



## **ANNA-DSB**

### Questions & Answers

17 January 2017

## Governance and Commercial Q&As

### What is the purpose of the Derivatives Service Bureau?

The ANNA Derivatives Service Bureau (DSB) is a fully automated generator of International Securities Identification Numbers (ISINs) for OTC derivatives. The formation of the DSB and provision of ISINs to OTC derivatives now ensures coverage of all asset classes by the ISO standard ISO 6166.

The DSB is currently under development and is scheduled for implementation in late 2017. Detail on the implementation can be found in the DSB Technology and Operations consultation (<http://www.anna-web.org/anna-launches-industry-consultation-dsb-techops/>). The DSB has been designed to meet the particular requirements of the OTC derivatives markets.

For more information, please visit: <http://www.anna-web.org/derivatives-service-bureau/>

### Who owns the Derivatives Service Bureau?

ANNA is the majority owner to ensure that the DSB's numbering agency activities adhere to its ISO obligations and to regulatory best practice. Investors who support the creation of the DSB through equity financing will also be minority shareholders. An announcement detailing the ownership of the DSB will be made when the financing arrangements are finalised.

### How much will an ISIN cost?

Retrieving an ISIN through the website will be completely free. The fees for generating ISINs, whether through the web or systemically, have not yet been determined. There is a cost associated with providing that infrastructure and therefore, since the numbering agency is run on a cost-recovery basis, there will need to be an industry fee. The ANNA-DSB will consult the industry on the most appropriate fee model to be applied. This consultation will begin on 09 January 2017 and can be found at <http://www.anna-web.org/anna-opens-fee-model-consultation-dsb/>.

### What is the governance structure determining product definitions?

The ANNA-DSB governance includes a Product Committee that determines product definitions. Please refer to the DSB Product Committee Governance document ([http://www.anna-web.org/wp-content/uploads/2016/10/DSB\\_Product\\_Committee\\_Framework-25102016.pdf](http://www.anna-web.org/wp-content/uploads/2016/10/DSB_Product_Committee_Framework-25102016.pdf))

### Will the ANNA-DSB ISIN take into account the UPI work being performed by CPMI-IOSCO?

ANNA, with ISO TC 68/SC4, will determine how the ISO 6166 ISIN with the implementation of the DSB, ISO 10383 MIC, ISO 10962 CFI and ISO 18774 FISN could support the technical work and governance requirements of the CPMI-IOSCO Harmonisation Group.

### Who will own the OTC Derivatives ISINs and the associated reference data?

ISINs and the associated reference data will be available free of charge and without license restrictions. Currently, the ANNA-DSB has not identified specific data elements that carry an associated cost due to third-party licensing or proprietary charges. As the Product Committee continues its work on defining the ISIN product definitions and supporting data

requirements for the products in scope for MiFID II, any proposed use of third-party data attributes will be addressed with the industry.

How was the technology provider selected?

The Service Provision Provider (SPP) for all the technological infrastructure of the DSB is being selected via a formal RFP process being run by an independent consultant, BearingPoint. The selection of the SPP will be completed in January 2017.

Can the local National Numbering Agency issue ISINs for OTC Derivatives?

ANNA are setting up the Derivatives Service Bureau (DSB) to issue global, persistent and near real-time ISINs for OTC Derivatives. The local NNAs will not be issuing ISINs for these instruments. However, the ANNA-DSB is aware of potential areas of overlap (e.g. MAC Swaps) and these are in the process of being resolved through the Product Committee and through ANNA itself.

## Product Q&As

What is the purpose of DSB Product Committee?

The DSB Product Committee was established as part of the DSB, bringing together industry representatives to oversee and carry out product governance. Its objective is to ensure the creation, expansion and maintenance of data specifications of ISINs for OTC derivatives, including addressing emerging products in the OTC derivatives market.

For more information, please visit: <http://www.anna-web.org/dsb-product-committee/>

How is the Product Committee governed?

Please refer to the DSB Product Committee Governance Document: [http://www.anna-web.org/wp-content/uploads/2016/10/DSB\\_Product\\_Committee\\_Framework-25102016.pdf](http://www.anna-web.org/wp-content/uploads/2016/10/DSB_Product_Committee_Framework-25102016.pdf)

How were the members of the Product Committee selected?

The Committee consists of three representatives on each of the buy-side, sell-side and trading venues as well as regulator observers. The industry representatives were selected based on their subject matter expertise following an independent selection process administered by BearingPoint management consultants.

How often does the Product Committee meet?

The product committee meets on a fortnightly basis.

What will be the Product Committee's policy on external distribution?

The minutes from each committee meeting are published via the ANNA website. All external communications will be made according to Chatham House rules. The committee may also make available additional information they deem appropriate.

What is the DSB communication strategy to the industry for Consultation Papers?

