please elaborate on the rationale.**<br><br>• We note that Field 33 'Swap Link ID' is a specific MAS field only used for FX swaps. We suggest that MAS should replace it with CDE field 2.89 'Package Identifier' to align with other major jurisdictions including CFTC (https://www.cftc.gov/media/4891/DMO_Part43_45TechnicalSpecification091720/download), ESMA (Exists in MIFIR and exists in current EMIR rules + https://www.esma.europa.eu/press-news/esma-news/esma-publishes-draft-technical-standards-under-emir-refit), proposed by ASIC (https://asic.gov.au/regulatory-resources/find-a-document/consultation-papers/cp-334-proposed-changes-to-simplify-the-asic-derivative-transaction-rules-reporting-first-consultation/) and extend that field to all asset classes.<br><br>• We suggest adding examples for further clarification on counterparties related fields identification in the case of allocated contracts executed by a fund manager on behalf of a fund. We would welcome further clarification on reporting when a fund manager executes on behalf of a parent fund that then allocates positions to child funds, when the manager is in another jurisdiction than the fund or when there are several intermediaries in the delegation / assisted reporting schema.<br><br>• On table 1, we would make the following comments:<br>o Table 1 - Fields 1, 2, 3 Counterparty related information: usage of a pre-LEI (temporary LEI while waiting for a counterparty to get its LEI registered or its status is renewed), we note BIC code and AVOX ID can be used in lieu of LEIs or pre-LEIs.<br>o Table 1 - Field 13 'Unique Product Identifier': we agree MAS will only use the UPI generated by the Derivatives Service Bureau Limited when it becomes available. Meanwhile, we agree to report using ISDA product taxonomy and product codes made available by licensed TRs.<br>o Table 1 – Field 15 (d) 'Underlying' for commodity underliers, we suggest aligning with ISO 20022 and international standards, see for example, ESMA reference data tables to avoid duplication of reporting values for cross-jurisdictional trades and for consistent data harmonization on reporting standards.<br>o Table 1 – Fields 16, 19 Spread related fields – We advise the ISO 20022 standards format for spread involve specifics such as 2.57 % is reported as 2.57 or 12.5 bp is reported as 12.5. To avoid potential risks of errors we advise to align with international standards in the ISO 20022 XML base schemas. In general, we draw the attention on ISO 20022 formats standards which may only be visible on the XML schema itself.<br>o Table 1 – Field 46 'Confirmed'– we would welcome examples on NCNF for unconfirmed scenarios. We would like MAS to clarify if firms are expected to report NCNF when the trade is unconfirmed at the time of the report and later the trade become confirmed. |

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| | | ○ Table 1 – Field 85 'Payment Frequency', advise to use the same value as CPMI IOSCO (EXPI = payment at term instead of TERM) |
| | | **Question 10. Are there other data fields that MAS should consider including? If so, please suggest these additional data fields along with the definition and the purpose of the suggested fields.**<br><br>As mentioned in Question 9, we suggest MAS include CDE field 2.89 Package Identifier, instead of its current proposal for Field 33 Swap Link ID. |
| | | **Question 11. MAS seeks views on –**<br>**(a) The proposal to require the use of *global UPI* in reporting the UPI field when the *global UPI* is implemented;**<br>**(b) The length of transition period that is appropriate for the transition to *global UPI*; and**<br>**(c) The proposed approach to continue requiring reporting of all UPI reference data elements until transition to global UPI.**<br><br>(a) We support the adoption of the UPI once the global UPI is implemented. Should there be any operational issues in applying the UPI, this should be discussed in international bodies such as ANNA DSB and ROC.<br><br>(b) We note that the FSB recommended the global Unique Product Identifier (UPI) be implemented no later than third quarter 2022 ("… the FSB recommends that jurisdictions undertake any actions relevant to their situation to implement the UPI Technical Guidance to take effect no later than three years from the publication of this report (i.e. no later than the third quarter 2022", https://www.fsb.org/wp-content/uploads/P091019.pdf) while MAS new rules are planned for a Q2 2023 go-live. Although this would be feasible in theory, there are doubts over the UPI availability and coverage for derivatives.<br><br>We note that this third quarter 2022 deadline for UPI is only a recommendation and would recommend that MAS to give the industry at least 12 months' notice to implement any new reporting changes related to UPI.<br><br>We also support APAC regulators having their UPI implementation dates as close to each other as possible.<br><br>(c) We support the proposed approach, provided that once the global UPI has been implemented, the reporting of UPI reference data elements is no longer required.<br><br>See also: ASIC CP 334 Para 170 "We envisage that the long-term position under the ASIC Rules would be that the ASIC Rules data element set would not duplicate information that is embedded in the UPI. We currently propose to make final ASIC Rules in Q3–Q4 of 2021 and we anticipate that the operationalisation of the UPI system will be significantly advanced by that time", https://asic.gov.au/regulatory-resources/find-a-document/consultation-papers/cp-334-proposed-changes-to-simplify-the-asic-derivative-transaction-rules-reporting-first-consultation/ |
| | | **Question 12. MAS seeks comments on the proposal to report the direction of the trade that the reporting entity is taking (instead of the identifiers of the counterparties for the respective directions of the trade).** |

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| | | We support harmonization and the use of industry best practices already in place to determine the direction of a trade. We suggest MAS follow the industry convention per product type to report the direction of a trade, for example, the following ISDA recommendations:<br>(1) FX forward: FX cash rule<br>(2) Swaps (1) buyer leg 1 = Fixed when Fixed vs. Float cf. IR Swap Fixed/float<br>(3) Swaps (2) buyer leg 1 = Float when Float vs. Float cf. IR Swap Basis<br>(4) Caps floors buyer is the party who holds the right to exercise the option; seller receives the premium<br>(5) Option buyer is the party who holds the right to exercise the option; seller receives the premium<br>(6) FRA is the buyer of the instrument<br>(7) Cross currency swaps: Buyer and Seller for determined by ordering the currencies alphabetically. The Buyer shall be the counterparty receiving the currency which appears first, and the Seller shall be the counterparty delivering the currency which appears first. The Leg Alignment best practice is based on the Buyer/Seller determination<br>(8) Fall back on exotics – Buyer = Party whose LEI is found first through tiebreaker logic |
| | | **Question 13. MAS seeks comments on –**<br>**(a) the proposal to not require the reporting of data fields relating to Collateral & Margin where the reporting entity is not a counterparty to the OTC derivatives contract, and not to extend the proposal to fund/REIT managers where the OTC derivatives contract is executed for the fund/REIT that a fund/REIT manager manages; and**<br>**(b) draft regulation 10AA of the SF(RDC)R to effect the proposal in (a).**<br>(a) We have no comments.<br>(b) We have no comments. |
| | | **Question 14. Are there other data fields that reporting entities, which are not a counterparty to the OTC derivatives contract, would face challenges in reporting? Please elaborate on these data fields and the challenges.**<br>We have observed in the industry that the information pertaining to trader location/nexus is very challenging for delegated counterparties to obtain and report as this is usually not captured and passed to the reporting agent. |
| | | **Question 15. MAS seeks comments on the proposal to:**<br>**(a) require the reporting of Custom Basket fields (50 to 53); and**<br>**(b) defer reporting of all Custom Basket fields until international standards on *global UPI* and the "Basket constituent unit of measure" values are both finalised.**<br>We note that Custom Basket related fields (50 to 53) are not required by any other regulator so there is a question over whether it is critical for MAS to require such fields. This would lead to specific implementation being required for MAS compared to other global reporting jurisdictions. We agree it would be advisable to defer the reporting of those fields until international standards are finalised. |
| | | **Question 16. MAS seeks comments on the pros and cons and the potential challenges that a reporting entity may face if MAS requires foreign exchange swaps to be reported as a single contract.**<br>• We acknowledge that there are operational challenges with trade capture linking Spot and Forward legs for FX swaps, most risk management systems currently decompose FX swaps as two separate legs. ESMA rules have recommended "Regardless whether the near leg is a spot |