Any Consultation will be made public through the following channels:

- Posted on the ANNA Website
- Press release
- Social Media outlets
- Secondary list of Product Committee applicants
- Industry Organisations

What is the process to define ISIN requirements?

The DSB will distribute a series of public consultations with all documentation, responses and final specifications overseen by the DSB Product Committee.

How many consultation papers will there be?

The consultation process is continuous. The first consultation paper focuses on the principles that all subsequent papers will follow regarding the attributes under consideration for each of the different products.

For more information, please refer to the DSB Consultation Paper – Phase 1. <http://www.anna-web.org/dsb-consultation-pc-phase-1/>

What data attributes will the ISIN have?

The ISIN attributes are set out in the Principles section 6 of the Consultation Paper – Phase 1. <http://www.anna-web.org/wp-content/uploads/2016/12/DSBPC-CP001-Consultation-Paper-Phase-1-FINAL.pdf>

What is the intended industry use of the ISIN?

The initial primary objective of the Product Committee is to meet the minimum regulatory requirement which is to produce an ISIN for each OTC derivative financial instrument that is traded on a trading venue (RM, MTF & OTF) or which is traded by a Systematic Internaliser and whose underlying is traded on a trading venue. Additional uses and industry relevance will be considered by the Product Committee in order to maximise the usefulness of the identifier for more general purposes, but not at the expense of achieving the primary objective above.

What products will be submitted for testing and in what order?

The intention is that all products in scope will be tested before go-live. The proposed product roadmap for testing is subject to consultation and is based on input received from trading venues as to what their most commonly traded products are.

Please refer to the Consultation paper for more information on the Use Case Groupings: <http://www.anna-web.org/dsb-consultation-pc-phase-1/>

How many different categories of OTC derivatives will be supported under MiFID II?

OTC instruments that are in scope as defined by CFI taxonomy (Swaps, Forwards & Non-listed options) and are traded on a trading venue or whose underlying is traded on a trading venue within the following asset classes: Rates, Credit, FX, Equities and Commodities.

Which attribute fields make each OTC Asset class category unique? Can the DSB provide samples?

Please refer to Annex 1 of the DSB PC Consultation Paper – Phase 1 which contains the current expected list of attributes and an example of one product per asset class: <http://www.anna-web.org/wp-content/uploads/2016/12/DSBPC-CP001-Annex-I-Master.pdf>

Can the DSB give an indication of the current and future expected OTC volume from an industry standpoint?

This is still to be determined by the DSB, however, it will be reliant upon the agreed final granularity of the ISIN.

## Technology & Operations Q&As

What attributes can we pass in order to get back instrument definitions?

The current attributes are per the JSON schema that is available in: <https://www.anna-dsb.com/demo/file-download/schema/> . Note that these are likely to change once the ANNA-DSB Product Committee ratify a new set of attributes.

When requesting a new ISIN, why are some field lengths restricted?

The Underlying Identifier must be 12 characters as it represents a reference ISIN. The Underlying Issuer is 20 characters as it represents an LEI.

When requesting a new ISIN, which attributes are required and which are optional?

The JSON templates in <https://www.anna-dsb.com/demo/file-download/schema/> specify which values are required, which are optional and what are the default values. However, please note that these are currently under consultation by the Product Committee (<http://www.anna-web.org/dsb-product-committee/> ).

Does the demo environment demonstrate the file download capabilities?

Yes. The file download section is available in: <https://www.anna-dsb.com/demo/file-download/> (Note: You need to have signed up to the DSB Demo to access the area - <https://www.anna-dsb.com/demo/register/> )

The credentials to access the file download section are the same as the demo website.

Why do some product types have 3 levels whereas others only have 1 or 2?

Not all the levels that were defined by the ISO Study Group 2 have been uploaded. The precise number of levels to implement for day 1 is not finalized and, as mentioned above, will be determined by the Product Committee.

If two ISIN requests are received at the same time, with equivalent attributes, how will the service handle this?

The service will return the same (identical) ISIN.

When will FIX connectivity be ready?

FIX connectivity to the ISIN engine is scheduled to be available by the end of Q1/2017. Preliminary developer testing will be available from 01 February 2017. More details of the implementation roadmap can be obtained from the Technology and Operations Consultation Paper (<http://www.anna-web.org/dsb-consultation-paper-techops/>).

What are the connection types that will be supported for FIX?

The current proposal is to provide either VPN or internet connectivity SSL encrypted for UAT. For the initial developer testing from February only SSL will be supported. More details of the connectivity options are discussed in the Technology and Operations Consultation Paper (<http://www.anna-web.org/dsb-consultation-paper-techops/>).

Where can I download the FIX connectivity specifications?

You can request the latest specifications by registering: <http://www.anna-web.org/anna-dsb-connectivity-specifications/> .