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| | | or a forward, the FX swap should be reported as single report and be identified with the UPI or ISIN pertaining to that FX swap. It should be noted that the UPI technical guidance explicitly envisages FX swaps as a separate product, thus there is no reason why FX swap would need to be decomposed into FX forwards for the purpose of reporting."<br>• We suggest that MAS accepts both ways of reporting FX swaps: single contract (one UTI) and dual legs reporting (two UTIs). Parties should agree on how to report FX swaps and this should be discussed at the ROC global level.<br>• Some of the challenges we foresee if MAS requires foreign exchange swaps to be reported as a single contract would be for firms who have 2 separate legs in their risk management systems to have to update their reporting implementation to combine the 2 records into one. This would also increase the difficulty for reconciliation as one trade reported would be equal to 2 trades in their risk management systems.<br>• Alongside this proposal, we suggest the specific MAS field 'Swap link ID' be replaced by package ID to be aligned with the ROC Critical Data Elements. |
| | | **Question 17. MAS seeks comments on the proposed implementation timeline.**<br>• In line with our feedback on UPI implementation under Question 11b above, we strongly encourage a coordinated approach, particularly within the key APAC jurisdictions. We suggest MAS give at least 12 months from the time MAS implement its final rules and the final reporting implementation required date. We also request that MAS take into considerations if there are other jurisdictions reporting deadlines close to MAS deadline. |
| | | **Question 18. MAS seeks feedback on –**<br>**(a) The proposed approach of requiring re-reporting of existing contracts with maturity of at least one year as at the effective date of the revised First Schedule of the SF(RDC)R, and providing a 6-month transition period for these Reportable Existing Contracts to be re-reported; and**<br>**(b) Whether there are particular fields which a reporting entity may face significant challenges in reporting for Reportable Existing Contracts. If so, please elaborate on these data fields and the challenges.**<br><br>(a) We have no comments.<br>(b) We have no comments. |
| | | **Question 19. MAS seeks feedback on the potential adoption of the ISO 20022 XML message format for OTC derivatives reporting to the trade repository, and the amount of time that the industry will need to support the use of the standard.**<br>• We agree that MAS should consider the benefits of a transition to ISO 20022 message scheme. Since the CPMI IOSCO has recommended ISO 20022 and all critical data elements be included in the ISO 20022 data dictionary, this would reduce the mapping required by market participants and third parties during the reporting process. In light of previous experience for SFTR, we advise MAS to give 12 to 18 months between MAS finalising its reporting standards and the implementation date of ISO 20022 standard. Giving sufficient time for participants to consider all use cases and implications into the technical implementation is key.<br>• We advise MAS to coordinate the ISO 20022 message standard implementation with other regulators, especially APAC regulators. Dedicated working groups have been put in place by the ISO committee. |

| S/N | Respondent | Responses from respondent |
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| | | **Question 20. If MAS were to adopt the ISO 20022 XML message format for OTC derivatives reporting to the trade repository, would it be preferred that this is implemented:**<br>**(a) at the same time as the implementation of the revised First Schedule to the SF(RDC)R which is targeted for Q2 2023; or**<br>**(b) after the implementation of the revised First Schedule to the SF(RDC)R (i.e. two-phase implementation)?**<br>**Please provide reasons for your preference.**<br>• There should be 12 to 18 months between the availability of the ISO schema and the go-live date of a regime to allow sufficient time for testing especially when it comes to dual-sided reporting and when new standards are put in place such as UPI, UTI, CDE fields.<br>• IHS Markit is part of the ISO 20022 derivatives and securities working groups. As per the SFTR ISO schemas experience, sufficient lead time before regulation go-live should allow for testing with counterparties and taking care of all scenarios. Multiple ISO schemas releases would result in back and forth for IT build (for example, SFTR ISO schemas have changed 5 times since the first publication in December 2020. |
| 4 | Mizuho Bank, Ltd. | **Question 1. MAS seeks comments on the proposed requirement to report a UTI which is uniquely assigned to each OTC derivatives contract and to continue referencing the same UTI for the life of the contract.**<br><br>We do not have any comments. |
| | | **Question 2.**<br>**(a) What are the implementation and operational uncertainties or challenges that a reporting entity may face in determining the UTI-generator for cross-jurisdictional contracts <u>if</u> MAS:**<br>**(i) strictly follows the CPMI-IOSCO Waterfall; or**<br>**(ii) prioritises the determination of a cross-jurisdictional contract higher in the waterfall?**<br>**(b) On balance, which option in (a) is preferred?**<br>**(c) What are the possible ways to address such potential conflicts with the rules of other jurisdictions?**<br><br>(a) The Bank will face operational challenges in identifying the different jurisdiction reporting rules.<br>(b) We would prefer CPMI-IOSCO Waterfall option as it will be easier for implementation.<br>(c) We do not have any comments. |
| | | **Question 3. For a cross-jurisdictional OTC derivatives contract <u>where no jurisdiction has a sooner reporting deadline</u> –**<br>**(a) Is the hierarchy set out in paragraph 2.12 feasible?**<br>**(b) What are the specific implementation and operational uncertainties or challenges that a reporting entity may face in determining the UTI-generator for such OTC derivatives contracts?**<br>**(c) What are the possible ways to address such challenges?**<br>**(d) Do you support adopting an "agreed" list approach? If so, how should it be implemented?**<br><br>(a) We do not have any comments.<br>(b) The Bank is concerned with the challenges that we might face in getting the UTI from Trade Repository. We would like to seek clarification from the Authority on how the UTI will be notified |

| S/N | Respondent | Responses from respondent |
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| | | by the Trade Repository before submitting the trades for scenario whereby the Trade Repository will be the UTI-generator.<br>(c) We do not have any comments.<br>(d) We do not have any comments. |
| | | **Question 4.**<br>**(a) MAS seeks views on the proposal –**<br>**(i) for a CCP, clearing member or trading venue to be the UTI-generator for OTC derivatives contracts that are centrally-cleared or centrally-executed but not centrally-cleared, as the case may be; and**<br>**(ii) where the CCP, clearing member or trading venue is unable or unwilling to generate the UTI, for reporting entities to identify a UTI-generator by going to the next step *as if* no CCP, clearing member or trading venue is involved.**<br>**(b) What are the specific implementation and operational uncertainties or challenges that a reporting entity may face for the proposal in (a)?**<br>(a) We do not have any comments.<br>(b) Given that there are many clearing members, the Bank will face challenges in identifying them as currently we do not have the information readily available. |
| | | **Question 5.**<br>**(a) For domestic contracts which are:**<br>**(i) neither centrally-cleared nor centrally-executed; and**<br>**(ii) where only one counterparty is subject to reporting obligations, MAS seeks views on the proposal for the reporting entity to be the UTI-generator.**<br>**(b) What are the specific implementation and operational uncertainties or challenges that a reporting entity may face with this approach?**<br>(a) We do not have any comments.<br>(b) We do not have any comments. |
| | | **Question 6.**<br>**(a) For domestic contracts which are:**<br>**(i) neither centrally-cleared nor centrally-executed; and**<br>**(ii) where both counterparties are subject to reporting obligations, MAS seeks views on the hierarchy set out in paragraph 2.16.**<br>**(b) What are the specific implementation and operational uncertainties or challenges that a reporting entity may face with this approach?**<br>(a) We do not have any comments.<br>(b) Similar to the above, the Bank is concerned with the challenges that we might face in getting the UTI from Trade Repository. We would like to seek clarification from the Authority on how the UTI will be notified by the Trade Repository before submitting the trades for scenario whereby the Trade Repository will be the UTI-generator. |
| | | **Question 7. For OTC derivatives contracts where:**<br>**(i) no counterparty to the contract has reporting obligations in Singapore or elsewhere; and** |

| S/N | Respondent | Responses from respondent |
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| | | **(ii) a reporting entity executes or causes the contract to be executed as an agent of a party to the contract that is traded in or booked in Singapore, MAS seeks views on the proposal for the UTI-generator to be determined by replacing "counterparties" with "agents of parties to the contract" in sub-sections B and C.**<br><br>We do not have any comments. |
| | | **Question 8. MAS seeks views on the proposals to require reporting entities to make reasonable efforts to provide or obtain UTI in a timely manner, and for reporting entities to report an *interim-UTI* where it is unable to obtain the UTI despite having made reasonable efforts. What are the specific implementation or operational uncertainties or challenges that a reporting entity may face with this proposal?**<br><br>We would like to seek clarification from the Authority on what constitutes the "reasonable amount of efforts" the reporting entity should make to obtain the UTI from the UTI-generator or a counterparty to the contract. |
| | | **Question 9. MAS seeks comments on the proposed data fields, definitions and allowable values as set out in the draft revised First Schedule to the SF(RDC)R and the draft Guidelines. Where there are data fields that you consider should be excluded, please elaborate on the rationale.**<br><br>We do not have any comments. |
| | | **Question 10. Are there other data fields that MAS should consider including? If so, please suggest these additional data fields along with the definition and the purpose of the suggested fields.**<br><br>We do not have any comments. |
| | | **Question 11. MAS seeks views on –**<br>**(a) The proposal to require the use of *global UPI* in reporting the UPI field when the *global UPI* is implemented;**<br>**(b) The length of transition period that is appropriate for the transition to *global UPI*; and**<br>**(c) The proposed approach to continue requiring reporting of all UPI reference data elements until transition to global UPI.**<br><br>(a) We do not have any comments.<br>(b) We do not have any comments.<br>(c) We do not have any comments. |
| | | **Question 12. MAS seeks comments on the proposal to report the direction of the trade that the reporting entity is taking (instead of the identifiers of the counterparties for the respective directions of the trade).**<br><br>We do not have any comments. |
| | | **Question 13. MAS seeks comments on –**<br>**(a) the proposal to not require the reporting of data fields relating to Collateral & Margin where the reporting entity is not a counterparty to the OTC derivatives contract, and not to extend the proposal to fund/REIT managers where the OTC derivatives contract is executed for the fund/REIT that a fund/REIT manager manages; and** |

| S/N | Respondent | Responses from respondent |
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| | | **(b) draft regulation 10AA of the SF(RDC)R to effect the proposal in (a).**<br><br>(a) We do not have any comments.<br>(b) We do not have any comments. |
| | | **Question 14. Are there other data fields that reporting entities, which are not a counterparty to the OTC derivatives contract, would face challenges in reporting? Please elaborate on these data fields and the challenges.**<br><br>We have no comments. |
| | | **Question 15. MAS seeks comments on the proposal to:**<br>**(a) require the reporting of Custom Basket fields (50 to 53); and**<br>**(b) defer reporting of all Custom Basket fields until international standards on *global UPI* and the "Basket constituent unit of measure" values are both finalised.**<br><br>We have no comments. |
| | | **Question 16. MAS seeks comments on the pros and cons and the potential challenges that a reporting entity may face if MAS requires foreign exchange swaps to be reported as a single contract.**<br><br>The Bank foresees facing operational challenges in reporting as a single contract as currently, due to our system set up, we do not have the capability to report as single contract. |
| | | **Question 17. MAS seeks comments on the proposed implementation timeline.**<br><br>Given the proposed requirements, the timeline might be very challenging for system implementation and working on the grounds for preparation. We would like to request the Authority to consider providing reporting entities a longer implementation timeline. |
| | | **Question 18. MAS seeks feedback on –**<br>**(a) The proposed approach of requiring re-reporting of existing contracts with maturity of at least one year as at the effective date of the revised First Schedule of the SF(RDC)R, and providing a 6-month transition period for these Reportable Existing Contracts to be re-reported; and**<br>**(b) Whether there are particular fields which a reporting entity may face significant challenges in reporting for Reportable Existing Contracts. If so, please elaborate on these data fields and the challenges.**<br><br>(a) We would like to propose for a longer transition period as the 6-month transition period timeline will be challenging given that the Bank needs to program for such new data field fit to gather the contracts for re-reporting.<br>(b) We do not have any comments. |
| | | **Question 19. MAS seeks feedback on the potential adoption of the ISO 20022 XML message format for OTC derivatives reporting to the trade repository, and the amount of time that the industry will need to support the use of the standard.**<br><br>As the Bank is currently using the CSV format for reporting, we would like to seek clarification from the Authority on whether if there is any transitional period of using the current csv format before converting to xml format? |

| S/N | Respondent | Responses from respondent |
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| | | **Question 20. If MAS were to adopt the ISO 20022 XML message format for OTC derivatives reporting to the trade repository, would it be preferred that this is implemented:**<br>**(a) at the same time as the implementation of the revised First Schedule to the SF(RDC)R which is targeted for Q2 2023; or**<br>**(b) after the implementation of the revised First Schedule to the SF(RDC)R (i.e. two-phase implementation)?**<br>**Please provide reasons for your preference.**<br><br>We do not have any comments. |
| 5 | MUFG Bank, Ltd. | **Question 1. MAS seeks comments on the proposed requirement to report a UTI which is uniquely assigned to each OTC derivatives contract and to continue referencing the same UTI for the life of the contract.**<br><br>We agree with MAS' proposal and will endeavour to support the implementation of a globally consistent application of UTI. |
| | | **Question 2.**<br>**(a) What are the implementation and operational uncertainties or challenges that a reporting entity may face in determining the UTI-generator for cross-jurisdictional contracts <u>if</u> MAS:**<br>**(i) strictly follows the CPMI-IOSCO Waterfall; or**<br>**(ii) prioritises the determination of a cross-jurisdictional contract higher in the waterfall?**<br>**(b) On balance, which option in (a) is preferred?**<br>**(c) What are the possible ways to address such potential conflicts with the rules of other jurisdictions?**<br><br>(a) We have no comments.<br>(b) We have no comments.<br>(c) We are of the view that a harmonised global approach for determining the UTI-generator for cross-jurisdictional contracts may be more effective and efficient. Otherwise, conflicts and difficulties, particularly in cross-border transactions, may arise. Therefore, we would like to propose that major jurisdictions with OTC derivatives reporting regimes work together to develop and implement a global approach for determining the UTI-generator for cross-jurisdictional contracts. |
| | | **Question 3. For a cross-jurisdictional OTC derivatives contract <u>where no jurisdiction has a sooner reporting deadline</u> –**<br>**(a) Is the hierarchy set out in paragraph 2.12 feasible?**<br>**(b) What are the specific implementation and operational uncertainties or challenges that a reporting entity may face in determining the UTI-generator for such OTC derivatives contracts?**<br>**(c) What are the possible ways to address such challenges?**<br>**(d) Do you support adopting an "agreed" list approach? If so, how should it be implemented?**<br><br>(a) We are of the view that the CPMI-IOSCO Waterfall should be adopted globally, to avoid any fragmentation in trade reporting. To minimise operational uncertainty, sufficient time should also be allocated for global adoption and implementation. |

| S/N | Respondent | Responses from respondent |
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| | | (b) Please refer to our response for Question 3(a).<br><br>(c) Please refer to our response for Question 3(a).<br><br>(d) We understand that adopting an "agreed" list may add extra steps to the CPMI-IOSCO Waterfall. In this manner, an "agreed" list may complicate the CPMI-IOSCO Waterfall methodology and pose challenges to its implementation. |
| | | **Question 4.**<br>**(a) MAS seeks views on the proposal –**<br>**(i) for a CCP, clearing member or trading venue to be the UTI-generator for OTC derivatives contracts that are centrally-cleared or centrally-executed but not centrally-cleared, as the case may be; and**<br>**(ii) where the CCP, clearing member or trading venue is unable or unwilling to generate the UTI, for reporting entities to identify a UTI-generator by going to the next step *as if* no CCP, clearing member or trading venue is involved.**<br>**(b) What are the specific implementation and operational uncertainties or challenges that a reporting entity may face for the proposal in (a)?**<br><br>(a) We are of the view that the CPMI-IOSCO Waterfall should be adhered to, without any exception for CCPs, clearing members or trading venues. This is especially so, in view of IOSCO's efforts to harmonise the key reportable data elements, as well as the significant roles of CCPs, clearing members and trading venues in the industry.<br><br>(b) We have no comments. |
| | | **Question 5.**<br>**(a) For domestic contracts which are:**<br>**(i) neither centrally-cleared nor centrally-executed; and**<br>**(ii) where only one counterparty is subject to reporting obligations, MAS seeks views on the proposal for the reporting entity to be the UTI-generator.**<br>**(b) What are the specific implementation and operational uncertainties or challenges that a reporting entity may face with this approach?**<br><br>(a) We agree with MAS' proposal.<br><br>(b) We have no comments. |
| | | **Question 6.**<br>**(a) For domestic contracts which are:**<br>**(i) neither centrally-cleared nor centrally-executed; and**<br>**(ii) where both counterparties are subject to reporting obligations, MAS seeks views on the hierarchy set out in paragraph 2.16.**<br>**(b) What are the specific implementation and operational uncertainties or challenges that a reporting entity may face with this approach?**<br><br>(a) We are of the view that the CPMI IOSCO Waterfall should apply if both counterparties are subject to reporting obligations. To safeguard against potential operational challenges, counterparties can have an agreement on the UTI-generator.<br><br>(b) We have no comments. |
| | | **Question 7. For OTC derivatives contracts where:** |

| S/N | Respondent | Responses from respondent |
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| | | **(i) no counterparty to the contract has reporting obligations in Singapore or elsewhere; and**<br>**(ii) a reporting entity executes or causes the contract to be executed as an agent of a party to the contract that is traded in or booked in Singapore, MAS seeks views on the proposal for the UTI-generator to be determined by replacing "counterparties" with "agents of parties to the contract" in sub-sections B and C.**<br><br>We do not have any comments. |
| | | **Question 8. MAS seeks views on the proposals to require reporting entities to make reasonable efforts to provide or obtain UTI in a timely manner, and for reporting entities to report an *interim-UTI* where it is unable to obtain the UTI despite having made reasonable efforts. What are the specific implementation or operational uncertainties or challenges that a reporting entity may face with this proposal?**<br><br>We are of the view that if any reporting entity is unable to obtain a UTI within 2 business days of making reasonable efforts to obtain such UTI, such reporting party should be permitted to report an internal transaction code in the interim. Thereafter, the UTI should be reported no later than 2 business days after obtaining the UTI.<br><br>In respect of potential uncertainties and challenges that MAS' proposal may face, it may be difficult to determine when reporting entities may be deemed to have made reasonable efforts to obtain a UTI. |
| | | **Question 9. MAS seeks comments on the proposed data fields, definitions and allowable values as set out in the draft revised First Schedule to the SF(RDC)R and the draft Guidelines. Where there are data fields that you consider should be excluded, please elaborate on the rationale.**<br><br>We have no comments. |
| | | **Question 10. Are there other data fields that MAS should consider including? If so, please suggest these additional data fields along with the definition and the purpose of the suggested fields.**<br><br>We have no comments. |
| | | **Question 11. MAS seeks views on –**<br>**(a) The proposal to require the use of *global UPI* in reporting the UPI field when the *global UPI* is implemented;**<br>**(b) The length of transition period that is appropriate for the transition to *global UPI*; and**<br>**(c) The proposed approach to continue requiring reporting of all UPI reference data elements until transition to global UPI.**<br><br>(a) We agree with MAS' proposal.<br><br>(b) We are of the view that a harmonised transition timeline will likely contribute towards the success of the implementation of the global UPI. We would like to propose that the length of transition period be agreed amongst major jurisdictions with OTC derivatives reporting regimes.<br><br>(c) We agree that the reporting of UPI reference data should be discontinued once the implementation of global UPI is complete. |

| S/N | Respondent | Responses from respondent |
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| | | **Question 12. MAS seeks comments on the proposal to report the direction of the trade that the reporting entity is taking (instead of the identifiers of the counterparties for the respective directions of the trade).**<br><br>We have no comments. |
| | | **Question 13. MAS seeks comments on –**<br>**(a) the proposal to not require the reporting of data fields relating to Collateral & Margin where the reporting entity is not a counterparty to the OTC derivatives contract, and not to extend the proposal to fund/REIT managers where the OTC derivatives contract is executed for the fund/REIT that a fund/REIT manager manages; and**<br>**(b) draft regulation 10AA of the SF(RDC)R to effect the proposal in (a).**<br><br>(a) We have no comments.<br>(b) We have no comments. |
| | | **Question 14. Are there other data fields that reporting entities, which are not a counterparty to the OTC derivatives contract, would face challenges in reporting? Please elaborate on these data fields and the challenges.**<br><br>We have no comments. |
| | | **Question 15. MAS seeks comments on the proposal to:**<br>**(a) require the reporting of Custom Basket fields (50 to 53); and**<br>**(b) defer reporting of all Custom Basket fields until international standards on *global UPI* and the "Basket constituent unit of measure" values are both finalised.**<br><br>We have no comments. |
| | | **Question 16. MAS seeks comments on the pros and cons and the potential challenges that a reporting entity may face if MAS requires foreign exchange swaps to be reported as a single contract.**<br><br>Based on our understanding, the regulatory authorities in other major jurisdictions have not proposed to have foreign exchange swaps reported as a single contract.<br><br>We would like to request for MAS to consider aligning its foreign exchange swaps reporting requirements with those of other major jurisdictions with such reporting regimes, for more consistency. |
| | | **Question 17. MAS seeks comments on the proposed implementation timeline.**<br><br>We have no comments. |
| | | **Question 18. MAS seeks feedback on –**<br>**(a) The proposed approach of requiring re-reporting of existing contracts with maturity of at least one year as at the effective date of the revised First Schedule of the SF(RDC)R, and providing a 6-month transition period for these Reportable Existing Contracts to be re-reported; and**<br>**(b) Whether there are particular fields which a reporting entity may face significant challenges in reporting for Reportable Existing Contracts. If so, please elaborate on these data fields and the challenges.** |

| S/N | Respondent | Responses from respondent |
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| | | (a) We have no comments.<br>(b) We have no comments. |
| | | **Question 19. MAS seeks feedback on the potential adoption of the ISO 20022 XML message format for OTC derivatives reporting to the trade repository, and the amount of time that the industry will need to support the use of the standard.**<br>We have no comments. |
| | | **Question 20. If MAS were to adopt the ISO 20022 XML message format for OTC derivatives reporting to the trade repository, would it be preferred that this is implemented:**<br>**(a) at the same time as the implementation of the revised First Schedule to the SF(RDC)R which is targeted for Q2 2023; or**<br>**(b) after the implementation of the revised First Schedule to the SF(RDC)R (i.e. two-phase implementation)?**<br>**Please provide reasons for your preference.**<br>We have no comments. |
| 6 | Schroder Investment Management (Singapore) Limited | **Question 1. MAS seeks comments on the proposed requirement to report a UTI which is uniquely assigned to each OTC derivatives contract and to continue referencing the same UTI for the life of the contract.**<br>We are supportive of this. |
| | | **Question 2.**<br>**(a) What are the implementation and operational uncertainties or challenges that a reporting entity may face in determining the UTI-generator for cross-jurisdictional contracts <u>if</u> MAS:**<br>**(i) strictly follows the CPMI-IOSCO Waterfall; or**<br>**(ii) prioritises the determination of a cross-jurisdictional contract higher in the waterfall?**<br>**(b) On balance, which option in (a) is preferred?**<br>**(c) What are the possible ways to address such potential conflicts with the rules of other jurisdictions?**<br><br>(a) Our preference is to follow the CPMI-IOSCO Waterfall to ensure consistency with other jurisdictions and establish a common understanding on which party should be generating the UTI. Centralised platforms (CCPs, trading and confirmation platforms) should be at the top of the waterfall, followed by bilateral agreements between counterparties on who should generate the UTI. This will help to simplify the process, with the remainder of the waterfall logic acting as a tie breaker if there is no bilateral agreement in place.<br>The alternative approach that prioritises the determination of a cross-jurisdictional contract higher in the waterfall would impose a high operational burden for parties to track the reporting requirements of various jurisdictions/counterparties in order to assess which jurisdiction has an earlier reporting deadline.<br>(b) See response above.<br>(c) Per response above, it would be operationally burdensome if parties have to track the reporting requirements of various jurisdictions/counterparties. |
| | | **Question 3. For a cross-jurisdictional OTC derivatives contract <u>where no jurisdiction has a sooner reporting deadline</u> –** |

| S/N | Respondent | Responses from respondent |
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| | | **(a) Is the hierarchy set out in paragraph 2.12 feasible?**<br>**(b) What are the specific implementation and operational uncertainties or challenges that a reporting entity may face in determining the UTI-generator for such OTC derivatives contracts?**<br>**(c) What are the possible ways to address such challenges?**<br>**(d) Do you support adopting an "agreed" list approach? If so, how should it be implemented?**<br><br>(a) Please refer to our response to Question 2.<br>(b) Please refer to our response to Question 2.<br>(c) Please refer to our response to Question 2.<br>(d) Please refer to our response to Question 2. |
| | | **Question 4.**<br>**(a) MAS seeks views on the proposal –**<br>**(i) for a CCP, clearing member or trading venue to be the UTI-generator for OTC derivatives contracts that are centrally-cleared or centrally-executed but not centrally-cleared, as the case may be; and**<br>**(ii) where the CCP, clearing member or trading venue is unable or unwilling to generate the UTI, for reporting entities to identify a UTI-generator by going to the next step *as if* no CCP, clearing member or trading venue is involved.**<br>**(b) What are the specific implementation and operational uncertainties or challenges that a reporting entity may face for the proposal in (a)?**<br><br>(a) We have no comments on (i). On (ii), it may be difficult to define what is "unable or unwilling", and it may be helpful to reach a consistent approach globally on the next steps, if there are difficulties to get the CCP, clearing member or trading venue to generate the UTI.<br>(b) Please refer to comment above. |
| | | **Question 5.**<br>**(a) For domestic contracts which are:**<br>**(i) neither centrally-cleared nor centrally-executed; and**<br>**(ii) where only one counterparty is subject to reporting obligations, MAS seeks views on the proposal for the reporting entity to be the UTI-generator.**<br>**(b) What are the specific implementation and operational uncertainties or challenges that a reporting entity may face with this approach?**<br><br>(a) We are supportive of this proposal.<br>(b) We have no comments on this. |
| | | **Question 6.**<br>**(a) For domestic contracts which are:**<br>**(i) neither centrally-cleared nor centrally-executed; and**<br>**(ii) where both counterparties are subject to reporting obligations, MAS seeks views on the hierarchy set out in paragraph 2.16.**<br>**(b) What are the specific implementation and operational uncertainties or challenges that a reporting entity may face with this approach?** |

| S/N | Respondent | Responses from respondent |
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| | | (a) We are supportive of this proposal.<br><br>(b) We have no comments on this. |
| | | **Question 7. For OTC derivatives contracts where:**<br>**(i) no counterparty to the contract has reporting obligations in Singapore or elsewhere; and**<br>**(ii) a reporting entity executes or causes the contract to be executed as an agent of a party to the contract that is traded in or booked in Singapore, MAS seeks views on the proposal for the UTI-generator to be determined by replacing "counterparties" with "agents of parties to the contract" in sub-sections B and C.**<br><br>We are supportive of this proposal. |
| | | **Question 8. MAS seeks views on the proposals to require reporting entities to make reasonable efforts to provide or obtain UTI in a timely manner, and for reporting entities to report an *interim-UTI* where it is unable to obtain the UTI despite having made reasonable efforts. What are the specific implementation or operational uncertainties or challenges that a reporting entity may face with this proposal?**<br><br>We are supportive of this proposal. |
| | | **Question 9. MAS seeks comments on the proposed data fields, definitions and allowable values as set out in the draft revised First Schedule to the SF(RDC)R and the draft Guidelines. Where there are data fields that you consider should be excluded, please elaborate on the rationale.**<br><br>The proposed changes are extensive, and we are unable to provide comments in time for this consult. |
| | | **Question 10. Are there other data fields that MAS should consider including? If so, please suggest these additional data fields along with the definition and the purpose of the suggested fields.**<br><br>Please see our response to Question 9. |
| | | **Question 11. MAS seeks views on –**<br>**(a) The proposal to require the use of *global UPI* in reporting the UPI field when the *global UPI* is implemented;**<br>**(b) The length of transition period that is appropriate for the transition to *global UPI*; and**<br>**(c) The proposed approach to continue requiring reporting of all UPI reference data elements until transition to global UPI.**<br><br>(a) We are supportive of this proposal and would suggest that the implementation timeline be aligned with that of other jurisdictions.<br><br>(b) Please see comment to Question 11(a) above.<br><br>(c) Please see comment to Question 11(a) above. |
| | | **Question 12. MAS seeks comments on the proposal to report the direction of the trade that the reporting entity is taking (instead of the identifiers of the counterparties for the respective directions of the trade).**<br><br>We have no comments on this currently but would suggest that the logic for this should be aligned with other jurisdictions, so as to achieve consistency in reporting. This will remove the need for |

| S/N | Respondent | Responses from respondent |
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| | | bespoke logic and allow regulators to compare reporting across jurisdictions, a key motivator for UTI sharing and pairing. |
| | | **Question 13. MAS seeks comments on –**<br>**(a) the proposal to not require the reporting of data fields relating to Collateral & Margin where the reporting entity is not a counterparty to the OTC derivatives contract, and not to extend the proposal to fund/REIT managers where the OTC derivatives contract is executed for the fund/REIT that a fund/REIT manager manages; and**<br>**(b) draft regulation 10AA of the SF(RDC)R to effect the proposal in (a).**<br><br>(a) As a fund manager, we would like to clarify if this would apply not just to funds managed by us, but also to other portfolios managed on behalf of our segregated mandate clients (e.g. institutional mandate clients).<br><br>In addition, as a global fund manager, for certain funds/clients not managed by us but by our affiliates, we are operationally set up such that our affiliates have the flexibility to route certain trades to be executed in Singapore. These trades would need to be reported to the MAS. However, in view of the operational and technological complexity involved in reporting such trades, we would request to be exempt from having to report data fields relating to Collateral & Margin for these trades.<br><br>(b) Please see comment above. |
| | | **Question 14. Are there other data fields that reporting entities, which are not a counterparty to the OTC derivatives contract, would face challenges in reporting? Please elaborate on these data fields and the challenges.**<br><br>The proposed changes are extensive, and we are unable to provide comments in time for this consult. |
| | | **Question 15. MAS seeks comments on the proposal to:**<br>**(a) require the reporting of Custom Basket fields (50 to 53); and**<br>**(b) defer reporting of all Custom Basket fields until international standards on *global UPI* and the "Basket constituent unit of measure" values are both finalised.**<br><br>We have no comments on this currently. |
| | | **Question 16. MAS seeks comments on the pros and cons and the potential challenges that a reporting entity may face if MAS requires foreign exchange swaps to be reported as a single contract.**<br><br>We note that this proposal is a deviation from other jurisdictions (where FX Swaps are reported as two contracts) and would like to suggest that reporting of FX Swaps be aligned globally. |
| | | **Question 17. MAS seeks comments on the proposed implementation timeline.**<br><br>We would suggest that the proposed changes and implementation timeline be aligned globally so as to remove operational hurdles that may be in place (e.g. having to align to different reporting deadlines and maintain different reporting logic) if the proposed changes and timelines are not globally aligned. |
| | | **Question 18. MAS seeks feedback on –** |

| S/N | Respondent | Responses from respondent |
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| | | **(a) The proposed approach of requiring re-reporting of existing contracts with maturity of at least one year as at the effective date of the revised First Schedule of the SF(RDC)R, and providing a 6-month transition period for these Reportable Existing Contracts to be re-reported; and**<br>**(b) Whether there are particular fields which a reporting entity may face significant challenges in reporting for Reportable Existing Contracts. If so, please elaborate on these data fields and the challenges.**<br><br>(a) We have no comments on this currently.<br>(b) The proposed changes are extensive, and we are unable to provide comments in time for this consult. |
| | | **Question 19. MAS seeks feedback on the potential adoption of the ISO 20022 XML message format for OTC derivatives reporting to the trade repository, and the amount of time that the industry will need to support the use of the standard.**<br>We are supportive of this proposal and suggest that the timeline be aligned globally. |
| | | **Question 20. If MAS were to adopt the ISO 20022 XML message format for OTC derivatives reporting to the trade repository, would it be preferred that this is implemented:**<br>**(a) at the same time as the implementation of the revised First Schedule to the SF(RDC)R which is targeted for Q2 2023; or**<br>**(b) after the implementation of the revised First Schedule to the SF(RDC)R (i.e. two-phase implementation)?**<br>**Please provide reasons for your preference.**<br>As adopting ISO 20022 XML would be a significant change, it may be prudent to decouple this from the implementation of the revised SF(RDC)R requirements, to provide sufficient lead time. |
| 7 | Sumitomo Mitsui Banking Corporation | **Question 1. MAS seeks comments on the proposed requirement to report a UTI which is uniquely assigned to each OTC derivatives contract and to continue referencing the same UTI for the life of the contract.**<br><br>On an overall view, we agree with this approach. However, challenges may arise where during the life of trade, the trade is split into several trades and keeping the same UTI may be difficult. |
| | | **Question 2.**<br>**(a) What are the implementation and operational uncertainties or challenges that a reporting entity may face in determining the UTI-generator for cross-jurisdictional contracts if MAS:**<br>**(i) strictly follows the CPMI-IOSCO Waterfall; or**<br>**(ii) prioritises the determination of a cross-jurisdictional contract higher in the waterfall?**<br>**(b) On balance, which option in (a) is preferred?**<br>**(c) What are the possible ways to address such potential conflicts with the rules of other jurisdictions?**<br><br>(a) High complexity in the proposed models due to contracts being across different jurisdictions and there are many steps to follow. Global coordination and communication with the different jurisdictions is important.<br>A suggestion may be to set at the highest priority that Reporting Entity to obtain pre-agreement with the counterparty prior to moving to the remaining steps in the proposed models. In the |

| S/N | Respondent | Responses from respondent |
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| | | absence of the Reporting Entity being able to obtain the UTI, it would reduce operational burden that Reporting Entity applies an interim UTI and be given a longer period (e.g. weekly/monthly) to update the UTI once the UTI is obtained.<br>(b) See response to 2(a).<br>(c) See response to 2(a). |
| | | **Question 3. For a cross-jurisdictional OTC derivatives contract <u>where no jurisdiction has a sooner reporting deadline</u> –**<br>**(a) Is the hierarchy set out in paragraph 2.12 feasible?**<br>**(b) What are the specific implementation and operational uncertainties or challenges that a reporting entity may face in determining the UTI-generator for such OTC derivatives contracts?**<br>**(c) What are the possible ways to address such challenges?**<br>**(d) Do you support adopting an "agreed" list approach? If so, how should it be implemented?**<br><br>(a) We agree.<br>(b) See response to 2(a).<br>(c) See response to 2(a).<br>(d) Overall, we agree but please also see the response to 2(a). |
| | | **Question 4.**<br>**(a) MAS seeks views on the proposal –**<br>**(i) for a CCP, clearing member or trading venue to be the UTI-generator for OTC derivatives contracts that are centrally-cleared or centrally-executed but not centrally-cleared, as the case may be; and**<br>**(ii) where the CCP, clearing member or trading venue is unable or unwilling to generate the UTI, for reporting entities to identify a UTI-generator by going to the next step <u>*as if*</u> no CCP, clearing member or trading venue is involved.**<br>**(b) What are the specific implementation and operational uncertainties or challenges that a reporting entity may face for the proposal in (a)?**<br><br>(a) (i) Considering this proposal, we agree with the priority (i) Central Clearing Counterparty (CCP), (ii) clearing member but not to consider Trading Venue.<br>(ii) If CCP and/or clearing member is unable to generate the UTI, preference wise would be to obtain to use an agreed UTI between the Reporting Entity and Counterparty as the highest priority in the earlier proposed models (i.e. in Annex C and Annex D)<br>(b) If our response is adopted, we do not foresee major implementation and operational uncertainties and challenges. |
| | | **Question 5.**<br>**(a) For domestic contracts which are:**<br>**(i) neither centrally-cleared nor centrally-executed; and**<br>**(ii) where only <u>one</u> counterparty is subject to reporting obligations, MAS seeks views on the proposal for the reporting entity to be the UTI-generator.**<br>**(b) What are the specific implementation and operational uncertainties or challenges that a reporting entity may face with this approach?** |

| S/N | Respondent | Responses from respondent |
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| | | (a) We agree.<br>(b) If our response is adopted, we do not foresee major implementation and operational uncertainties. |
| | | **Question 6.**<br>**(a) For domestic contracts which are:**<br>**(i) neither centrally-cleared nor centrally-executed; and**<br>**(ii) where both counterparties are subject to reporting obligations, MAS seeks views on the hierarchy set out in paragraph 2.16.**<br>**(b) What are the specific implementation and operational uncertainties or challenges that a reporting entity may face with this approach?**<br><br>(a) We have no comments.<br>(b) If our response is adopted, we do not foresee major implementation and operational uncertainties. |
| | | **Question 7. For OTC derivatives contracts where:**<br>**(i) no counterparty to the contract has reporting obligations in Singapore or elsewhere; and**<br>**(ii) a reporting entity executes or causes the contract to be executed as an agent of a party to the contract that is traded in or booked in Singapore, MAS seeks views on the proposal for the UTI-generator to be determined by replacing "counterparties" with "agents of parties to the contract" in sub-sections B and C.**<br><br>We have no comments. |
| | | **Question 8. MAS seeks views on the proposals to require reporting entities to make reasonable efforts to provide or obtain UTI in a timely manner, and for reporting entities to report an *interim-UTI* where it is unable to obtain the UTI despite having made reasonable efforts. What are the specific implementation or operational uncertainties or challenges that a reporting entity may face with this proposal?**<br><br>We have no comments. |
| | | **Question 9. MAS seeks comments on the proposed data fields, definitions and allowable values as set out in the draft revised First Schedule to the SF(RDC)R and the draft Guidelines. Where there are data fields that you consider should be excluded, please elaborate on the rationale.**<br><br>We have no comments. |
| | | **Question 10. Are there other data fields that MAS should consider including? If so, please suggest these additional data fields along with the definition and the purpose of the suggested fields.**<br><br>We have no comments. |
| | | **Question 11. MAS seeks views on –**<br>**(a) The proposal to require the use of *global UPI* in reporting the UPI field when the *global UPI* is implemented;**<br>**(b) The length of transition period that is appropriate for the transition to *global UPI*; and**<br>**(c) The proposed approach to continue requiring reporting of all UPI reference data elements until transition to global UPI.** |

| S/N | Respondent | Responses from respondent |
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| | | (a) With a sufficient transition period and reasonable granularity on this requirement, we agree and do not foresee major challenges in this proposal.<br>(b) Transition period of at least 12 months is required to enable system enhancement including system design and testing until implementation.<br>(c) The current approach that is adopted will work. |
| | | **Question 12. MAS seeks comments on the proposal to report the direction of the trade that the reporting entity is taking (instead of the identifiers of the counterparties for the respective directions of the trade).**<br><br>Potential systems enhancement and/or incremental administrative /operational controls efforts to support the change should be considered. |
| | | **Question 13. MAS seeks comments on –**<br>**(a) the proposal to not require the reporting of data fields relating to Collateral & Margin where the reporting entity is not a counterparty to the OTC derivatives contract, and not to extend the proposal to fund/REIT managers where the OTC derivatives contract is executed for the fund/REIT that a fund/REIT manager manages; and**<br>**(b) draft regulation 10AA of the SF(RDC)R to effect the proposal in (a).**<br><br>(a) Since margin is exchanged on a portfolio basis and not for each trade, to report variation/initial margin for each trade is not workable.<br>(b) No comments. |
| | | **Question 14. Are there other data fields that reporting entities, which are not a counterparty to the OTC derivatives contract, would face challenges in reporting? Please elaborate on these data fields and the challenges.**<br><br>No comments. |
| | | **Question 15. MAS seeks comments on the proposal to:**<br>**(a) require the reporting of Custom Basket fields (50 to 53); and**<br>**(b) defer reporting of all Custom Basket fields until international standards on *global UPI* and the "Basket constituent unit of measure" values are both finalised.**<br><br>Our preference is for this to be deferred until international standards on global UPI and the "Basket constituent unit of measure" values are both finalised. |
| | | **Question 16. MAS seeks comments on the pros and cons and the potential challenges that a reporting entity may face if MAS requires foreign exchange swaps to be reported as a single contract.**<br><br>System enhancement cost, testing, capacity support need to be evaluated and should be kept to a minimum. |
| | | **Question 17. MAS seeks comments on the proposed implementation timeline.** |

| S/N | Respondent | Responses from respondent |
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| | | Please see comments in 2(a). Additionally, we note the plan from MAS intends to finalise the reportable data fields in the First Schedule to the SF(RDC)R and the UTI Guidelines by Q2 2022 and implement the revised requirements in Q2 2023 which is 12 months post issuance of this regulation. A longer period than 12 months for implementation would ease operational and implementation challenges. |
| | | **Question 18. MAS seeks feedback on –**<br>**(a) The proposed approach of requiring re-reporting of existing contracts with maturity of at least one year as at the effective date of the revised First Schedule of the SF(RDC)R, and providing a 6-month transition period for these Reportable Existing Contracts to be re-reported; and**<br>**(b) Whether there are particular fields which a reporting entity may face significant challenges in reporting for Reportable Existing Contracts. If so, please elaborate on these data fields and the challenges.**<br><br>(a) If there is a feedback mechanism from the depository that can inform the Reporting Entity on which are the trades which are not matched with its counterparties, this would be helpful. A longer time frame of 12 months for the transition period would ease operational and implementation challenges.<br>(b) No comments. |
| | | **Question 19. MAS seeks feedback on the potential adoption of the ISO 20022 XML message format for OTC derivatives reporting to the trade repository, and the amount of time that the industry will need to support the use of the standard.**<br>The time and effort involved in extensive system enhancement and testing are the key considerations. |
| | | **Question 20. If MAS were to adopt the ISO 20022 XML message format for OTC derivatives reporting to the trade repository, would it be preferred that this is implemented:**<br>**(a) at the same time as the implementation of the revised First Schedule to the SF(RDC)R which is targeted for Q2 2023; or**<br>**(b) after the implementation of the revised First Schedule to the SF(RDC)R (i.e. two-phase implementation)?**<br>**Please provide reasons for your preference.**<br>Preference is to segregate into two-phase implementation with different timeline. |
| 8 | The Society of Worldwide Interbank Financial Telecommunication ("**SWIFT**") | **Question 1. MAS seeks comments on the proposed requirement to report a UTI which is uniquely assigned to each OTC derivatives contract and to continue referencing the same UTI for the life of the contract.**<br><br>SWIFT supports the reporting of a UTI which is uniquely assigned to each OTC derivatives contract and to continue referencing the same UTI for the life of the contract.<br>CPMI-IOSCO sets out the technical guidance and the governance arrangements for the UTI and requested that UTI be adopted as an international standard. Based on this guidance from CPMI-IOSCO, ISO developed a new international standard: ISO 23897. The UTI standard has also been included in the data model of the ISO 20022 standard supporting the financial industry in the exchange of information between counterparties. |
| | | **Question 2.** |

| S/N | Respondent | Responses from respondent |
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| | | **(a) What are the implementation and operational uncertainties or challenges that a reporting entity may face in determining the UTI-generator for cross-jurisdictional contracts <u>if</u> MAS:**<br>**(i) strictly follows the CPMI-IOSCO Waterfall; or**<br>**(ii) prioritises the determination of a cross-jurisdictional contract higher in the waterfall?**<br>**(b) On balance, which option in (a) is preferred?**<br>**(c) What are the possible ways to address such potential conflicts with the rules of other jurisdictions?**<br><br>(a) Different jurisdictions may have different rules and practices leading to the generation of a UTI and when there is a lack of harmonisation between countries, there may be misalignment upon which of the party has responsibility to generate a UTI. The jurisdictional specific differences could pose a challenge to the implementation of each institution's UTI generation. The generation of a UTI should follow existing IOSCO, ESMA, and ISDA guidelines; this includes trading venues, matching platforms, counterparty agreement, and workflows with clearinghouses (CCPs).<br><br>UTI generation and communication should occur at the earliest possible point in the trade flow. Parties should communicate the UTI using the affirmation or matching platform, if electronic means are available in a jurisdiction relevant to the transaction and which requires a UTI for reporting purposes.<br><br>(b) No response.<br><br>(c) No response. |
| | | **Question 3. For a cross-jurisdictional OTC derivatives contract <u>where no jurisdiction has a sooner reporting deadline</u> –**<br>**(a) Is the hierarchy set out in paragraph 2.12 feasible?**<br>**(b) What are the specific implementation and operational uncertainties or challenges that a reporting entity may face in determining the UTI-generator for such OTC derivatives contracts?**<br>**(c) What are the possible ways to address such challenges?**<br>**(d) Do you support adopting an "agreed" list approach? If so, how should it be implemented?**<br><br>(a) No response.<br><br>(b) No response.<br><br>(c) No response.<br><br>(d) We expect that the CPMI-IOSCO recommendations for a global UTI will lead to further convergence of requirements for a transaction identifier in different jurisdictions. These recommendations will also lead to adoption of UTI by the industry practitioners in the different markets. |
| | | **Question 4.**<br>**(a) MAS seeks views on the proposal –**<br>**(i) for a CCP, clearing member or trading venue to be the UTI-generator for OTC derivatives contracts that are centrally-cleared or centrally-executed but not centrally-cleared, as the case may be; and** |

| S/N | Respondent | Responses from respondent |
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| | | **(ii) where the CCP, clearing member or trading venue is unable or unwilling to generate the UTI, for reporting entities to identify a UTI-generator by going to the next step *as if* no CCP, clearing member or trading venue is involved.**<br>**(b) What are the specific implementation and operational uncertainties or challenges that a reporting entity may face for the proposal in (a)?**<br><br>(a) SWIFT views this as a positive approach where: a) reporting entities have the responsibility to report the trade; and b) the principle of providing UTI in a timely manner.<br>(b) The challenges that a reporting entity may face for the proposal are:<br>(1) a reporting entity needs to have full visibility of which entity on the chain has the capability as well as willingness to generate the UTI.<br>(2) a reporting entity needs to understand the requirement of different jurisdictions and align with the entities on the chain to avoid duplication. |
| | | **Question 5.**<br>**(a) For domestic contracts which are:**<br>**(i) neither centrally-cleared nor centrally-executed; and**<br>**(ii) where only one counterparty is subject to reporting obligations, MAS seeks views on the proposal for the reporting entity to be the UTI-generator.**<br>**(b) What are the specific implementation and operational uncertainties or challenges that a reporting entity may face with this approach?**<br><br>(a) It is fair for the party with a reporting obligation to generate a UTI as it is likely that a party with no reporting obligation does not have the technical capabilities to generate and communicate a UTI.<br>(b) The implementation and operational uncertainties a reporting entity may face with this approach are:<br>(1) The system readiness of a reporting entity<br>(2) Bilateral agreement between the parties has to be made to avoid a risk of more than one UTI being generated for a particular transaction. In the absence of such a bilateral agreement, parties should follow the global standard |
| | | **Question 6.**<br>**(a) For domestic contracts which are:**<br>**(i) neither centrally-cleared nor centrally-executed; and**<br>**(ii) where both counterparties are subject to reporting obligations, MAS seeks views on the hierarchy set out in paragraph 2.16.**<br>**(b) What are the specific implementation and operational uncertainties or challenges that a reporting entity may face with this approach?**<br><br>(a) No response.<br>(b) The implementation and operational uncertainties a reporting entity may face with this approach are:<br>(1) System readiness – market infrastructures may not currently have the capability to implement the functionality needed to generate a UTI. |

| S/N | Respondent | Responses from respondent |
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| | | (2) Bilateral agreement between the parties has to be made to avoid a UTI duplication. |
| | | **Question 7. For OTC derivatives contracts where:**<br>**(i) no counterparty to the contract has reporting obligations in Singapore or elsewhere; and**<br>**(ii) a reporting entity executes or causes the contract to be executed as an agent of a party to the contract that is traded in or booked in Singapore, MAS seeks views on the proposal for the UTI-generator to be determined by replacing "counterparties" with "agents of parties to the contract" in sub-sections B and C.**<br><br>No response. |
| | | **Question 8. MAS seeks views on the proposals to require reporting entities to make reasonable efforts to provide or obtain UTI in a timely manner, and for reporting entities to report an *interim-UTI* where it is unable to obtain the UTI despite having made reasonable efforts. What are the specific implementation or operational uncertainties or challenges that a reporting entity may face with this proposal?**<br><br>No response. |
| | | **Question 9. MAS seeks comments on the proposed data fields, definitions and allowable values as set out in the draft revised First Schedule to the SF(RDC)R and the draft Guidelines. Where there are data fields that you consider should be excluded, please elaborate on the rationale.**<br><br>SWIFT supports the adoption of the CDE fields as this will lead to more harmonisation and standardisation of data requirements between the different jurisdictions implementing derivatives transaction reporting. This standardisation will be beneficial for the firms with reporting obligations as well as for the international regulatory community. |
| | | **Question 10. Are there other data fields that MAS should consider including? If so, please suggest these additional data fields along with the definition and the purpose of the suggested fields.**<br><br>No response. |
| | | **Question 11. MAS seeks views on –**<br>**(a) The proposal to require the use of *global UPI* in reporting the UPI field when the *global UPI* is implemented;**<br>**(b) The length of transition period that is appropriate for the transition to *global UPI*; and**<br>**(c) The proposed approach to continue requiring reporting of all UPI reference data elements until transition to global UPI.**<br><br>(a) As stated in our response to Question 1, CPMI-IOSCO sets out the technical guidance and the governance arrangements for the UPI and requested that UPI be adopted as an international standard. Based on this guidance from CPMI-IOSCO, ISO is developing a new international standard: ISO 4914.<br><br>The new standard is expected to be finalised and published by year-end 2021.<br><br>(b) No response.<br><br>(c) No response. |

| S/N | Respondent | Responses from respondent |
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| | | **Question 12. MAS seeks comments on the proposal to report the direction of the trade that the reporting entity is taking (instead of the identifiers of the counterparties for the respective directions of the trade).**<br><br>No response. |
| | | **Question 13. MAS seeks comments on –**<br>**(a) the proposal to not require the reporting of data fields relating to Collateral & Margin where the reporting entity is not a counterparty to the OTC derivatives contract, and not to extend the proposal to fund/REIT managers where the OTC derivatives contract is executed for the fund/REIT that a fund/REIT manager manages; and**<br>**(b) draft regulation 10AA of the SF(RDC)R to effect the proposal in (a).**<br><br>(a) No response.<br>(b) No response. |
| | | **Question 14. Are there other data fields that reporting entities, which are not a counterparty to the OTC derivatives contract, would face challenges in reporting? Please elaborate on these data fields and the challenges.**<br><br>No response. |
| | | **Question 15. MAS seeks comments on the proposal to:**<br>**(a) require the reporting of Custom Basket fields (50 to 53); and**<br>**(b) defer reporting of all Custom Basket fields until international standards on *global UPI* and the "Basket constituent unit of measure" values are both finalised.**<br><br>Please see our response to Question 19. |
| | | **Question 16. MAS seeks comments on the pros and cons and the potential challenges that a reporting entity may face if MAS requires foreign exchange swaps to be reported as a single contract.**<br><br>No response. |
| | | **Question 17. MAS seeks comments on the proposed implementation timeline.**<br><br>No response. |
| | | **Question 18. MAS seeks feedback on –**<br>**(a) The proposed approach of requiring re-reporting of existing contracts with maturity of at least one year as at the effective date of the revised First Schedule of the SF(RDC)R, and providing a 6-month transition period for these Reportable Existing Contracts to be re-reported; and**<br>**(b) Whether there are particular fields which a reporting entity may face significant challenges in reporting for Reportable Existing Contracts. If so, please elaborate on these data fields and the challenges.**<br><br>(a) No response.<br>(b) No response. |

| S/N | Respondent | Responses from respondent |
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| | | **Question 19. MAS seeks feedback on the potential adoption of the ISO 20022 XML message format for OTC derivatives reporting to the trade repository, and the amount of time that the industry will need to support the use of the standard.**<br><br>In line with the CPMI-IOSCO governance arrangements for critical derivatives data elements, this has been included in the ISO 20022 Business Model (Data Dictionary) and an updated ISO 20022 XML message has been developed, approved and published here: https://www.iso20022.org/message/21931/download<br><br>SWIFT supports the adoption of the ISO 20022 message by MAS in the First Schedule SF(RDC)R. This is consistent with the approach taken by supervisory authorities in other jurisdictions: ESMA in Europe with the EMIR Refit requirements and CFTC in the US with the Dodd-Frank rewrite. SWIFT is aware that authorities in other jurisdictions are also consulting on the implementation of the CPMI-IOSCO CDE and the adoption of ISO 20022 in that context.<br><br>A consistent approach and adoption of the same standard message by multiple authorities will greatly benefit them by enabling effective comparability of the reported data. The international firms subject to reporting in multiple jurisdictions will save costs, resources and time, in the implementation of the reporting requirements if the same standard message is adopted internationally. |
| | | **Question 20. If MAS were to adopt the ISO 20022 XML message format for OTC derivatives reporting to the trade repository, would it be preferred that this is implemented:**<br>**(a) at the same time as the implementation of the revised First Schedule to the SF(RDC)R which is targeted for Q2 2023; or**<br>**(b) after the implementation of the revised First Schedule to the SF(RDC)R (i.e. two-phase implementation)?**<br>**Please provide reasons for your preference.**<br><br>We recommend taking a phased approach, to provide sufficient time for entities to upgrade and ensure that their systems are able to operate in line with the revised first schedule of the SF(RDC)R before adopting the ISO 20022 XML message format. A phased approach would assist entities in having sufficient resources to implement the changes. |
| 9 | Alternative Investment Management Association ("**AIMA**") | **Question 1. MAS seeks comments on the proposed requirement to report a UTI which is uniquely assigned to each OTC derivatives contract and to continue referencing the same UTI for the life of the contract.**<br><br>AIMA is supportive of the proposed requirement to report a UTI which is uniquely assigned to each OTC derivatives contract and to continue referencing the same UTI for the life of the contract.<br><br>However, the success of this approach is also highly dependent on the harmonisation of approach in generating UTIs globally. This is particularly the case as the party responsible for UTI generation may not itself be in-scope for Singapore OTCD reporting.<br><br>Feedback from our members suggests that different trading counterparties may use different methodologies for generating UTIs, especially for equity swaps/contracts for differences. It appears, for example, that some banks generate a UTI based on a fund's overall trade position rather than each specific contract. In these circumstances, there could be multiple contracts all tagged to a single UTI generated by the UTI generator. |

| S/N | Respondent | Responses from respondent |
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| | | It would be helpful if MAS could issue guidelines clarifying whether a UTI should be generated on a per position or per contract basis and work with regulators in other jurisdictions to encourage all parties (whether or not subject to Singapore OTCD reporting) to adopt the same rules.<br><br>Our understanding is that in Singapore a UTI is required for every reportable derivatives contract and that the UTI is independent on the net position or exposure that a fund may have. Consequently, if a fund has entered into a derivatives contract that results in a long position and another derivatives contract which is a short position, and the net exposures of the two contracts is such that the fund has zero net exposure, a separate UTI is required for each of the two contracts.<br><br>Our members have noted, however, that in circumstances where only one of the contracts is a reportable derivatives contract (which may be the case, for example where the first contract is executed by a Singapore trader but the second contract is executed by a non-Singapore trader), the trade reporting would not indicate that the fund's long position under the first contract has been offset by its short position under the second contract. |
| | | **Question 2.**<br>**(a) What are the implementation and operational uncertainties or challenges that a reporting entity may face in determining the UTI-generator for cross-jurisdictional contracts <u>if</u> MAS:**<br>**(i) strictly follows the CPMI-IOSCO Waterfall; or**<br>**(ii) prioritises the determination of a cross-jurisdictional contract higher in the waterfall?**<br>**(b) On balance, which option in (a) is preferred?**<br>**(c) What are the possible ways to address such potential conflicts with the rules of other jurisdictions?**<br><br>(a) The waterfall rules on which party is to generate the UTI and when are quite complex. Could MAS provide different examples showing how UTIs should be generated for a fund manager in Singapore under both scenarios (i) and (ii) above, to provide more clarity?<br><br>(b) Some of our members have indicated that they would prefer the modified version of CPMI-IOSCO waterfall methodology proposed by MAS as this simplifies the assignment of responsibility of UTI generation to the counterparty with a sooner reporting deadline, in the case of cross-border transactions.<br><br>We would note, however, that, given that the party responsible for UTI generation may or may not be in-scope of Singapore OTCD reporting rules, the success of this approach will be dependent on the harmonisation of approach in generating UTI globally.<br><br>(c) We would encourage MAS to work with regulators in other jurisdictions to agree a common approach prior to implementing any change to the existing rules so that all reporting entities are clear on who has ultimate responsibility for UTI generation in respect of cross-border OTC derivative transactions. |
| | | **Question 3. For a cross-jurisdictional OTC derivatives contract <u>where no jurisdiction has a sooner reporting deadline</u> –**<br>**(a) Is the hierarchy set out in paragraph 2.12 feasible?**<br>**(b) What are the specific implementation and operational uncertainties or challenges that a reporting entity may face in determining the UTI-generator for such OTC derivatives contracts?**<br>**(c) What are the possible ways to address such challenges?** |

| S/N | Respondent | Responses from respondent |
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| | | **(d) Do you support adopting an "agreed" list approach? If so, how should it be implemented?**<br><br>(a) NA<br>(b) NA<br>(c) NA<br>(d) NA |
| | | **Question 4.**<br>**(a) MAS seeks views on the proposal –**<br>**(i) for a CCP, clearing member or trading venue to be the UTI-generator for OTC derivatives contracts that are centrally-cleared or centrally-executed but not centrally-cleared, as the case may be; and**<br>**(ii) where the CCP, clearing member or trading venue is unable or unwilling to generate the UTI, for reporting entities to identify a UTI-generator by going to the next step *as if* no CCP, clearing member or trading venue is involved.**<br>**(b) What are the specific implementation and operational uncertainties or challenges that a reporting entity may face for the proposal in (a)?**<br><br>(a) NA<br>(b) NA |
| | | **Question 5.**<br>**(a) For domestic contracts which are:**<br>**(i) neither centrally-cleared nor centrally-executed; and**<br>**(ii) where only one counterparty is subject to reporting obligations, MAS seeks views on the proposal for the reporting entity to be the UTI-generator.**<br>**(b) What are the specific implementation and operational uncertainties or challenges that a reporting entity may face with this approach?**<br><br>(a) NA<br>(b) NA |
| | | **Question 6.**<br>**(a) For domestic contracts which are:**<br>**(i) neither centrally-cleared nor centrally-executed; and**<br>**(ii) where both counterparties are subject to reporting obligations, MAS seeks views on the hierarchy set out in paragraph 2.16.**<br>**(b) What are the specific implementation and operational uncertainties or challenges that a reporting entity may face with this approach?**<br><br>(a) NA<br>(b) NA |
| | | **Question 7. For OTC derivatives contracts where:**<br>**(i) no counterparty to the contract has reporting obligations in Singapore or elsewhere; and**<br>**(ii) a reporting entity executes or causes the contract to be executed as an agent of a party to the contract that is traded in or booked in Singapore, MAS seeks views on the proposal** |

| S/N | Respondent | Responses from respondent |
|---|---|---|
| | | **for the UTI-generator to be determined by replacing "counterparties" with "agents of parties to the contract" in sub-sections B and C.**<br><br>NA |
| | | **Question 8. MAS seeks views on the proposals to require reporting entities to make reasonable efforts to provide or obtain UTI in a timely manner, and for reporting entities to report an *interim-UTI* where it is unable to obtain the UTI despite having made reasonable efforts. What are the specific implementation or operational uncertainties or challenges that a reporting entity may face with this proposal?**<br><br>The feedback from our members is that it would be very operationally intensive in practice to identify where an interim UTI needs to be generated and then replaced with the actual UTI when available. A reconciliation tool would be needed to in order to match the trades accurately to the UTI generated. The costs of developing such a tool may be prohibitive for some (particularly the smaller) buy-side firms, in which case manual manpower would be needed to reconcile such values.<br><br>A number of our members have expressed concern about the cost implications which they may have to face as a result of this and certain other proposals in the Consultation Paper. As a general observation, as additional costs incurred by funds in respect of OTCD reporting would be passed on to investors, this could also potentially have a knock-on effect on the attractiveness of the Singapore fund management industry generally to global investors. Singapore fund managers may therefore be at a disadvantage to fund managers in other key fund management jurisdictions where fund managers are not subject to similar reporting requirements (or, where there are also two-sided reporting requirements, sell-side entities are willing and able to report on a delegated basis on behalf of their buy-side clients). As a result, some of our members have asked if MAS would be willing explore the possibility of providing a grant to alleviate the implementation costs of the proposed changes to OTCD reporting.<br><br>As a practical matter, we also understand that if an interim UTI is replaced with a UTI, DTCC would not recognize this as the same trade and so firms would need to cancel and re-book the trade, which may cause additional operational issues. |
| | | **Question 9. MAS seeks comments on the proposed data fields, definitions and allowable values as set out in the draft revised First Schedule to the SF(RDC)R and the draft Guidelines. Where there are data fields that you consider should be excluded, please elaborate on the rationale.**<br><br>NA |
| | | **Question 10. Are there other data fields that MAS should consider including? If so, please suggest these additional data fields along with the definition and the purpose of the suggested fields.**<br><br>NA |
| | | **Question 11. MAS seeks views on –**<br>**(a) The proposal to require the use of *global UPI* in reporting the UPI field when the *global UPI* is implemented;**<br>**(b) The length of transition period that is appropriate for the transition to *global UPI*; and**<br>**(c) The proposed approach to continue requiring reporting of all UPI reference data elements until transition to global UPI.** |

| S/N | Respondent | Responses from respondent |
|---|---|---|
| | | (a) We support the adoption of global UPI in principle, once the global UPI is implemented.<br><br>Some of our members have expressed concern, however, that as the global UPI system is still in the process of being developed, the logistics of reporting global UPI remains an unknown factor at this stage and that this may be onerous from an operational and/or costs perspective.<br><br>In the meantime, we support the proposed approach to continue requiring reporting of all UPI reference data elements until transition to global UPI.<br><br>(b) See 11(a).<br><br>(c) See 11(a). |
| | | **Question 12. MAS seeks comments on the proposal to report the direction of the trade that the reporting entity is taking (instead of the identifiers of the counterparties for the respective directions of the trade).**<br><br>We are supportive of the proposal to report the direction of the trade that the reporting entity is taking (instead of the identifiers of the counterparties for the respective directions of the trade). |
| | | **Question 13. MAS seeks comments on –**<br>**(a) the proposal to not require the reporting of data fields relating to Collateral & Margin where the reporting entity is not a counterparty to the OTC derivatives contract, and not to extend the proposal to fund/REIT managers where the OTC derivatives contract is executed for the fund/REIT that a fund/REIT manager manages; and**<br>**(b) draft regulation 10AA of the SF(RDC)R to effect the proposal in (a).**<br><br>(a) NA<br><br>(b) NA |
| | | **Question 14. Are there other data fields that reporting entities, which are not a counterparty to the OTC derivatives contract, would face challenges in reporting? Please elaborate on these data fields and the challenges.**<br><br>NA |
| | | **Question 15. MAS seeks comments on the proposal to:**<br>**(a) require the reporting of Custom Basket fields (50 to 53); and**<br>**(b) defer reporting of all Custom Basket fields until international standards on *global UPI* and the "Basket constituent unit of measure" values are both finalised.**<br><br>NA |
| | | **Question 16. MAS seeks comments on the pros and cons and the potential challenges that a reporting entity may face if MAS requires foreign exchange swaps to be reported as a single contract.**<br><br>Some of our members have indicated that they would be in favour of the proposal for FX Swaps to be reported as a single contract. Other members have noted that this change would involve additional development work, time and costs and have noted that ideally reporting entities should have the flexibility on whether to report an FX Swap as a single contract or two separate contracts. |
| | | **Question 17. MAS seeks comments on the proposed implementation timeline.** |

| S/N | Respondent | Responses from respondent |
|---|---|---|
| | | NA |
| | | **Question 18. MAS seeks feedback on –**<br>**(a) The proposed approach of requiring re-reporting of existing contracts with maturity of at least one year as at the effective date of the revised First Schedule of the SF(RDC)R, and providing a 6-month transition period for these Reportable Existing Contracts to be re-reported; and**<br>**(b) Whether there are particular fields which a reporting entity may face significant challenges in reporting for Reportable Existing Contracts. If so, please elaborate on these data fields and the challenges.**<br><br>(a) NA<br>(b) NA |
| | | **Question 19. MAS seeks feedback on the potential adoption of the ISO 20022 XML message format for OTC derivatives reporting to the trade repository, and the amount of time that the industry will need to support the use of the standard.**<br>We support a standardised message format for trade reporting, if it is globally adopted. |
| | | **Question 20. If MAS were to adopt the ISO 20022 XML message format for OTC derivatives reporting to the trade repository, would it be preferred that this is implemented:**<br>**(a) at the same time as the implementation of the revised First Schedule to the SF(RDC)R which is targeted for Q2 2023; or**<br>**(b) after the implementation of the revised First Schedule to the SF(RDC)R (i.e. two-phase implementation)?**<br>**Please provide reasons for your preference.**<br><br>NA |